



ICE Swap Trade LLC
55 East 52nd Street
New York, NY 10055

June 25, 2014

Submitted via email

Submission 14-20

Secretary of the Commission
Office of the Secretariat

U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.

Washington, D.C. 20581

via email: submissions@cftc.gov; dmosubmissions@cftc.gov; nnguyen@cftc.gov; bdemaria@cftc.gov

Re: ICE Swap Trade, LLC – Rule Amendment – Revised Error Trade Policy

Ladies and Gentlemen:

Pursuant to Section 5c(c) of the Commodity Exchange Act (the “Act”) and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “Commission”), ICE Swap Trade, LLC (“IST” or the “SEF”) hereby notifies the Commission that it has amended its Error Trade Policy as described herein. The Error Trade Policy has been amended in order to (i) clarify the process by which IST intends to implement and enforce certain of its rules, and (ii) respond to relevant CFTC guidance/comments. The amended Error Trade Policy will become effective on July 11, 2014.

A concise explanation of the amendments to the Error Trade Policy, marked to show changes is attached hereto as Exhibit A, and a clean copy of the Error Trade Policy is attached hereto as Exhibit B.

IST certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. IST is not aware of any substantive opposing views expressed with respect to this filing and certifies that, concurrent with this filing, a copy of this submission was posted on the IST’s website and may be accessed at: <https://www.theice.com/notices/RegulatoryFilings.shtml>

Please contact the undersigned at (212) 323-8512 with any questions regarding this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read "C. O'Connor".

Catherine O’Connor
Chief Compliance Officer
Enclosure

ICE Swap Trade, LLC
Error Trade Policy
Version 1.34

1. Definitions

Unless otherwise stated below, all capitalized terms shall have the meaning ascribed to such term in the ICE Swap Trade, LLC (“**IST**” or “**SEF**”) Rulebook (the “**Rules**”), as can be found on the IST [website](#).

2. Regulatory Considerations

The SEF considers appropriate systems and controls to be important in reducing the likelihood of Orders being entered in error, preventing the execution of Transactions at unrepresentative Prices and reducing the market impact of such Transactions. In order to achieve the stated goal, it is necessary that appropriate system safeguards and controls be present and maintained by the SEF and its Participants and Customers.

These include:

A. The SEF facilities provide:

- i. Price reasonability limits, set by the SEF, which prevent the execution of Transactions outside of these stated reasonability limits;
- ii. volume reasonability limits, set by the SEF, which prevent volumes above a certain level to be either designated for trading or traded;
- iii. optional pre-confirmation messages, which appear prior to the execution of all Orders; and
- iv. an option to designate the quantity that a Participant or Customer (and their Authorized Traders) may wish to expose to the market at one time, rather than trading the total quantity that is available to be traded at a specified Price.

B. The Rules, which provide the SEF with discretion to delete Orders, adjust Prices, cancel Transactions or suspend the market in the interest of maintaining a fair and orderly market, in conjunction with this policy.

C. Block and Brokered Transactions submitted to the SEF will not be subject to this Error Trade Policy. Rather, Block and Brokered Transactions may be adjusted or cancelled by the SEF, in its sole discretion, upon mutual agreement of and per the instructions of the counterparties to such Transaction.

D. Bilateral Commodities Transactions submitted to the SEF will not be subject to

this Error Trade Policy. Rather, those Transactions may be adjusted or cancelled upon mutual agreement of and per the instructions of the counterparties to such Transaction.

3. Main Components of Error Trade Policy

A. Under normal market conditions, the SEF will only adjust Prices or cancel Transactions in such circumstances that the Transaction Price is not representative of the market value of the respective Transaction at the time such Transaction is executed on the SEF. Any Transactions where the only error is the quantity of Contracts traded, as opposed to the Price at which such Contracts were traded, will not be subject to cancellation under the Error Trade Policy. The SEF, in its sole discretion, will make the final determination as to whether a Transaction Price will be adjusted, a Transaction is to be cancelled or such Transaction must stand. In determining whether a Transaction has taken place at an unrepresentative Price, the SEF, in its sole discretion, will consider a number of market related factors to include, but not limited to:

- the price movement in other expiration months of the same Contract;
- the current market conditions, including levels of activity and volatility;
- the time period between different quotes and between quoted and traded Prices;
- information regarding Price movement in related Contracts, the release of economic data or other relevant news prior or during SEF Trading Hours;
- obvious or manifest error;
- whether there is any indication that the Transaction in question triggered stops or resulted in the execution of spread Transactions;
- whether another Participant or Customer relied on the error Price;
- any other factor, which the SEF may deem relevant.

