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C.F.T.C.
OFFICE OF THE SECRETARIAT

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BY ELECTRONIC TRANSMISSION

Submission No. 10-42
October 13, 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: Amendment to Rule 27.11 -
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, an amendment to Rule 27.11, attached as Exhibit A.

Currently, the only spreads listed on the Exchange's electronic trading system ("ETS") are calendar spreads for futures contracts. ETS will soon have an Options Spreads functionality that will allow a user to define its own option strategy (User Defined Spread or "UDS"). UDS functionality allows users to create specific options and options/futures strategies. Upon creation of a new UDS, UDS messages are broadcast to the market to indicate an interest in a specific strategy. UDS will support any trading strategy, including ratio spreads, as well as hedged options (delta hedged) with the underlying future contract ("combination transactions"). UDS will support up to nine (9) legs and two (2) hedged legs. UDS strategies must be recreated in the platform each day as they will not persist from one trading day to the next.

In addition, another new functionality will allow a user to send a message to ETS to indicate an interest in a specific product (*i.e.* a single option call or put strike) or a UDS. This functionality is a Request For Quote ("RFQ"). Once the RFQ is published in the ETS, traders can respond by entering a bid and/or offer, and such bid and offers are immediately tradeable. RFQ functionality is only available for options contracts and combination transactions.

The proposed amendment to Rule 27.11 provides for the execution of Options Spreads on ETS as a result of the enhanced option functionalities.

The Exchange certifies that the amendment complies with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The amendment was adopted by the Exchange's Board of Directors at its meeting on October 6, 2010 and will go into effect on October 18, 2010. However, it should be noted that, on October 18, 2010, the new enhanced option functionalities will only be available for Sugar No. 11® and Russell 2000® Index options contracts and will be made available for other Exchange options contracts shortly thereafter. No substantive opposing views were expressed by members or others with respect to the amendments. If you have any questions or need further information, please contact me at 212-748-4084 or 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.)

Rule 27.11. Acceptable Orders

(a) An ETS order shall be in one of the following order types (listed in alphabetical order):

* * *

(iv) "Options Spread orders" – Options Spread orders are orders to effect one (1) Exchange Options Contract in conjunction with one (1) or more other Exchange Options Contract(s) in the same Commodity or to effect a Combination Transaction.

(A) A "Combination Transaction" shall mean two (2) or more Commodity Contracts traded simultaneously and comprised of an Exchange Options Position and a related Exchange Futures Position.

(B) Combination Transactions may only be executed when both the Exchange Futures Contract and its related Exchange Options Contract are listed for trading.

(C) All Commodity Contracts comprising the Combination Transaction must be for the same account.

(D) The Exchange Futures Contract must be priced within its respective daily price limits.

(E) No Registered Operator, upon receiving separate orders for Exchange Futures Contracts and for Exchange Options contracts for the same or different customers, may combine and execute such orders as a Combination Transaction but must execute each order separately.

(F) The futures position must offset the net Options position of the Combination Transaction.

(G) The number of Exchange Futures Contracts should not exceed the number of Exchange Options Contracts for the Combination Transaction.

(v) "Stop orders" – Acceptable Types

[REMAINDER OF RULE UNCHANGED]