



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

AMSTERDAM ATLANTA CALGARY CHICAGO HOUSTON LONDON NEW YORK SINGAPORE WINNIPEG

Submission No. 19-11  
January 25, 2019

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: Recertification of Dormant Weekly Agricultural Options Contracts  
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 ("Act"), and Commission Regulation 40.6, ICE Futures U.S., Inc. ("IFUS" or "Exchange") hereby certifies that the 3 weekly agricultural options contracts set forth in the table below (collectively the "Contracts"), which have become dormant under Commission Regulation 40.1(b), continue to comply with the Commodity Exchange Act and the Commission's regulations thereunder and will remain listed by the Exchange.

Code	Contract
CTW	Cotton Weekly Options
KCW	Coffee Weekly Options
SBW	Sugar No. 11 Weekly Options

The Contracts are listed on IFUS pursuant to Rules 8.50 *et seq.* (Coffee Weekly Options), Rules 10.50 *et seq.* (Cotton Weekly Options) and Rules 11.20 *et seq.* (Sugar No. 11 Weekly Options) of the Exchange's Rules, attached hereto as Exhibit A. Please note that the terms and conditions of the Contracts are not being changed. Furthermore, the Contracts are cleared by ICE Clear U.S., a derivatives clearing organization which clears all Exchange contracts other than Energy contracts; and the Exchange's Market Regulation staff performs the compliance and market surveillance function for the Contracts.

The Exchange certifies that each Contract remains in compliance with the Commodity Exchange Act and the Commission's regulations thereunder. The Exchange is not aware of any substantive opposing views with respect to the continued listing of the Contracts. ICE Futures US further certifies that a copy of this submission was posted on the Exchange's website concurrent with its filing with the Commission, which can be found 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, sweeping initial "J".

Jason V. Fusco  
Assistant General Counsel  
Market Regulation

Enc.

## EXHIBIT A

### COFFEE OPTIONS

#### Rule 8.50. Option—Forms

(a) All Coffee Call Options shall be in the following form:  
COFFEE CALL OPTION

New York, N.Y. \_\_\_\_\_ 20\_\_

\_\_\_\_\_ (the Grantor) hereby grants to \_\_\_\_\_ (the Purchaser) an Option to enter into one (1) Coffee "C" Futures Contract on the ICE Futures U.S.<sup>®</sup>, Inc. to purchase coffee for delivery in \_\_\_\_\_ (the delivery month of the Option's Underlying Futures Contract) at a price of \_\_\_\_\_ cents per pound (the Strike Price).

The Purchaser hereby agrees to pay a Premium of \$\_\_\_\_\_ for this Option.

This Option is, and any Exchange Futures Contract resulting from its exercise shall be, made in view of, and in all respects subject to, the Rules of the Exchange and the Clearing Organization, and of any successor to either of them, as adopted or amended from time to time.

(b) All Coffee Put Options shall be in the following form:  
COFFEE PUT OPTION

New York, N.Y. \_\_\_\_\_ 20\_\_

\_\_\_\_\_ (the Grantor) hereby grants to \_\_\_\_\_ (the Purchaser) an Option to enter into one (1) Coffee "C" Futures Contract on the ICE Futures U.S.<sup>®</sup>, Inc. to sell coffee for delivery in \_\_\_\_\_ (the delivery month of the Option's Underlying Futures Contract) at a price of \_\_\_\_\_ cents per pound (the Strike Price).

The Purchaser hereby agrees to pay a Premium of \$\_\_\_\_\_ for this Option.

This Option is, and any Exchange Futures Contract resulting from its exercise shall be, made in view of, and in all respects subject to, the Rules of the Exchange and of the Clearing Organization, and of any successor to either of them, as adopted or amended from time to time.

(c) Coffee Options shall not be transferred, assigned or otherwise disposed of other than on the Exchange, subject to the Rules and to the Rules of the Clearing Organization.

#### Rule 8.51. Trading Months

##### (1) Monthly Options

(a) Except as the Board may from time to time prescribe otherwise, Coffee Options shall be traded with respect to Option Months determined in accordance with the following:

(i) Trading shall be conducted in an Option traded on the March futures which shall expire the preceding February, an Option traded on the May futures which shall expire the preceding April, an Option traded on the July futures which shall expire the preceding June, an Option traded on the September futures which shall expire the preceding August, and an Option traded on the December futures which shall expire the preceding November, hereinafter referred to as the "Regular Option Months"; and

(ii) Trading shall also be conducted in an Option traded on the March futures which shall expire in December, an Option traded on the March futures which shall expire in January, an Option traded on the May Futures which shall expire in March, an Option traded on the July futures

which shall expire in May, an Option traded on the September futures which shall expire in July, an Option traded on the December futures which shall expire in September, and an Option traded on the December futures which shall expire in October, hereinafter referred to as the "Serial Option Months".

