


ICE FUTURES U.S.
World Financial Center
One North End Avenue
New York, New York 10282

BY ELECTRONIC TRANSMISSION

Submission No. 13-18
March 1, 2013

Ms. Melissa Jurgens
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Amendments to Position Limit Rules
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6

Dear Ms. Jurgens:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6(a), ICE Futures U.S., Inc. (“Exchange”) hereby self certifies amendments to Rules 6.12, 6.21, 6.23 and 6.28 which relate to position limits, as described below and set forth in Exhibit A. The amendments will become effective on March 18, 2013.

Rule 6.12 and 6.28

Rule 6.12 sets forth the Exchange’s position aggregation requirements for position limit purposes. The Commission’s independent account controller (“IAC”) exemption from aggregation applicable to certain eligible entities is currently set forth in Rule 6.28. The amendments delete Rule 6.28 and consolidate the Exchange’s position aggregation requirements and the available exemptions from aggregation into a single amended Rule 6.12. In specifying the IAC exemption in Rule 6.12 the Exchange has simply referred to applicable CFTC regulations and deleted the text of former Rule 6.28 which quoted the language of the Commission’s exemption verbatim. In doing so, the Rules no longer preclude positions in Cotton No.2 contracts from being eligible for an IAC exemption; instead, such positions would be eligible to the extent consistent with the Commission’s IAC exemption. In addition, the amendments to Rule 6.12 eliminate a dated reference to aggregating the positions of family members living in the same household;

Amendments to Rule 6.23

Rule 6.23 sets forth the position limits for Sugar No. 16 contracts. The proposed amendment simply consolidates subparagraphs (a) and (b) of the rule into a single provision to make the language consistent with position limit rules for other Exchange contracts. The amendment does not effect any substantive changes to the rule.

Amendments to Rule 6.21

Rule 6.21 sets forth the position limits for various FCOJ contracts. The amendments delete obsolete provisions specific to a contract no longer listed by the Exchange, the FCOJ – Differential Contract. In addition, the amendments correct language regarding the maximum position that may be held during the notice period, by deleting the reference to a gross position limit of 300 Futures Contracts (which was a by-product of having both the delisted FCOJ – Differential Contract as well as the regular FCOJ-A contract) and replacing it with language specifying that the applicable limit is a maximum net position of 300 contracts, in order to reflect the way the rule is currently applied by the Exchange.

The Exchange certifies that the rule amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. Specifically, the amendments further the effectiveness of Core Principle 5 (Position Limits). The Exchange is not aware of any substantive opposing views expressed with respect to the amendments. The Exchange further certifies that concurrent with this filing, a copy of this submission was posted on the Exchange's website, which may be accessed at (<https://www.theice.com/notices/Notices.shtml?regulatoryFilings>).

If you have any questions or need further information, please contact me at 212-748-4083 or at audrey.hirschfeld@theice.com.

Sincerely,



Audrey R. Hirschfeld
SVP and General Counsel

Enc.

cc: Division of Market Oversight
New York Regional Office

EXHIBIT A

(In the text of the amendments below, additions are underlined and deletions are bracketed and overstruck.)

Rule 6.12. Aggregation of Positions

(a) The position limits and position accountability levels established by these Rules shall apply to all positions held by any Person, including those positions in accounts for which such Person by power of attorney or otherwise directly or indirectly holds positions or controls trading; and in the case of positions held by two (2) or more Persons acting pursuant to an expressed or implied agreement or understanding, the same as if all of the positions were held by or the trading of the positions were done by, a single Person.

(b) ~~[The positions of spouses, parents, and children living in the same household shall be aggregated for purposes of the foregoing position limits and position accountability levels.]~~ An 'eligible entity', as defined in CFTC Regulations need not aggregate its positions with the eligible entity's client positions or accounts carried by an authorized 'independent account controller', as defined in such Regulations, provided that the positions are not held in the spot month during such time as a notice period or spot month position limit is in effect for a physical delivery futures contract and the eligible entity complies with any CFTC requirements for exemption from aggregation.

(c) Positions held in Futures and Futures Equivalent Contracts will not be aggregated with positions held in Cleared Only Swaps for the same Commodity which are submitted to the Exchange for clearing pursuant to Chapter 23.

