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BY ELECTRONIC TRANSMISSION

Submission No. 10-26
June 17, 2010

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: Amendments to Section 4 of Appendix I of Chapter 27 and
Standing Resolution No. 7 -
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Mr. Stawick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6, ICE Futures U.S., Inc. ("Exchange") submits, by written certification, amendments to Section 4 of Appendix I of Chapter 27 and Standing Resolution No. 7, attached as Exhibit A.

Section 4 of Appendix I of Chapter 27, Error Trade Policy, contains a chart that lists the No Cancellation Range ("NCR") and Reasonability Limit ("RL") for each Exchange product traded on the electronic trading platform. RLs are used to prevent "fat finger" errors. They are hard limits above or below an Exchange set anchor price. The electronic trading system will accept orders with bids that are below or offers that are above the RL when submitted, but will not execute such orders until the market moves to bring such orders within the RL. Generally, the anchor price is based on the front contract month.

After the NCR/RL chart in Section 4, there is an explanation of what the RLs are and how they function. The explanation of how RLs function is integral to the electronic trading rules, whereas the actual level at which the RL is set is not necessary to understand the rules. Section 4 also alerts market participants that RLs are subject to change when market conditions dictate.

Since market conditions and price volatility may make it necessary to change an RL, there is the need for flexibility so that RLs may be changed when market conditions change during the trading day. Therefore, the Exchange has deleted the specified RLs from Section 4 and has created a web site page, which is easily accessible to market users, and is comprised of

the NCR/RL chart and the explanations contained in Section 4. The link to the web site page is https://www.theice.com/publicdocs/futures_us/no_cancellation_range_and_reasonability_limits.pdf It should be noted here that just the RLs have been deleted and not the NCRs which remain in the amended chart in Section 4. This approach is similar to CME Rule 5.88G.

In addition, at the end of the description of RLs in Section 4, a new provision has been added to specifically advise market participants that RLs may be changed by the Exchange on an intraday basis without advance notice, to take into account market conditions.

The amendments to Standing Resolution R-7 delete the changing of RLs from the list of rule changes that the President has authority to make, since such authority is no longer required.

The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. No substantive opposing views were expressed by members or others with respect to the amendments.

The amendments were adopted by the Exchange's Board of Directors by Unanimous Written Consent on June 15, 2010 in accordance with Bylaw Section 4.7 and will go into effect on June 21, 2010.

If you have any questions or need further information, please contact me at 212-748-4084 or at jill.fassler@theice.com.

Sincerely,

Jill S. Fassler
Vice President
Associate General Counsel

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 lined out.)

**APPENDIX I
ERROR TRADE POLICY**

* * *

4. NO CANCELLATION RANGE ~~AND REASONABILITY LIMIT~~S¹

<u>[Contract] Agricultural Products</u>	<u>[Reasonability Limit]</u>	<u>No Cancellation Range</u>
	[\$ Value	\$ Value]
Cocoa Futures	[\$75.00]	\$20.00 <u>per ton</u>
Coffee "C" [®] Futures	[\$.0199]	\$.0060 <u>per lb.</u>
Cotton No. 2 [®] Futures	[\$.0100]	\$.0040 <u>per lb.</u>
FCOJ Futures	[\$.0299]	\$.0150 <u>per lb.</u>
Sugar No. 11 [®] Futures	[For all contract months:] [\$.0075]	For the first 4 listed contract months [(other than January 2010): \$.0010 <u>per lb.</u> For the next 4 listed contract months [(other than January 2010): \$.0015 <u>per lb.</u> [January 2010: \$.0020] For all other contract months: \$.0020 <u>per lb.</u>
Sugar No. 16 Futures	[\$.0100]	\$.0025 <u>per lb.</u>
<u>Index Products</u>		<u>No Cancellation Range</u>
U.S. Dollar Index [®] Futures (USD ^X)	[-.750 Index Point]	.200 Index Point (Min [imum] tick = .005 of a Point)
Russell Complex Index Futures	[1199 Index Points]	4.00 Index Points (Min [imum] tick = .10 [(10) Index Points])
Continuous Commodity Index (CCI)	[200 Index Points] [(40 Ticks)]	[100]2.50 Index Points [20 Ticks] (Min tick = .05 of a Point)
Reuters Jefferies CRB Futures Price Index (CRB)	[200 Index Points] [(20 Ticks)]	[1]2.00 Index Points ([10 Ticks] Min tick = .10 of a Point)
Euro Currency Index (E)	[1000 Index points]	3.00 Index [p]Points Min [imum] tick = <u>.005</u> Index Points

¹ [Reasonability Limits and] No Cancellation Ranges are subject to change.