(b) If trading has commenced in the Underlying Futures Contract, a new Option shall be listed for trading as follows:

(i) a new Regular Option Month shall be listed for trading on the first (1<sup>st</sup>) trading day following the first (1<sup>st</sup>) trading day for the Underlying Futures Contract month; and

(ii) a new Serial Option Month shall be listed for trading on the first (1<sup>st</sup>) trading day of the third (3<sup>rd</sup>) calendar month preceding the Serial Option Month.

## **(2) Weekly Options**

(a) Except as the Board may from time to time prescribe otherwise, up to three Weekly Coffee Options contracts shall be listed for trading at any time: a Weekly Option expiring in the first week of the calendar month, a Weekly Option expiring in the second week of the calendar month, a Weekly Option expiring in the third week of the calendar month, a Weekly option expiring in the fourth week of the calendar month, and a Weekly Option expiring in the fifth week of the calendar month. The Underlying Future Contract for each Weekly Coffee Option Contract shall be the same as the Underlying Future Contract of the first Regular or Serial Option Month that has not yet reached its Last Trading Day as of the Last Trading Day of the Weekly Option.

(b) A new Weekly Option contract shall be listed for trading on the first trading day following the Last Trading Day of an expiring Weekly Option contract.

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶¶ (1) and (2)(a) and (b)].**

## **Rule 8.52. Last Trading Day**

The Last Trading Day shall be, for any Regular or Serial Option Month, the second (2<sup>nd</sup>) Friday of the calendar month preceding such Regular or Serial Option Month; provided, however, that:

(a) for each expiration, there will be a minimum of four (4) trading days between the Last Trading Day of the expiring Option and the first (1<sup>st</sup>) notice day of the expiring future; and

(b) in the event that

(i) the Exchange is closed on any such Friday then:

(1) if the determination that the Exchange would be closed was made more than one (1) week prior thereto, the term "Last Trading Day" shall mean the trading day preceding such Friday; and

(2) if such determination was made at any other time, the term "Last Trading Day" shall mean the first (1<sup>st</sup>) trading day after such Friday; and/or

(ii) there is less than four (4) trading days between any such Friday and the first (1<sup>st</sup>) notice day of the expiring future, the term "Last Trading Day" shall mean the fifth (5<sup>th</sup>) Business Day preceding the first (1<sup>st</sup>) notice day of the expiring future.

(c) The Last Trading Day for any Weekly Option contract shall be the Friday of the week in which the Weekly Option is scheduled to expire. If such Friday is not an Exchange Business Day, then the Last Trading Day shall be the first preceding Business Day. In the event that the Last Trading Day for a Weekly Option is also the Last Trading Day for a Regular or Serial Option Month, then that Weekly Option contract shall not be listed for trading.

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶ (c)].**

### **Rule 8.53. Strike Prices**

(a) Trading shall only be conducted in Regular or Serial or Weekly Coffee Options having Strike Prices determined in accordance with this Rule.

(b) The Strike Prices of Options shall be at levels (the "prescribed levels") set at intervals (the "prescribed intervals") of \$.025.

(c) Except as the Board or the President may from time to time prescribe otherwise, Coffee Options shall be listed for trading with particular Strike Prices for each Option Month as follows:

(i) At the time Coffee Options for any Regular Option Month are first (1<sup>st</sup>) listed for trading pursuant to Rule 8.51, they shall be listed with thirteen (13) Strike Prices each for Puts and Calls at the prescribed \$.025 level.

(ii) Any listing of Strike Prices prescribed by the Board or the President or the President's designee under this Rule shall be made effective upon adoption or as otherwise determined by the Board or the President.

(d) An Option shall be delisted if for ten (10) consecutive trading days no Transaction is executed and there is no open position in such Option; provided, however, that no Option shall be so delisted if it has a Strike Price which is at the first (1<sup>st</sup>) \$.05 or \$.10 prescribed level above the Settlement Price of the Underlying Futures Contract on the previous trading day, or is at either of the six (6) prescribed \$.05 or \$.10 levels above or below such level, or any of the intervening \$.025 Strike Prices set forth in paragraph (b); and provided further that no Option shall be so delisted if there is an Option in another class with the same Strike Price that does not otherwise qualify for delisting; and provided further that, in the case of Serial Options and the next Regular Option Month with an expiration subsequent to the expiration of the Serial Option(s), no Option shall be so delisted unless it can be delisted for any Serial Option Month and such next Regular Option.

