


ICE FUTURES U.S.
World Financial Center
One North End Avenue
New York, New York 10282

BY ELECTRONIC TRANSMISSION

Submission No. 12-04
January 19, 2011

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: New Weekly Expirations for Sugar No. 11[®], Coffee “C”[®] and Cotton No. 2[®]
Options Contracts-
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 amendments to Rules 8.51, 8.52, 8.53, 10.51, 10.53, 10.54, 10.59, 11.22, 11.23 and 11.24, attached as Exhibit A, which provide for new weekly expirations on Sugar No. 11, Coffee “C” and Cotton No. 2 options contracts (collectively the “Weekly Option Contracts”).

The new Weekly Option Contracts are short-life options contracts which share all other contract terms and conditions with existing Sugar No. 11, Coffee “C” and Cotton No. 2 options contracts. The Weekly Options Contracts will expire on a different date than the monthly options, providing an expiration on each Friday that is not already the expiration date for a monthly option on the relevant futures contracts. For each product, three weekly option expirations will be listed concurrently, so each Weekly Option Contract has a trading life of approximately four weeks.

The Board of Directors unanimously adopted the rule amendments for the Weekly Options Contracts at a meeting held on December 15, 2011. The rule amendments will become effective with the listing of the Weekly Option Contracts on February 6, 2012. No substantive opposing views were expressed by members or others with respect to the amendments.

The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. The Exchange has reviewed the designated contract market core principles (“Core Principles”) as set forth in the

Commodity Exchange Act and has determined that the listing of the Weekly Option Contracts complies with the following relevant Core Principles:

COMPLIANCE WITH RULES

The terms and conditions of the Weekly Options Contracts are set forth in Chapters 8, 10 and 11, Rules 6.17-6.19, Rule 6.22 and Appendix I of Chapter 27 and will be enforced by the Exchange. In addition, trading of Weekly Options Contracts is subject to all relevant Exchange rules which are enforced by the Market Regulation Department

CONTRACTS NOT READILY SUBJECT TO MANIPULATION

The Weekly Options Contracts are not readily subject to manipulation as they are based on an established and highly liquid underlying cash market. In addition, trading of the Weekly Options Contracts will be monitored by the Market Regulation Department.

POSITION LIMITS OR ACCOUNTABILITY

Positions in Weekly Options Contracts will be aggregated with respective futures and monthly options contracts and subject to existing limit/accountability levels.

The Exchange further certifies that, concurrent with this filing, a notice of pending certification was posted on the Exchange's website as well as a copy of this submission, which may be accessed at (<https://www.theice.com/notices/RegulatoryFilings.shtml>).

If you have any questions or need further information, please contact me at 212-748-4021 or at jason.fusco@theice.com.

Sincerely,



Jason V. Fusco
Assistant General Counsel
Market Regulation

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

Exhibit A

(In the text of the amendments below, additions are underscored and deletions are bracketed and lined through.)

COFFEE OPTIONS

Rule 8.51. Trading Months

(1) Monthly Options:

(a) Except as the Board may from time to time prescribe otherwise, Coffee Options shall be traded with respect to Option Months determined in accordance with the following:

(i) Trading shall be conducted in an Option traded on the March futures which shall expire the preceding February, an Option traded on the May futures which shall expire the preceding April, an Option traded on the July futures which shall expire the preceding June, an Option traded on the September futures which shall expire the preceding August, and an Option traded on the December futures which shall expire the preceding November, hereinafter referred to as the "Regular Option Months"; and

(ii) Trading shall also be conducted in an Option traded on the March futures which shall expire in December, an Option traded on the March futures which shall expire in January, an Option traded on the May Futures which shall expire in March, an Option traded on the July futures which shall expire in May, an Option traded on the September futures which shall expire in July, an Option traded on the December futures which shall expire in September, and an Option traded on the December futures which shall expire in October, hereinafter referred to as the "Serial Option Months".

(b) If trading has commenced in the Underlying Futures Contract, a new Option shall be listed for trading as follows:

(i) a new Regular Option Month shall be listed for trading on the first (1st) trading day following the first (1st) trading day for the Underlying Futures Contract month; and

(ii) a new Serial Option Month shall be listed for trading on the first (1st) trading day of the third (3rd) calendar month preceding the Serial Option Month.

