


ICE FUTURES U.S.
World Financial Center
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New York, New York 10282

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Submission No. 09-7
January 28, 2009

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: **Amended Russell 1000 Mini and Russell 2000 Mini Futures Contract Market Specialist Program - 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 amended Russell 1000 Mini and Russell 2000 Mini Futures Contracts Market Specialist Program ("Revised Program"). The Revised Program replaces the Russell 1000 and Russell 2000 Market Specialist Programs for which applicants are asked to specify which Russell futures contract, the bid/ask spread and quantity for which they are willing to become a market specialist. Applicants are approved based on the information contained in the application and any other information on the applicant's ability to contribute volume. Approved market specialists are granted a waiver of all of their Exchange and Clearing fees for trades cleared to their proprietary accounts in the contracts for which they are an approved market maker. (For more information see Submission Nos. 07-47 and 07-59.)

The programs have been successful as most participants have provided continuous two-sided markets and have added significant liquidity to the trading of the Russell contracts. The Exchange, however, is implementing the Revised Program in order to reduce the number of market specialists eligible to receive the fee waiver and ensure that the market specialists continue to perform at an acceptable level.

The terms of the Revised Program are as follows:

- (1) At the end of each month the Exchange will calculate each market specialist's total volume in the Russell contracts for which it is an approved market specialist;
- (2) The Exchange will then determine if the market specialist has executed enough total monthly volume to be ranked as one of the top ten market specialist with respect to total monthly volume for the Russell 1000 Mini and Russell 2000 Mini futures contracts ("Designated Contracts");
- (3) For the market specialists ranked as one of the top ten, the Exchange will waive the Exchange and Clearing fees for the transactions executed on the electronic trading platform in the Designated Contracts during the month;
- (4) Market specialists ranked below the top ten will pay the normal Exchange and Clearing fees; and
- (5) Each month will be treated as an independent event.

A copy of the Application and Agreement (showing the amendments made to the current application and agreement) that will be used for the Revised Program is attached as Exhibit A.

The Exchange certifies that the Revised Program complies with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The Revised Program was adopted by the Exchange's Board of Directors by written unanimous consent in accordance with Bylaw Section 4.7 on January 27, 2009 and will go into effect on January 30, 2009. No substantive opposing views were expressed by members or others with respect to the Revised Program.

If you have any questions or need further information, please contact me at 212-748-4084 or at 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.)

ICE Futures U.S.[®], Inc.

This Application and Agreement is submitted by _____ (“Market Specialist”) to become a Market Specialist for ICE Futures U.S., Inc. (“ICE Futures”) in order to provide a liquid and orderly marketplace for the [~~ICE Futures and/or Options Contracts~~] Russell 1000 Mini and Russell 2000 Mini Futures Contracts traded on the ICE electronic trading system (the “Designated Contracts”).

The Market Specialist understands and agrees that:

1. It will execute all documents and agreements required by ICE Futures in order that the Market Specialist is able to input orders into the ICE electronic trading system.
2. It will use its best efforts to continuously maintain in the appropriate Designated Contracts a current bid and offer as specified in Schedule A, which is attached and made a part of this Application, for the hours specified in Schedule A.
3. It will make and conduct all trading activity as a Market Specialist through the Market Specialist’s proprietary account which the Market Specialist will identify to appropriate ICE Futures personnel.
4. At the end of each month, ICE Futures will determine the Market Specialist’s total monthly volume for all the Designated Contracts listed in Schedule A. ICE Futures will then determine if the Market Specialist has executed enough total monthly volume to be ranked as one of the top ten (10) market specialists with respect to total monthly Market Specialist volume for the Russell 1000 Mini and Russell 2000 Mini Futures Contracts.

[4]5. [~~For the first six months from the Effective Date,~~] Provided that the Market Specialist is one of the top ten market specialists as described in paragraph 4 above, ICE Futures will waive all Exchange transaction fees due and owing by the Market Specialist for all trades executed on the ICE electronic trading system in the appropriate Designated Contracts for the account identified in accordance with paragraph 3 above for that month. Each month’s ranking and waiver of fees will be treated as independent event. This program will be in effect from the Effective Date through [_____] December 31, 2009.

6. This Application and Agreement supersedes any and all prior and contemporaneous market specialist agreements, understandings, negotiations and discussions, written or oral, between ICE Futures and the Market Specialist, relating to any transactions contemplated by this Agreement.

[5]7. The term of this Agreement shall commence on the Effective Date and end on December 31, 2009. ICE Futures, in its sole discretion, may extend the term of the Agreement for a period not to exceed three years in total. The Market Specialist further acknowledges that ICE Futures, in its sole discretion, retains the right to alter and amend the terms of this Agreement at any time, or terminate any market maker or specialist program, in its entirety, upon written notice to the Market specialist. ICE Futures may revoke the Market Specialist’s status if ICE Futures concludes from its review that the Market Specialist is not complying with the obligations of the Market Specialist under this Agreement.

Effective Date: _____

ICE Futures U.S.

(Market Specialist)

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

Product: _____

	Front Month	Second Month	Third Month	Calendar Spread
Bid/Offer Spread				
Size				
Trading Hours				

Product: _____

	Front Month	Second Month	Third Month	Calendar Spread
Bid/Offer Spread				
Size				
Trading Hours				

Product: _____

	Front Month	Second Month	Third Month	Calendar Spread
Bid/Offer Spread				
Size				
Trading Hours				

I hereby agree that the above bid/offer spreads and trading hours listed for certain of the above ICE Futures US Commodity Contracts are the spreads I, as a Market Specialist, will use its best efforts to maintain in accordance with paragraph 2 of the Market Specialist Application.

Date: _____

By: _____

Name:

Title:

Clearing Member Information

Name: _____

Acct #: _____

CM Contact: _____

Phone or email: _____