

~~EXCHANGE~~ SECTION EEEE - CONTRACT ~~NO. 401~~ RULES: ICE FUTURES COCOA FUTURES CONTRACT

~~CONTRACT TERMS~~ — Issue Date: ~~10 June 2013~~

~~ADMINISTRATIVE PROCEDURES~~ — Issue Date: ~~10 June 2013~~

~~Delivery Months: July 2013 onwards~~

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Cocoa Futures Contract

Terms of Exchange Contract No. 401

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EEEE.1 INTERPRETATION

(a) ~~1.01~~ Save as otherwise specified herein, words and phrases defined in the ~~Rules~~Regulations shall have the same meanings in these ~~terms~~Contract Rules and in the Administrative Procedures.

(b) ~~1.02~~ In these ~~terms~~Contract Rules and in the Administrative Procedures:

“Administrative Procedures” means the administrative procedures at Rule FFFF from time to time implemented by the ~~Board pursuant to the Rules~~Exchange for the purposes of ~~this Exchange~~these Contract Rules.

“Allowance” means either a discount or a premium to the Contract price, expressed in Pounds per ~~tonne~~Tonne, which is stated in these ~~terms~~Contract Rules or otherwise shall be published from time to time by ~~Notice~~notice posted on the Market.

“Bean cluster” means two (or more) Cocoa beans which are joined together and are unable to be split into two (or more) whole single Cocoa beans as a result of the exertion of reasonable hand pressure.

“Bulk Delivery Unit” means an amount of loose Cocoa conforming to ~~term 3.04(b)~~Rule EEEE.3(d)(ii) and having a nominal net weight of 1,000 ~~tonnes~~Tonnes.

“Business Day” means a day on which the market, the Clearing ~~Organisation~~House and banks in London are open for business.

“Buyer” in respect of a Contract means the person who is obliged under such Contract to accept delivery in respect of each Lot of Cocoa and to pay the invoicing amount in respect of each such Lot (including, except where the context otherwise requires, the Clearing ~~Organisation~~House as a buyer under a registered Contract).

“Buyer’s Position Notice” means the notice to be given by the Buyer to the Clearing ~~Organisation~~House under ~~term 13.01~~Rule EEEE.13(a).

“Cocoa” means cocoa beans which are the whole seeds of the cocoa tree (*Theobroma Cacao* L).

“Contract” means a contract made expressly or impliedly in the terms of ~~this Exchange~~these Contract Rules for the sale and purchase of one or more Lots and “registered Contract” means a Contract registered by the Clearing ~~Organisation~~House.

~~“Conversion Date” means the date on which the conversion rate for Sterling against the euro is fixed in accordance with EMU legislation.~~

- “Conversion Settlement Day” in respect of a Delivery Month means, subject to ~~term 15.06(a)~~[Rule EEEE.15\(f\)\(i\)](#), ten Business Days immediately following the Settlement Day for such Delivery Month.
- “Converted Delivery Unit” means a new Delivery Unit which is formed upon the conversion of part or all of a Nominated Delivery Unit.
- “Default in Performance” has the meaning attributed to it in ~~term 18.02~~[Rule EEEE.18\(b\)](#).
- “Defective” means a Mouldy Bean or an Insect-damaged Bean or both.
- “Delivery Area” means each geographic area referred to in ~~term 3.03~~[Rule EEEE.3\(c\)](#), as varied by the ~~Board~~[Exchange](#) from time to time, within which a Warehouse must be located.
- “Delivery Month” means each month specified as such by the ~~Board~~[Exchange](#) pursuant to the ~~Rules~~[Regulations](#).
- “Delivery Unit” means a Standard Delivery Unit, a Large Delivery Unit or a Bulk Delivery Unit.
- “Depository” means any person appointed by the Exchange to receive, hold and administer Warrants in immobilised form; details of such persons shall be notified by ~~Notice~~[notice posted on the Market](#) from time to time.
- “Dual Capacity Warehousekeeper” means a Warehousekeeper which has been nominated by the Exchange in its absolute discretion to store in its Warehouse Standard, Large and Bulk Delivery Units recorded on ~~NYSE Liffe~~-Guardian and which appears on the List of Nominated Warehouses and Warehousekeepers published from time to time by ~~Notice~~[notice posted on the Market](#).
- “EDSP” means Exchange Delivery Settlement Price and has the meaning attributed to it in ~~term~~[Rule EEEE.9](#).

~~“EMU Legislation” means legislative measures of the European Council, and as appropriate the United Kingdom, for the introduction of, changeover to or operation of the euro pursuant to implementation of Economic and Monetary Union including such legislative measures as are enacted in contemplation of the United Kingdom introducing the euro as its lawful currency.~~

~~“€” denotes the single currency of the European Union introduced in a Member State as the lawful currency of that Member State pursuant to its participation in Economic and Monetary Union in the European Union pursuant to EMU legislation known, at the date of the issue of these terms, as “euro”.~~

~~“EU” means the European Union.~~

“Evidence of Import Duty” has the meaning attributed to it in ~~term 7.03~~[Rule EEEE.7\(c\)](#).

“Extended Conversion ~~Settlement Day~~” has the meaning attributed to it in ~~term 15.06(a)~~[Rule EEEE.15\(f\)\(i\)](#).

[Settlement Day](#)”

“Foreign Matter” means any substance or matter, other than a whole Cocoa bean or Residue, which in the opinion of the ~~LIFFE~~ICE Registered Cocoa Graders is, upon grading, identified as foreign matter.

“Fumigation Charge” means a monthly fee which a Warehousekeeper shall be entitled to charge in respect of the fumigation and fogging of a Delivery Unit stored in its Warehouse and which is levied pursuant to the Grading and Warehousekeeping Procedures.

~~“Grading and Warehousekeeping Procedures”~~ means the procedures from time to time implemented by the ~~Board~~Procedures” ~~Exchange~~ pursuant to the ~~Rules~~Regulations in respect of:

- (i) ~~(a)~~—sampling and storage of Cocoa by Warehousekeepers;
- (ii) ~~(b)~~—grading of Cocoa by the ~~LIFFE~~ICE Registered Cocoa Graders; and
- (iii) ~~(c)~~—the Warrant management service for Cocoa,

which may be contained in one or more documents.

“Grading Result” means the result given to a Delivery Unit which has been graded by the ~~LIFFE~~ICE Registered Cocoa Graders and containing such information as the ~~Board~~Exchange may prescribe from time to time.

“Gross Weight” has the meaning attributed to it in ~~term 5.04(a)~~Rule EEEE.5(d)(i).

~~“Guardian”~~ means the electronic system relating to grading, tender, delivery and warrant management services, or any successor thereto, which, amongst other things, records Cocoa stored in a Warehouse for delivery under a Contract.

~~“ICE Registered Cocoa Graders”~~ means a panel of Cocoa graders registered with the Exchange in accordance with the Grading and Warehousekeeping Procedures who upon the application of a Nominated Member examine and grade a sample of the Delivery Unit which is the subject of the application and issue a Grading Result in respect of such Delivery Unit pursuant to the Grading and Warehousekeeping Procedures.

“Import Duty Documentation” has the meaning attributed to it in ~~term 7.01~~Rule EEEE.7(a)(i).

“Insect-damaged Bean” means a cocoa bean the internal parts of which are found to contain insects at any stage of development or any evidence thereof, or evidence of insect damage, which is visible to the naked eye.

“Interest Rate” means BBA LIBOR for one month deposits in sterling as at 11.00 hours on the Settlement Day for the

relevant Delivery Month, provided that the ~~Board~~Exchange may at its discretion resolve, prior to the commencement of the calendar month in which the Settlement Day for the relevant Delivery Month falls, that the Interest Rate shall be determined by other means. Any such determination by the ~~Board~~Exchange shall be the subject of a ~~Notice~~notice posted on the Market.

“Invoicing Amount” has the meaning attributed to it in ~~term 10.01~~Rule EEEE.10(a).

“Large Delivery Unit” means an amount of bagged Cocoa conforming to ~~term 3.04(a)~~Rule EEEE.3(d)(i) and having a nominal net weight of 100 ~~tonnes~~Tonnes.

“Last Trading Day” in respect of a Delivery Month means (subject to ~~term 19.01~~Rule EEEE.19(a)) eleven Business Days immediately prior to the last Business Day of such Delivery Month.

~~“LIFFE Registered Cocoa Graders” means a panel of Cocoa graders registered with the Exchange in accordance with the Grading and Warehousekeeping Procedures who upon the application of a Nominated Member examine and grade a sample of the Delivery Unit which is the subject of the application and issue a Grading Result in respect of such Delivery Unit pursuant to the Grading and Warehousekeeping Procedures.~~

“Lot” has the meaning attributed to it in ~~term 2.02~~Rule EEEE.2(b).

~~“Member State” means a member of the European Union.~~

“Mouldy Bean” means a cocoa bean on the internal parts of which mould is visible to the naked eye.

