

MEMORANDUM

TO: File
FROM: James P. Sinnott
RE: Business conduct consultation with Intercontinental Exchange (“ICE”)
DATE: August 10, 2010

On August 5, 2010, Lourdes Gonzalez, Joanne Rutkowski, Mike Reedich, Christine Sibille, and Rich Ferlauto of the Securities and Exchange Commission, and Phyllis Cela, Katherine Driscoll, Ted Kneller, Barry McCarty, Stephanie Horne, Michael Solinsky and Russell Battaglia of the Commodities Futures Trading Commission consulted with Peter Barsoom (Chief Operating Officer, ICE Trust) and Audrey Hirschfeld (ICE).

The participants reviewed the statutory language regarding business conduct and discussed the ICE Participant Code of Conduct. In addition, the participants discussed areas that may require additional rules or revised rules based on the statutory language.

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ANNEX H – PARTICIPANT CODE OF CONDUCT

PREAMBLE

This Code of Ethics and Sound Trading Practices (Code) defines and reaffirms the values, principles and internal controls that Participant must follow in conducting its business activities on the Exchange. The Code is intended to complement the internal principles and practices of Participant and to guide Participant as it posts bids, offers, and requests for quotation, executes Transactions, confirms Trades, and uses Other Services on the Exchange. Compliance with the Code allows Participant to assure ICE, legislators, regulators, the public and other market participants that its business activities on the Exchange are, and will continue to be, conducted with integrity. In addition, Participant gives assurance that unlawful and unethical trading practices are not tolerated, that public disclosures of trading information are accurate, and that it will abide by these ethical standards and maintain sound trading practices.

Participant acknowledges that violations of this Code can incur penalties including, but not limited to, temporary or permanent loss of access to the Exchange.

I. ETHICAL STANDARDS

A. Core Value: Integrity

Conducting trading activities with integrity is the essence of ethical conduct. Integrity means conducting these activities in an honorable and principled manner consistent with the ethical standards and sound trading practices set forth herein.

B. Ethical Standards

On the Exchange, Participant will:

1. Conduct its business in accordance with all applicable laws, regulations, tariffs and rules, and in good faith, and with a commitment to honest dealing.
2. Not engage in fraudulent behavior.
3. Honor the terms and conditions of this Participant Agreement.
4. Engage only in Transactions with legitimate business purposes, such as managing business risk or that otherwise have economic substance. In no event will Participant engage in any Transactions intended to boost revenues or volumes artificially, or intended to manipulate market prices.
5. Not collude with other market participants to affect the price or supply of any commodity, allocate territories, customers or products, or otherwise unlawfully restrain competition.
6. Adopt, adhere to, and enforce risk management and other policies and structures that are designed to ensure that trading activities are conducted in accordance with this Code.

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II. SOUND TRADING PRACTICES

A. Core Value: Adherence to Sound Trading Practices and Principles

Commodity markets reflect the constantly changing dynamics of supply and demand. Efficient business operations in such an environment demand practices that can manage risk and discover market prices. Such practices must be consistent with the guiding Ethical Standards of this Code.

B. Sound Trading Practices Standards

Participant will act in accordance with these standards of sound trading practices with regard to its Exchange activity:

1. No "wash" trades. Participant will not arrange and execute simultaneous offsetting buy and sell trades, i.e. with the same counterparty and price, commodity, location and quantity terms, with an intent to artificially affect reported revenues, trading volumes, or prices.
2. No misrepresentative trading. No trading will be conducted for the purpose of misrepresenting the financial condition of the organization.

III. INFORMATION DISCLOSURE AND DOCUMENTATION

A. Core Value: Candid and Complete Disclosure

Markets depend on trust in the accuracy of market information provided by Participant and in the transparency of market behavior of all market participants.

B. Information Disclosure and Documentation Standards

With regard to its Exchange activity, Participant will:

1. Provide Transaction information to regulators in compliance with all applicable rules and requirements and continue to cooperate with regulators as reasonably necessary to assist in their understanding of the markets.
2. Ensure that any information disclosed to ICE is accurate and consistent.
3. Maintain and adhere to internal procedures designed to ensure that all Transactions are properly documented in a timely fashion and that no Transactions or Trades are concealed or misrepresented when providing market information to ICE or any of its affiliates.
4. Promptly notify ICE of any material change (to a Transaction executed on the Exchange) mutually agreed to by Participant and counterparty after execution, but prior to confirmation, including, but not limited to changes in price, quantity, grade, delivery location, reference index, delivery or settlement timeframes, or payment terms.

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5. Promptly notify ICE of any Transaction cancellation or reversing trade with the same counterparty for the explicit purpose of effecting cancellation (an equal, but opposite offsetting trade), mutually agreed to by Participant and counterparty of a Transaction executed or Trade confirmed on the Exchange.
6. Maintain documentation on all Transactions for an appropriate period of time as required under applicable laws and regulations.

IV. COMPLIANCE

A. Core Value: Comprehensive Corporate Compliance

Each Participant will have a compliance program commensurate with the size and scope of its trading activities on the Exchange and designed to ensure appropriate, timely and ongoing review of trading practices and compliance with this Code.

B. Compliance Standards

Participant will:

1. Provide for proper training of personnel on the provisions of this Code.
2. Maintain internal policies and procedures to promote compliance with this Code.
3. Promptly disclose to ICE the details of any violations of this Code involving Participant's activities on the Exchange or provision of market information to ICE or any of its affiliates.
4. Provide an environment that encourages employees within the trading organization to engage in safe and confidential discussions and to disclose to senior management any trading practices that might violate this Code.
5. Establish clear lines of accountability for the company's trading practices, including provisions relating to the responsibilities of corporate officers, with appropriate oversight by the Board of Directors or other senior corporate management committee.