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

BY ELECTRONIC TRANSMISSION

Submission No. 13-45
May 17, 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 Trade at Settlement FAQ
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") submits amendments to the Trade at Settlement ("TAS") FAQ, which explains the Exchange's TAS functionality. The amendments expressly identify the last day TAS trading will be available for an expiring cash settled agricultural futures contract and change the last day TAS trading will be available for an expiring stock index futures contract, as set forth in Exhibit A.

The Exchange's TAS FAQ currently provides that for all agricultural contracts TAS trading is available for eligible delivery months until such delivery month has gone into its Notice Period. As there is no notice period for the Exchange's cash-settled agricultural contracts, the last day of TAS trading is effectively the last trading day for the expiring month. The amendments to the TAS FAQ expressly state this by providing that the last day TAS trading will be available for an expiring month of a cash-settled agricultural contract will be the last trading day for the month.

Additional amendments to the TAS FAQ change the last day TAS trading will be available for an expiring stock index futures contract. Currently, the last day that TAS trading is available for an expiring stock index futures contract is the last trading day for the expiring month. The amendments change the last day that TAS trading is available for an expiring stock index futures contract to the business day prior to the last trading day of the futures contract month. The change is being made to harmonize the last day of TAS trading with the last day of Trade at Index Close trading (see ICE Futures U.S., Inc. Submission 13-36) for an expiring futures contract month.

The amendments to the TAS FAQ will become effective on June 4, 2013. The Exchange certifies that the amendments 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/notices/RegulatoryFilings.shtml). The Exchange is not aware of any substantive opposing views with respect to the amendments.

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

Sincerely,

Jason V. Fusco
Assistant General Counsel
Market Regulation

cc: Division of Market Oversight
New York Regional Office

EXHIBIT A

Trade At Settlement (TAS)

Frequently Asked Questions

May 2013

ICE Futures U.S. (IFUS) allows Trade At Settlement (TAS) trades for certain futures contracts traded on the ICE electronic trading platform. This document is meant to provide information concerning TAS orders and TAS trading.

What is TAS?

TAS is a capability that allows a trader to enter an order to buy or sell an eligible futures contract during the course of the trading day at a price equal to the settlement price for that contract, or at a price up to five ticks (minimum price fluctuations) above or below the settlement price. (Note that there is an exception for Henry Hub futures only, for which the permitted TAS bid/offer and trading range is up to and including 100 ticks above and below the settlement price.)

Examples:

For Cotton No. 2® futures, the minimum price fluctuation is .01 cents per pound. A cotton trader may enter a TAS order at a price of 0, which means the trader wants to trade at the settlement price, or at +.01,+.02 or up to as much as +.05 above the settlement price, or at -.01, -.02, or down to as much as -.05 below the settlement price.

For Frozen Concentrate Orange Juice (FCOJ) futures the minimum price fluctuation is .05 cents per pound. A trader may enter an order for a TAS trade at a price of 0 (which would mean the trader wanted to trade at the settlement price), or at +.05, +.10, or up to as much as +.25 above the settlement price, or at -.05, -.10, or down to as much as -.25 below the settlement price.

TAS buy and sell orders are matched on a first-in, first-out basis. After a TAS trade is matched, each TAS transaction receives a trade price equal to, or up to five ticks above or below, the Exchange's daily settlement price for the respective futures contract month.

When Are Confirmations Received for TAS Trades?

TAS trades are confirmed when TAS bids and offers match. A confirmation of a TAS trade indicates that a trade has been executed at the settlement price (0), or at the agreed tick interval above or below the settlement price.

When Can TAS Orders Be Entered?

TAS buy and sell orders may be entered from the start of the pre-open period for the respective product through the end of the futures contract settlement window each day. For products that have a settlement price that is determined before the end of the electronic trading day, TAS orders cannot be entered after the settlement period ends. For example, as the settlement window for Sugar No. 11 futures is from 1:28 to 1:30 p.m. ET, but electronic trading continues until 2:00 p.m. ET; TAS orders for Sugar No. 11 may not be entered after 1:30 p.m. ET.

Are There Any Restrictions On Who Is Eligible To Execute A TAS Trade?

No, any market participant is eligible to enter a TAS order and to execute a TAS trade.

What Contracts Are Eligible For TAS Trading?

The IFUS contracts listed below are eligible for TAS trading.

<u>Physical Delivery Agricultural Contracts</u>
Cocoa (CC)
Coffee "C" ® (KC)
[~~Corn (ICN)~~]
Cotton No. 2 (CT)
Frozen Concentrated Orange Juice (FCOJ)
Sugar No. 11® (SB)

<u>Cash Settled Agricultural Contracts</u>
Corn (ICN)
Soybeans (IS)
Soybean Meal (ISM)
Soybean Oil (IBO)
[~~Sugar No. 11® (SB)~~]
Wheat (IW)

<u>Stock Index Contracts</u>
Russell 2000 Index® Mini Futures (RF)
Russell 2000 Growth Index Futures (G2)
Russell 2000 Value Index Futures (V2)
Russell 1000 Index® Mini Futures (TF)
Russell 1000 Growth Index Mini Futures (GG) contracts
Russell 1000 Value Index Mini Futures (VV)

<u>Currency Index and Currency Pair Contracts</u>
U.S. Dollar Index® ("USDX®")
Australian dollar/US Dollar (KAU)
Brazil Real/US Dollar (KBX)
British Pound/US Dollar (MP)
Euro/Australian Dollar (KRA)
Euro/British Pound (KGB)
Euro/Canadian Dollar (KEP)
Euro/Japanese yen (KEJ)
Euro/Norwegian krone (KOL)
Euro/Swedish krona (KRK)
Euro/Swiss franc (KRZ)
Euro/US Dollar (KEO)
Indian Rupee/US Dollar (KIU)
Swiss franc/Japanese yen (KZY)

<u>Energy Contracts:</u>
Henry LD1 Fixed Price Future (H)

What Contract Months Are Eligible For TAS Trading?