(2) Weekly Options:

a) Except as the Board may from time to time prescribe otherwise, up to three Weekly Coffee Options contracts shall be listed for trading at any time: a Weekly Option expiring in the first week of the calendar month, a Weekly Option expiring in the second week of the calendar month, a Weekly Option expiring in the third week of the calendar month, a Weekly option expiring in the fourth week of the calendar month, and a Weekly Option expiring in the fifth week of the calendar month. The Underlying Future Contract for each Weekly Coffee Option Contract shall be the same as the Underlying Future Contract of the first Regular or Serial Option Month that has not yet reached its Last Trading Day as of the Last Trading Day of the Weekly Option.

(b) A new Weekly Option contract shall be listed for trading on the first trading day following the Last Trading Day of an expiring Weekly Option contract.

Rule 8.52. Last Trading Day

The Last Trading Day shall be, for any Regular or Serial Option Month, the second (2nd) Friday of the calendar month preceding such Regular or Serial Option Month; provided, however, that:

- (a) for each expiration, there will be a minimum of four (4) trading days between the Last Trading Day of the expiring Option and the first (1st) notice day of the expiring future; and
- (b) in the event that
- (i) the Exchange is closed on any such Friday then:
- (1) if the determination that the Exchange would be closed was made more than one (1) week prior thereto, the term "Last Trading Day" shall mean the trading day preceding such Friday; and
- (2) if such determination was made at any other time, the term "Last Trading Day" shall mean the first (1st) trading day after such Friday; and/or
- (ii) there is less than four (4) trading days between any such Friday and the first (1st) notice day of the expiring future, the term "Last Trading Day" shall mean the fifth (5th) Business Day preceding the first (1st) notice day of the expiring future.
- (c) The Last Trading Day for any Weekly Option contract shall be the Friday of the week in which the Weekly Option is scheduled to expire. If such Friday is not an Exchange Business Day, then the Last Trading Day shall be the first preceding Business Day. In the event that the Last Trading Day for a Weekly Option is also the Last Trading Day for a Regular or Serial Option Month, then that Weekly Option contract shall not be listed for trading.

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) 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) 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 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.

COTTON NO. 2 OPTIONS

Rule 10.51. Trading Months

(1) Monthly Options:

Trading in Cotton No. 2 Options shall be conducted in contract months as shown below:

An Option based on the March future that will expire in the previous December;

An Option based on the March future that will expire in the previous February;

An Option based on the May future that will expire in the previous April;

An Option based on the July future that will expire in the previous June;

An Option based on the October future that will expire in the previous September;

An Option based on the December future that will expire in the previous August;

An Option based on the December future that will expire in the previous October;

An Option based on the December future that will expire in the previous November.

A new Option Contract month shall be listed for trading on the Business Day following the first (1st) trading day of the Underlying Futures Contract.

2) Weekly Options:

(a) Except as the Board may from time to time prescribe otherwise, up to three Weekly Cotton Options contracts shall be listed for trading at any time: a Weekly Option expiring in the first week of the calendar month, a Weekly Option expiring in the second week of the calendar month, a Weekly Option expiring in the third week of the calendar month, a Weekly option expiring in the fourth week of the calendar month, and a Weekly Option expiring in the fifth week of the calendar month. The Underlying Future Contract for each Weekly Cotton Options Contract shall be the same as the Underlying Future Contract of the first Monthly Option Contract that has not yet reached its Last Trading Day as of the Last Trading Day of the Weekly Option, with the proviso that the October futures contract is not eligible to be the Underlying Future Contract for a Weekly Option..

(b) A new Weekly Option contract shall be listed for trading on the first trading day following the Last Trading Day of an expiring Weekly Option contract.

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Rule 10.53. Price Fluctuation Limitations

- (a) Transactions in Cotton No. 2 Options shall not be subject to price fluctuation limitations.
- (b) For the purposes of this Rule, the term "Lead Month" shall mean the futures contract month carrying the most open interest; provided, however, that if the regular option contract on such futures contract month has expired then such futures contract month is not eligible to be the Lead Month.
- (c) If, during the open outcry trading session on any trading day, the Lead Month is at limit bid or limit offer and the Exchange determines that the Monthly Options contract for which the Lead Month is the Underlying Futures Contract is trading at a synthetic price that is equal to two (2) times the daily price limit currently in effect for the Lead Month, trading in all Options contracts shall be halted for the remainder of the trading day; provided, however, that if prior to the end of the trading day the Lead Month is no longer limit bid or limit offer, trading in all Options contracts shall resume exclusively on the Trading Floor.

