



Submission No. 23-48
April 5, 2023

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 Strike Price Listing Rules for Agricultural Options Contracts
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 (the "Act"), and Commodity Futures Trading Commission ("Commission") Regulation 40.6(a), ICE Futures U.S., Inc. ("IFUS" or "Exchange") hereby certifies the amendments to Rules 8.53, 9.43, 10.59, 11.24 and 13.32, which are set forth in Exhibit A.

Exchange Rules 8.53, 9.43, 10.59, 11.24 and 13.32 set forth the strike price listing requirements for Coffee "C"[®], Cocoa, Cotton No.2[®], Sugar No. 11[®] and FCOJ options contracts. Currently, each rule provides for the listing of certain mandatory strike prices and delegates the authority to list additional strikes to the President of the Exchange. The amendments to each rule expressly grant the Exchange, rather than the President, the authority to list additional strike prices for options on such agricultural futures contracts. Additional amendments delete provisions which provide for the automatic listing of strike prices for active option months and the delisting of inactive Strike Prices with no open interest.

The Exchange certifies that the amendments, which will become effective on April 20, 2023, comply with the requirements of the Act and the CFTC Regulations promulgated thereunder. 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 amendments will be enforced by the Exchange in accordance with Core Principle 2.

AVAILABILITY OF INFORMATION

As required by Core Principle 7, the text of the amended Rules will be codified in the Exchange's Rulebook and made available on the Exchange's Website.

The Exchange is not aware of any opposing views with regard to the amendments and further certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange's website at <https://www.theice.com/futures-us/regulation#rule-filings>



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 that reads "Jason V. Fusco". The signature is fluid and cursive, with a large initial 'J' and a long, sweeping underline.

Jason V. Fusco
Assistant General Counsel

Enc.
cc: Division of Market Oversight
New York Regional Office



EXHIBIT A

Rule 8.53. Strike Prices

(a) Trading shall only be conducted in Regular or Serial or Weekly Coffee Options having Strike Prices determined in accordance with this Rule.

(b) The Strike Prices of Options shall be at levels (the "prescribed levels") set at intervals (the "prescribed intervals") of \$.025.

(c) ~~The Exchange may list such Strike Prices as the Exchange may from time to time determine. In addition, [Except as the Board or the President may from time to time prescribe otherwise, Coffee Options shall be listed for trading with particular Strike Prices for each Option Month as follows:~~

~~(i) A] at the time Coffee Options for any Regular Option Month are first (1st) listed for trading pursuant to Rule 8.51, they shall be listed with at least thirteen (13) Strike Prices each for Puts and Calls at the prescribed \$.025 level.~~

~~[(ii) Any listing of Strike Prices prescribed by the Board or the President or the President's designee under this Rule shall be made effective upon adoption or as otherwise determined by the Board or the President.]~~

~~(d) An Option shall be delisted if for ten (10) consecutive trading days no Transaction is executed and there is no open position in such Option; provided, however, that no Option shall be so delisted if it has a Strike Price which is at the first (1st) \$.05 or \$.10 prescribed level above the Settlement Price of the Underlying Futures Contract on the previous trading day, or is at either of the six (6) prescribed \$.05 or \$.10 levels above or below such level, or any of the intervening \$.025 Strike Prices set forth in paragraph (b); and provided further that no Option shall be so delisted if there is an Option in another class with the same Strike Price that does not otherwise qualify for delisting; and provided further that, in the case of Serial Options and the next Regular Option Month with an expiration subsequent to the expiration of the Serial Option(s), no Option shall be so delisted unless it can be delisted for any Serial Option Month and such next Regular Option.~~

Rule 9.43. Strike Prices

(a) Trading shall only be conducted in Regular or Serial Cocoa Options having Strike Prices determined in accordance with this Rule.

(b) The Strike Prices of Options shall be at levels (the "prescribed levels") set at intervals (the "prescribed intervals") of fifty dollars (\$50).

(c) ~~The Exchange may list such Strike Prices as the Exchange may from time to time determine. In addition, [Except as the Board or President may from time to time prescribe otherwise, Cocoa Options shall be listed for trading with particular Strike Prices for each Option Month as follows:~~

~~(i) A] at the time Cocoa Options for any Regular Option Month are first (1st) listed for trading pursuant to Rule 9.41, they shall be listed with at least thirteen (13) Strike Prices each for Puts and Calls at the prescribed fifty dollar (\$50) level.~~



~~[(ii) Any listing of Strike Prices prescribed by the Board or the President under this Rule shall be made effective upon adoption or as otherwise determined by the Board or the President.]~~

~~(d) An Option shall be delisted if for ten (10) consecutive trading days no Transaction is executed, and there is no open position, in such Option; provided, however, that no Option shall be so delisted if it has a Strike Price which is at the first (1st) fifty dollar (\$50) or one hundred dollar (\$100) prescribed level above the Settlement Price of the Underlying Futures Contract on the previous trading day, or is at either of the six (6) prescribed fifty dollar (\$50) or one hundred dollar (\$100) levels above or below such level; and provided further that no Option shall be so delisted if there is an Option in another class with the same Strike Price that does not otherwise qualify for delisting; and provided further that, in the case of Serial Options and the next Regular Option Month with an expiration subsequent to the expiration of the Serial Option(s), no Option shall be delisted unless it can be delisted for any Serial Option Month and such next Regular Option.~~

Rule 10.59. Strike Prices

(a) Options on Cotton No. 2 Futures Contracts shall trade with Strike Prices in one cent (.01¢) per pound intervals.