Price adjustments are limited to error Transactions executed in such Contracts as determined by the SEF from time to time.

It should be noted that the SEF has the unilateral right to adjust a Price or cancel any Transaction clearly executed in error where there has been no request from a Participant/Customer/Authorized Trader, in the interest of maintaining a fair and orderly market. The SEF aims to exercise this right promptly after the Transaction has been identified by the SEF. All decisions of the SEF are final.

B. The SEF, when applicable, may set and vary Price reasonability limits (“**Reasonability Limits**”) within the Trading System for each Contract

beyond which the SEF will not execute Orders. These Reasonability Limits are intended to take into account the prevailing market conditions at the time a Transaction is executed on the SEF. The SEF incorporates Price Reasonability Limits to prevent ‘fat finger’ type errors that cap the amount the Price may change in one trading sequence from an anchor Price. These limits are set by the SEF and may be varied without notice according to prevailing market conditions. Beyond these limits, the SEF will not execute Orders unless the market moves to bring these Orders within the Reasonability Limits.

Limit Orders to sell at Prices below the lower Reasonability Limits and Limit Orders to buy at Prices above the upper Reasonability Limits will not be accepted by the SEF, unless such Orders are capable of being executed opposite previously resting Orders at more favorable Prices within the Reasonability Limits.

Any Transaction executed at a Price outside of the No Cancellation Range (as defined below), but within the price Reasonability Limits, if identified to the SEF within the designated time period, may be considered an error Transaction and will be treated in the manner provided for in this Error Trade Policy.

The Reasonability Limits applicable to each Contract will be listed in a table on the SEF’s website, which may be updated from time to time by the SEF.

- C. The SEF has defined a “no cancellation range” (the “**No Cancellation Range**”) for each Contract. Transactions executed within the No Cancellation Range will not, under prevailing market conditions, be cancelled or Price adjusted. A component of market integrity is the assurance that once a Contract is deemed executed on the SEF, except in exceptional circumstances, such as an adverse consequence on the market, a Transaction will stand and not be subject to cancellation or Price adjustment.

The SEF determines parameters above or below a SEF-set anchor Price for each Contract within which a Transaction alleged as an error Transaction may not be cancelled or Price adjusted. Such parameters define the No Cancellation Range. The No Cancellation Range applicable to each Contract will be listed in a table on the SEF’s website, which may be updated from time to time by the SEF.

The anchor Price is set by the SEF and is based on the most liquid Contract maturity date, which is typically the “5 year” maturity date as commonly used

in the market.

The determination as to when to shift the anchor Price based on open interest or the liquidity of a Contract will be made by the SEF. The anchor Price may be the previous night's settlement Price determined by the relevant Clearing House, the opening Price or the last Price at which such Transaction was executed. The anchor Price of other related Contracts is achieved by applying spread differentials against the anchor Price for the most liquid Contract.

Validation of the anchor Price and No Cancellation Range will automatically occur in an event that an error Transaction is alleged to ensure that the No Cancellation Range at the time of the alleged error Transaction was appropriately reflective of the current market price. The process for validating the anchor Price will be based on time of execution of the Transaction and the most recent bids and offers obtained from (i) the SEF and (ii) reliable industry pricing sources including but not limited to a Swaps Data Repository. If an anchor Price cannot be calculated due to illiquidity of the Contract, the SEF will determine a fair and accurate anchor Price based on a combination of relevant market feedback and reliable industry pricing sources.

If the SEF determines that the anchor Price is not representative of the current market Price, or was not representative of the market Price at the time that a Transaction error was alleged, then the SEF reserves the right at its sole discretion to update the relevant anchor Price or Prices.