[remainder of rule unchanged]

Rule 10.54. Last Trading Day

(a) For all Monthly Options contracts, other than the December Options contract which shall expire in the previous August and for which the Last Trading Day shall be the third Friday of the previous August, the December Options contract which shall expire in the previous October and for which the Last Trading day shall be the third Friday of the previous October, and the March Options contract which shall expire in the previous December and for which the Last Trading Day shall be the third Friday of the previous December, the Last Trading Day shall be the last Friday which precedes the First Notice Day for the Underlying Futures Contract by at least five (5) Business Days; provided, however, that in the event the Exchange is closed on any such Friday:

- (i) because such Friday is a designated Exchange Holiday which has been so designated for more than one (1) week prior thereto, the Last Trading Day shall be the trading day preceding such Friday; and
- (ii) for any other reason, the Last Trading Day shall mean the first (1st) trading day after such Friday.

(a) The Last Trading Day for any Weekly Option contract shall be the Friday of the week in which the Weekly Option is scheduled to expire. If such Friday is not an Exchange Business Day, then the Last Trading Day shall be the first preceding Business Day. In the event that the Last Trading Day for a Weekly Option is also the Last Trading Day for a Monthly Option, then that Weekly Option contract shall not be listed for trading.

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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) At the time Monthly Options for any month are first (1st) listed for trading, they shall be listed at the following eleven (11) Strike Prices:
- (1) 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) the five (5) Strike Prices which are higher than the at-the-money Strike Price; and

(3) 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 Future Contract.

SUGAR OPTIONS

Rule 11.22. Trading Months

(1) Monthly Options:

(a) Except as the Board may from time to time prescribe otherwise, Sugar Options shall be traded with respect to Option Months determined in accordance with the following:

(i) Trading shall be conducted in an Option traded on the March futures which shall expire the preceding December, an Option traded on the March futures which shall expire the preceding February, an Option traded on the May futures which shall expire the preceding April, an Option traded on the July futures which shall expire the preceding June, and an Option traded on the October futures which shall expire the preceding September hereinafter referred to as the "Regular Option Months"; and

(ii) Trading shall also be conducted in an Option traded on the March futures which shall expire in January, an Option traded on the May futures which shall expire in March, an Option traded on the July futures which shall expire in May, an Option traded on the October futures which shall expire in July, an Option traded on the October futures which shall expire in August, an Option traded on the March futures which shall expire in October, and an Option traded on the March futures which shall expire in November hereinafter referred to as the "Serial Option Months."

(b) If trading has commenced in the Underlying Futures Contract, a new Option shall be listed for trading as follows:

(i) a new Regular Option Month shall be listed for trading on the first (1st) trading day following the first (1st) trading day for the Underlying Futures Contract month, and

(ii) a new Serial Option Month shall be listed for trading on the first (1st) trading day of the third (3rd) calendar month preceding the Serial Option Month.

(2) Weekly Options:

(a) Except as the Board may from time to time prescribe otherwise, up to three Weekly Sugar Options contracts shall be listed for trading at any time: a Weekly Option expiring in the first week of the calendar month, a Weekly Option expiring in the second week of the calendar month, a Weekly Option expiring in the third week of the calendar month, a Weekly option expiring in the fourth week of the calendar month, and a Weekly Option expiring in the fifth week of the calendar month. The Underlying Future Contract for each Weekly Sugar Options Contract shall be the same as the Underlying Future Contract of the first Regular or Serial Option Month that has not yet reached its Last Trading Day as of the Last Trading Day of the Weekly Option.

(b) A new Weekly Option contract shall be listed for trading on the first trading day following the Last Trading Day of an expiring Weekly Option contract.

Rule 11.23. Last Trading Day

(b) The Last Trading Day for any Regular or Serial Option Month shall be the fifteenth (15th) calendar day of the calendar month in which such Regular or Serial Option expires; provided, however, that in the event the Exchange is closed on such day, then the Last Trading Day shall be the next succeeding Business Day.

(c) The Last Trading Day for any Weekly Option contract shall be the Friday of the week in which the Weekly Option is scheduled to expire. If such Friday is not an Exchange Business Day, then the Last Trading Day shall be the first preceding Business Day. In the event that the Last Trading Day for a Weekly Option is also the Last Trading Day for a Regular or Serial Option Month, then that Weekly Option contract shall not be listed for trading.

Rule 11.24. Strike Prices

(a) Trading shall only be conducted in Regular or Serial Options or Weekly 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:

(i) 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 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.

[remainder of rule unchanged]