“Net Weight” in respect of a Delivery Unit means the net weight of such Delivery Unit calculated in accordance with ~~term 5.04~~Rule EEEE.5(d) and expressed in ~~tonnes~~Tonnes.

“Nominated Bulk Delivery Unit” means a Nominated Delivery Unit which is a Bulk Delivery Unit.

“Nominated Delivery Unit” means each Delivery Unit to be converted by or on behalf of the Seller as notified to the Clearing ~~Organisation~~House under ~~term 12.04(a)~~Rule EEEE.12(d)(i) or ~~(bii)~~.

“Nominated Large Delivery Unit” means a Nominated Delivery Unit which is a Large Delivery Unit.

~~“Nominated Member”~~ means a Clearing Member who, on behalf of an ~~Owner~~owner, has been nominated by a Warehousekeeper or another Nominated Member in respect of the registration on ~~NYSE Liffe~~ Guardian of a Warrant that is to be, or has been, immobilised.

“Notice Day” in respect of any Lot comprised in a Contract means (subject to ~~term 19.02~~Rule EEEE.19(b)) the Business Day immediately following the Last Trading Day.

~~“NYSE Liffe Guardian” means the electronic system relating to grading, tender, delivery and warrant management services, or any successor thereto, which, amongst other things, records Cocoa stored in a Warehouse for delivery under a Contract.~~

“Origin” means the country, or geographic area in a country, in which the cocoa was produced.

“Origin Group” means each group specified in ~~term 4.08~~ [Rule EEEE.4\(h\)](#).

“Pounds”, “£”, “pence” ~~and “penny”~~ denote lawful currency of the United Kingdom at the date of issue and “penny” of these ~~terms~~ [Contract Rules](#), known as “Sterling”.

“Preferential Rate of Import Duty” has the meaning attributed to it in ~~term 7.01~~ [Rule EEEE.7\(a\)](#).

“Rent” means a periodic fee (but not including Fumigation Charges) which a Warehousekeeper shall be entitled to charge in respect of the storage of a Delivery Unit in its Warehouse, and which is levied pursuant to the Grading and Warehousekeeping Procedures.

“Residue” means any Cocoa element other than a whole Cocoa bean (which may include, without limitation, broken beans, fragments of beans and pieces of shell), which in the opinion of the ~~LIFFE~~ [ICE](#) Registered Cocoa Graders is, upon grading, identified as residue.

“Seller” ~~”~~ in respect of a Contract means the person who is obliged under such Contract to deliver Cocoa in respect of each Lot (including, except where the context otherwise requires, the Clearing ~~Organisation~~ [House](#) as seller under a registered Contract).

“Seller’s Delivery Notice” means the notice to be given by the Seller to the Clearing ~~Organisation~~ [House](#) under ~~term 12.01~~ [Rule EEEE.12\(a\)](#) and ~~12.02~~ [EEEE.12\(b\)](#).

“Settlement Day” in respect of a Delivery Month means (subject to ~~term 19.03~~ [Rule EEEE.19\(c\)](#)), the last Business Day of the Delivery Month.

“Shipment Period” means the period commencing 1 October in a calendar year and ending on 30 September in the following calendar year.

“Single Capacity ~~Warehousekeeper”~~ means a Warehousekeeper which has been nominated by the ~~Warehousekeeper~~ [Warehousekeeper](#) Exchange in its absolute discretion to store in its Warehouse

Standard and Large Delivery Units recorded on ~~NYSE Liffe~~ [Guardian](#) and which appears on the List of Nominated Warehouses and Warehousekeepers published from time to time by ~~Notice~~ [notice posted on the Market](#).

“Slaty” means a cocoa bean which shows a slaty colour on half or more of the exposed surface of the cotyledons.

“Standard Delivery Unit” means an amount of bagged Cocoa conforming to ~~term 3.04(a)~~[Rule EEEE.3\(d\)\(i\)](#) and having a nominal net weight of 10 ~~tonnes~~[Tonnes](#).

“Standard Deviation of ~~the Bean Count~~” means the measure of the deviation of the bean count per 100 [the Bean Count](#) grammes of Cocoa from a nominal standard deviation of the bean count per 100 grammes of Cocoa, where the value of the deviation is derived from a methodology and an algorithm prescribed by the ~~Board~~[Exchange](#) from time to time.

“Substituted Delivery Unit” means each Delivery Unit which is substituted by the Seller as notified to the Clearing ~~Organisation~~[House](#) under ~~term 12.04(e)~~[Rule EEEE.12\(d\)\(iii\)](#).

“Supervision Company” is a company whose business is the supervision and/or inspection of goods and which is appointed by the Exchange for the purposes of performing inspections.

“Tender” means the delivery by a Seller in accordance with these terms of a Seller’s Delivery Notice, as amended by one or more notices given under ~~term 12.04 or 12.06~~[Rule EEEE.12\(d\) or EEEE.12\(f\)](#).

“Tonne” means a metric tonne of 1,000 kilogrammes.

“Valid Grading Result” has the meaning attributed to it in ~~term 3.05~~[Rule EEEE.3\(e\)](#).

“Warehouse” means a warehouse in respect of which a Warehousekeeper has been nominated by the Exchange in its absolute discretion to store Goods and which appears on the List of Nominated Warehouses and Warehousekeepers published from time to time by ~~Notice~~[notice posted on the Market](#). A Warehouse shall, for the purposes of nomination under the Grading and Warehousekeeping Procedures, be a single structure designed or modified for the purpose of storing Goods, or groups of such structures connected by internal doors allowing for the passage of the relevant Goods. Where there are no such interconnecting doors between such structures these shall be nominated as separate Warehouses.

“Warehousekeeper” means either a Single or Dual Capacity Warehousekeeper which has been nominated by the Exchange in its absolute discretion to store in its Warehouse Goods piled as either parcels, lots, Standard and Large Delivery Units or Standard, Large or Bulk Delivery Units, as the case may be, and to record such details that are represented by the Warrant on ~~NYSE Liffe~~ Guardian and which appears on the List of Nominated Warehouses and Warehousekeepers published from time to time by ~~Notice~~[notice posted on the Market](#).

“Warrant” means a warrant for the delivery of a Delivery Unit stored in a Warehouse which authorises the possessor of such

document to transfer or receive the Delivery Unit referred to therein¹.

- ~~1.03—In these terms, unless the contrary is indicated, references to a “term” refer to a term hereof, references to a “Rule” refer to a rule of the Exchange’s Rules, and references to the singular include the plural and vice versa.~~
- ~~1.04—In these terms and in the Administrative Procedures, references to the Exchange in the context of delivery rights and obligations shall be read as reference to the Clearing Organisation where the context so dictates, including, without limitation, where there is reference to situations where the Clearing Organisation becomes counterparty to delivery rights and obligations pursuant to the Clearing Membership Agreements and/or the Rules (be this due to a LIFFE Clearing Member being declared a defaulter; or following the expiry of an open contract on the market; or otherwise). For the avoidance of doubt these terms and the Administrative Procedures are not intended to vary the terms of any Clearing Membership Agreement and, in the event of conflict between the terms of such documents/agreements the terms of the Clearing Membership Agreement shall prevail over these terms and the Administrative Procedures.~~
- ~~1.05—Subject to term 26.01, in these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the laws of the United Kingdom once the United Kingdom has introduced the euro as its lawful currency pursuant to EMU Legislation and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in the United Kingdom.~~

~~2.—Contract Specification~~

~~(c) [Not used]~~

~~(d) [Not used]~~

~~(e) [Not used]~~

EEEE.2 CONTRACT SPECIFICATION

~~(a) 2.01—Each Contract shall be for one or more Lots for the Delivery Month specified.~~

~~(b) 2.02—A “Lot” shall be an amount of Cocoa having a nominal net weight of 10 ~~tonnes~~Tonnes.~~

~~3.—Delivery Units~~

EEEE.3 DELIVERY UNITS

~~(a) 3.01—A Seller shall, in respect of one or more Lots of a Contract, deliver a Standard Delivery Unit, a Large Delivery Unit or a Bulk Delivery Unit, or any combination thereof, of an amount or aggregate amount of Cocoa which is equal to the amount of Cocoa to be delivered under such Lots.~~

~~(b) 3.02—A Seller may only deliver a Tender for a Delivery Unit, if on or before the day and by the time specified for delivery of such Tender in the Administrative Procedures, the Delivery Unit:~~

¹ ~~the~~The Warrant must not have expired under the relevant terms under which the Warrant was issued.

