



ICE Swap Trade LLC  
55 East 52<sup>nd</sup> Street  
New York, NY 10055

September 16, 2014

Submission 14-27

Submitted via email

Secretary of the Commission

Office of the Secretariat

U.S. Commodity Futures Trading Commission

Three Lafayette Centre

1155 21<sup>st</sup> Street, N.W.

Washington, D.C. 20581

via email: [submissions@cftc.gov](mailto:submissions@cftc.gov); [dmosubmissions@cftc.gov](mailto:dmosubmissions@cftc.gov); [ahallbugg@cftc.gov](mailto:ahallbugg@cftc.gov)

Re: ICE Swap Trade, LLC – Rule Amendment – Amended Rulebook

Ladies and Gentlemen:

Pursuant to Section 5c(c) of the Commodity Exchange Act (the “Act”) and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “Commission”), ICE Swap Trade, LLC (“IST” or the “SEF”) hereby notifies the Commission that it has amended its Rulebook. The Rulebook has been amended in order to (i) affect certain administrative/clerical revisions, (ii) clarify the process by which IST intends to implement and enforce certain of its rules, (iii) respond to relevant CFTC guidance/comments, and (iv) respond to comments received from potential/current IST participants. The Rulebook will become effective on October 1, 2014 (based upon an acknowledged filing date of September 17, 2014).

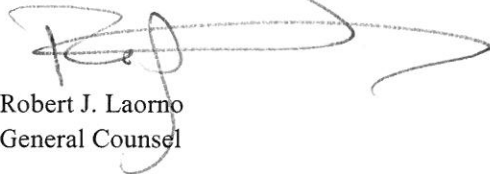
A concise explanation of the amendments to the Rulebook and their compliance with applicable provisions of the Act, including the SEF core principles, is attached hereto as Exhibit A, a copy of the revised IST Rules marked to show changes against the IST Rulebook submitted to the Commission with an effective date of September 16, 2014, is attached hereto as Exhibit B, and a clean copy of the amended IST Rules is attached hereto as Exhibit C.

IST certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. IST is not aware of any substantive opposing views expressed with respect to this filing and certifies that, concurrent with this filing, a copy of this submission was posted on the IST’s website and may be accessed at:

<https://www.theice.com/notices/RegulatoryFilings.shtml>.

Please contact the undersigned at (212) 323-8543 with any questions regarding this matter.

Very truly yours,



Robert J. Laorno  
General Counsel

Enclosures

**Summary of Rulebook Changes**

<b>Amendment</b>	<b>Explanation</b>
<b>Chapter 8 – Disciplinary Rules</b>	
Rule 811	Corrected typo. Reordered Rule.
Rule 1002	Revised rule in light of the relief provided under CFTC Letter No. 14-62 expiring on September 30, 2014.

**Rule 811. Summary Fines.**

The Chief Compliance Officer or their designee may issue a warning letter or impose summary fines of no more than ten thousand dollars (\$10,000), without the need for a formal hearing under this Chapter 8, in any case in which it is concluded that there may have been a violation of:

- (a) Rule ~~308~~303(~~te~~)
- (b) Rule ~~303~~308(~~ct~~)
- (c) Rule 401(h)
- (d) Rule 401(i)
- (e) Rule 402
- (f) Rule 403(b)
- (g) Rule 404
- (h) Rule 512
- (i) Rule 519(e)
- (j) Rule 524
- (k) Rule 529
- (l) Rule 701
- (m) Rule 702

The authority to impose such a summary fine does not limit the Chief Compliance Officer's authority to refer the matter to a Disciplinary Panel pursuant to the provisions of this Chapter 8 instead of imposing a summary fine. A summary fine imposed in accordance with this Rule shall become final and effective and payment shall become due and owing to the SEF fifteen (15) days after receipt of the fine.

**Rule 1002. Cleared Swaps.**

- (a) Each Cleared Swap (including any Required Transaction) shall be cleared through a Clearing House indicated in the applicable Contract Specifications that is a derivatives

clearing organization registered under the CEA or a derivatives clearing organization that is exempt from registration under the CEA.

- (b) For each Cleared Swap a Participant (or, if applicable, its Customer) expects to enter into on the SEF or subject to the Rules, the Participant (or, if applicable, its Customer) must be a Clearing Member of the applicable Clearing House or have established a clearing relationship with a Clearing Member of the applicable Clearing House.
- (c) Acceptance of Orders or RFQs for a Cleared Swap will be subject to Rule 516. Following execution of a Transaction in a Cleared Swap, the SEF shall submit such Transaction to the applicable Clearing House for each Participant (or, if applicable, its Customer) party thereto, as applicable.
- (d) If a Cleared Swap is affirmatively rejected by the relevant Clearing House, such Transaction shall be deemed *void ab initio*.

~~(e) With respect to a Package Transaction, in the event that a component leg of a Package Transaction executed on or subject to the Rules of the SEF is affirmatively rejected by the relevant Clearing House, such rejected component leg shall be deemed void ab initio; provided that if the component leg that was not accepted for clearing was rejected solely due to the sequencing of the submission of the respective legs of a Package Transaction, such earlier rejected component leg may be re-submitted to the relevant Clearing House by the SEF, in a manner that complies with Applicable Law or subject to CFTC No-Action Relief therefrom, as a new Transaction in a Cleared Swap with terms and conditions that match the terms and conditions of the Transaction which was deemed void ab initio in the first instance, except that the time of execution of the re-submitted component leg shall be updated to reflect the new execution time. However, if such new Transaction (i.e. the re-submitted component leg) is also rejected, it shall be deemed void ab initio without the possibility for resubmission.~~

~~(f)~~(e) The SEF shall have the right to suspend Trading Privileges of the Participant or Participants that executed the Transaction or the account of the Customer on whose behalf the Participant executed the Transaction that was rejected or take any other action permitted by the Rules. The SEF will report the cancellation of the Transaction as required by Part 43 and Part 45 of the CFTC Regulations.

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(n) Rule 303(t)

(o) Rule 308(c)

(p) Rule 401(h)

(q) Rule 401(i)

(r) Rule 402

(s) Rule 403(b)

(t) Rule 404

(u) Rule 512

(v) Rule 519(e)

(w) Rule 524

(x) Rule 529

(y) Rule 701

(z) Rule 702

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- (c) Acceptance of Orders or RFQs for a Cleared Swap will be subject to Rule 516. Following execution of a Transaction in a Cleared Swap, the SEF shall submit such Transaction to the applicable Clearing House for each Participant (or, if applicable, its Customer) party thereto, as applicable.
- (d) If a Cleared Swap is affirmatively rejected by the relevant Clearing House, such Transaction shall be deemed *void ab initio*.
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