**Currency Pair
Contracts**

No Cancellation Range

Sterling-Japanese [Y]yen (SY)	[200 Ticks/1000 points]	60 Ticks/300 points
Sterling-Swiss franc (SS)	[200 Ticks/1000 points]	60 Ticks/300 points
Sterling-US [D]dollar (MP and IMP)	[100 Ticks/100 points]	50 Ticks/50 points
Sterling-Australian dollar (QA)	[200 Ticks/1000 points]	60 Ticks/300 points
Sterling-New Zealand dollar (GN)	[200 Ticks/1000 points]	60 Ticks/300 points
Sterling-Canadian dollar (PC)	[200 Ticks/1000 points]	60 Ticks/300 points
Sterling-Norwegian krone (PK)	[200 Ticks/5000 points]	60 Ticks/1500 points
Sterling-South African [R]rand (PZ)	[200 Ticks/5000 points]	60 Ticks/1500 points
Sterling-Swedish [K]krona (PS)	[200 Ticks/5000 points]	60 Ticks/1500 points
[Large Pound[s]—Sterling—US dollar (IMP)]	100 Ticks/100 points	50 Ticks/50 points
Euro-Japanese [Y]yen (EJ and IEJ)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-Swedish krona (RK and IRK)	[200 Ticks/5000 points]	60 Ticks/1500 points
Euro-Swiss franc (RZ and IRZ)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-British pound sterling (GB and IGB)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-Norwegian krone (OL)	[200 Ticks/5000 points]	60 Ticks/1500 points
Euro-Canadian dollar (EP and IEP)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-US [D]dollar (EO and IEQ)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-Australian [D]dollar (RA)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-Czech koruna (EZ)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-Hungarian forint (HR)	[200 Ticks/1000 points]	60 Ticks/300 points
Euro-South African [R]rand (YZ)	[200 Ticks/5000 points]	60 Ticks/1500 points
[Large Euro—US Dollar (IEQ)]	200 Ticks/1000 points	60 Ticks/300 points
[Large Euro—pound sterling (IGB)]	200 Ticks/1000 points	60 Ticks/300 points
[Large Euro—Canadian Dollar (IEP)]	200 Ticks/1000 points	60 Ticks/300 points
[Large Euro—Japanese yen (IEJ)]	200 Ticks/1000 points	60 Ticks/300 points
[Large Euro—Swedish krona (IRK)]	200 Ticks/5000 points	60 Ticks/1500 points
[Large Euro—Swiss franc (IRZ)]	200 Ticks/1000 points	60 Ticks/300 points]
US Dollar-South African [R]rand (ZR)	[200 Ticks/5000 points]	60 Ticks/1500 points]
US Dollar-Swedish krona (KX and IKX)	[200 Ticks/1000 points] 200 Ticks/1000 points	60 Ticks/300 points] 60 Ticks/300 points
US Dollar-Norwegian krone (NT)	[200 Ticks/1000 points]	60 Ticks/300 points]
US Dollar-Czech koruna (VC)	[200 Ticks/1000 points]	60 Ticks/300 points]
US Dollar-Hungarian forint (VU)	[200 Ticks/1000 points]	60 Ticks/300 points]
US Dollar-Japanese yen (SN and ISN)	[200 Ticks/1000 points] 200 Ticks/1000 points	60 Ticks/300 points] 60 Ticks/300 points
US Dollar-Swiss franc (MF and IMF)	[200 Ticks/1000 points] 200 Ticks/1000 points	60 Ticks/300 points] 60 Ticks/300 points
US Dollar-Canadian dollar (SV and ISV)	[200 Ticks/1000 points] 200 Ticks/1000 points	60 Ticks/300 points] 60 Ticks/300 points
[Large US Dollar—Canadian dollar (ISV)]	200 Ticks/1000 points]	60 Ticks/300 points]
[Large US Dollar—Japanese yen (ISN)]	200 Ticks/1000 points]	60 Ticks/300 points]