- (i) ~~(a)~~ has a Warrant that has been immobilised and its details recorded on ~~NYSE Liffe~~ Guardian;
 - (ii) ~~(b)~~ a Valid Grading Result;
 - (iii) ~~(c)~~ has had the Rent paid in accordance with ~~Term 6.03~~ Rule EEEE.6(c) and this has been recorded by the Warehousekeeper on ~~NYSE Liffe~~ Guardian,
 - (iv) ~~(d)~~ complies with ~~term 5.05~~ Rule EEEE.5(e) and, if appropriate, ~~term 5.06, 7.04~~ Rule EEEE.5(f), EEEE.7(d) and any other term in these Contract Rules.
- (c) ~~3.03~~ The delivery of a Delivery Unit shall be made in a Warehouse in a geographic area (a “Delivery Area”) which is, in the ~~Board~~ Exchange’s opinion, in or sufficiently close to Amsterdam, Antwerp, Bremen, Felixstowe, Hamburg, Humberside, Le Havre, Liverpool, London, Rotterdam or Teesside. The ~~Board~~ Exchange may from time to time de-list a Delivery Area or list any other Delivery Area which shall have such effect with regard to existing or new Contracts or both as the ~~Board~~ Exchange may determine in its absolute discretion.
- (d) ~~3.04~~ A Seller shall deliver:
- (i) ~~(a)~~ a Standard or Large Delivery Unit which conforms to ~~terms~~ Rules EEEE.4 and EEEE.5, which is stored in a Warehouse as a clearly identifiable pile of bagged Cocoa in accordance with the Grading and Warehousekeeping Procedures in force at the time of delivery; or
 - (ii) ~~(b)~~ a Bulk Delivery Unit which conforms to ~~terms~~ Rules EEEE.4 and EEEE.5, which is stored in a Warehouse as segregated loose Cocoa in accordance with the Grading and Warehousekeeping Procedures in force at the time of delivery.
- (e) ~~3.05~~ A Grading Result issued in respect of a Delivery Unit shall be valid (“Valid Grading Result”) if:
- (i) ~~(a)~~ the Delivery Unit has been graded as “tenderable”;
 - (ii) ~~(b)~~ it has not expired; subject to ~~term 3.06~~, Rule EEEE.3(f), the Grading Result will expire at the end of the sixth month after the date of issue of the Grading Result and any unexpired part of the month in which it was graded; and
 - (iii) ~~(c)~~ it has not lapsed, subject to ~~term 14.03(a)~~ Rule EEEE.14(c)(i) or ~~15.03(a)~~ EEEE.15(c)(i), upon conversion of the Delivery Unit, or upon bagging, rebagging or debagging of Cocoa contained in the Delivery Unit or regrading of the Delivery Unit under the Grading and Warehousekeeping Procedures ~~or if term 16.11 applies~~.
- (f) ~~3.06~~ Notwithstanding that a Valid Grading Result may be due to expire in accordance with ~~term 3.05(e)~~ Rule EEEE.3(e)(iii), any such Valid Grading Result applying to a Nominated Bulk Delivery Unit shall continue to apply until the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be.
- (g) ~~3.07~~ If a Delivery Unit was graded by ~~LIFFE~~ ICE Registered Cocoa Graders as not tenderable prior to May 2000, a Seller may submit such Delivery Unit for regrading.

- (h) ~~3.08~~—If a Delivery Unit is graded by ~~LIFFE~~ICE Registered Cocoa Graders as not tenderable under these terms for the May 2000 or a following Delivery Month, a Seller shall not submit such Delivery Unit for regrading, except where permitted to do so by the Grading and Warehousekeeping Procedures.
- (i) ~~3.09~~—Without prejudice to any exclusion of liability provision in the ~~Rules~~Regulations or the ~~Rules of the Clearing Organisation, none of the Exchange, none of the Exchange, the Board or the Clearing Organisation~~Clearing House Rules, neither the Exchange nor the Clearing House shall be liable for any loss or damage whatsoever, whether for negligence, breach of contract, misrepresentation or otherwise (other than for fraud or wilful default) in respect of:
- (i) ~~(a)~~—the failure by the Exchange or any Graders to grade or to issue a Grading Result by a particular date; or
 - (ii) ~~(b)~~—the performance or non-performance by any Grader of any function relating to grading; or
 - (iii) ~~(c)~~—the performance or non-performance of a Warehousekeeper of his supervisory duties; or
 - (iv) ~~(d)~~—the performance or non-performance by any Warehousekeeper of his obligations pursuant to these ~~terms~~Contract Rules or the Grading and Warehousekeeping Procedures; or
 - (v) ~~(e)~~—the performance or non-performance of ~~NYSE Liffe~~ Guardian; or
 - (vi) ~~(f)~~—the accuracy or availability of any information recorded on ~~NYSE Liffe~~ Guardian; or
 - (vii) ~~(g)~~—the safeguarding of rights of any person entitled to a Warrant that has been immobilised or rights asserted by any person claiming to be entitled to be treated as ~~Owner~~owner; or
 - (viii) ~~(h)~~—the legal consequences or enforceability of the Grading and Warehousekeeping Procedures in any jurisdiction; or
 - (ix) ~~(i)~~—the performance or non-performance by any Supervision Company of his obligations; or
 - (x) ~~(j)~~—the performance or non-performance of the Depository of his duties as an immobilised Warrant depository, including, but not limited to receiving, holding and administering Warrants that have been immobilised.

~~4. Quality, Condition and Origin~~

EEEE.4 QUALITY, CONDITION AND ORIGIN

- (a) ~~4.01~~—(a) A Seller shall deliver a Delivery Unit which is of a quality, condition and Origin which complies with this ~~term~~Rule EEEE.4. The quality and condition of a Delivery Unit shall be evidenced by the Valid Grading Result for such Delivery Unit.
- (b) A Delivery Unit to be delivered under a Contract may be subject to one or more Allowances as specified in these ~~terms~~Contract Rules and by the Valid Grading Result and such Allowances shall be used in the calculation of the Invoicing Amount in accordance with ~~term 10.01~~Rule EEEE.10(a).

- (b) ~~4.02~~—A Seller shall deliver under a Contract a Delivery Unit in which not more than 20% of the beans are Slaty by count. A Delivery Unit in which:
- (i) ~~(a)~~—less than or equal to 5% of the beans are Slaty by count, shall be delivered under a Contract without a Slaty Allowance; and
 - (ii) ~~(b)~~—more than 5% of the beans are Slaty by count but less than or equal to 20% of the beans are Slaty by count, shall be delivered under a Contract subject to the Slaty discount specified by the Valid Grading Result.
- (c) ~~4.03~~—A Seller shall deliver under a Contract a Delivery Unit in which not more than 15% of the beans are Defective by count. A Delivery Unit in which:
- (i) ~~(a)~~—less than 5% of the beans are Defective by count, shall be delivered under a Contract subject to the Defective premium specified by the Valid Grading Result;
 - (ii) ~~(b)~~—5% of the beans are Defective by count, shall be delivered under a Contract without a Defective Allowance; and
 - (iii) ~~(c)~~—more than 5% of the beans are Defective by count but less than or equal to 15% of the beans are Defective by count, shall be delivered under a Contract subject to the Defective discount specified by the Valid Grading Result.
- (d) ~~4.04~~—A Seller shall deliver under a Contract a Delivery Unit which does not have more than 120 beans per 100g bean count. A Delivery Unit which is delivered with a bean count:
- (i) ~~(a)~~—of less than 100 beans per 100g, shall be delivered under a Contract subject to the bean count premium specified by the Valid Grading Result;
 - (ii) ~~(b)~~—equal to 100 beans per 100g, shall be delivered under a Contract without a bean count Allowance; and
 - (iii) ~~(c)~~—of more than 100 beans but less than or equal to 120 beans per 100g, shall be delivered under a Contract subject to the bean count discount specified by the Valid Grading Result.
- (e) ~~4.05~~ ~~Subject to term 4.13, a~~ A Seller shall deliver under a Contract a Delivery Unit which does not have a Standard Deviation of the Bean Count of more than 40. A Delivery Unit which is delivered with a Standard Deviation of the Bean Count:
- (i) ~~(a)~~—of 25 or less, shall be delivered without a Standard Deviation of the Bean Count Allowance; and
 - (ii) ~~(b)~~—of more than 25 but less than or equal to 40, shall be delivered subject to the Standard Deviation of the Bean Count discount as specified by the Valid Grading Result.
- (f) ~~4.06~~ ~~(a)~~ (i) A Seller shall deliver under a Contract a Delivery Unit which does not have a quantity of Residue and Foreign Matter in excess of the weight specified in the Grading and Warehousekeeping Procedures applicable to the Delivery Unit and the Origin. An Allowance calculated by reference to the scale of Allowances for Residue and Foreign Matter applicable to the Origin will be determined with respect to any Residue and Foreign Matter in the Delivery Unit in accordance with the Grading and Warehousekeeping Procedures.