(b) The Exchange may list such Strike Prices as the Exchange may from time to time determine. In addition, [(i) A] at the time Monthly Options for any month are first (1st) listed for trading, they shall be listed with at least the following eleven (11) Strike Prices:

~~[(1)i] the previous day's Settlement Price for Cotton No. 2 Futures Contracts in the corresponding delivery month rounded off to the nearest one cent (.01¢) per pound interval; for purposes of this Rule, prices from __.51 on up shall be the next highest one cent (.01¢) interval and prices from __.50 on down shall be the next lowest one cent (.01¢) interval; this one cent (.01¢) interval is the at-the-money Strike Price;~~

~~[(2)ii] the five (5) Strike Prices which are higher than the at-the-money Strike Price; and~~

~~[(3)iii] the five (5) Strike Prices which are lower than the at-the-money Strike Price.~~

~~[(c) Thereafter, on any Business Day, whenever the Strike Prices of the Options listed for any Option Month do not include the five (5) consecutive intervals above and below the at the money Strike Price, as well as the at the money Strike Price itself, one (1) or more new Options for such Option Month shall be listed for trading on the following trading day so that the class of Options shall include Strike Prices at the money and Strike Prices set at the five (5) consecutive intervals next above and next below the at the money Strike Price. Any Strike Price provided for in this paragraph (c) may be referred to from time to time as a "Required Strike Price".~~

~~(d) A Cotton No. 2 Option having a particular Strike Price may be delisted if, for ten (10) consecutive trading days or more, no Transaction is executed and there is then no open Position in such Option; provided, however, that no Option shall be so delisted to the extent that it has a Strike Price which is then a Required Strike Price.~~

~~(e) Any Option which has been so delisted shall thereafter be relisted at any time to the extent any such Option would have a Strike Price at a then Required Strike Price.~~



~~(f) In addition to the Strike Prices authorized above, the President may direct that additional Strike Prices be added. Such directed Strike Prices (“DSPs”) may be added provided that they may be only listed in whole one cent (.01¢) intervals or multiples thereof. Such DSPs shall be effective upon adoption.~~

~~(g) At the time Weekly Options contracts are first listed for trading, they shall be listed with the same strike prices that are listed for the Monthly Option on the same Underlying Futures Contract.~~

Rule 11.24. Strike Prices

(a) Trading shall only be conducted in Regular or Serial or Weekly Options having Strike Prices determined in accordance with this Rule.

(b) The Strike Prices of Options that are listed for trading shall be at levels (the "prescribed levels") set in intervals (the "prescribed intervals") [as follows:

(i) ~~Strike Prices shall be at levels which are at intervals] of one-quarter cent (\$.0025).~~

(c) ~~[Except as the Board or President may from time to time prescribe otherwise, Sugar Options shall be listed for trading with particular prices for each Option Month as follows: The Exchange may list such Strike Prices as the Exchange may from time to time determine. In addition, (i) A] at the time Sugar Options for any Regular Option Month are first (1st) listed for trading pursuant to Rule 11.22, they shall be listed with at least seven (7) Strike Prices at intervals specified in paragraph (b) above for Puts and Calls. The first (1st) Strike Price will be set at the prescribed level equal to the Settlement Price for the Underlying Futures Contract on the previous trading day, or if such Settlement Price is not equal to any such prescribed level, then at the next prescribed level above such Settlement Price. The other six (6) Strike Prices shall be at each of the three (3) prescribed levels next above and the three (3) prescribed levels next below the first (1st) Strike Price. At the time Sugar Options for any Serial Option Month or Weekly Option contract are first listed for trading pursuant to Rule 11.22, they shall be listed with all the Strike Prices of the next Regular Option Month with an expiration subsequent to the Serial Option or Weekly Option.~~

~~[(ii) Whenever the Strike Prices of the listed Options for any Regular or Serial Option Month do not include the seven (7) Strike Prices at intervals specified above based upon the Settlement Price of the Underlying Futures Contract on the previous trading day, Strike Prices at the prescribed levels shall be listed for trading.]~~

~~(iii) Any listing of Strike Prices prescribed by the Board or the President under this Rule shall be made effective upon adoption or as otherwise determined by the Board or the President.]~~

~~(d) An Option shall be delisted if for ten (10) consecutive trading days no Transaction is executed, and there is no open position, in such Option; provided, however, that no Option shall be so delisted if it has a Strike Price which is at the first (1st) full cent prescribed level above the Settlement Price of the Underlying Futures Contract on the previous trading day, or is at either of the three (3) prescribed full cent levels above or below such level, or any of the intervening half cent Strike Prices set forth in subparagraphs (b)(i) and (b)(ii); and provided further that no Option shall be so delisted if there is an Option in another class with the same Strike Price that does not otherwise qualify for delisting; and provided further that, in the case of Serial Options and the next Regular Option Month with an expiration subsequent to the expiration of the Serial Option(s), no Option shall be so delisted unless it can be delisted for any Serial Option Month and such next Regular Option.~~



Rule 13.32. Strike Prices

(a) Strike Prices for FCOJ Options shall be determined in the following manner:

(i) All Strike Prices shall be listed at 500 point intervals.