If a Transaction takes place within the No Cancellation Range and is alleged as an error, the Transaction will not be cancelled or Price adjusted.

- D. When applicable, Transactions executed within the Reasonability Limits, but outside of the defined No Cancellation Range, may be reported to or considered by the SEF as an error Transaction.
- E. Participants/Customers have eight (8) minutes from the time of the original Transaction in which to allege a Transaction as having been executed in error.
- F. The SEF will notify the market immediately that an error has been alleged, giving details of the Transaction, including Contract month, Price and volume. The SEF will then notify Participants/Customers whether the Price is adjusted or the Transaction is cancelled or stands. The SEF will then contact the parties involved in the Transaction to explain the SEF's

determination.

- G. If the SEF determines that a Contract Transaction Price is to be adjusted, the adjusted Price may be outside the terms of the Order for which the Transaction was executed, and, in such instances, the adjusted Price shall be applied to the Order despite being outside the Order terms.
- H. If the SEF determines that a Transaction Price is outside the No Cancellation Range for a Contract, the Transaction Price may be adjusted to a Price that equals the fair value market Price for that Contract at the time the Transaction under review occurred, plus or minus the No Cancellation Range. The SEF, at its discretion, may allow the Transaction to stand or cancel the Transaction rather than adjusting the Price. The decision of the SEF is final.
- I. If the SEF determines that the premium of an option Transaction is not representative of the market value for that option as determined by the SEF at the time of execution, then the premium of such option Transaction may be adjusted to the value of the option at the time the Transaction under review occurred, plus or minus the No Cancellation Range. The SEF, at its discretion, may allow the Transaction to stand or cancel the premium rather than adjusting the premium, and may consider timely input from the parties to an alleged error Transaction in making such a determination. The decision of the SEF is final.
- J. If the SEF determines that the Price differential of a spread Transaction is not representative of the market for that spread Transaction at the time of execution, then the differential of such spread Transaction may be adjusted to the Price differential for that spread Transaction at the time the Transaction under review occurred, plus or minus the applicable spread/differential No Cancellation Ranges for that Contract. The SEF, at its discretion, may allow the Transactions to stand or cancel the Transactions rather than adjusting the Price differential. The decision of the SEF is final.
- K. Where consequential Transactions based on the Price of the alleged error Transaction are executed simultaneously with the alleged error Transaction or before the SEF has notified the market of the alleged error Transaction, the Trade Error Policy and the determination will apply to the original alleged error Transaction and all consequential Transactions to the extent that such consequential Transactions were also executed on the SEF.
- L. Where consequential Transactions based on the Price of the alleged error Transaction are executed after the SEF has notified the market of the alleged error Transaction, and where the SEF, after consultation, subsequently

determines that the Price of the alleged error Transaction is adjusted or the alleged error Transaction is cancelled, these consequential Transactions may have their Prices adjusted, may be allowed to stand or may be cancelled at the discretion of the SEF. The decision of the SEF will be final. One of the factors the SEF may take into consideration, is whether the alleged error Transaction triggered contingent Orders or resulted in the execution of spread Transactions or whether another Participant or Customer relied on the Price to execute consequential Transactions.

When resolving a situation involving consequential Transactions, the SEF will consider these on a case-by-case basis, evaluating each situation on its individual circumstances and merits. When considering its approach, the SEF will consider those consequential Transactions directly related to the error Transaction and consider reasonably any Transactions (specifically spread Transactions) which have been derived from the error itself and those executed as a result of it.

- M. The SEF will make every attempt to ensure that a decision on whether an alleged error Transaction will have its Price adjusted, will stand or be cancelled, will be communicated to the market as soon as reasonably possible after the time of the original Transaction.
- N. The SEF has the unilateral right to cancel any Order, adjust the Price of a Transaction and cancel any Transaction, which it considers to be at an unrepresentative Price where there has been no referral or request from a Participant or other Person. The SEF reserves its right to consider each alleged error Transaction situation on its individual merits and may therefore amend these policies in light of the circumstances of each individual case. All decisions of the SEF are considered final.
- O. Cancelled Transactions and Prices that have been adjusted will be cancelled in the SEF's official record of time and sales. Transactions that are Priced adjusted will be inserted in the official record of time and sales at the adjusted Transaction Price.