- (~~bi~~) A Seller shall deliver under a Contract a Delivery Unit which does not have a quantity of Bean clusters in excess of the weight specified in the Grading and Warehousekeeping Procedures applicable to the Delivery Unit. An Allowance calculated by reference to the scale of Allowances for Residue and Foreign Matter referred to in the Grading and Warehousekeeping Procedures will be determined in respect of any Bean clusters in a Delivery Unit of a quantity equal to or which exceeds the applicable weight specified in, and determined in accordance with, the Grading and Warehousekeeping Procedures.
- (g) ~~4.07~~—A Seller shall deliver under a Contract a Delivery Unit the Cocoa in which, in the opinion of the ~~LIFFE~~ICE Registered Cocoa Graders upon grading:
- (i) (~~a~~)—does not have a smoky, hammy or other taint or smell;
 - (ii) (~~b~~)—subject to ~~term 4.06~~,Rule EEEE.4(f), does not contain a substance which is not inherent in Cocoa; or
 - (iii) (~~c~~)—subject to ~~terms 4.02, 4.03, 4.04, 4.05 and 4.06~~,Rules EEEE.4(b), EEEE.4(c), EEEE.4(d), EEEE.4(e) and EEEE.4(f), is not unsound.
- (h) ~~4.08~~—A Seller shall deliver under a Contract a Delivery Unit which exclusively contains Cocoa from a single Origin stated from time to time to be in the following Origin Groups. A Delivery Unit delivered under a Contract shall be subject to the discount stated in respect of the following Origin Groups, or such other discount as may be prescribed by the ~~Board~~Exchange from time to time.
- (i) —(~~a~~)—Origin Group 1: Cocoa delivered from one of the following Origins shall not be subject to a discount: Ghana; Cote d’Ivoire; Nigeria; Sierra Leone; Togo; Cameroon; Equatorial Guinea; Democratic Republic of Congo (formerly known as Zaire); Western Samoa; Grenada Fine Estates; Trinidad & Tobago Plantation; and Jamaica.
 - (ii) —(~~b~~)—Origin Group 2: Cocoa delivered from one of the following Origins shall be subject to a discount of £25 per ~~tonne~~Tonne: Sao Tome and Principe; and Sri Lanka.
 - (iii) (~~c~~)—Origin Group 3: Cocoa delivered from one of the following Origins shall be subject to a discount of £50 per ~~tonne~~Tonne: Brazil Bahia Superior; Brazil Vitoria Superior; Ecuador; and Papua New Guinea.
 - (iv) (~~d~~)—Origin Group 4: Cocoa delivered from the following Origin shall be subject to a discount of £75 per ~~tonne~~Tonne: Malaysia.
 - (v) (~~e~~)—Origin Group 5: Cocoa delivered from any other Origin shall be subject to a discount of £100 per ~~tonne~~Tonne.
- (i) ~~4.09~~—The ~~Board~~Exchange may at its discretion, in respect of an Origin:
- (i) (~~a~~)—remove such Origin from, or add it to, an Origin Group;
 - (ii) (~~b~~)—move such Origin between Origin Groups; and
 - (iii) (~~c~~)—vary a discount which applies to Cocoa delivered from such Origin in an Origin Group.

Any such variation, addition or deletion shall have such effect with regard to existing or new Contracts or both as the ~~Board~~Exchange may determine in its absolute discretion.

- (j) ~~4.10~~—In respect of a Delivery Unit delivered under a Contract, the Origin as stated in the ~~Bill~~bill of ~~Lading~~lading or, if more than one ~~Bill~~bill of ~~Lading~~lading, each ~~Bill~~bill of ~~Lading~~lading in respect of Cocoa contained in the Delivery Unit, shall be prima facie evidence of the relevant Origin of such Cocoa.
- (k) ~~4.11~~—A Seller shall deliver a Delivery Unit which only contains Cocoa shipped during the same Shipment Period. In respect of a Delivery Unit delivered under a Contract, the date of issue of the ~~Bill~~bill of ~~Lading~~lading or, if more than one ~~Bill~~bill of ~~Lading~~lading, each ~~Bill~~bill of ~~Lading~~lading in respect of Cocoa contained in the Delivery Unit, shall be prima facie evidence of the relevant Shipment Period of such Cocoa. In respect of the Shipment Period, the date of issue of the ~~Bill~~bill of ~~Lading~~lading shall take precedence over any other date specified in the ~~Bill~~bill of ~~Lading~~lading.
- (l) ~~4.12~~—Cocoa:
- (i) ~~(a)~~—~~in which more than 20% of the beans are Slaty by count;~~
 - (ii) ~~(b)~~—~~in which more than 15% of the beans are Defective by count;~~
 - (iii) ~~(c)~~—~~which has more than 120 beans per 100g bean count;~~
 - (iv) ~~(d)~~—~~which, subject to term 4.13, has a Standard Deviation of the Bean Count of more than 40;~~
 - (v) ~~(e)~~—~~which has a quantity of:~~
 - (A) ~~(i)~~—Residue and Foreign Matter; or
 - (B) ~~(ii)~~—Bean clusters

in excess of the weight specified in the Grading and Warehousekeeping Procedures applicable to the Delivery Unit and, in the case of Residue and Foreign Matter, the Origin;
 - (vi) ~~(f)~~—~~which does not comply with term 4.07~~Rule EEEE.4(g); or
 - (vii) ~~(g)~~—~~which has at any time been graded as not tenderable by LIFFE~~ICE Registered Cocoa Graders under these ~~terms~~Contract Rules,

shall not form part or all of a Delivery Unit and shall not be delivered by a Seller under a Contract. Notwithstanding ~~term 4.12(g)~~Rule EEEE.4(l)(vii), if a Delivery Unit has been regraded pursuant to ~~term 3.08~~Rule EEEE.3(h) and a Valid Grading Result has been issued, Cocoa forming part or all of that Delivery Unit may be delivered by a Seller under a Contract.

~~5.~~ Packing and Weights

EEEE.5 PACKING AND WEIGHTS

- (a) ~~5.01~~—Subject to ~~term 5.02,~~Rule EEEE.5(b), Cocoa to be delivered in a Standard or Large Delivery Unit shall be packed in sound bags in external good order and meeting the criteria prescribed by the ~~Board~~Exchange from time to time.

- (b) ~~5.02~~ Cocoa contained in a Delivery Unit which is recorded on ~~NYSE Liffe~~ Guardian may only be bagged, rebagged or debagged in a Warehouse in accordance with the Grading and Warehousekeeping Procedures in force at the time of such bagging, rebagging or debagging. The Clearing ~~Organisation~~ House may, at its absolute discretion, supervise the bagging, rebagging or debagging of Cocoa contained in a Delivery Unit.
- (c) ~~5.03~~ Each bag of Cocoa contained in a Standard or Large Delivery Unit shall not have a Gross Weight of more than 75 kilogrammes.
- (d) ~~5.04~~ Each Delivery Unit to be delivered by a Seller under a Contract shall be invoiced in accordance with ~~term 10.01~~. ~~In term 10.01~~ Rule EEEE.10(a). In Rule EEEE.10(a) the “Net Weight” referred to in “A” shall be calculated in accordance with this ~~term 5.04~~ Rule EEEE.5(d) and shall equal:
- (i) ~~(a)~~ — the actual weight of a Delivery Unit as specified on the Warrant details recorded on ~~NYSE Liffe~~ Guardian (“Gross Weight”);
 - (ii) ~~(b)~~ — less the weight of any samples drawn from such Delivery Unit after it was last weighed; and
 - (iii) ~~(c)~~ — in respect of a Standard or Large Delivery Unit, less the actual tare of the Delivery Unit, to the nearest gramme, as specified on the Warrant details recorded on ~~NYSE Liffe~~ Guardian.
- (e) ~~5.05~~ A Seller shall deliver under a Contract a Delivery Unit which:
- (i) ~~(a)~~ — in respect of a Standard Delivery Unit, has a Net Weight within a tolerance of 1.5 % above or below the weight specified in ~~term 1.02~~ Rule EEEE.1(b) for a Standard Delivery Unit;
 - (ii) ~~(b)~~ — in respect of a Large Delivery Unit, has a Net Weight within a tolerance of 1.5 % above or 1.0% below the weight specified in ~~term 1.02~~ Rule EEEE.1(b) for a Large Delivery Unit; or
 - (iii) ~~(c)~~ — in respect of a Bulk Delivery Unit, has a Net Weight within a tolerance of 1.5% above or 0.5% below the weight specified in ~~term 1.02~~ Rule EEEE.1(b) for a Bulk Delivery Unit.
- For the avoidance of doubt, the Buyer shall not reject a Delivery Unit for not being delivered at the Contract weight, provided it is delivered within the tolerance band for such Delivery Unit as specified in this ~~term 5.05~~ Rule EEEE.5(e).
- (f) ~~5.06~~ A Seller shall only deliver a Standard or Large Delivery Unit under a Contract if the Tender in respect of such Delivery Unit is delivered in accordance with these ~~terms~~ Contract Rules on a day which is not more than thirty-six months after the last day of the month in which the Delivery Unit was last weighed. If the Tender is delivered more than six months, but less than thirty-six months, after the last day of the month in which the Delivery Unit was last weighed, the Seller shall accept a deduction from the Contract price of a sum equal to 0.25% of the EDSP for the relevant Delivery Month, per ~~tonne~~ Tonne Net Weight for every additional period of six months or part thereof from the date the Delivery Unit was last weighed, subject to a maximum deduction of 1.25%.
- (g) ~~5.07~~ A Delivery Unit shall be weighed or reweighed in a Warehouse in accordance with the Grading and Warehousekeeping Procedures in force at the time of such weighing or reweighing.

