


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

BY ELECTRONIC TRANSMISSION

Submission No. 12-41
July 19, 2012

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: **Amendment to Rule 6.04 – Settlement and Expiration Procedures During a Physical
Emergency
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(a), ICE Futures U.S., Inc. (“Exchange”) submits amendments to Exchange Regulatory Rule 6.04, attached as Exhibit A.

Regulatory Rule 6.04 sets forth the settlement and expiration procedures for Exchange Futures and Options Contracts in the event that a physical emergency disrupts a trading session. Amendments to the Rule eliminate obsolete provisions which address futures contracts listed for trading on the Exchange’s trading floor. The provisions are no longer necessary because all Exchange futures contracts are listed exclusively on the electronic trading system.

In addition, the amendments also expressly provide for the treatment of expiring Cash-Settled U.S. Agricultural Futures Contracts in the same manner as the rule already provides for other cash-settled Exchange contracts. Specifically, in the event that a physical emergency occurs which disrupts the trading session of an expiring contract on the Last Trading Day, Cash-Settled U.S. Agricultural Futures Contracts will expire. As currently provided in the Rule with respect to other cash-settled contracts, no supplemental trading session would be conducted for these Agricultural Contracts. The Exchange has always taken this approach in light of the fact that any potential hardship for participants holding unintentional long or short positions as a result of a disruption is mitigated because the contracts are cash settled, rather than physically delivered.

The rule amendments will become effective on August 3, 2012. No substantive opposing views were expressed by members or others with respect to the amendments.

The Exchange certifies that the rule amendment complies 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, which may be accessed at (<https://www.theice.com/notices/RegulatoryFilings.shtml>).

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jason V. Fusco". The signature is written in a cursive style with a large, looping initial "J".

Assistant General Counsel
Market Regulation

Enc.

cc: Division of Market Oversight
New York Regional Office

EXHIBIT A

(In the text of the amendments below, additions are underscored and deletions are bracketed and lined through.)

Rule 6.04. Settlement Price Determination in Physical Emergencies

When a Physical Emergency is declared in accordance with Rule 6.02, the following shall apply with respect to determining the Settlement Price:

(a) ~~[With respect to Exchange Futures Contracts that are listed for trading solely on the Trading Floor, if the market does not reopen, the Settlement Price will be calculated in accordance with Rule 4.28 using the prices traded during the last one (1) or two (2) minutes of trading, depending on the closing period specified in Rule 4.06 for the contract.]~~

~~(b)~~ With respect to Exchange Futures Contracts, ~~[that are solely listed for trading on the electronic trading platform],~~

(i) if the trading hours have been extended, Settlement Prices will be determined in accordance with Rule 4.28 using prices from the last one (1) or two (2) minutes of the extended trading hours, depending on the convention specified in Rule 27.18(b) for the contract; or

(ii) if electronic trading does not resume, Settlement Prices will be determined in accordance with Rule 4.28 using prices from the last one (1) or two (2) minutes, depending on the convention specified in Rule 27.18(b) for the contract.

~~(c)~~ (b) With respect to all Exchange Options Contracts, if the trading hours have been extended or if the market does not reopen for trading, the Settlement Price will be determined using the Settlement Price of the corresponding Exchange Futures Contract and standard option valuation models.

~~(d)~~ (c) If a Physical Emergency occurs prior to the end of trading for an expiring Exchange ~~[Futures]~~ Contract on the Last Trading Day¹,

(i) with respect to ~~[Exchange Futures contracts that are listed for trading solely on the Trading Floor and]~~ Exchange Financial, ~~[and]~~ Index and Cash-Settled U.S. Agricultural Futures Contracts ~~[traded solely on the electronic trading platform]~~, if trading does not resume, the expiration process shall proceed in accordance with the Rules.

(ii) with respect to physically settled Exchange Agricultural Futures Contracts,

(A) if trading in the expiring futures contract does not resume, trading will be extended through the next Business Day with trading ending on such day at the time specified in Rule 27.18;

(B) if trading resumes with less than two (2) hours remaining before the time specified in Rule 27.18,

(I) Settlement Prices for the trading day will be calculated in accordance with subparagraph (b)(ii) of this Rule, and

(II) trading in the expiring futures contract will be conducted on the next Business Day from 9:00 am until 11:00 am New York time.

(C) If trading is conducted on the next Business Day in accordance with subparagraphs (d)(ii)(A) or (d)(ii)(B)(II) of this Rule, then all dates and times specified in the Rules with respect to the delivery of the expiring contract shall be adjusted accordingly.

(iii) with respect to all Options Contracts, if trading does not resume prior to the normal closing time for the Options Contract, the Options Contract will expire in accordance with the Rules.