4. SEF Contacts

All requests to cancel Orders or Transactions must be directed to ICEswapsupervision@theice.com. Any such request for the removal of Orders will be acted upon on a best efforts basis by the relevant SEF personnel.

ICE Swap Trade, LLC No Cancellation Ranges and Reasonability Limits

The ICE Swap Trade Error Policy includes No Cancellation Range (“NCR”) and Reasonability Limit (“RL”) levels for all Contracts listed by the SEF. NCR and RL levels are subject to revision by IST without prior notification. The SEF will apply the ranges around the current anchor price as more fully described in the SEF’s Error Trade Policy. In the tables below, the values represent the range around the anchor price.

For example purposes only, if a Contract is quoted in basis points, the current anchor price is 100 basis points, and the trade type is outright, then the outright NCR would be 0.7% around the anchor price of 100 bps (or 0.7 basis points). The absolute levels of the NCR would be 99.65 basis points to 100.35 basis points.

NOTE: The SEF’s Market Supervision staff has the authority to expand the NCR and RL levels on any Contract to two (2) times the levels shown below in volatile market conditions without prior notice.

No Cancellation Ranges

All Products quoted in basis points									
Trade Type	> 0 bps ≤ 5 bps	>5 bps ≤ 10 bps	> 10 bps ≤25 bps	> 25 bps ≤50 bps	> 50 bps ≤75 bps	> 75 bps ≤100 bps	> 100 bps ≤125 bps	> 125 bps ≤500 bps	>500 bps
Outright	1.4%	1.35%	1.3%	1%	0.75%	0.7%	0.65%	0.6%	0.55%
Roll	1.5%	1.45%	1.4%	1%	0.9%	0.85%	0.8%	0.75%	0.7%
Curve	10%	10%	7.5%	5%	2%	1.75%	1.5%	1.5%	1.25%
Strategy	10%	10%	7.5%	5%	2%	1.75%	1.5%	1.5%	1.25%

Products quoted in price/points upfront - 100 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤103.5	>103.5
Outright	0.25	0.25	0.125	0.125	0.02
Roll	0.25	0.25	0.125	0.25	0.01
Curve	0.25	0.25	0.125	0.25	0.01
Strategy	0.25	0.25	0.125	0.25	0.01

Products quoted in price/points upfront - 500 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤110	>110
Outright	0.25	0.25	0.25	0.25	0.25
Roll	0.25	0.25	0.25	0.25	0.05
Curve	0.5	0.5	0.5	0.5	0.5
Strategy	0.5	0.5	0.5	0.5	0.5

Trade Type	All Products quoted in option premium in cents
Outright	0.02
Roll	0.01
Curve	0.01
Strategy	0.01

ICE Swap Trade Reasonability Limits

All Products quoted in basis points									
Trade Type	> 0 bps ≤ 5 bps	>5 bps ≤ 10 bps	> 10 bps ≤25 bps	> 25 bps ≤50 bps	> 50 bps ≤100 bps	> 100 bps ≤150 bps	> 150 bps ≤200 bps	> 200 bps ≤500 bps	>500 bps
Outright	50%	50%	40%	30%	20%	15%	10%	10%	5%
Roll	50%	50%	40%	30%	20%	15%	10%	10%	5%
Curve	50%	50%	40%	30%	20%	15%	10%	10%	5%
Other	50%	50%	40%	30%	20%	15%	10%	10%	5%

Products quoted in price/points upfront - 100 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤103.5	>103.5
Outright	4	3	2	0.4	0.4
Roll	4	3	2	0.4	0.4
Curve	4	3	2	0.4	0.4
Other	4	3	2	0.4	0.4

Values are expressed as the difference measured in price points

Products quoted in price/points upfront - 500 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤110	>110
Outright	4	3	2	1	0.75
Roll	4	3	2	1	0.75
Curve	4	3	2	1	0.75
Other	4	3	2	1	0.75

Values are expressed as the difference measured in price points

Trade Type	All Products quoted in option premium in cents
Outright	0.2
Roll	0.2
Curve	0.2
Other	0.2

**ICE Swap Trade, LLC
Error Trade Policy
Version 1.4**

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B. The Rules, which provide the SEF with discretion to delete Orders, adjust Prices, cancel Transactions or suspend the market in the interest of maintaining a fair and orderly market, in conjunction with this policy.