~~6. Price~~

EEEE.6 PRICE

- (a) ~~6.01~~—The Contract price shall be expressed in Pounds per ~~tonne~~Tonne.
- (b) ~~6.02~~—Subject to any other Allowances specified in these ~~terms~~Contract Rules or by the Valid Grading Result for a Delivery Unit:

 - (i) ~~(a)~~—a Standard Delivery Unit or a Large Delivery Unit delivered under a Contract shall not be subject to a discount; and
 - (ii) ~~(b)~~—a Bulk Delivery Unit delivered under a Contract shall be subject to a Bulk Delivery Unit discount of £20 per ~~tonne~~Tonne to the Contract price.
- (c) ~~6.03~~—Notwithstanding ~~term 15.09(b)~~Rule EEEE.15(i)(ii), the Seller shall pay all Rent and Fumigation Charges up to and including the Settlement Day, except in respect of a Nominated Bulk Delivery Unit, in which case all Rent and Fumigation Charges shall be paid up to the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be. Any Rent and Fumigation Charges paid by the Seller beyond the relevant Settlement Day shall be borne by the Seller and not the Buyer.

~~7. Import Duty~~

EEEE.7 IMPORT DUTY

- (a) ~~7.01~~—Subject to ~~term 7.03~~Rule EEEE.7(c), a Seller may deliver Cocoa qualifying on account of its Origin for a nil or reduced rate of import duty (“Preferential Rate of Import Duty”), if:

 - (i) ~~(a)~~—sufficient documentation has been lodged with the appropriate authorities to enable the Buyer to take delivery of Cocoa contained in a Delivery Unit at a Preferential Rate of Import Duty in the country of importation (“Import Duty Documentation”); or
 - (ii) ~~(b)~~—the Preferential Rate of Import Duty has been paid.
- (b) ~~7.02~~—A Seller shall deliver Cocoa which does not qualify for a Preferential Rate of Import Duty under ~~term 7.01~~Rule EEEE.7(a) as either:

 - (i) ~~(a)~~—import duty unpaid, and any duty will be payable by the Buyer; or
 - (ii) ~~(b)~~—import duty paid, and any duty paid or payable will be borne by the Seller.
- (c) ~~7.03~~—The Clearing ~~Organisation~~House may, at its absolute discretion, request the Seller to provide to the Clearing ~~Organisation~~House evidence that paragraph ~~(a)~~ or ~~(b)~~(i) of ~~term 7.01~~Rule EEEE.7(a) has been complied with (“Evidence of Import Duty”). The Evidence of Import Duty shall be in the form required by the Clearing ~~Organisation~~House in its absolute discretion from time to time. If the Seller fails to provide satisfactory Evidence of Import Duty to the Clearing ~~Organisation~~House which will entitle the Buyer to claim a Preferential Rate of Import Duty in the country of importation, the Cocoa contained in the Delivery Unit shall be delivered by the Seller as either import duty unpaid or paid in accordance with ~~term 7.02~~Rule EEEE.7(b).

- (d) ~~7.04~~ Each Delivery Unit recorded on ~~NYSE Liffe~~ Guardian shall state:
- (i) ~~(a)~~ — if Cocoa contained in a Delivery Unit is subject to either a Preferential Rate of Import Duty or a non-Preferential Rate of Import Duty; and
 - (ii) ~~(b)~~ — in respect of Cocoa which is subject to a Preferential Rate of Import Duty, if either Import Duty Documentation has been lodged with and accepted by the appropriate authorities or the Preferential Rate of Import Duty has been paid.
- (e) ~~7.05~~ No adjustment shall be made to the Contract price on account of:
- (i) ~~(a)~~ — any difference between Preferential Rates of Import Duty and non-Preferential Rates of Import Duty; or
 - (ii) ~~(b)~~ — payment or non-payment, as the case may be, of import duty in respect of Cocoa delivered under a Contract.

~~8. Last Trading Day~~

EEEE.8 LAST TRADING DAY

- (a) ~~8.01~~ On the Last Trading Day:
- (i) ~~(a)~~ — trading in Contracts for the relevant Delivery Month shall cease at such time as may be specified for that purpose in the Administrative Procedures; and
 - (ii) ~~(b)~~ — the Exchange will calculate the EDSP for such Contracts in accordance with ~~term~~ Rule EEEE.9.

EEEE.9 ~~9. Exchange Delivery Settlement Price (“EDSP”)~~ EXCHANGE DELIVERY SETTLEMENT PRICE (“EDSP”)

- (a) ~~9.01~~ Paragraphs ~~(a)~~, ~~(b)~~ and ~~(c)~~ of this ~~term 9.01~~ Rule EEEE.9(a) are subject to ~~term 9.02~~ Rule EEEE.9(b). The EDSP for Contracts for a particular Delivery Month shall be calculated by ~~exchange~~ Exchange officials on the Last Trading Day as follows:
- (i) ~~(a)~~ — if (as far as reasonably ascertainable) one or more Contracts for that Delivery Month has been made ~~in the pit~~ on the Last Trading Day during the period specified for this purpose in the Administrative Procedures, then:
 - (A) ~~(i)~~ — if only one Contract has been made, the EDSP shall be the price (as far as reasonably ascertainable) at which that Contract was made; or
 - (B) ~~(ii)~~ — if more than one Contract has been made, the EDSP shall be the average rounded down to the nearest pound of the prices (as far as reasonably ascertainable) at which such Contracts were made, weighted by reference to the number of Lots (as far as reasonably ascertainable) comprised in each such Contract;
 - (ii) ~~(b)~~ — if (as far as reasonably ascertainable) on the Last Trading Day, during the period specified for this purpose in the Administrative Procedures, no Contract for that Delivery Month has been made ~~in the pit~~ but both an offer (or offers) and a bid (or bids) have been made ~~in the pit~~ in respect of a Contract (or Contracts) for that Delivery Month, then the EDSP shall be the average of the lowest price (as far as reasonably ascertainable) at which such an offer was made and the highest price (as far as reasonably

ascertainable) at which such a bid was made and such average shall be rounded down to the nearest pound;

(iii) ~~(e)~~—if (as far as reasonably ascertainable) on the Last Trading Day, during the period specified for this purpose in the Administrative Procedures, no Contract for that Delivery Month has been made ~~in the pit~~ and either no offer or no bid has been made in ~~the pit~~ ~~in~~ respect of a Contract (or Contracts) for that Delivery Month, then ~~exchange~~Exchange officials shall determine the EDSP by reference inter alia to the price at which any offer or bid, as the case may be, in respect of a Contract for that Delivery Month was made ~~in the pit~~ during such period on such day; or

(iv) ~~(d)~~—if (as far as reasonably ascertainable) on the Last Trading Day, during the period specified for this purpose in the Administrative Procedures, no Contract for that Delivery Month has been made ~~in the pit~~ and neither an offer nor a bid have been made in ~~the pit~~ ~~in~~ respect of a Contract (or Contracts) for that Delivery Month, then ~~exchange~~Exchange officials may in their absolute discretion fix the EDSP at a price determined by them as being consistent with the prices at which any Contracts or any offers or bids in respect of a Contract were made ~~in the pit~~ on the Last Trading Day for the Delivery Month and period referred to in ~~paragraphs 9.02(a)~~Rules EEEE.9(b)(i) and (bii) below and, if necessary, rounded down to the nearest ~~pound~~Pound.

(b) ~~9.02~~—If in the opinion of ~~exchange~~Exchange officials, the EDSP which would result from a calculation made in accordance with ~~term 9.01~~Rule EEEE.9(a)(i), (bii) or (eiii) would not be consistent with the prices at which any Contracts or any offers or bids in respect of a Contract were made ~~in the pit~~ on the Last Trading Day for:

(i) ~~(a)~~—the relevant Delivery Month prior to the applicable period referred to in ~~term 9.01~~Rule EEEE.9(a)(i), (bii) or (eiii), as the case may be; or

(ii) ~~(b)~~—any other Delivery Month during the applicable period referred to in ~~term 9.01~~Rule EEEE.9(a)(i), (bii) or (eiii), as the case may be,

then ~~exchange~~Exchange officials may in their absolute discretion fix the EDSP at a price determined by them as being consistent with the prices, offers or bids for the Delivery Month and period referred to in paragraphs (ai) or (bii) above, and, if necessary, rounded down to the nearest ~~pound~~Pound.

(c) ~~9.03~~—The Exchange shall publish the EDSP by the time specified for that purpose in the Administrative Procedures. The EDSP shall be final and binding for all purposes.