	Reasonability Limit	No Cancellation Range
Large US Dollar-Swedish krona (IKX)	200 Ticks/1000 points	60 Ticks/300 points
Large US Dollar-Swiss Franc (IMF)	200 Ticks/1000 points	60 Ticks/300 points
	200 Ticks/1000 points	60 Ticks/300 points
Australian Dollar-US dollar (AU and IAU)	200 Ticks/1000 points [200 Ticks/1000 points]	60 Ticks/300 points 60 Ticks/300 points
New Zealand dollar-US dollar (ZX)	200 Ticks/1000 points [200 Ticks/1000 points]	60 Ticks/300 points 60 Ticks/300 points
Australian dollar-Japanese yen (YA)	200 Ticks/1000 points [200 Ticks/1000 points]	60 Ticks/300 points 60 Ticks/300 points
Australian dollar-New Zealand dollar (AR)	200 Ticks/1000 points [200 Ticks/1000 points]	60 Ticks/300 points 60 Ticks/300 points
Australian dollar-Canadian dollar (AS)	200 Ticks/1000 points [200 Ticks/1000 points]	60 Ticks/300 points 60 Ticks/300 points
[Large Australian dollar-US dollar (IAV)]	200 Ticks/1000 points	60 Ticks/300 points
	200 Ticks/1000 points	60 Ticks/300 points
Swiss franc-Japanese yen (ZY)	200 Ticks/1000 points [200 Ticks/1000 points]	60 Ticks/300 points 60 Ticks/300 points
Canadian dollar-Japanese yen (HY)	200 Ticks/5000 points [200 Ticks/1000 points]	60 Ticks/1500 points 60 Ticks/300 points
New Zealand dollar-Japanese yen (ZJ)	200 Ticks/5000 points [200 Ticks/5000 points]	60 Ticks/1500 points 60 Ticks/1500 points
Norwegian Krone-Japanese [¥]yen (KY)	200 Ticks/5000 points [200 Ticks/1000 points]	60 Ticks/1500 points 60 Ticks/500 points
Swedish Krona/Japanese [¥]yen (KJ)	200 Ticks/5000 points [200 Ticks/1000 points]	60 Ticks/1500 points 60 Ticks/500 points
Norwegian krone-Swedish krona (NJ)	[200 Ticks/1000 points]	60 Ticks/300 points
[Real dollar (BX)]	200 Ticks/1000 points	60 Ticks/300 points]
All Options Contracts	[40% of the theoretical premium calculated by the Exchange]	NA – See Section 2F above

Please note:

The price reasonability limits for each Contract necessarily are flexible to take account of prevailing market conditions. It remains at the discretion of the Exchange to determine when such conditions apply. The Exchange reserves its right to consider each alleged error-trade situation on its individual merits and may therefore amend these price reasonability limits in light of the circumstances of each individual case and prevailing market conditions.

Reasonability Limits

The ETS maintains Reasonability Limits to prevent ‘fat finger’ type errors. These are hard limits above or below an Exchange set anchor price. Offers above and bids below the Reasonability Limit are accepted but are not tradable unless the market moves to bring them within the Reasonability Limit. Orders with bids above the Reasonability Limit or offers below the Reasonability Limit will not be accepted, unless such orders are capable of being executed opposite previously entered resting orders at more favorable prices within the Reasonability Limit. (see Section 2B above.)

Each option order submitted to the electronic trading platform will be evaluated against a reasonability limit for the specific strike price, put and call. A reasonability limit range will be established around the theoretical premium value for each option call or put. The theoretical premium value will be calculated using the Black - Scholes model and will dynamically update throughout the day. The reasonability limit

range will allow for entry of bids or offers within a certain percentage of the option's current theoretical premium value. This Option Reasonability Percentage is the percentage above/below the calculated option theoretical premium used to establish the reasonability limits. This percentage is determined by the Exchange and is subject to change without notice. For Options with little theoretical value (deep out-of-the money), a minimum premium price established by the Exchange will be used. If the theoretical price of the Option plus the Option Reasonability Percentage is less than the minimum premium, the minimum premium will be used.

The Reasonability Limits for each Exchange Commodity Contract are flexible, to take account of prevailing market conditions, and may be changed in the discretion of the Exchange on an intraday basis, without advance notice, to take account of such conditions.

[REMAINDER OF APPENDIX IS UNCHANGED]

R-7 Delegation of Authority to President

* * *

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby delegates to the President the authority to:

* * *

5. change the No Cancellation Ranges [~~and Reasonability Limits~~] for each futures and options contract listed electronically by the Exchange and set forth in Section 4 of Appendix I of Chapter 27.