



Submission No. 25-02
January 7, 2025

Mr. Charles 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 Exchange Rule 4.13 (Deletion of Responsible Individual Requirement) - Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6

Dear Mr. Kirkpatrick:

Pursuant to Commission Regulation 40.6(a), ICE Futures U.S., Inc. (“Exchange”) submits, by written certification, the amendments to Exchange Rule 4.13 set forth in Exhibit A. The amendments delete the requirement that an Exchange Clearing Member assign a “Responsible Individual” (“RI”) to each of the Clearing Member’s eBadges. The RI requirement was adopted when the Exchange initially transitioned to electronic trading in 2007. As discussed below, the requirement has since become obsolete and is no longer needed.

For context, the eBadge is a clearing credential that can be assigned to one or more User IDs. It is used to map trades executed on the electronic trading system (“ETS”) from the User ID(s) to the correct Clearing Member for clearing. Pursuant to Rule 4.13, a Clearing Member must currently assign at least one RI to each of its eBadges.

An RI is a natural person who is personally responsible for all activity that is conducted through the eBadge(s) to which they are assigned. Specifically, an RI: (i) is expressly required to comply with ICE Futures U.S. Rules; (ii) assumes responsibility for all transactions submitted under the User IDs which are assigned to the RI’s eBadge(s); and (iii) represents that they have the authority to take all actions required by the Exchange with respect to transactions submitted through the User IDs which are assigned to the RI’s eBadge(s).¹

Through the years, the Exchange has adopted various Rule provisions and practices which have obviated the need to have a Responsible Individual associated with the eBadge. For example, the Exchange adopted Rule 4.00, which requires all participants who transact on the Exchange to comply with the Exchange’s Rules and subjects such participants to the disciplinary jurisdiction of the Exchange. In addition, Exchange Rule 4.15 requires that each person with

¹ These obligations are set forth in the Responsible Individual Registration Form that each RI is required to sign when a new eBadge is requested by a Clearing Member.



access to trade on the ETS be uniquely identifiable. These two Rules allow the Exchange to identify the actual individuals associated with each transaction submitted to the ETS and provide a pathway for the Exchange to take disciplinary action against such individuals when required. Accordingly, the Exchange is amending Rule 4.13 to eliminate the RI and the requirement that a RI be assigned to each eBadge.

Additional clarifying amendments add the term “Mnemonic” which is the term used for the clearing credential that is the equivalent of an eBadge for transactions that are cleared at ICE Clear Europe; and provide that eBadges may only be requested by Exchange Clearing Members, which is the current practice.

The Exchange is not aware of any opposing views to the amendments and certifies that the amendments to Rule 4.13 comply with the Commodity Exchange Act and the rules promulgated thereunder. Specifically, the amendments comply with Core Principles 2 (Compliance with Rules), 12 (Protection of Markets and Market Participants) and 13 (Disciplinary Procedures) as they simply eliminate an obsolete requirement. As mentioned above, the Exchange’s Rules require all participants who transact on the Exchange to comply with the Exchange’s Rules and subjects such participants to the disciplinary jurisdiction of the Exchange. This allows the Exchange to enforce Rules that are designed to promote fair and orderly trading and to protect market participants from abusive trading practices.

The Exchange further certifies that, concurrent with this filing, a notice of pending certification was posted on the Exchange’s website. A copy of this submission may be accessed at (<https://www.theice.com/futures-us/regulation#rule-filings>). The amendments will become effective on January 24, 2024. The Exchange is not aware of any substantive opposing views with respect to the extension.

If you have any questions or need further information, please contact me at 212-748-4021 or at jason.fusco@theice.com.

Sincerely,

A handwritten signature in black ink that reads "Jason V. Fusco". The signature is fluid and cursive, with the first name being the most prominent.

Jason V. Fusco
General Counsel
ICE Futures U.S., Inc.

Enc.



EXHIBIT A

Rule 4.13. eBadges and Mnemonics ~~[and Responsible Individuals]~~

~~[(a)]~~ Each Clearing Member ~~[and Person with Direct Access]~~ shall request one (1) or more eBadges or Mnemonics as it deems necessary to accommodate the nature and volume of its business.

~~(b)~~ ~~At least one (1) Responsible Individual must be registered with the Exchange for each eBadge issued. The Exchange, in its sole discretion, may limit the number of, or require additional, eBadges and Responsible Individuals. Whenever a Responsible Individual is absent and therefore not able to be contacted, a Backup Responsible Individual must be registered with the Exchange to fulfill the role of a Responsible Individual.~~

~~(c)~~ ~~A Responsible Individual or, in his absence, a Backup Responsible Individual, must be reachable via telephone by the Exchange at all times that any of the eBadges as to which he is registered with the Exchange are in use.~~

~~(d)~~ ~~A Responsible Individual may be a trader or supervisor of other individuals who are traders.]~~