~~10.~~ Invoicing Amount

EEEE.10 INVOICING AMOUNT

(a) ~~10.01~~—Subject to ~~term 10.02~~,Rule EEEE.10(b), the “Invoicing Amount” in respect of each Delivery Unit to be delivered under a Contract shall be a sum calculated in accordance with the formula:

$$((\text{Contract weight} + A) \times (\text{EDSP} + B)) + C$$

where:

EDSP = the EDSP for the Delivery Month.

- A = the Net Weight less the Contract weight.
- B = any Allowances made in accordance with ~~terms 4, 5.06~~ [Rules EEEE.4, EEEE.5\(f\)](#) and ~~6.02~~ [EEEE.6\(b\)\(ii\)](#) and ~~the~~ [these Contract Rules](#).
- C = any Allowance made under ~~term 15.09~~ [Rule EEEE.15\(i\)](#).

~~(b) 10.02~~ — Where the sum calculated in accordance with ~~term 10.01~~ [Rule EEEE.10\(a\)](#) is not a number of Pounds and whole pence, if such sum is:

- ~~(i) (a)~~ — less than a number of Pounds, pence and a whole half penny, such sum shall be rounded down to the nearest sum which is a number of Pounds and whole pence; and
- ~~(ii) (b)~~ — equal to or more than a number of Pounds, pence and a whole half penny, such sum shall be rounded up to the nearest sum which is a number of Pounds and whole pence,

and the Invoicing Amount shall be such nearest sum.

~~(c) 10.03~~ — In respect of a registered Contract, the final Invoicing Amount in respect of a Delivery Unit shall be paid by or to the Clearing [OrganisationHouse](#) (as the case may require) in accordance with ~~terms 16.01~~ [Rules EEEE.16\(a\)](#) and ~~16.06~~ [EEEE.16\(f\)](#) and the Administrative Procedures.

~~11. Settlement Payments~~

EEEE.11 SETTLEMENT PAYMENTS

~~(a) 11.01~~ — In respect of each Lot referred to in a Seller's Delivery Notice, in addition to any other payment required by these ~~terms~~ [Contract Rules](#), the following payments shall be made by the time specified for that purpose in the Administrative Procedures:

- ~~(i) (a)~~ — where the EDSP exceeds the Contract price, payment by the Seller to the Clearing [OrganisationHouse](#) or payment by the Clearing [OrganisationHouse](#) to the Buyer, or both (as the case may require); and
- ~~(ii) (b)~~ — where the Contract price exceeds the EDSP, payment by the Buyer to the Clearing [OrganisationHouse](#) or payment by the Clearing [OrganisationHouse](#) to the Seller, or both (as the case may require),

of an amount calculated as the difference, in Pounds multiplied by 10 in respect of each Lot, between the EDSP and the Contract price.

~~12. Seller's Delivery Notice and Notifications to Seller~~

EEEE.12 SELLER'S DELIVERY NOTICE AND NOTIFICATIONS TO SELLER

~~(a) 12.01~~ — A Seller in whose name are registered one or more Contracts shall give to the Clearing [OrganisationHouse](#) a Seller's Delivery Notice in respect of each Lot not later than the time on the Notice Day specified for that purpose in the Administrative Procedures.

~~(b) 12.02~~ — A Seller's Delivery Notice shall be presented to the Clearing [OrganisationHouse](#) by the Seller by such means and in a form prescribed from time to time by the Clearing [OrganisationHouse](#). The Seller's Delivery Notice shall in respect of each Delivery Unit to be

delivered by the Seller specify the information set out in the Administrative Procedures and such other information as the Clearing ~~Organisation~~House may prescribe from time to time.

(c) ~~12.03~~ — By the time specified for that purpose in the Administrative Procedures on the Notice Day, the Clearing ~~Organisation~~House may in respect of any Bulk or Large Delivery Units specified in the Seller's Delivery Notice, direct the Seller to convert one or more Large Delivery Units into Standard Delivery Units or one or more Bulk Delivery Units into Large or Standard Delivery Units or both.

(d) ~~12.04~~ — If the Clearing ~~Organisation~~House has made a direction pursuant to ~~term 12.03, Rule EEEE.12(c)~~, the Seller shall, by the time specified for that purpose in the Administrative Procedures on the first Business Day immediately following the Notice Day, notify the Clearing ~~Organisation~~House by such means and in a form from time to time prescribed by the Clearing ~~Organisation~~House that it shall comply with such direction by:

(i) ~~(a)~~ — converting the Delivery Unit specified in the Seller's Delivery Notice in respect of which such direction was made and shall promptly instruct the Warehousekeeper to undertake such conversion; or

(ii) ~~(b)~~ — converting one or more other Delivery Units as determined by the Seller, specifying the relevant details of each such Delivery Unit, provided that each such Delivery Unit:

(A) ~~(i)~~ — in aggregate, is of an amount of Cocoa to enable the Seller to fulfil its delivery obligations under the relevant Lots;

(B) ~~(ii)~~ — complies with ~~term 3.02~~Rule EEEE.3(b);

(C) ~~(iii)~~ — if not of the same size as the Delivery Unit in respect of which such direction was made, is of a size acceptable to the Clearing ~~Organisation~~House, as determined in its absolute discretion, to facilitate delivery by the Clearing ~~Organisation~~House of the relevant Lots; and

(D) ~~(iv)~~ — if it is the same size as the Delivery Unit in respect of which such direction was made, does not have one or more discounts to the Contract price in respect of the quality or condition as specified by the Valid Grading Result which is greater than any discount awarded in respect of the same category of quality or condition for the Delivery Unit specified in the Seller's Delivery Notice in respect of which such direction was made,

and shall promptly instruct the Warehousekeeper to undertake such conversion; or:

(iii) ~~(e)~~ — substituting the Delivery Unit specified in the Seller's Delivery Notice in respect of which such direction was made with such other Delivery Units as determined by the Seller, specifying the relevant details of each such Delivery Unit, provided that each such Delivery Unit:

(A) ~~(i)~~ — in aggregate, is of an amount of Cocoa to enable the Seller to fulfil its delivery obligations under the relevant Lots;

(B) ~~(ii)~~ — complies with ~~term 3.02~~Rule EEEE.3(b); and

(C) ~~(iii)~~ if not of a size required by the Clearing ~~OrganisationHouse~~ as specified in its discretion, is of a size acceptable to the Clearing ~~OrganisationHouse~~, as determined in its absolute discretion, to facilitate delivery by the Clearing ~~OrganisationHouse~~ of the relevant Lots.

If the Seller makes a notification under ~~term 12.04(b)~~ Rule EEEE.12(d)(i) or ~~(eiii)~~, the Seller shall in respect of each Delivery Unit to be delivered by the Seller give to the Clearing ~~OrganisationHouse~~ the information set out in the Administrative Procedures and such other information as the Clearing ~~OrganisationHouse~~ may prescribe from time to time.

(e) ~~12.05~~ If the Seller has made a notification to the Clearing ~~OrganisationHouse~~ under ~~term 12.04(a)~~ Rule EEEE.12(d)(i) or ~~(bii)~~, the Seller shall, as applicable:

(i) ~~(a)~~ convert each Nominated Large Delivery Unit in accordance with ~~term~~ Rule EEEE.14 and deliver each Converted Delivery Unit on the Settlement Day in accordance with ~~term 16.02~~ Rule 16(a)(i); and

(ii) ~~(b)~~ convert each Nominated Bulk Delivery Unit in accordance with ~~term~~ Rule EEEE.15 and deliver each Converted Delivery Unit on the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be, in accordance with ~~term 16.02(b)~~ Rule 16(a)(ii).

(f) ~~12.06~~ A Seller shall not remove, substitute or vary a Tender, or any of its terms, after the time on the relevant Day specified in the Administrative Procedures for delivery of the Tender to the Clearing ~~OrganisationHouse~~, unless:

(i) ~~(a)~~ the Seller has obtained the prior consent of the Clearing ~~OrganisationHouse~~, the Clearing ~~OrganisationHouse~~ has obtained the Buyer's prior written consent in respect of any Lots referred to in the Tender which have been allocated to such Buyer under ~~term 13.04~~ Rule EEEE.13(d) and the Seller has notified the Clearing ~~OrganisationHouse~~ of the proposed removal, substitution or variation;

(ii) ~~(b)~~ the Seller makes a notification to the Clearing ~~OrganisationHouse~~ under ~~term 12.04~~ Rule EEEE.12(d); or

(iii) ~~(c)~~ the Seller is directed by the Clearing ~~OrganisationHouse~~ to make a substitution of the Tender, or any of its terms.

(g) ~~12.07~~ The Clearing ~~OrganisationHouse~~ shall not be obliged to accept a Tender in respect of one or more Lots, unless:

(i) ~~(a)~~ the Tender complies with ~~terms 12.02, 12.04 and 12.06,~~ Rules EEEE.12(b), EEEE.12(d) and EEEE.12(f), as applicable; and

(ii) ~~(b)~~ the Seller is able to present such other documents or information in respect of such Lots or the Delivery Units to be delivered in respect of such Lots, as may be required by the Clearing ~~OrganisationHouse~~ under ~~term 12.06.~~ Rule EEEE.12(f).