**Amended by the Board on March 26, 2008; effective March 28, 2008 [¶¶ (b), (c)(i) and (ii)].**

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶ (a)].**

### **Rule 8.54. Premium Quotations**

Premiums shall be quoted in cents per pound. The minimum fluctuation in Premiums shall be \$.0001 per pound, except that Trades may occur at a price of \$1.00 per Option Contract if such Trades result in the liquidation of Positions for both parties to the Trade.

### **Rule 8.55. Obligations of Option Purchasers**

(a) The Purchaser which purchases a Coffee Option on the Floor of the Exchange shall cause such Option to be submitted by a Clearing Member to the Clearing Organization for clearance in accordance with the Rules of the Clearing Organization.

(b) The Purchaser which clears a Coffee Option shall pay in full the Premium to the Clearing Organization in accordance with the Rules of the Clearing Organization.

(c) The Purchaser of a Coffee Option shall, upon exercising such Option in accordance with the Rules, enter into an Underlying Futures Contract to buy (in the case of a Call) or to sell (in the case of a Put) coffee for delivery in the Regular or Serial Option Month's Underlying Futures Contract, 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 Coffee Option.

#### **Rule 8.56. Obligations of Option Grantors**

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

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

(c) The Grantor of a Coffee Option shall, upon being assigned an Exercise Notice in accordance with the Rules of the Clearing Organization, enter into an Underlying Futures Contract to sell (in the case of a Call) or to buy (in the case of a Put) coffee for delivery in the Regular or Serial Option Month's Underlying Futures Contract, 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 Coffee Option.

#### **Rule 8.57. Effect of Clearance**

Upon acceptance of a Coffee Option by the Clearing Organization, the Clearing Organization shall be substituted as, and assume the position of, the Purchaser to the Clearing Member which is the Grantor and the position of the Grantor to the Clearing Member which is the Purchaser; and thereupon the Clearing Organization shall have all the rights and obligations with respect to such Option as the parties for which it is substituted.

#### **Rule 8.58. Expiration and Exercise of Options**

(a) The Purchaser must receive from its Customer which intends to exercise a Coffee Option on the Last Trading Day, notification of such intention not later than 4:00 PM on such day. In order for a Purchaser to exercise a Coffee Option for its own account on the Last Trading Day it must have done so or have made a determination to do so not later than 4:00 PM on such day. The Purchaser must make and maintain a record of all notices received and all determinations made pursuant to this Rule, and such record must show by time stamp or otherwise the date and time of receipt or making.

(b) The Purchaser of a Coffee Option may exercise such Option on any Business Day by giving an Exercise Notice, in the form prescribed by the Clearing Organization, to the Clearing Organization not later than 5:00 p.m. Such Notice shall be effective upon the opening of Coffee "C" futures trading on the Business Day following the day of receipt by the Clearing Organization. An Exercise Notice with respect to a Coffee Option purchased on the day such Notice is given shall not be effective unless such Option has been accepted by the Clearing Organization. An Exercise Notice which is given with respect to an Option which is not accepted by the Clearing Organization shall be deemed withdrawn by the Purchaser.

(c) If an Exercise Notice is given, the Purchaser shall deposit Original Margin for the Underlying Futures Contract with the Clearing Organization at such time as may be required by the Clearing Organization.

(d) Upon exercise of each Coffee Option, notification thereof shall be given to the Option Grantor.

#### **Rule 8.59. Automatic Exercise Levels for Coffee Options**

After the close on the Last Trading Day in the Coffee Options Contract, the Clearing Organization will automatically exercise any open long Option that has a Strike Price below (in the case of a Call Option) or above (in the case of a Put Option) the Settlement Price of the Underlying Futures Contract on that day by an amount which equals or exceeds the minimum price increment

permitted under the Rules for the Underlying Futures Contract, unless, before 5:00 p.m. on the Last Trading Day, the Clearing Member carrying such Option gives the Clearing Organization written instructions that any such Option is to expire unexercised.

## COTTON NO. 2 OPTIONS

### Rule 10.50. Unit of Trading

The unit of trading shall be the Option to buy, in the case of a Call, or the Option to sell, in the case of a Put, one (1) Cotton No. 2 Futures Contract.

### Rule 10.51. Trading Months

#### (1) Monthly Options:

Trading in Cotton No. 2 Options shall be conducted in contract months as shown below:

An Option based on the March future that will expire in the previous December;

An Option based on the March future that will expire in the previous February;

An Option based on the May future that will expire in the previous April;

An Option based on the July future that will expire in the previous June;

An Option based on the October future that will expire in the previous September;

An Option based on the December future that will expire in the previous August;

An Option based on the December future that will expire in the previous October;

An Option based on the December future that will expire in the previous November.

