

CIRCULAR
10/071

20 October 2010

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Trading

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Summary of content:Launch of the ICE
Futures NCG and
GASPOOL Natural
Gas Futures Contracts

Launch of the ICE Futures NCG and GASPOOL Natural Gas Futures Contracts

The Exchange is pleased to announce, subject to regulatory approval, the launch of the following contracts:

- ICE Futures NCG Natural Gas Futures Contract: and
- ICE Futures GASPOOL Natural Gas Futures Contract (“the German Natural Gas Contracts”).

The German Natural Gas Contracts will be launched on **17 November 2010**. The Contract Specifications are attached.

Contract outline

The German Natural Gas Contracts will be quoted in Euros per MWh and will be physically settled at the relevant VTP (Virtual Trading Point), NCG or GASPOOL. The Contracts will be cleared by ICE Clear Europe.

Listed months

The German Natural Gas Contracts will be listed for up to 59 consecutive months, 8 consecutive seasons, 6 consecutive quarters and 4 consecutive calendar years. The first listed contract will be December 2010. Inter-month, inter-quarter, inter-season and inter-calendar year spreads will also be available to trade.

Expiry time and dates

Trading will cease at the close of business two business days prior to the first calendar day of the delivery month.

Trading hours

The Contracts will trade daily from 07:00 to 17:00 hours (London time)

EFP and EFS trades

Members may report EFP and EFS trades up to 30 minutes after the close of business each day. The reporting method is set out in the ICE Futures Europe EFP/EFS Policy document available at:

https://www.theice.com/futures_europe.jhtml this document will be updated to reflect the implementation of this Contract.

**For more information
please contact:**

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TRS Contract codes and trade types

| | ICE NCG Natural Gas Futures Monthly | ICE NCG Natural Gas Futures Daily | ICE GASPOOL Natural Gas Futures Monthly | ICE GASPOOL Natural Gas Futures Daily |
|----------------------|--|--|--|--|
| Physical Contract | NGM | NGD | GPM | GPD |
| Logical Commodity | NGM | NGD | GPM | GPD |
| Generic Contract | M | D | M | D |

| | TRS Trade type |
|-------------|-----------------------|
| EFP/EFS | O |
| Block Trade | K |
| Screen | T |

Open positions on expiry of the Contracts will be physically settled at NCG/GASPOOL during each Delivery Day of the month as specified in the Contract Rules. A TRS contract code has therefore been assigned to ICE NCG Natural Gas Futures Daily and ICE GASPOOL Natural Gas Futures Daily to allow delivery to take place. For the avoidance of doubt the ICE NCG Natural Gas Futures Daily and ICE GASPOOL Natural Gas Futures Daily are not tradable contracts and are rather references to daily delivery obligations arising under a Contract that has gone to delivery.

Transaction charges

The transaction fees (including Block Trades, EFPs and EFSs) charged by the Exchange and ICE Clear Europe will be €0.0025/MWh and €0.00125/MWh respectively. The delivery fee will be set at zero for those Contracts which go to delivery.

Settlement price procedures and designated settlement period

Daily settlement prices will be determined in accordance with Trading Procedure 2.4 and the designated settlement period will be 16:00 to 16:15 hours (London time).

Margins

Margin rates will be announced by ICE Clear Europe in due course.

Volume Ratio Charges

The Volume Ratio Charging Policy as set out in Circular 06/015 dated 24 January 2006 will not apply to the German Natural Gas Contracts.

Screen access

Participants permissioned for the ICE UK Natural Gas Futures and/or the ICE TTF Natural Gas Futures will be permissioned for the German Natural Gas Contracts. Additionally, with effect from 8 November 2010, the German Natural Gas Contracts will automatically be added to any

WebICE portfolio which contains the front month ICE UK Nat Gas Futures. Participants who access the market through an ISV should contact that ISV directly.

API testing

The Contract is available in the API test environment with immediate effect.

Clearing access

Members and their customers will need to ensure they have the necessary clearing limits in place to trade the German Natural Gas Contracts. The Contracts will be available in Credit Management and Clearing Admin from 21 October 2010 and can be identified under the product names:

- GASPOOL Nat Gas
- NCG Nat Gas

Third party notification

Back office systems providers and Independent Software Vendors will be notified simultaneously with the release of this Circular.

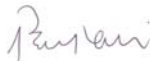
Contract Rules and Administrative Procedures

The Contract Rules and Administrative Procedures governing the trading and delivery of the Contract are attached.

I therefore give formal notice, on behalf of the Board, in accordance with the Code of Practice that it proposes the changes to Exchange Regulations set out below. The Code of Practice provides that any written request for the Board to consider whether the Code of Practice has been adhered to must be received by the Secretary within seven days of the date of this Circular. In the absence of any such request the proposed changes will come into effect upon the launch of the contract.

Please ensure the appropriate staff within your organisation are advised of the content of this Circular.

Signed:



Patrick Davis
Company Secretary