(h) ~~12.08~~ By the time specified for that purpose in the Administrative Procedures on the first Business Day immediately following the Notice Day, the Clearing ~~OrganisationHouse~~ shall make available to the Seller:

- ~~(i)~~ ~~(a)~~—details of the final Invoicing Amount payable to the Seller by the Clearing ~~Organisation~~House in respect of each Delivery Unit to be delivered by the Seller, other than a Nominated Delivery Unit; and
- ~~(ii)~~ ~~(b)~~—details of the provisional Invoicing Amount payable to the Seller by the Clearing ~~Organisation~~House in respect of each Converted Delivery Unit to be delivered by the Seller which is formed upon the conversion of a Nominated Delivery Unit.

~~13. Buyer's Notification and Allocation and Notifications to Buyers~~

EEEE.13 BUYER'S NOTIFICATION AND ALLOCATION AND NOTIFICATIONS TO BUYERS

- ~~(a)~~ ~~13.01~~—A Buyer shall give to the Clearing ~~Organisation~~House a Buyer's Position Notice in respect of each Lot not later than the time on the Notice Day specified for that purpose in the Administrative Procedures.
- ~~(b)~~ ~~13.02~~—A Buyer's Position Notice shall be presented to the Clearing ~~Organisation~~House by the Buyer by such means and in a form prescribed from time to time by the Clearing ~~Organisation~~House. The Buyer's Position Notice shall in respect of one or more Contracts specify the number of Lots to be delivered by the Clearing ~~Organisation~~House to the Buyer, and by the Buyer to each of its underlying clients, and such other information as the Clearing ~~Organisation~~House may prescribe from time to time.
- ~~(c)~~ ~~13.03~~—A Buyer shall not remove, substitute or vary a Buyer's Position Notice, or any of its terms, after the time on the Notice Day specified in the Administrative Procedures for delivery of the Buyer's Position Notice to the Clearing ~~Organisation~~House, without the Clearing ~~Organisation~~House's prior consent.
- ~~(d)~~ ~~13.04~~— ~~(ai)~~ In respect of registered Contracts, the Clearing ~~Organisation~~House will, not later than the time on the first Business Day after the Notice Day specified for that purpose in the Administrative Procedures, allocate to a ~~clearing member~~Clearing Member registered as a Buyer one or more Delivery Units referred to in a Tender in respect of each Lot to be delivered to it by the Clearing ~~Organisation~~House and by such method of allocation as may be specified in the Clearing ~~Organisation—Procedures~~House procedures.

 - ~~(bi)~~ The allocation to a Buyer of any Converted Delivery Unit under paragraph ~~(ai)~~ of this ~~term—13.04~~Rule EEEE.13(d) will be a provisional allocation and the Clearing ~~Organisation~~House shall confirm to the Buyer, in accordance with ~~term—14.06(b)~~Rule EEEE.14(f)(ii) and ~~15.08(b)~~EEEE.15(h)(ii), as applicable, the final allocation of the Converted Delivery Units to be delivered by the Clearing ~~Organisation~~House.
- ~~(e)~~ ~~13.05~~—The Buyer shall accept the allocation of each Delivery Unit made by the Clearing ~~Organisation~~House under ~~term—13.04~~Rule EEEE.13(d) and under ~~terms—14.06(b) or 15.08(b)~~Rules EEEE.14(f)(ii) or EEEE.15(h)(ii), as applicable, notwithstanding that such allocation may not reflect either the requirements of the Buyer, or any of the Buyer's underlying clients, or the information provided by the Buyer to the Clearing ~~Organisation~~House in the Buyer's Position Notice.

- (f) ~~13.06~~ — By the time specified for that purpose in the Administrative Procedures on the first Business Day immediately following the Notice Day, the Clearing ~~Organisation~~House shall make available to the Buyer:
- (i) ~~(a)~~ — details of the final Invoicing Amount payable by the Buyer to the Clearing ~~Organisation~~House in respect of each Delivery Unit allocated to the Buyer, other than a Delivery Unit to be converted from a Nominated Delivery Unit; and
 - (ii) ~~(b)~~ — details of the provisional Invoicing Amount payable by the Buyer to the Clearing ~~Organisation~~House in respect of each Converted Delivery Unit to be converted from a Nominated Delivery Unit which has been provisionally allocated to the Buyer.
- (g) ~~13.07~~ — The Buyer acknowledges and agrees that any information provided by the Clearing ~~Organisation~~House pursuant to ~~terms 13.04 or 13.06(b)~~Rules ~~EEEE.13(d) or EEEE.13(f)(ii)~~ may be amended from time to time by the Clearing ~~Organisation~~House under ~~terms 14.06(b)~~Rules ~~EEEE.14(f)(ii) and 15.08(b)~~EEEE.15(h)(ii).

~~14. Conversion of Nominated Large Delivery Units and Final Allocation~~

EEEE.14 CONVERSION OF NOMINATED LARGE DELIVERY UNITS AND FINAL ALLOCATION

- (a) ~~14.01~~ — This ~~term~~Rule ~~EEEE.14~~ shall apply to each Nominated Large Delivery Unit in respect of which the Seller has made a notification to the Clearing ~~Organisation~~House under ~~term 12.04(a)~~Rule ~~EEEE.12(d)(i)~~ or ~~(b)(ii)~~ and each Converted Delivery Unit formed upon conversion of such Nominated Large Delivery Unit.
- (b) ~~14.02~~ — A Seller shall convert a Nominated Large Delivery Unit in accordance with this ~~term~~Rule ~~EEEE.14~~ and the Grading and Warehousekeeping Procedures in force at the time of delivery. The costs of converting such Delivery Unit shall be borne by the Seller. The Clearing ~~Organisation~~House may, at its absolute discretion, supervise the conversion of a Nominated Large Delivery Unit.
- (c) ~~14.03~~ — Upon conversion of a Nominated Large Delivery Unit:
- (i) ~~(a)~~ — its Valid Grading Result shall, ~~subject to term 16.11~~, apply to each Converted Delivery Unit; and
 - (ii) ~~(b)~~ — each Converted Delivery Unit shall be weighed and issued with a new Warrant by the Warehousekeeper in accordance with the Grading and Warehousekeeping Procedures in force at the time of delivery.
- (d) ~~14.04~~ — By the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Settlement Day, the Seller shall have:
- (i) ~~(a)~~ — completed the conversion of each Nominated Large Delivery Unit;
 - (ii) ~~(b)~~ — complied with ~~term 14.03(b)~~Rule ~~EEEE.14(c)(ii)~~ in respect of each Converted Delivery Unit and ensure that such Converted Delivery Unit has a Net Weight within the tolerance specified in ~~term 5.05(a)~~Rule ~~EEEE.5(e)(i)~~;
 - (iii) ~~(c)~~ — presented a notice to the Clearing ~~Organisation~~House by such means and in a form from time to time prescribed by the Clearing ~~Organisation~~House, specifying in respect of each Converted Delivery Unit the information set out in the Administrative

Procedures and such other information as the Clearing ~~Organisation~~House may require from time to time; and

- (iv) ~~(d)~~—requested the Warehousekeeper to record on ~~NYSE Liffe~~ Guardian the Warrant number for, and weight details of, each Converted Delivery Unit together with such other information as the Clearing ~~Organisation~~House may require the Warehousekeeper to provide from time to time.
- (e) ~~14.05~~—The Seller shall deliver on the Settlement Day each Converted Delivery Unit in respect of which the Seller has complied with ~~term 14.04~~Rule ~~EEEE.14(d)~~. If the Seller has not complied with ~~term 14.04~~Rule ~~EEEE.14(d)~~ in respect of any Converted Delivery Unit, the Seller shall be deemed to be in Default in Performance of its obligations under ~~term~~Rule ~~EEEE.18~~ entitling the Clearing ~~Organisation~~House to take such steps as it deems appropriate under any of the provisions of ~~term~~Rule ~~EEEE.18~~ including, without limitation, under ~~term 18.05(a)~~Rule ~~EEEE.18(e)(i)~~.
- (f) ~~14.06~~—The Clearing ~~Organisation~~House shall, by the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Settlement Day make available to:

 - (i) ~~(a)~~—the Seller, in respect of each Converted Delivery Unit to be delivered by the Seller, details of the final Invoicing Amount payable to the Seller in respect of each such Converted Delivery Unit; and
 - (ii) ~~(b)~~—the Buyer, confirmation of the final allocation of the Converted Delivery Units derived from one or more Nominated Large Delivery Units to be delivered to it and details of the final Invoicing Amount payable by the Buyer in respect of each such Converted Delivery Unit.