A new Option Contract month shall be listed for trading on the Business Day following the first (1<sup>st</sup>) trading day of the Underlying Futures Contract.

#### 2) Weekly Options:

(a) Except as the Board may from time to time prescribe otherwise, up to three Weekly Cotton Options contracts shall be listed for trading at any time: a Weekly Option expiring in the first week of the calendar month, a Weekly Option expiring in the second week of the calendar month, a Weekly Option expiring in the third week of the calendar month, a Weekly option expiring in the fourth week of the calendar month, and a Weekly Option expiring in the fifth week of the calendar month. The Underlying Future Contract for each Weekly Cotton Options Contract shall be the same as the Underlying Future Contract of the first Monthly Option Contract that has not yet reached its Last Trading Day as of the Last Trading Day of the Weekly Option, with the proviso that the October futures contract is not eligible to be the Underlying Future Contract for a Weekly Option..

(b) A new Weekly Option contract shall be listed for trading on the first trading day following the Last Trading Day of an expiring Weekly Option contract.

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶¶ (1) and (2)(a) and (b)].**

### Rule 10.52. Premium Quotations

Premiums shall be quoted in cents and hundredths of a cent per pound. The minimum fluctuation in Premiums shall be \$0.0001 per pound, provided, however, that an Option Trade may be executed at a price of one ten-thousandth of a cent per pound (5¢ per contract) if the Trade will result in the liquidation of Positions for both parties to the Trade ("cabinet trades").

### Rule 10.53. Price Fluctuation Limitations

(a) Transactions in Cotton No. 2 Options shall not be subject to price fluctuation limitations.



(b) For the purposes of this Rule, the term “Lead Month” shall mean the futures contract month carrying the most open interest; provided, however, that if the regular option contract on such futures contract month has expired then such futures contract month is not eligible to be the Lead Month.

(c) If, during the trading day, the Lead Month is at limit bid or limit offer and the Exchange determines that the Monthly Options contract for which the Lead Month is the Underlying Futures Contract is trading at a synthetic price that is equal to two (2) times the daily price limit currently in effect for the Lead Month, trading in all Options contracts shall be halted for the remainder of the trading day.

(d) The decision by the Exchange that the Options contract is trading at a synthetic price that is equal to two (2) times the daily price limit currently in effect for the Lead Month shall be final.

(e) All Options trades executed prior to the Exchange halting Options trading for the day shall be valid trades.

(f) Notwithstanding the above provisions, on the Last Trading Day of an expiring Options contract, trading in the expiring Options contract will not be halted under this Rule but shall continue until the time specified in Exchange Rule 4.25(d).

**Amended by the Board May 20, 2010; effective September 7, 2010 [¶¶ (a) through (e)].**

**Amended by the Board March 29, 2011; effective May 2, 2011 [¶¶ (c) through (g)].**

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶ (c)].**

**Amended by the Board February 27, 2014; effective March 7, 2014 [¶¶ (c) through (f)].**

#### **Rule 10.54. Last Trading Day**

(a) For all Monthly Options contracts, other than the December Options contract which shall expire in the previous August and for which the Last Trading Day shall be the third Friday of the previous August, the December Options contract which shall expire in the previous October and for which the Last Trading day shall be the third Friday of the previous October, and the March Options contract which shall expire in the previous December and for which the Last Trading Day shall be the third Friday of the previous December, the Last Trading Day shall be the last Friday which precedes the First Notice Day for the Underlying Futures Contract by at least five (5) Business Days; provided, however, that in the event the Exchange is closed on any such Friday:

(i) because such Friday is a designated Exchange Holiday which has been so designated for more than one (1) week prior thereto, the Last Trading Day shall be the trading day preceding such Friday; and

(ii) for any other reason, the Last Trading Day shall mean the first (1<sup>st</sup>) trading day after such Friday.

(b) The Last Trading Day for any Weekly Option contract shall be the Friday of the week in which the Weekly Option is scheduled to expire. If such Friday is not an Exchange Business Day, then the Last Trading Day shall be the first preceding Business Day. In the event that the Last Trading Day for a Weekly Option is also the Last Trading Day for a Monthly Option, then that Weekly Option contract shall not be listed for trading.

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶¶ (a) and (b)].**

#### **Rule 10.55. Obligations of Option Purchasers**

(a) The Purchaser which purchases a Cotton No. 2 Option on the Floor of the Exchange shall cause such Option to be submitted by a Clearing Member to the Clearing Organization for clearance in accordance with the Rules of the Clearing Organization.

(b) The Purchaser which clears a Cotton No. 2 Option shall pay in full the Premium to the Clearing Organization in accordance with the Rules of the Clearing Organization.

