



55 East 52nd Street
New York, NY 10055

BY ELECTRONIC TRANSMISSION

Submission No. 16-67s-2
October 6, 2016

Mr. Christopher J. Kirkpatrick
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 Block Trade FAQ -
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“Exchange”) submitted Submission No. 16-67 on June 1, 2016, to amend its Block Trade Frequently Asked Questions (“Block Trade FAQ”).

IFUS hereby submits this filing as a supplement to the rule amendments contained in IFUS Submission No. 16-67. The effectiveness of those rule amendments was stayed by the Division of Market Oversight on June 14, 2016. IFUS believes that the revised Question 24 of the Block Trade FAQ complies with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder, including §38.152 and §180.1 of the Commission’s regulations.

If you have any questions or need further information, please contact me at 312-836-6746 or at conor.weber@theice.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Conor Weber", is written over a light blue horizontal line.

Conor Weber
Compliance Counsel
Market Regulation

Enc.

cc: Division of Market Oversight
New York Regional Office

EXHIBIT A

ICE FUTURES U.S. BLOCK TRADE – FAQs

1. What is a block trade? **Error! Bookmark not defined.**
2. What are the eligible contracts and the minimum threshold quantities for a block trade?
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3. Who may participate in block trades? **Error! Bookmark not defined.**
4. Are there any price restrictions for block trades? .. **Error! Bookmark not defined.**
5. Can any order which exceeds the minimum quantity threshold be executed as a block trade? **Error! Bookmark not defined.**
6. What recordkeeping and audit trail requirements are attendant to a block trade?**Error! Bookmark not defined.**
7. What are the trading hours for block trades? **Error! Bookmark not defined.**
8. How are block trades reported? **Error! Bookmark not defined.**
9. What are the reporting requirements for block trades?**Error! Bookmark not defined.**
10. What are the procedures for entering a block trade in ICE Block?**Error! Bookmark not defined.**
11. How do I obtain access to enter orders directly into ICE Block?**Error! Bookmark not defined.**
12. Must block trades be brokered by an Exchange Member or Clearing Member?**Error! Bookmark not defined.**
13. Who is responsible for reporting the execution time?**Error! Bookmark not defined.**
14. May spreads or combination trades be executed as block trades?**Error! Bookmark not defined.**
15. May block trades be given up? **Error! Bookmark not defined.**
16. Can block trades be executed for a future or option position after Last Trading Day?
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17. Can orders be bunched to constitute one side of a block trade?**Error! Bookmark not defined.**
18. What fees are associated with block trades? **Error! Bookmark not defined.**
19. Can Trade at Settlement (“TAS”) trades be executed as block trades?**Error! Bookmark not defined.**
20. What is a Sugar No. 11/LIFFE White Sugar Futures arbitrage block trade? **Error! Bookmark not defined.**
21. Do block trades between accounts of affiliated parties constitute as Wash trade?**Error! Bookmark not defined.**
22. What restrictions are in place regarding the disclosure of block trade details?**Error! Bookmark not defined.**
23. What is a Block at Index Close (BIC) and for which products is it available?**Error! Bookmark not defined.**
- Rule 4.07. Block Trading
24. Is pre-hedging or anticipatory hedging of a block trade permitted? 15

24. Is pre-hedging or anticipatory hedging of a block trade permitted?

Parties to a potential block trade may engage in pre-hedging or anticipatory hedging of the position that they believe in good faith will result from the consummation of the block trade, except for an intermediary that takes the opposite side of its own Customer order. In such instances, prior to the consummation of the block trade the intermediary is prohibited from offsetting the position established by the block trade in any account which is owned or controlled, or in which an ownership interest is held, or for the proprietary account of the employer of such intermediary. The intermediary may enter into transactions to offset the position only after the block has been consummated. It shall be a violation of Exchange Rule 4.02(h) for a Person to engage in the front running of a block trade when acting on material non-public information regarding an impending transaction by another person, acting on non-public information obtained through a confidential employee/employer relationship, broker/customer relationship, or in breach of a fiduciary responsibility.

The Exchange may proceed with enforcement action when the facts and circumstances of pre-hedging suggest deceptive or manipulative conduct by any of the involved parties, including when an intermediary handling a Customer order acts against its Customer's best interests.

This guidance only applies in the context of pre-hedging of block trades. This guidance does not affect any requirement under the CEA or Commission Regulations.
