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

BY ELECTRONIC TRANSMISSION

08-14
March 3, 2008

Mr. David A. Stawick
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 Rule 6.27 -**
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 Rule 6.27, attached as Exhibit A.

Exemptions from the speculative position limits applicable to traders during the notice period of an expiring delivery month are granted by the Exchange to allow traders to take delivery of a commodity if the trader's long position in the nearby month is established by straddle transactions at a level that equals or exceeds the trader's cost of carry. These are referred to as "cash and carry" exemptions, which are available only for warehoused commodities (except cotton) when the near delivery month trades at a discount to the next successive month. When applying for a cash and carry exemption, a trader must provide its cost of carry and the minimum spread at which the trader will enter into a straddle position and which would result in an economic profit for the trader. The cost of carry must include financing, warehousing, insurance and, for coffee, expected aging discounts. The cost of carry for coffee may also include expected charges for rebagging and weight loss. The trader must also provide the quantity of stocks in Exchange-licensed warehouses that it already owns.

Currently, Rule 6.27 requires that, when granted a cash and carry exemption, a trader agrees that before the price of the nearby contract month rises to a premium with respect to the second contract month, the trader will liquidate any long positions in the nearby contract month that are in excess of the notice period speculative position limit for that particular Exchange

Futures Contract. Prior to 2001 (when the current version of the Rule took effect), it had been the requirement that all positions in the nearby contract month must be liquidated prior to that month rising to a premium with respect to the second contract month. Liquidation requirements are established to insure liquidity during the notice period and an orderly expiration.

Following recent discussions with the CFTC staff, Rule 6.27 was amended to revert back to the former practice and require a trader granted a "cash and carry" exemption to liquidate all positions in the nearby contract month prior to that month rising to a premium with respect to the second contract month.

The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The amendments were adopted by the Exchange's Board of Directors at its meeting on February 13, 2008. The amendments will go into effect for the May 2008 and all subsequent expirations. No substantive opposing views were expressed by members or others with respect to the amendments or resolution.

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: Riva Adriance
Thomas Leahy
John Fenton
CFTC, Division of Market Oversight
Allen Cooper
CFTC, New York Regional Office

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

Rule 6.27. Arbitrage and Straddle Exemption

* * *

(e) When granted a cash and carry exemption, the trader shall agree that, (i) before the price of the nearby contract month rises to a premium to the second (2nd) contract month, the trader will liquidate [~~any~~] all long positions in the nearby contract month [~~that are in excess of the notice period speculative position limit for the particular Exchange Futures Contract~~], and (ii) the trader will comply with all other restrictions or limitations placed on the trader as a condition to the grant of the exemption.