(c) The Purchaser of a Cotton No. 2 Option shall, upon exercising such Option in accordance with the Rules, enter into an Underlying Futures Contract to buy (in the case of a Call) or to sell (in the case of a Put) cotton for delivery in the regular or serial Option Month's Underlying Futures Contract, 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 Cotton No. 2 Option.

#### **Rule 10.56. Obligations of Option Grantors**

(a) The Grantor which grants a Cotton No. 2 Option on the Floor of the Exchange shall cause such Option to be submitted by a Clearing Member to the Clearing Organization for clearance in accordance with the Rules of the Clearing Organization.

(b) The Grantor which clears a Cotton No. 2 Option shall make such Margin deposits as the Clearing Organization may require.

(c) The Grantor of a Cotton No. 2 Option shall, upon being assigned an Exercise Notice in accordance with the Rules of the Clearing Organization, enter into an Underlying Futures Contract to sell (in the case of a Call) or to buy (in the case of a Put) Cotton for delivery in the regular or serial Option Month's Underlying Futures Contract, 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 Cotton No. 2 Option.

#### **Rule 10.57. Effect of Clearance**

Upon acceptance of a Cotton No. 2 Option by the Clearing Organization, the Clearing Organization shall be substituted as, and assume the position of, the Purchaser to the Clearing Member which is the Grantor and the position of the Grantor to the Clearing Member which is the Purchaser; and thereupon the Clearing Organization shall have all the rights and obligations with respect to such Option as the parties for which it is substituted.

#### **Rule 10.58. Expiration of Cotton Options**

A Cotton No. 2 Option shall expire at 5:00 p.m. on the Last Trading Day; provided, however, that any such Option which is one (1) point in-the-money and remains unexercised after that time shall be automatically exercised by the Clearing Organization, unless, before 5:00 p.m. on the Last Trading Day, the Clearing Member gives the Clearing Organization written instructions that any such Option is to expire unexercised.

#### **Rule 10.59. Strike Prices**

(a) Options on Cotton No. 2 Futures Contracts shall trade with Strike Prices in one cent (.01¢) per pound intervals.

(b) At the time Monthly Options for any month are first (1<sup>st</sup>) listed for trading, they shall be listed at the following eleven (11) Strike Prices:

(1) the previous day's Settlement Price for Cotton No. 2 Futures Contracts in the corresponding delivery month rounded off to the nearest one cent (.01¢) per pound interval; for purposes of this Rule, prices from \_\_.51 on up shall be the next highest one cent (.01¢) interval and prices from \_\_.50 on down shall be the next lowest one cent (.01¢) interval; this one cent (.01¢) interval is the at-the-money Strike Price;

(2) the five (5) Strike Prices which are higher than the at-the-money Strike Price; and

(3) the five (5) Strike Prices which are lower than the at-the-money Strike Price.

(c) Thereafter, on any Business Day, whenever the Strike Prices of the Options listed for any Option Month do not include the five (5) consecutive intervals above and below the at-the-money Strike Price, as well as the at-the-money Strike Price itself, one (1) or more new Options for such Option Month shall be listed for trading on the following trading day so that the class of Options shall include Strike Prices at-the-money and Strike Prices set at the five (5) consecutive intervals next above and next below the at-the-money Strike Price. Any Strike Price provided for in this paragraph (c) may be referred to from time to time as a "Required Strike Price".

(d) A Cotton No. 2 Option having a particular Strike Price may be delisted if, for ten (10) consecutive trading days or more, no Transaction is executed and there is then no open Position in such Option; provided, however, that no Option shall be so delisted to the extent that it has a Strike Price which is then a Required Strike Price.

(e) Any Option which has been so delisted shall thereafter be relisted at any time to the extent any such Option would have a Strike Price at a then Required Strike Price.

(f) In addition to the Strike Prices authorized above, the President may direct that additional Strike Prices be added. Such directed Strike Prices ("DSPs") may be added provided that they may be only listed in whole one cent (.01¢) intervals or multiples thereof. Such DSPs shall be effective upon adoption.

(g) At the time Weekly Options contracts are first listed for trading, they shall be listed with the same strike prices that are listed for the Monthly Option on the same Underlying Futures Contract.

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶¶ (b) and (g)].**

#### **Rule 10.60. Notice of Exercise**

(a) An Option may be exercised by the buyer on any Business Day that such Option is traded.

(b) An Exercise Notice of any Option shall be in the form prescribed by the Clearing Organization and in accordance with Clearing Organization Rules for Puts and Calls. The Clearing Member who is representing the buyer shall present an Exercise Notice to the Clearing Organization by 5:00 p.m. on the day of exercise.

