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

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BY ELECTRONIC TRANSMISSION

Submission No. 10-44
October 26, 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.

The amendment to Rule 27.11 provides that, in the event that spread Trade At Settlement ("TAS") transactions are executed on a day on which one or both legs in the TAS spread settles at limit up or limit down, the price of the second leg shall be determined by the Exchange on the basis of observed prices of transactions involving such Calendar Spread executed during the settlement period. The second leg is the back month of the Calendar Spread.

Prior to the amendment, Rule 27.11 provided that on any trading day the prices of the two futures months in a TAS spread pair shall be determined using the settlement prices of the respective futures contracts on that day. For futures contracts subject to daily trading limits, this has created an anomaly that occurs when one or both months in the TAS spread pair settle at limit up or down. Since the settlement price for one or both legs of the pair is constrained by the limit rule the difference between the two settlement prices may vary considerably from where the spread was trading on the close.

For example, assume the following settlement prices on Day 1:

July 2010:	84.00
October 2010:	85.00
July/Oct Spread:	100

Then, assume that on Day 2 both months settle at limit up and the spread widens by 50 points:

July 2010:	88.00
October 2010:	89.00
July/Oct Spread:	150

In this scenario, a July/Oct TAS spread trade at a TAS price of 0, i.e. each leg is given the exact settlement price, would see the July leg priced at 88.00 and the October leg priced at 89.00 – a spread differential of 100 points, even though the spread was trading on the close at 150 points, which provides a benefit to the October seller at the cost of the buyer. By using the actual spread differential traded during the closing period to determine the trade price of the second leg (October) of the TAS spread, the anomaly is eliminated and the true spread relationship is more accurately priced.

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 May 20, 2010 and will go into effect on November 1, 2010. 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):

(i) "Calendar Spread orders" – Calendar Spread orders are orders to purchase one (1) or more Exchange Futures Contracts and sell an equal number of Exchange Futures Contracts in the same Commodity at a stated price difference. Calendar Spread orders may either trade against other matching Calendar Spread orders or may be traded against outright contracts. When traded against outright contracts, the outright contract prices are always used for each of the legs of the Calendar Spread order. When traded against another Calendar Spread order, the prices of the legs of such Transactions will be generated by a Calendar Spread algorithm determined by the Exchange and the prices of the legs of such Transactions may exceed the daily price limit for the respective product.

* * *

(viii) "Trade At Settlement orders" – Trade At Settlement ("TAS") orders are orders to buy or sell a stated quantity at:

(A) the Trading Session's Settlement Price or up to two (2) minimum price fluctuations above or below the Trading Session's Settlement Price; or

(B) if a Calendar Spread, at the spread differential between the Trading Session's Settlement Prices of the two (2) delivery months up to two (2) minimum price fluctuations above or below the spread differential between the Trading Session's Settlement Prices of the two (2) delivery months; provided, however, that if either or both delivery months settles at a price that is limit up or limit down, then the price of the second leg of the Calendar Spread shall be determined by the Exchange on the basis of observed prices of transactions involving such Calendar Spread executed during the settlement period.

TAS orders may be submitted only for those Commodity Contracts and delivery months and during such time periods as specified by the Exchange from time to time. TAS orders may result in transactions priced outside the daily price limits.

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