C. Block and Brokered Transactions submitted to the SEF will not be subject to this Error Trade Policy. Rather, Block and Brokered Transactions may be adjusted or cancelled by the SEF, in its sole discretion, upon mutual agreement of and per the instructions of the counterparties to such Transaction.

D. Bilateral Commodities Transactions submitted to the SEF will not be subject to

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- the price movement in other expiration months of the same Contract;
- the current market conditions, including levels of activity and volatility;
- the time period between different quotes and between quoted and traded Prices;
- information regarding Price movement in related Contracts, the release of economic data or other relevant news prior or during SEF Trading Hours;
- obvious or manifest error;
- whether there is any indication that the Transaction in question triggered stops or resulted in the execution of spread Transactions;
- whether another Participant or Customer relied on the error Price;
- any other factor, which the SEF may deem relevant.

Price adjustments are limited to error Transactions executed in such Contracts as determined by the SEF from time to time.

It should be noted that the SEF has the unilateral right to adjust a Price or cancel any Transaction clearly executed in error where there has been no request from a Participant/Customer/Authorized Trader, in the interest of maintaining a fair and orderly market. The SEF aims to exercise this right promptly after the Transaction has been identified by the SEF. All decisions of the SEF are final.

B. The SEF, when applicable, may set and vary Price reasonability limits (“**Reasonability Limits**”) within the Trading System for each Contract

beyond which the SEF will not execute Orders. These Reasonability Limits are intended to take into account the prevailing market conditions at the time a Transaction is executed on the SEF. The SEF incorporates Price Reasonability Limits to prevent ‘fat finger’ type errors that cap the amount the Price may change in one trading sequence from an anchor Price. These limits are set by the SEF and may be varied without notice according to prevailing market conditions. Beyond these limits, the SEF will not execute Orders unless the market moves to bring these Orders within the Reasonability Limits.

Limit Orders to sell at Prices below the lower Reasonability Limits and Limit Orders to buy at Prices above the upper Reasonability Limits will not be accepted by the SEF, unless such Orders are capable of being executed opposite previously resting Orders at more favorable Prices within the Reasonability Limits.

Any Transaction executed at a Price outside of the No Cancellation Range (as defined below), but within the price Reasonability Limits, if identified to the SEF within the designated time period, may be considered an error Transaction and will be treated in the manner provided for in this Error Trade Policy.

The Reasonability Limits applicable to each Contract will be listed in a table on the SEF’s website, which may be updated from time to time by the SEF.

- C. The SEF has defined a “no cancellation range” (the “**No Cancellation Range**”) for each Contract. Transactions executed within the No Cancellation Range will not, under prevailing market conditions, be cancelled or Price adjusted. A component of market integrity is the assurance that once a Contract is deemed executed on the SEF, except in exceptional circumstances, such as an adverse consequence on the market, a Transaction will stand and not be subject to cancellation or Price adjustment.

The SEF determines parameters above or below a SEF-set anchor Price for each Contract within which a Transaction alleged as an error Transaction may not be cancelled or Price adjusted. Such parameters define the No Cancellation Range. The No Cancellation Range applicable to each Contract will be listed in a table on the SEF’s website, which may be updated from time to time by the SEF.

The anchor Price is set by the SEF and is based on the most liquid Contract maturity date, which is typically the “5 year” maturity date as commonly used

in the market.

The determination as to when to shift the anchor Price based on open interest or the liquidity of a Contract will be made by the SEF. The anchor Price may be the previous night's settlement Price determined by the relevant Clearing House, the opening Price or the last Price at which such Transaction was executed. The anchor Price of other related Contracts is achieved by applying spread differentials against the anchor Price for the most liquid Contract.