For most futures contracts enabled for TAS, the first three listed contract months are eligible for TAS trading on any trading day. Exceptions to this rule of thumb are:

> Cotton No. 2 futures, for which the first five contract months are eligible for TAS trading on any trading day;
>
> Sugar No. 11 futures, for which the first four contract months are eligible for TAS trading; currency pair futures contracts, for which the front two listed contracts are eligible for TAS trading; and
>
> Henry Hub futures, for which the first ten listed contract months are eligible for TAS trading.

Note that for the physical delivery agricultural contracts shown above, once a futures contract month has gone into its Notice Period the contract is no longer eligible to be traded via TAS (outright or as a spread). For the [~~stock index,~~] cash settled agricultural, currency and energy contracts shown above, the front contract month remains eligible to be traded via TAS (outright and spread) through and including its last trading day. For the stock index contracts, the front contract month remains eligible to be traded via TAS (outright and spread) through and including the business day prior to the last trading day of the futures contract month.

What About TAS Spread Trades?

TAS spread trading is enabled for all contracts for which TAS trading is offered.

What Spread Pairs Are Eligible for TAS Trading?

For Sugar No. 11, Cotton No. 2, Coffee “C”, Cocoa, FCOJ, Corn, Wheat, Soybeans, Soybean Meal and Soybean Oil futures contracts, TAS spread trading is enabled for three calendar spread pairs: the front month vs. the second month, the front month vs. the third month, and the second month vs. the third month.

For USDX and Russell Stock Index futures contracts, TAS spread trading is enabled for two calendar spread pairs: the front month vs. the second month and the second month vs. the third month.

For currency pair futures contracts, only one TAS spread pair is listed: the front month vs. the second month.

For energy contracts, each spread pair involving the ten front futures contract months (45 spread pairs in all) is listed.

At What Prices Can TAS Spreads Be Traded?

TAS spread trades can be executed at the spread differential between the daily settlement prices for the respective futures contract months, or up to five ticks above and below that spread differential. The sole exception to this is Henry Hub futures, for which the maximum spread differential is 100 ticks above and below the respective spread differential.

What Is The Spread Convention For TAS Spreads?

The spread convention for TAS spreads is identical to the regular calendar spread convention for the particular product. That is, if the calendar spread convention for a product on the platform means that the spread buyer is buying the front month/selling the back month, this same convention will apply to TAS spreads for the product.

For ICE Futures US products, two different calendar spread conventions are followed.

For the following contracts, buying the spread means buying the front month/selling the back month: Cocoa, Coffee "C", Corn, Cotton No. 2, Frozen Concentrated Orange Juice, Soybeans, Soybean Oil, Soybean Meal, Sugar No. 11, Wheat and Henry Hub.

For the following contracts, buying the spread means buying the back month/selling the front month: USDX, currency pair futures, Russell 2000 Index, Russell 1000 Index, Russell 1000 Growth Index, and Russell 1000 Value Index.

How Are TAS Spread Legs Priced?

Like TAS outright trades, the prices of TAS spread legs are set after the daily settlement prices for the respective contracts are determined after the end of the settlement window for the respective product.

For TAS spreads done at a price of zero ("at the settlement difference"), each leg of the TAS is priced at the settlement price of the respective futures contract in the spread.

For TAS Spreads done at one or two or up to five ticks above/below the settlement, the leg prices are set as follows:

> Front Month – price is set at the settlement price for the respective contract;
>
> Back Month – price is set at the settlement price for the respective contract plus the TAS spread trade price (which can be a positive number or a negative number).

NOTE: For Cotton No. 2 futures contracts only, on a day on which either or both legs of the TAS spread settles at the contract's daily trading limit up or down, the leg price of the back month of the TAS spread is determined by the Exchange using the prices of trades done for that Calendar Spread during the settlement period, rather than using the settlement price of that contract month.

What Is the Policy Regarding TAS Trades in Limit Up/Down Markets?

IFUS allows TAS trading in several futures contracts that are subject to daily trading limits: Cotton No. 2, FCOJ-A, Corn, Wheat, Soybean, Soybean Oil and Soybean Meal futures. During the course of the TAS trading day for these products, TAS trades may be matched at a range of TAS +5 ticks to TAS -5 ticks, and the specific contract month may settle at limit up or limit down. In such instances, the matched TAS trades stand, notwithstanding the fact that this futures contract month settles at its limit up or down price.

For example, suppose on Day 1 the May 2013 Cotton No. 2 futures contract has settled at a price of 93.00, and that on Day 2 TAS trades have been matched in the platform at a price of +.05, or five minimum ticks above the settlement price. If on Day 2 the May contract settles at a limit up price of 97.00, the TAS trades at a price of +.05 stands, despite fact that the clearing price of 97.05 exceeds the limit up price of 97.00 on that trading day.