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BY ELECTRONIC TRANSMISSION

Submission 07-59
October 2, 2007

Mr. David Stawick
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

**Re: Expansion of Market Specialist Program for Electronic Trading -
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.2 and 40.6**

Dear Mr. Stawick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.2 and 40.6, ICE Futures U.S., Inc. ("Exchange") submits, by written certification, an expansion of its Market Specialist Program for Electronic Trading.

In January 2007, the Exchange adopted a Market Specialist Program ("Program") designed to encourage liquidity in its electronic markets (see Submission 07-02). The Program was originally used to increase liquidity in the Cocoa, Coffee "C"[®], Cotton No. 2sm, Sugar No. 11sm and Sugar No. 14sm contracts when they were first listed on the electronic trading platform ("ETS"). The Program is now being expanded to include additional futures and options contracts as they are listed for trading on the ETS in order to provide support to the initial phase of electronic trading. The Program provides that:

- (1) The Market Specialist will submit an application, attached as Exhibit A, specifying the bids and offers it, using its best efforts, will continuously maintain in the appropriate Designated Contracts for specified hours. Staff will determine which Applications should be accepted based on the bids and offers contained in the application and the applicant's prior experience as a Market Specialist.
- (2) The Market Specialist will make and conduct all trading activity as a Market Specialist through a proprietary account which the Market Specialist will identify to appropriate Exchange personnel.

- (3) The term of the Program initially will be for a six (6) month period, which, at the Exchange's election, may be extended.
- (4) For the six (6) month period, the Exchange will waive or rebate all Exchange transaction fees due and owing by the Market Specialist for all trades executed on the ICE electronic trading system in the Designated Contract(s) for the identified account.
- (5) ICE Futures U.S., Inc. will retain the right to revoke the Market Specialist's status if the Exchange concludes that the Market Specialist is not complying with its obligations.

The expanded Program was adopted by the Exchange's Board of Directors by written unanimous consent in accordance with Bylaw Section 4.7 on September 28, 2007 and will become effective on October 3, 2007.

If you have any questions or need further information, please contact me at (212) 748-4021 or at jason.fusco@theice.com.

Very truly yours,

Jason V. Fusco
Assistant General Counsel
& Market Regulation Counsel

cc: Riva Adriance
Thomas Leahy
Jane Croessman
CFTC, Division of Market Oversight
Allen Cooper
CFTC, New York Regional Office

TO: ICE Futures U.S.

This Application and Agreement is submitted by _____ (“Market Specialist”) to become a Market Specialist for ICE Futures U.S. (“ICE Futures”) in order to provide a liquid and orderly marketplace for the ICE Futures and/or Options Contracts traded on the ICE electronic trading system (the “Designated Contracts”).

The Market Specialist understands and agrees that:

1. It will execute all documents and agreements required by ICE Futures in order that the Market Specialist is able to input orders into the ICE electronic trading system.
2. It will use its best efforts to continuously maintain in the appropriate Designated Contracts a current bid and offer as specified in Schedule A, which is attached and made a part of this Application, for the hours specified in Schedule A.
3. It will make and conduct all trading activity as a Market Specialist through the Market Specialist’s proprietary account which the Market Specialist will identify to appropriate ICE Futures personnel.
4. For the first six (6) months from the Effective Date, ICE Futures will waive all Exchange transaction fees due and owing by the Market Specialist for all trades executed on the ICE electronic trading system in the appropriate Designated Contract for the account identified in accordance with paragraph 3 above.
5. The term of this Agreement shall be for a six (6) month period, commencing on the Effective Date. ICE Futures, in its sole discretion, may extend the term of the Agreement. The Market Specialist further acknowledges that ICE Futures retains the right to revoke the Market Specialist’s status if ICE Futures concludes from its review that the Market Specialist is not complying with the obligations of the Market Specialist.

Effective Date: _____

ICE Futures U.S.

(Market Specialist)

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A

SCHEDULE A

Product: _____

	Front Month	Second Month	Third Month	Calendar Spread
Bid/Offer Spread				
Size				
Trading Hours				

Product: _____

	Front Month	Second Month	Third Month	Calendar Spread
Bid/Offer Spread				
Size				
Trading Hours				

Product: _____

	Front Month	Second Month	Third Month	Calendar Spread
Bid/Offer Spread				
Size				
Trading Hours				

I hereby agree that the above bid/offer spreads and trading hours listed for certain of the above ICE Futures U.S., Inc.'s Commodity Contracts are the spreads I, as a Market Specialist, will use its best efforts to maintain in accordance with paragraph 2 of the Market Specialist Application.

Date: _____

By: _____

Name:

Title:

Clearing Member Information

Name: _____

Acct #: _____

CM Contact: _____

Phone or email: _____