(c) The Clearing Organization, based on Exercise Notices received from Clearing Members, shall allocate such exercised Options among Clearing Members having short Positions in such Options on a pro rata basis, make necessary entries on its books to convert the exercised Option into the Underlying Futures Contract and so notify the affected Clearing Member.

**Rule 10.61. Cotton Options Contract Form**

All Options shall be in the following form:

OPTION ON COTTON NO. 2<sup>SM</sup> FUTURES CONTRACT

New York, NY \_\_\_\_\_ 20\_\_

\_\_\_\_\_ (A.B.) has this day sold to  
\_\_\_\_\_ (C.D.) and agreed to honor  
on timely Exercise Notice a (Call) (Put) Cotton No. 2 Futures Option exercisable in accordance with  
the Rules of the Exchange to (purchase)(sell) one contract of fifty thousand (50,000) lbs. (+/-1%)1 &  
1/16 SLM delivery in \_\_\_\_\_ (the Option Contract  
Month) at the price of \$\_\_\_\_\_ per pound (the Strike Price). Upon the  
issuance of an Exercise Notice, the Purchaser and Grantor of this Cotton Option shall become the  
buyer and seller, respectively, if the Cotton Option is a Call Option, or the seller and buyer  
respectively, if the Cotton Option is a Put Option, of a New York Board of Trade Cotton No. 2  
Futures Contract on the terms stated above.

The Option Contract is, and any Cotton No. 2 Futures Contract resulting from the exercise shall  
be, made in view of, and in all respects, subject to the Rules of the New York Board of Trade.  
Additionally, any Cotton No. 2 Futures Contract resulting therefrom shall be subject to the terms of  
the United States Cotton Futures Act.

For and in consideration of a Premium which the Option Purchaser pays to the Option Grantor,  
the undersigned accepts this contract with all its obligations and conditions.

## SUGAR OPTIONS

### Rule 11.21. Option—Forms

(a) All Sugar Call Options shall be in the following form:

#### SUGAR CALL OPTION

New York, N.Y. \_\_\_\_\_ 20\_\_

\_\_\_\_\_ (the Grantor) hereby grants to \_\_\_\_\_ (the Purchaser) an Option to enter into one (1) Sugar No. 11 Futures Contract on the ICE Futures U.S.<sup>®</sup>, Inc. to purchase sugar for delivery in \_\_\_\_\_ (the delivery month of the Option's Underlying Futures Contract) at a price of \_\_\_\_\_ cents per pound (the Strike Price).

The Purchaser hereby agrees to pay a Premium of \$ \_\_\_\_\_ for this Option.

This Option is, and any Exchange Futures Contract resulting from its exercise shall be, made in view of, and in all respects subject to, the Rules of the Exchange, of the Clearing Organization, and of any successor to either of them, as adopted or amended from time to time.

(b) All Sugar Put Options shall be in the following form:

#### SUGAR PUT OPTION

New York, N.Y. \_\_\_\_\_ 20\_\_

\_\_\_\_\_ (the Grantor) hereby grants to \_\_\_\_\_ (the Purchaser) an Option to enter into one (1) Sugar No. 11 Futures Contract on the ICE Futures U.S.<sup>®</sup>, Inc. to sell sugar for delivery in \_\_\_\_\_ (the delivery month of the Option's Underlying Futures Contract) at a price of \_\_\_\_\_ cents per pound (the Strike Price).

The Purchaser hereby agrees to pay a premium of \$ \_\_\_\_\_ for this Option.

This Option is, and any Exchange Futures Contract resulting from its exercise shall be, made in view of, and in all respects subject to, the Rules of the Exchange, of the Clearing Organization, and of any successor to either of them, as adopted or amended from time to time.

(c) Sugar Options shall not be transferred, assigned or otherwise disposed of other than on the Exchange, subject to the Rules and to the Clearing Organization Rules.

### Rule 11.22. Trading Months

#### (1) Monthly Options:

(a) Except as the Board may from time to time prescribe otherwise, Sugar Options shall be traded with respect to Option Months determined in accordance with the following:

(i) Trading shall be conducted in an Option traded on the March futures which shall expire the preceding December, an Option traded on the March futures which shall expire the preceding February, an Option traded on the May futures which shall expire the preceding April, an Option traded on the July futures which shall expire the preceding June, and an Option traded on the October futures which shall expire the preceding September hereinafter referred to as the "Regular Option Months"; and

(ii) Trading shall also be conducted in an Option traded on the March futures which shall expire in January, an Option traded on the May futures which shall expire in March, an Option traded on the July futures which shall expire in May, an Option traded on the October futures which shall expire in July, an Option traded on the October futures which shall expire in August, an Option traded on the March futures which shall expire in October, and an Option traded on the March futures which shall expire in November hereinafter referred to as the "Serial Option Months."