Rule 6.28. Reserved [~~Independently Controlled Position Exemption~~]

(a) ~~For the purposes of this Chapter, "Eligible Entity" means a commodity pool operator, an operator of a trading vehicle, which is excluded, or which has qualified for exclusion from the definition of the term "pool" or "commodity pool operator," respectively, under Regulation 4.5 of the Act or a commodity trading advisor which (i) authorizes an independent account controller to control independently all trading decisions for positions it holds directly or indirectly, or on its behalf, but without its day to day direction and (ii) maintains only such minimum control over the independent account controller as is consistent with its fiduciary responsibilities and necessary to fulfill its duty to supervise diligently the trading done on its behalf. "Eligible Entity" shall also mean such other person or entity deemed exempt by CFTC Regulations or Guidelines (including Regulation 150.3).~~

(b) ~~For the purposes of this Chapter, "Independent Account Controller" means a Person who (i) is registered with the CFTC as a Futures Commission Merchant, introducing broker, commodity trading advisor, or as an associated person of any such registrant; (ii) is authorized by the Eligible Entity to control independently trading by, and on behalf of, but without the day-to-day direction of the Eligible Entity; (iii) trades independently of the Eligible Entity and of any other Independent Account Controller trading for the Eligible Entity; (iv) is supervised by the Eligible Entity only to the minimal degree necessary to fulfill its fiduciary responsibilities and duty to supervise diligently the trading done on its behalf; and (v) has no knowledge of trading decisions by any other Independent Account Controller.~~

(c) ~~Except for Cotton No. 2 Futures and Options Contracts, an Eligible Entity may carry positions that exceed speculative position limits if (i) such positions (A) are not for the spot month if there is a position limit which applies to individual trading months during their expiration, and (B) are carried for the Eligible Entity in the separate account or accounts of an Independent Account Controller; provided, however, that the overall positions held or controlled by each such Independent Account Controller may not exceed the speculative positions limits; and (ii) such Eligible Entity provides the Exchange with information respecting the Eligible Entity and the Independent Account Controller.~~

(d) ~~If an Independent Account Controller is affiliated with the Eligible Entity or another Independent Account Controller, each of the affiliated entities must:~~

~~(i) have, and enforce, written procedures to preclude the affiliated entities from having knowledge of, gaining access to, or receiving data about trades of the other. Such procedures must include document routing and other procedures or security arrangements, including separate physical locations, which would maintain the independence of their activities; provided, however, that such procedures may provide for the disclosure of information which is reasonably necessary for an Eligible Entity to maintain the level of control consistent with its fiduciary responsibilities and necessary to fulfill its duty to supervise diligently the trading done on its behalf;~~

~~(ii) trade such accounts pursuant to a separately developed and independent trading systems;~~

~~(iii) market such systems separately; and~~

~~(iv) solicit funds for such trading by separate Disclosure Documents that meet the standards of CFTC Regulation 4.21 or 4.31, as applicable, where such Disclosure Documents are required under Part Four of the Regulations.~~

~~(e) Upon call by Exchange staff, any Person claiming an exemption from speculative position limits under this Rule must provide to the Exchange such information as specified in the call relating to the positions owned or controlled by that Person; trading done pursuant to the claimed exemption; the Futures, Options or cash market positions which support the claim of exemption; and the relevant business relationships supporting a claim of exemption.~~

~~(f) The Exchange may at any time condition an exemption on the Eligible Entity's business needs, financial status and integrity and on the liquidity, depth and volume of the market for which the exemption is sought. The Exchange may at any time modify or revoke the exemption if it is found that the Eligible Entity's status or market conditions have changed.]~~

Rule 6.23. Position Limits for Domestic Raw Sugar No. 16 Contracts

~~[(a)] Subject to the exceptions contained in this Chapter, the maximum net long or net short position which any one (1) Person may own or control in the Domestic Raw Sugar No. 16 Contracts is one thousand (1,000) Exchange Futures Contracts in any one (1) month or in all months combined.~~

~~[(b) Subject to the exceptions contained in this Chapter, the maximum net long or net short position in any one (1) month which any Person may own or control in the Domestic Raw Sugar No. 16 Contracts is one thousand (1,000) Exchange Futures Contracts.]~~

Rule 6.21. Position Limits for FCOJ Contracts

(a) Subject to the exceptions contained in this Chapter, the limit on the maximum net long or net short position which any one (1) Person may hold or control ~~[under]~~ in FCOJ Futures Contracts and Futures Equivalent Contracts is:

(i) three thousand two hundred (3,200) in any one (1) month ~~[-; and (ii) three thousand two hundred (3,200)]~~ or in all months combined.

In addition, the maximum ~~[gross]~~ net long ~~[and/]~~ or net short position that any one (1) Person may hold or control is three hundred (300) Exchange Futures Contracts for any month for which delivery notices have been or may be issued.

~~(b) [Subject to the exceptions contained in this Chapter, the maximum net long or net short position which any one (1) Person may own or control in FCOJ Differential Futures Contracts and Futures Equivalent Contracts is:~~

~~(i) three thousand two hundred (3,200) in any one month; and (ii) three thousand two hundred (3,200) in all months combined.~~

~~(e)] For purposes of this Rule, Cash-Settled FCOJ Futures Contracts shall be: (i) deemed to be one-tenth of an FCOJ Futures Contract; and (ii) aggregated with FCOJ-A Futures and~~

Options contract positions if such positions are on the same side of the market. There shall be no netting between Cash-Settled FCOJ positions and FCOJ-A positions for position limit purposes.