Validation of the anchor Price and No Cancellation Range will automatically occur in an event that an error Transaction is alleged to ensure that the No Cancellation Range at the time of the alleged error Transaction was appropriately reflective of the current market price. The process for validating the anchor Price will be based on time of execution of the Transaction and the most recent bids and offers obtained from (i) the SEF and (ii) reliable industry pricing sources including but not limited to a Swaps Data Repository. If an anchor Price cannot be calculated due to illiquidity of the Contract, the SEF will determine a fair and accurate anchor Price based on a combination of relevant market feedback and reliable industry pricing sources.

If the SEF determines that the anchor Price is not representative of the current market Price, or was not representative of the market Price at the time that a Transaction error was alleged, then the SEF reserves the right at its sole discretion to update the relevant anchor Price or Prices.

If a Transaction takes place within the No Cancellation Range and is alleged as an error, the Transaction will not be cancelled or Price adjusted.

- D. When applicable, Transactions executed within the Reasonability Limits, but outside of the defined No Cancellation Range, may be reported to or considered by the SEF as an error Transaction.
- E. Participants/Customers have eight (8) minutes from the time of the original Transaction in which to allege a Transaction as having been executed in error.
- F. The SEF will notify the market immediately that an error has been alleged, giving details of the Transaction, including Contract month, Price and volume. The SEF will then notify Participants/Customers whether the Price is adjusted or the Transaction is cancelled or stands. The SEF will then contact the parties involved in the Transaction to explain the SEF's

determination.

- G. If the SEF determines that a Contract Transaction Price is to be adjusted, the adjusted Price may be outside the terms of the Order for which the Transaction was executed, and, in such instances, the adjusted Price shall be applied to the Order despite being outside the Order terms.
- H. If the SEF determines that a Transaction Price is outside the No Cancellation Range for a Contract, the Transaction Price may be adjusted to a Price that equals the fair value market Price for that Contract at the time the Transaction under review occurred, plus or minus the No Cancellation Range. The SEF, at its discretion, may allow the Transaction to stand or cancel the Transaction rather than adjusting the Price. The decision of the SEF is final.
- I. If the SEF determines that the premium of an option Transaction is not representative of the market value for that option as determined by the SEF at the time of execution, then the premium of such option Transaction may be adjusted to the value of the option at the time the Transaction under review occurred, plus or minus the No Cancellation Range. The SEF, at its discretion, may allow the Transaction to stand or cancel the premium rather than adjusting the premium, and may consider timely input from the parties to an alleged error Transaction in making such a determination. The decision of the SEF is final.
- J. If the SEF determines that the Price differential of a spread Transaction is not representative of the market for that spread Transaction at the time of execution, then the differential of such spread Transaction may be adjusted to the Price differential for that spread Transaction at the time the Transaction under review occurred, plus or minus the applicable spread/differential No Cancellation Ranges for that Contract. The SEF, at its discretion, may allow the Transactions to stand or cancel the Transactions rather than adjusting the Price differential. The decision of the SEF is final.
- K. Where consequential Transactions based on the Price of the alleged error Transaction are executed simultaneously with the alleged error Transaction or before the SEF has notified the market of the alleged error Transaction, the Trade Error Policy and the determination will apply to the original alleged error Transaction and all consequential Transactions to the extent that such consequential Transactions were also executed on the SEF.
- L. Where consequential Transactions based on the Price of the alleged error Transaction are executed after the SEF has notified the market of the alleged error Transaction, and where the SEF, after consultation, subsequently

determines that the Price of the alleged error Transaction is adjusted or the alleged error Transaction is cancelled, these consequential Transactions may have their Prices adjusted, may be allowed to stand or may be cancelled at the discretion of the SEF. The decision of the SEF will be final. One of the factors the SEF may take into consideration, is whether the alleged error Transaction triggered contingent Orders or resulted in the execution of spread Transactions or whether another Participant or Customer relied on the Price to execute consequential Transactions.