(b) If trading has commenced in the Underlying Futures Contract, a new Option shall be listed for trading as follows:

(i) a new Regular Option Month shall be listed for trading on the first (1<sup>st</sup>) trading day following the first (1<sup>st</sup>) trading day for the Underlying Futures Contract month, and

(ii) a new Serial Option Month shall be listed for trading on the first (1<sup>st</sup>) trading day of the third (3<sup>rd</sup>) calendar month preceding the Serial Option Month.

## **(2) Weekly Options:**

(a) Except as the Board may from time to time prescribe otherwise, up to three Weekly Sugar Options contracts shall be listed for trading at any time: a Weekly Option expiring in the first week of the calendar month, a Weekly Option expiring in the second week of the calendar month, a Weekly Option expiring in the third week of the calendar month, a Weekly option expiring in the fourth week of the calendar month, and a Weekly Option expiring in the fifth week of the calendar month. The Underlying Future Contract for each Weekly Sugar Options Contract shall be the same as the Underlying Future Contract of the first Regular or Serial Option Month that has not yet reached its Last Trading Day as of the Last Trading Day of the Weekly Option.

(b) A new Weekly Option contract shall be listed for trading on the first trading day following the Last Trading Day of an expiring Weekly Option contract.

**Amended by the Board March 4, 2008; effective March 14, 2008 [¶ (a)].**

**Amended by the Board January 14, 2009; effective January 28, 2009 [¶¶ (a)(i) and (a)(ii)].**

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶¶ (1) and (2)(a) and (b)].**

## **Rule 11.23. Last Trading Day**

(a) The Last Trading Day for any Regular or Serial Option Month shall be the fifteenth (15<sup>th</sup>) calendar day of the calendar month in which such Regular or Serial Option expires; provided, however, that in the event the Exchange is closed on such day, then the Last Trading Day shall be the next succeeding Business Day.

(b) The Last Trading Day for any Weekly Option contract shall be the Friday of the week in which the Weekly Option is scheduled to expire. If such Friday is not an Exchange Business Day, then the Last Trading Day shall be the first preceding Business Day. In the event that the Last Trading Day for a Weekly Option is also the Last Trading Day for a Regular or Serial Option Month, then that Weekly Option contract shall not be listed for trading.

**Amended by the Board March 4, 2008; effective March 14, 2008 [¶ (b) March 2009 and subsequent delivery months].**

**Amended by the Board January 14, 2009; effective January 28, 2009.**

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶ (b)].**

## **Rule 11.24. Strike Prices**

(a) Trading shall only be conducted in Regular or Serial or Weekly Options having Strike Prices determined in accordance with this Rule.

(b) The Strike Prices of Options that are listed for trading shall be at levels (the "prescribed levels") set in intervals (the "prescribed intervals") as follows:

(i) Strike Prices shall be at levels which are at intervals of one-quarter cent (\$.0025).

(c) Except as the Board or President may from time to time prescribe otherwise, Sugar Options shall be listed for trading with particular prices for each Option Month as follows:

(i) At the time Sugar Options for any Regular Option Month are first (1<sup>st</sup>) listed for trading pursuant to Rule 11.22, they shall be listed with seven (7) Strike Prices at intervals specified in paragraph (b) above for Puts and Calls. The first (1<sup>st</sup>) Strike Price will be set at the prescribed level equal to the Settlement Price for the Underlying Futures Contract on the previous trading day, or if such Settlement Price is not equal to any such prescribed level, then at the next prescribed level above such Settlement Price. The other six (6) Strike Prices shall be at each of the three (3) prescribed levels next above and the three (3) prescribed levels next below the first (1<sup>st</sup>) Strike Price. At the time Sugar Options for any Serial Option Month or Weekly Option contract are first listed for trading pursuant to Rule 11.22, they shall be listed with all the Strike Prices of the next Regular Option Month with an expiration subsequent to the Serial Option or Weekly Option.

(ii) Whenever the Strike Prices of the listed Options for any Regular or Serial Option Month do not include the seven (7) Strike Prices at intervals specified above based upon the Settlement Price of the Underlying Futures Contract on the previous trading day, Strike Prices at the prescribed levels shall be listed for trading.

(iii) Any listing of Strike Prices prescribed by the Board or the President under this Rule shall be made effective upon adoption or as otherwise determined by the Board or the President.

