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World Financial Center
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New York, New York 10282

BY ELECTRONIC TRANSMISSION

Submission No. 11-16
March 30, 2011

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: **Request for Commission Rule Approval: Amendments to Rule 10.53 - Submission Pursuant to Section 5c(c)(2) of the Act and Regulation 40.4(a)**

Dear Mr. Stawick:

Pursuant to Section 5c(c)(2) of the Commodity Exchange Act, as amended, and Commission Regulation 40.4(a), ICE Futures U.S., Inc. ("Exchange") is requesting approval of amendments to Rule 10.53, attached as Exhibit A.

Rule 10.53 provides that trading in Cotton No. 2® Options contracts ("Options" or "Option") be halted upon a determination that the Cotton No. 2 futures contract is trading synthetically at a price that is two daily trading limits above or below the prior day's settlement price for that futures contract (see Submission No. 10-23). The amendments to Rule 10.53 will provide the following:

(i) if a trading halt is triggered during the electronic trading session conducted prior to the commencement of open outcry ("Overnight Session"), open outcry trading will commence and will be subject to a trading halt if the necessary conditions are met; and

(ii) if a trading halt is triggered on the last trading day ("LTD") of an expiring Option, the expiring Option will continue to trade.

With respect to the first amendment, recent implementation of User Defined Spread ("UDS") capability on the ICE Platform (see Submission No. 10-42) allows for determination of the synthetic futures price implied by the strategy or UDS price, and, therefore, allows the Exchange to determine that the trigger for a trading halt under the Rule has been met using such prices from the Overnight Session. At the time the trading halt provisions were first approved and implemented, the UDS capability did not exist on the ICE Platform. The Exchange believes that the first amendment will prevent Options trading from being unduly restricted by a market move during the Overnight Session when many Option market participants are not currently active and is appropriate based upon the current balance of Option trading taking place during the electronic and open outcry trading sessions. If a trading halt is triggered during the Overnight Session, Options trading will be halted on the electronic trading system for the rest of the trading day. The open outcry session, however, will open at its usual time, and, if a trading halt is triggered during the open outcry session, Cotton Options open outcry trading will be halted but may resume if the futures contract is no longer limit bid or offered.

With respect to the second amendment, the Exchange believes that it is appropriate to ensure that the Exchange can provide a synthetic futures settlement price for the expiring contract on the LTD in all instances. Holders of long options positions that must be exercised or abandoned on the LTD normally use the futures settlement price to make their exercise/abandonment decisions; if the underlying future is locked at limit up or down on the LTD, the synthetic settlement price is available for this purpose, unless a trading halt has been declared under the current Rule. The amendment will ensure that the synthetic settlement price is available for the underlying future on the LTD of each Option contract.

The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. No substantive opposing views were expressed by members or others with respect to the amendments.

The amendments to Rule 10.53 were adopted by the Exchange's Board of Directors by Unanimous Written Consent on March 29, 2011 in accordance with Bylaw Section 4.7. Rule 10.53(g) will become effective on June 8, 2011 for the expiring July Option, and the rest of the amendments to Rule 10.53 will become effective after approval by the Commission.

If you have any questions or need further information, please contact me at 212-748-4084 or at jill.fassler@theice.com, Tim Barry at 212-748-4096, tim.barry@theice.com or Jason Fusco at 212-748-4021, jason.fusco@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.)

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 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.

(d) If during the trading day only the electronic trading session is open for trading and the Lead Month is at limit bid or limit offer and the Exchange determines that the 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 electronic trading session on that trading day; provided, however, that if the halt is declared prior to the start of the open outcry trading session on that day, open outcry trading in all Options contracts shall commence at the start of the open outcry session.

(e) The decision by the Exchange that the Options 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 shall be final.

([e]f)All Options trades executed prior to the Exchange halting Options trading for the day shall be valid trades.

(g) Notwithstanding the above provisions, on the Last Trading Day of an expiring Options contract, trading in the expiring Options contract will not be halted under this Rule but shall continue until the time specified in Exchange Rule 27.18(d).