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BY ELECTRONIC TRANSMISSION

Submission No. 24-27
March 19, 2024

Mr. Christopher J. Kirkpatrick
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 Exchange Rule 6.17 - Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6(a), ICE Futures U.S., Inc. (the “Exchange” or “IFUS”) hereby certifies amendments to Exchange Rule 6.17, “Position Limits and Position Accountability for Cocoa Contracts.” The amendments (i) reduce the single month accountability level for the Cocoa Futures (“CC”) contract and all aggregated contracts from 6,000 contracts to 2,500 contracts and (ii) reduce the all-months-combined accountability level for CC and all related contracts from 6,000 contracts to 5,000 contracts. The amendments are set forth in Exhibit A.

As background, the Exchange’s accountability levels provide that a Person holding or controlling a position in excess of the designated levels (i) automatically consents not to increase further and automatically consents to decrease those positions when so ordered by the Exchange acting in its own discretion; and (ii) shall provide, in a timely manner, information on the nature of that Person’s related cash, Exchange Futures and Options Contracts positions, trading strategy and/or hedging strategy. The amendments to the CC accountability levels will provide the Exchange’s Market Regulation Department with additional control and discretion to reduce smaller positions held by participants to lower levels. This will put the Exchange in a better position to manage any potential market disruptions resulting from increased volatility or short-term supply constraints. The amendments are consistent with CFTC Regulation 150.2 and in furtherance of CFTC Regulation 38.300 and Core Principle 5, which states, in part, that a board of trade shall adopt for each contract, as is necessary and appropriate, position accountability to reduce the potential threat of market manipulation or congestion.

Certifications

The Exchange certifies that the amendments to single and all-months-combined accountability levels comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange is not aware of any opposing views with respect to the reduction in accountability levels and certifies that the amendments will become effective on April 4, 2024, or such other date as the Exchange shall determine which shall be no sooner than the first business day following the tenth business day following submission to the Commission. The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has determined that the amendments comply with the following relevant Core Principles:

COMPLIANCE WITH RULES

The amended single and all-months-combined accountability levels for the Cocoa futures will be enforced by the Exchange. In addition, trading of the Cocoa futures contract is subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

CONTRACTS NOT READILY SUBJECT TO MANIPULATION

The Exchange's Cocoa futures contracts are not readily subject to manipulation as they are based on established and liquid underlying cash markets. In addition, trading of the contracts will be monitored by the Market Regulation Department.

POSITION LIMITS OR ACCOUNTABILITY

Positions in the Cocoa futures contract will continue to be subject to position limits and accountability levels set by the Exchange. Such position limits are based upon the deliverable supply in the cash market and are consistent with CFTC Regulation 150. All positions held in options on futures markets are aggregated with the relevant futures contracts underlying the option on futures for purposes of position limits and single and all-months-combined accountability.

FINANCIAL INTEGRITY OF CONTRACTS

The Cocoa futures contract will continue to be cleared by ICE Clear U.S., a registered derivatives clearing organization subject to Commission regulation, and carried by registered futures commission merchants qualified to handle customer business.

The Exchange further certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange's website. It may be accessed at: <https://www.theice.com/notices/RegulatoryFilings.shtml>. If you have any questions or need further information, please contact me at (312) 836-6745 or at patrick.swartz@ice.com.

Sincerely,



Patrick Swartz
Director - Market Regulation
ICE Futures U.S.

cc: Division of Market Oversight

EXHIBIT A

Rule 6.17. Position Limits and Position Accountability for Cocoa Contracts

(a) A Person holding or controlling two thousand five hundred (2,500) [six thousand (6,000)] or more Exchange Futures Contracts and Futures Equivalent Contracts, net long or net short in any single Cocoa month or holding or controlling five thousand (5,000) or more Exchange Futures Contracts and Futures Equivalent Contracts net long or net short[ø] in all Cocoa months combined:

(i) automatically consents not to increase further and automatically consents to decrease those positions when so ordered by the Exchange acting in its own discretion; and

(ii) shall provide, in a timely manner, information on the nature of that Person's related cash, Exchange Futures and Options Contracts positions, trading strategy and/or hedging strategy. Nothing in this Rule limits the authority of the Exchange to take action under Rules 6.11, 6.12 and 6.13 or to request and collect any information regarding that Person's related cash and Exchange Futures and Options Contracts positions.

(b) Subject to the exceptions contained in this Chapter, the maximum net long or net short position which anyone (1) Person may hold or control in the Cocoa Contract is one thousand (1,000) Exchange Futures Contracts for any month for which delivery notices have or may be issued.

[REMAINDER OF RULEBOOK UNCHANGED]