(d) An Option shall be delisted if for ten (10) consecutive trading days no Transaction is executed, and there is no open position, in such Option; provided, however, that no Option shall be so delisted if it has a Strike Price which is at the first (1<sup>st</sup>) full-cent prescribed level above the Settlement Price of the Underlying Futures Contract on the previous trading day, or is at either of the three (3) prescribed full-cent levels above or below such level, or any of the intervening half-cent Strike Prices set forth in subparagraphs (b)(i) and (b)(ii); and provided further that no Option shall be so delisted if there is an Option in another class with the same Strike Price that does not otherwise qualify for delisting; and provided further that, in the case of Serial Options and the next Regular Option Month with an expiration subsequent to the expiration of the Serial Option(s), no Option shall be so delisted unless it can be delisted for any Serial Option Month and such next Regular Option.

**Amended by the Board on March 26, 2008; effective March 28, 2008 [¶ (b)(i)].**

**Amended by the Board December 15, 2011; effective February 6, 2012 [¶¶ (a) and (c)(i)].**

#### **Rule 11.25. Premium Quotations**

Premiums shall be quoted in cents and hundredths of a cent per pound. The minimum fluctuation in Premiums shall be \$.0001 per pound, except that Trades may occur at a price of \$1.00 per Option Contract if such Trades result in the liquidation of Positions for both parties to the Trade.

#### **Rule 11.26. Obligations of Option Purchasers**

(a) The Purchaser which purchases a Sugar Option on the Floor of the Exchange 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 a Sugar Option shall pay in full the Premium to the Clearing Organization in accordance with the Clearing Organization Rules.

(c) The Purchaser of a Sugar Option shall, upon exercising such Option in accordance with the Rules, enter into an Underlying Futures Contract to buy (in the case of a Call) or to sell (in the case of a Put) sugar for delivery in the Regular or Serial Option Month's Underlying Futures Contract, 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 Sugar Option.

#### **Rule 11.27. Obligations of Option Grantors**

(a) The Grantor which grants a Sugar Option on the Floor of the Exchange 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 Grantor which clears a Sugar Option shall make such Margin deposits as the Clearing Organization may require.

(c) The Grantor of a Sugar Option shall, upon being assigned an Exercise Notice in accordance with the Clearing Organization Rules, enter into an Underlying Futures Contract to sell (in the case of a Call) or to buy (in the case of a Put) sugar for delivery in the Regular or Serial Option Month's Underlying Futures Contract, 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 Sugar Option.

#### **Rule 11.28. Effect of Clearance**

Upon acceptance of a Sugar Option by the Clearing Organization, the Clearing Organization shall be substituted as, and assume the position of, the Purchaser to the Clearing Member which is the Grantor and the position of the Grantor to the Clearing Member which is the Purchaser; and thereupon the Clearing Organization shall have all the rights and obligations with respect to such option as the parties for which it is substituted.

#### **Rule 11.29. Expiration and Exercise of Options**

(a) The Purchaser must receive from its Customer which intends to exercise a Sugar Option on the Last Trading Day, notification of such intention not later than 3:00 p.m. on such day. In order for a Purchaser to exercise a Sugar Option for its own account on the Last Trading Day it must have done so or have made a determination to do so not later than 3:00 p.m. on such day. The Purchaser must make and maintain a record of all notices received and all determinations made pursuant to this Rule, and such record must show by time stamp or otherwise the date and time of receipt or making.

(b) The Purchaser of a Sugar Option may exercise such Option on any Business Day by giving an Exercise Notice, in the form prescribed by the Clearing Organization, to the Clearing Organization no later than 5:00 p.m. Such Notice shall be effective upon the opening of Sugar No. 11 futures trading on the Business Day following the day of receipt by the Clearing Organization. An Exercise Notice with respect to a Sugar Option purchased on the day such Notice is given shall not be effective unless such Option has been accepted by the Clearing Organization. An Exercise Notice which is given with respect to an Option which is not accepted by the Clearing Organization shall be deemed withdrawn by the Purchaser.



(c) If an Exercise Notice is given, the Purchaser shall deposit Original Margin for the Underlying Futures Contract with the Clearing Organization at such time as may be required by the Clearing Organization.

(d) Upon exercise of each Sugar Option, notification thereof shall be given to the Option Grantor.

**Rule 11.30. Automatic Exercise Levels for Sugar Options**

After the close on the Last Trading Day in the Sugar Options Contract, the Clearing Organization will automatically exercise any open long Option that has a Strike Price below (in the case of a Call Option) or above (in the case of a Put Option) the Settlement Price of the Underlying Futures Contract on that day by an amount which equals or exceeds the minimum price increment permitted under the Rules for the Underlying Futures Contract, unless, before 5:00 p.m. on the Last Trading Day, the Clearing Member carrying such Option gives the Clearing Organization written instructions that any such Option is to expire unexercised.