(ii) The only 500 point intervals recognized shall be those beginning at “even money” (e.g. 160.00) and every 500 points thereafter (e.g. 165.00, 170.00, 175.00, etc.).

(iii) Each such 500 point interval shall be referred to as a “Half”.

(iv) The Exchange may list such Strike Prices as the Exchange may from time to time determine. In addition, at the time FCOJ Options for any Option Month are first listed for trading pursuant to this Rule, they shall be listed with at least seven (7) Strike Prices, the “At-the-Money Strike”, which will be set at the prescribed “even money” interval closest to the Settlement Price for the Underlying Futures Contract on the previous trading day and three (3) Half Strike Prices above the At-The Money Strike and three (3) Half Strike Prices below the At-the Money-Strike.

~~[(i) “At the Money Strike” shall mean the level at which the first Strike Price is set based on the previous trading day’s Settlement Price of the nearest existing month to the month to be listed for trading. Need t Price of the nearest existing month to the month to be listed for trading shall take into consideration, as appropriate, carrying charges, seasonal factors and differences in crop years. Thereafter, the At the Money Strike shall automatically adjust to the price level nearest to the previous day’s Settlement Price for the month of the Underlying Futures Contract. The At the Money Strike shall be set at cent prices.~~

~~(A) All Strike Prices shall be listed at 500 point intervals.~~

~~(B) The only 500 point intervals recognized shall be those beginning at “even money” (e.g. 160.00) and every 500 points thereafter (e.g. 165.00, 170.00, 175.00, etc.).~~

~~(C) Each such 500 point interval shall be referred to as a “Half”.~~

~~(ii) “Prescribed intervals” shall mean the At the Money Strike and up to seven (7) prescribed price levels next above and next below the At the Money Strike initially listed for trading as determined by these Rules; provided, however, there shall never be less than a total of seven (7) automatic Strike Prices initially listed for trading in any Option Month. There shall be two (2) categories of prescribed price levels above and below the At the Money Strike, as follows:~~

~~(A) Automatic Prescribed Price Levels:~~

~~The first three (3) prescribed price levels above, and the first three (3) prescribed prices levels below the At the Money Strike shall be the Automatic Prescribed Price Levels and shall be automatically set at, and shall automatically adjust daily to, 500 point increments above (and below) the At the Money Strike and each succeeding Automatic Prescribed Price Level.~~

~~(B) Discretionary Prescribed Price Levels:~~

~~Up to four (4) prescribed price levels above the highest, and up to four (4) prescribed price levels below the lowest Automatic Prescribed Price Level set in (A) above, may be initially listed for trading at the discretion of the Exchange [President]. Such Discretionary Prescribed Price Levels shall similarly be set at 500 points above (and/or below) the preceding Automatic/Discretionary Prescribed Price Level. Each such Discretionary Prescribed Price Level shall be considered a Directed Strike Price (“DSP”). The listing and/or de-listing of DSPs shall be effective upon adoption.~~



~~(b) FCOJ Options shall be listed for trading with a particular Strike Price in prescribed intervals for each month as follows:~~

~~(i) At the time FCOJ Options for any Option Month are first listed for trading pursuant to this Rule, they shall be listed with at least seven (7) Strike Prices (the At the Money Strike and six (6) Automatic Prescribed Price Levels), but no more than a total of fifteen (15) Strike Prices (the eighth (8th) through the fifteenth (15th) Discretionary Prescribed Price Levels which are added at the discretion of the President) pursuant to the requirements of paragraph (a) of this Rule.]~~

~~[(ii) The At the Money Strike shall be automatic and shall adjust daily. The six (6) Automatic Prescribed Price Levels shall also be automatic. Any DSP may be listed at the discretion of the President pursuant to paragraph (a)(ii)(B) of this Rule.]~~

~~[(c) A FCOJ Option having a particular Strike Price may be delisted if, for ten (10) consecutive trading days or more, no Transaction is executed and there is then no open Position in such Option.~~

~~(d) In addition to Strike Prices authorized by this Rule, the President may direct that additional Strike Prices be added or that Strike Prices be de listed. Such DSPs may be added provided that they may only be listed in 500 point intervals (“Half”, as defined in paragraph (a)(i)(C) of this Rule) or multiples thereof.]~~