

Disciplinary Notice

Case No. 2020-018: Settlement of Charges Against Aspire Commodities, LLC

Exchange Rules

Rule 6.20(b) - Position Limits, Conditional Limits and Position Accountability for Energy Contracts and Oil Contracts

No Person may exceed the position limits specified in the Position Limit Tables for any Oil Contract or Energy Contract unless an exemption has been granted by the Exchange in accordance with these Rules.

Rule 6.29(e)(i) - Exemptions

Arbitrage, Spread and Straddle Exemptions: Exemptions may be granted for arbitrage, intercommodity spread, intracommodity spread, and eligible option/option or option/futures spread or straddle positions.

Rule 4.01(a) - Duty to Supervise

Every Person shall diligently supervise the Exchange-related activities of such Person's employees and agents. For purposes of this Rule, the term "agent" includes any Exchange-related activities associated with automated trading systems that generate, submit and/or cancel messages without human intervention. Every Person shall also be responsible for the acts and omissions of such employees and agents

Rule 21.04 - Power to Compel Testimony and Production of Documents

The President, the Board, the Chief Regulatory Officer, the Compliance staff, any committee or subcommittee and any panel of any committee or subcommittee, engaged in any investigation of, examination into, or hearing involving any matter pursuant to the Rules shall have the power to summon any Member, any employee of any Member and any non-member market participant to appear before him or it, to give testimony under oath or in any other manner required by him or it and to produce any documents, books or records. A Firm so summoned shall appear by a partner, officer or responsible employee fully acquainted with the relevant facts. If any Member, any employee of any Member, or non-member market participant fails to obey any such summons or to give any such testimony or to produce any such documents, books or records, such failure shall constitute a violation of this Rule and shall be reported to the Business Conduct Committee for appropriate action.

Summary

On August 31, 2021, a subcommittee of the Exchange's Business Conduct Committee ("BCC") determined that Aspire Commodities, LLC ("Aspire") may have violated Exchange Rules 6.20(b), 6.29(e)(i), 4.01(a), and 21.04. The BCC found that, in numerous instances in the November 2019 through June 2021 expiration periods for the Henry LD1 Fixed Price Future, Aspire held positions in excess of the applicable spot month positions limits but did not appear to comply with the terms of its spread exemption granted by the Exchange. The BCC also found that Aspire did not have adequate policies and procedures

[View All Notices](#) / [Contact Us](#) / [Media Inquiries](#)

in place to monitor positions or compliance with its spread exemption. Lastly, the BCC found that Aspire failed to adequately respond to Staff's requests in a timely manner.

Product

Henry LD1 Fixed Price Future

Customer Harm

No

Penalty

In accordance with the terms of settlement, in which Aspire neither admitted nor denied the alleged rule violations, Aspire agreed to pay a monetary penalty of \$700,000.

Effective Date

August 31, 2021

For More Information

Jason Fusco

jason.fusco@ice.com

(212) 748-4021

-or-

Frances M. Mendieta

frances.mendieta@ice.com

(312) 836-6748

[View All Notices](#) / [Contact Us](#) / [Media Inquiries](#)

© 2019 Intercontinental Exchange, Inc. The following are trademarks of Intercontinental Exchange, Inc. and/or its affiliated companies: Intercontinental Exchange, ICE, New York Stock Exchange and NYSE. For more information regarding trademarks owned by Intercontinental Exchange, Inc. and/or its affiliated companies see: intercontinentalexchange.com/terms-of-use

Key Information Documents for certain products covered by the EU Packaged Retail and Insurance-based Investment Products Regulation can be accessed on the relevant exchange website under the heading "Key information Documents (KIDS)," commencing January 1, 2019.