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- M. The SEF will make every attempt to ensure that a decision on whether an alleged error Transaction will have its Price adjusted, will stand or be cancelled, will be communicated to the market as soon as reasonably possible after the time of the original Transaction.
- N. The SEF has the unilateral right to cancel any Order, adjust the Price of a Transaction and cancel any Transaction, which it considers to be at an unrepresentative Price where there has been no referral or request from a Participant or other Person. The SEF reserves its right to consider each alleged error Transaction situation on its individual merits and may therefore amend these policies in light of the circumstances of each individual case. All decisions of the SEF are considered final.
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4. SEF Contacts

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For example purposes only, if a Contract is quoted in basis points, the current anchor price is 100 basis points, and the trade type is outright, then the outright NCR would be 0.7% around the anchor price of 100 bps (or 0.7 basis points). The absolute levels of the NCR would be 99.65 basis points to 100.35 basis points.

NOTE: The SEF’s Market Supervision staff has the authority to expand the NCR and RL levels on any Contract to two (2) times the levels shown below in volatile market conditions without prior notice.

No Cancellation Ranges

All Products quoted in basis points									
Trade Type	> 0 bps ≤ 5 bps	>5 bps ≤ 10 bps	> 10 bps ≤25 bps	> 25 bps ≤50 bps	> 50 bps ≤75 bps	> 75 bps ≤100 bps	> 100 bps ≤125 bps	> 125 bps ≤500 bps	>500 bps
Outright	1.4%	1.35%	1.3%	1%	0.75%	0.7%	0.65%	0.6%	0.55%
Roll	1.5%	1.45%	1.4%	1%	0.9%	0.85%	0.8%	0.75%	0.7%
Curve	10%	10%	7.5%	5%	2%	1.75%	1.5%	1.5%	1.25%
Strategy	10%	10%	7.5%	5%	2%	1.75%	1.5%	1.5%	1.25%

Products quoted in price/points upfront - 100 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤103.5	>103.5
Outright	0.25	0.25	0.125	0.125	0.02
Roll	0.25	0.25	0.125	0.25	0.01
Curve	0.25	0.25	0.125	0.25	0.01
Strategy	0.25	0.25	0.125	0.25	0.01

Products quoted in price/points upfront - 500 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤110	>110
Outright	0.25	0.25	0.25	0.25	0.25
Roll	0.25	0.25	0.25	0.25	0.05
Curve	0.5	0.5	0.5	0.5	0.5
Strategy	0.5	0.5	0.5	0.5	0.5

Trade Type	All Products quoted in option premium in cents
Outright	0.02
Roll	0.01
Curve	0.01
Strategy	0.01

ICE Swap Trade Reasonability Limits

All Products quoted in basis points									
Trade Type	> 0 bps ≤ 5 bps	>5 bps ≤ 10 bps	> 10 bps ≤25 bps	> 25 bps ≤50 bps	> 50 bps ≤100 bps	> 100 bps ≤150 bps	> 150 bps ≤200 bps	> 200 bps ≤500 bps	>500 bps
Outright	50%	50%	40%	30%	20%	15%	10%	10%	5%
Roll	50%	50%	40%	30%	20%	15%	10%	10%	5%
Curve	50%	50%	40%	30%	20%	15%	10%	10%	5%
Other	50%	50%	40%	30%	20%	15%	10%	10%	5%

Products quoted in price/points upfront - 100 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤103.5	>103.5
Outright	4	3	2	0.4	0.4
Roll	4	3	2	0.4	0.4
Curve	4	3	2	0.4	0.4
Other	4	3	2	0.4	0.4

Values are expressed as the difference measured in price points

Products quoted in price/points upfront - 500 basis point coupon					
Trade Type	> 0 ≤ 85	>85 ≤90	>90 ≤100	>100 ≤110	>110
Outright	4	3	2	1	0.75
Roll	4	3	2	1	0.75
Curve	4	3	2	1	0.75
Other	4	3	2	1	0.75

Values are expressed as the difference measured in price points

Trade Type	All Products quoted in option premium in cents
Outright	0.2
Roll	0.2
Curve	0.2
Other	0.2