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**BY ELECTRONIC TRANSMISSION**

Submission No. 17-104

June 23, 2017

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 ICE Futures U.S. Cocoa Rules 9.06, 9.07, 9.09, 9.13 and 9.26 --  
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, and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“IFUS” or “Exchange”) self certifies the amendments attached as Exhibits A and B, concerning the Exchange’s Cocoa contract.

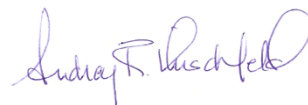
Cocoa Rule 9.07(a) through (d) defines “good delivery” under the contract and makes provisions for the replacement of an Exchange cocoa lot that is tendered but found to be not a good delivery. In broad terms, the Rule provides that a tender is considered a good delivery when all the requirements of the Rules regarding the lot are met and payment has been made by the Receiver on the delivery date. In the event that the cocoa tendered is found not to be a good delivery, the Deliverer may replace the lot provided that: (1) the replacement lot meets all the requirements of the Rules; and (2) the Sampling Order for the replacement lot is presented to the Exchange at least five Business Days prior to the delivery date.

The Exchange's Cocoa Committee unanimously recommended minor revisions to the Rule to make two aspects expressly clear. First, the amendments provide in paragraph (c) that the lot which was found to be not good delivery can be replaced by the Deliverer with an existing, certified lot (in addition to being replaced by a new lot which has not yet been graded). In either case, the same requirements are applicable, that is, the new lot must comply with the Rules and the terms of the delivery notice (including the requirement in paragraph (d) that the replacement lot be of the same growth and delivery port as stated in the delivery notice). Separately, the amendment to paragraph (d) provides that the replacement provisions in paragraphs (c) and (d) of the Rule apply in instances in which a lot has been tendered but does not meet the minimum weight requirements after being reweighed in advance of the delivery date. The amendments to Rule 9.07 are set forth in Exhibit A.

Separately, the Exchange has identified a number of obsolete cocoa rules, as indicated in Exhibit B, which are being deleted.

The Exchange is not aware of any opposing views expressed by members or others. The Exchange certifies that the amendments, which will become effective ten (10) business days from the date of this filing, comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. 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 the undersigned at 212-748-4083 or [Audrey.hirschfeld@theice.com](mailto:Audrey.hirschfeld@theice.com).

Sincerely yours

A handwritten signature in blue ink that reads "Audrey R. Hirschfeld". The signature is written in a cursive style with a large, looped initial "A".

Audrey R. Hirschfeld  
SVP and General Counsel

cc: Division of Market Oversight

## Exhibit A

### Rule 9.07. Good Delivery

(a) A tender of Cocoa shall be considered a good delivery when all requirements of the Rules pertaining thereto shall have been performed by both parties or a settlement made consistent therewith. A tender, conforming to the Rules, must be accepted and paid for by the Receiver on the Date of Delivery. Unless otherwise mutually agreed, payment shall be made by wire transfer to the Clearing Organization in same-day funds.

(b) Sound Cocoa must be delivered from one (1) store in a warehouse licensed by the Exchange, located at one (1) of the delivery points specified in Rule 9.02, in an Exchange-Segregated Lot as that term is defined in Rule 9.00, having no more than five (5) chops, except when a chop is added to make a deficiency in weight, but in no case shall the number of chops exceed six (6). For the purposes of this Rule, Sound Cocoa shall mean Cocoa for which no external condition has been noted by the Exchange sampler and which is packaged in bags made of sisal, henequen, jute, burlap or woven material having similar properties (any other material not permitted), without inner lining or outer covering of any other material; ~~provided, however cocoa packaged in bags of polypropylene or other plastic material which has a United States Customs entry date prior to February 1, 1992 shall be considered sound~~].

(c) Cocoa tendered against a contract and found to be not a good delivery may be replaced by the tenderer provided that the replacement meets all of the requirements of the Rules and the Delivery Notice to which it is applicable. The lot used for such replacement may be a lot with a valid grading certificate, or a new lot for which grading has not yet been performed, in which case the provisions of paragraph (d) below are applicable.

(d) Where cocoa tendered is found to be not a good delivery (for failed Grade or for any other reason, including failure to meet the minimum weight provisions of Rule 9.23 and this Rule) the Sampling Order for the replacement(s) must be presented to the Exchange at least five (5) Business Days prior to the Date of Delivery specified in the Delivery Notice. If the Deliverer elects to submit the Sampling Order after the time limits prescribed herein, the Exchange shall not be responsible in the event the results of such Sampling Order cannot be issued by the Date of Delivery, in which case the Deliverer shall be in default unless a mutually acceptable written agreement has been entered into as provided under Cocoa Rule 9.03. Notwithstanding the provisions of this paragraph, the Exchange shall not be liable in the event the results of any Sampling Order cannot be issued by the Date of Delivery.

Remainder of Rule Unchanged

## Exhibit B

### **Rule 9.06 Reserved. ~~Penalty for Fraudulent or Fictitious Use of Names in the Issue of Notices for Cocoa~~**

~~No Member shall make a fraudulent or fictitious use of any name or names in the issue of any Delivery Notice of any Cocoa pursuant to an Exchange Futures Contract.~~

### **Rule 9.08. Reserved ~~Settlement of Contracts of Deceased Members After Trading in Current Month Has Ceased~~**

~~(a) If the death of a Member is posted or announced after trading in the current month has ceased, so that a contract with him for future delivery of merchandise in the current month cannot be closed in the open market as provided in the Rules, then the other party to such contract shall, within six (6) Exchange business hours after such death is announced or posted, close it as follows:~~

~~(i) If it is a contract in which such deceased Member was the seller, the other party to such contract shall buy an amount of spot merchandise or Delivery Notices evidencing the same; in all cases in an amount equal to that called for in the contract.~~

~~(ii) If it is a contract in which such deceased Member was the buyer, the other party to such contract shall sell an amount of spot merchandise equal to that called for in such contract, or, at his option, shall sell such an amount for future delivery in the subsequent month, delivering against such sale the merchandise which would have been delivered against the contract with the deceased Member.~~

~~(b) Notice of the time, manner and price at which such deceased Member's contracts were thus closed shall be given promptly to his estate, and such price shall be the basis of settlement between the parties to the contract.~~

### **Rule 9.13. Reserved ~~Duties and Taxes to be Paid by Buyer of Cocoa~~**

~~Whenever an Import Duty, or Internal Tax is levied upon Cocoa, such duty or tax, shall, unless otherwise explicitly provided in the contract, be assumed and be payable by the Person that is the owner at the time such duty or tax is levied.~~

### **Rule 9.26. Reserved ~~Breaks~~**

~~In the event that any Clearing Member or Person placing an order directly with a Floor Broker shall claim a "break" with respect to any Trade, or shall claim that a Floor Broker shall have failed to execute an order on a day when in the exercise of due diligence he could have done so, such Clearing Member or such Person shall have waived any Claims against the Floor Broker responsible unless such Clearing Member or such Person shall have advised such Floor Broker thereof not later than fifteen (15) minutes prior to the opening on the Business Day following the day on which such "break" is claimed to have occurred or such order should have been executed; provided that no such Claim shall be waived if the Floor Broker became aware of the failure to execute such order by fifteen (15) minutes prior to the opening on such following Business Day and failed to report the same to such Clearing Member or such Person. The term "break" with respect to any Trade shall mean the failure of such Trade to clear correctly (either because of failure to clear, duplication of clearance or discrepancy in month, price or quantity).~~