~~15. Conversion of Nominated Bulk Delivery Units and Final Allocation~~

EEEE.15 CONVERSION OF NOMINATED BULK DELIVERY UNITS AND FINAL ALLOCATION

- (a) ~~15.01~~—This ~~term~~Rule ~~EEEE.15~~ shall apply to each Nominated Bulk Delivery Unit in respect of which the Seller has made a notification to the Clearing ~~Organisation~~House under ~~term 12.04(a)~~Rule ~~EEEE.12(d)(i)~~ or ~~(b)(ii)~~ and each Converted Delivery Unit formed upon conversion of such Nominated Bulk Delivery Unit.
- (b) ~~15.02~~—A Seller shall convert a Nominated Bulk Delivery Unit in accordance with this ~~term~~Rule ~~EEEE.15~~ and the Grading and Warehousekeeping Procedures in force at the time of delivery. The costs of converting such Delivery Unit shall be borne by the Seller. The Clearing ~~Organisation~~House may, at its absolute discretion, supervise the conversion of a Nominated Bulk Delivery Unit.
- (c) ~~15.03~~—Upon conversion of a Nominated Bulk Delivery Unit:

 - (i) ~~(a)~~—its Valid Grading Result shall, ~~subject to term 16.11~~, apply to each Converted Delivery Unit; and
 - (ii) ~~(b)~~—each Converted Delivery Unit shall be weighed and issued with a new Warrant by the Warehousekeeper in accordance with the Grading and Warehousekeeping Procedures in force at the time of delivery.

- (d) ~~15.04~~ By the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Conversion Settlement Day, the Seller shall have:
- (i) ~~(a)~~ completed the conversion of each Nominated Bulk Delivery Unit;
 - (ii) ~~(b)~~ complied with ~~term 15.03(b)~~ [Rule EEEE.15\(c\)\(ii\)](#) in respect of each Converted Delivery Unit and ensure that such Converted Delivery Unit has a Net Weight within the tolerance specified in ~~term 5.05(a)~~ [Rule EEEE.5\(e\)\(i\)](#) or ~~(b)(i)~~, as the case may be;
 - (iii) ~~(c)~~ presented a notice to the Clearing [OrganisationHouse](#) by such means and in a form from time to time prescribed by the Clearing [OrganisationHouse](#), specifying in respect of each Converted Delivery Unit the information set out in the Administrative Procedures and such other information as the Clearing [OrganisationHouse](#) may require from time to time; and
 - (iv) ~~(d)~~ requested the Warehousekeeper to record on ~~NYSE Liffe~~ Guardian the Warrant number for, and weight details of, each Converted Delivery Unit together with such other information as the Clearing [OrganisationHouse](#) or the Clearing [OrganisationHouse](#) may require the Warehousekeeper to provide from time to time.
- (e) ~~15.05~~ The Seller shall notify the Clearing [OrganisationHouse](#) by such means and in a form from time to time prescribed by the Clearing [OrganisationHouse](#) as soon as the Seller becomes aware that it is, or is likely to be, unable to comply with ~~term 15.04~~ [Rule EEEE.15\(d\)](#). Such notice shall not be provided later than the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Conversion Settlement Day. The Seller shall specify in such notice the circumstances and reason for non-compliance with ~~term 15.04~~ [Rule EEEE.15\(d\)](#), an estimate of the date when the Seller will comply with such ~~term~~ [Rule](#), the number of Lots affected and such other information as the Clearing [OrganisationHouse](#) may require from time to time.
- (f) ~~15.06~~ If upon receiving a notification under ~~term 15.05~~ [Rule EEEE.15\(e\)](#), the Clearing [OrganisationHouse](#) determines in its absolute discretion that the Seller is unable to comply with ~~term 15.04~~ [Rule EEEE.15\(d\)](#):
- (i) ~~(a)~~ due to an event occurring which is beyond the reasonable control of the Seller or the Warehousekeeper, as the case may be, which without prejudice to the foregoing, may include the unavailability or breakdown of machinery used to convert the Nominated Delivery Unit or the unavailability of bags meeting the criteria prescribed by the Clearing [OrganisationHouse](#) from time to time, the Clearing [OrganisationHouse](#) shall determine in its absolute discretion whether to move the Conversion Settlement Day to ten Business Days immediately following the Conversion Settlement Day (“Extended Conversion Settlement Day”) to enable the Seller to comply with ~~term 15.04~~ [Rule EEEE.15\(d\)](#) by the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Extended Conversion Settlement Day; or
 - (ii) ~~(b)~~ due to an event occurring which does not fall within ~~term 15.06(a)~~ [Rule EEEE.15\(f\)\(i\)](#) above, the Seller shall:
 - (A) ~~(i)~~ deliver on the Conversion Settlement Day Converted Delivery Units which comply with ~~term 15.04~~ [Rule EEEE.15\(d\)](#); and
 - (B) ~~(ii)~~ in relation to those Lots in respect of which the Seller is unable to deliver Converted Delivery Units, be deemed to be in Default in Performance of its obligations

under ~~term~~ Rule EEEE.18 entitling the Clearing OrganisationHouse to take such steps as it deems appropriate under any of the provisions of ~~term~~ Rule EEEE.18 including, without limitation, ~~term 18.05(a)~~ Rule EEEE.18(e)(i).

The Clearing OrganisationHouse shall notify the Seller and the Buyer of any determination made under this ~~term 15.06~~ Rule EEEE.15(f).

(g) ~~15.07~~ — By the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Extended Conversion Settlement Day:

(i) ~~(a)~~ — the Seller shall have complied with ~~term 15.04~~ Rule EEEE.15(d); and

(ii) ~~(b)~~ — if the Seller has not complied fully with ~~term 15.04~~ Rule EEEE.15(d):

(A) ~~(i)~~ — the Seller shall deliver on the Extended Conversion Settlement Day Converted Delivery Units which comply with ~~term 15.04~~ Rule EEEE.15(d); and

(B) ~~(ii)~~ — in respect of any Converted Delivery Unit which does not comply with ~~term 15.04~~ Rule EEEE.15(d), the Clearing OrganisationHouse may:

(1) ~~(A)~~ — in its absolute discretion take such steps as it deems appropriate under any of the provisions of ~~term~~ Rule EEEE.18 including, without limitation, ~~term 18.05(a)~~ Rule EEEE.18(e)(i); or

(2) ~~(B)~~ if the Seller is unable to comply with its obligations under ~~term 15.04~~ Rule EEEE.15(d) due to an event of force majeure under ~~term 20.01~~ Rule EEEE.20(a), take such steps as it deems appropriate to facilitate a mutually acceptable arrangement between the parties, which may be on such terms and take such form as is acceptable to the Clearing OrganisationHouse, the Seller and the Buyer, and in the absence of such an arrangement, shall refer the matter to the BoardExchange for its determination which shall be made in accordance with ~~term 20.05~~ Rule EEEE.20(e).

(h) ~~15.08~~ — The Clearing OrganisationHouse shall, by the time specified for that purpose in the Administrative Procedures on the first Business Day immediately prior to the Conversion Settlement Day or on the first Business Day immediately prior to the Extended Conversion Settlement Day, as the case may be, make available to:

(i) ~~(a)~~ — the Seller details of the final Invoicing Amount payable to the Seller in respect of each Converted Delivery Unit which complies with ~~terms 15.04~~ Rules EEEE.15(d) and ~~5.05 (a)~~ EEEE.5(e)(i) or ~~(b)(i)~~, as the case may be, to be delivered by the Seller and;

(ii) ~~(b)~~ — the Buyer, confirmation of the final allocation of Converted Delivery Units derived from Nominated Bulk Delivery Units to be delivered to it on the Conversion Settlement Day or the Extended Conversion Settlement Day and details of the final Invoicing Amount payable by the Buyer in respect each such Converted Delivery Unit.

(i) ~~15.09~~ — The Buyer shall pay a premium on the Contract of a sum equal to:

(i) ~~(a)~~ — the Interest Rate multiplied by the EDSP for the relevant Delivery Month per ~~tonne~~ Tonne Net Weight in respect of each Converted Delivery Unit to be delivered to it

for each day after the Settlement Day up to and including the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be; and

- (ii) ~~(b)~~ — the daily rate per ~~tonne~~ Tonne of the Gross Weight of each Converted Delivery Unit in respect of all Rent and Fumigation Charges, in an amount determined by the ~~Board~~ Exchange from time to time, which have been paid from the Settlement Day up to and including the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be.
- (j) ~~15.10~~ — The Seller and the Buyer shall comply with any instructions and determination made by the Clearing ~~Organisation~~ under House under this ~~term~~ Rule EEEE.15. In the case of any disagreement between the Clearing ~~Organisation~~ House and the Seller as to whether the Seller can comply with ~~term 15.04~~ Rule EEEE.15(d) within such time as the Clearing ~~Organisation~~ House may specify, the determination of the Clearing ~~Organisation~~ House shall be final.

~~16.~~ Delivery

~~EEEE.16~~ DELIVERY

- (a) ~~16.01~~ — No later than the time specified for that purpose in the Administrative Procedures, the Buyer shall make payment to the Clearing ~~Organisation~~ House of the final Invoicing Amount:
 - (i) ~~(a)~~ — on the Settlement Day in respect of each Delivery Unit allocated to the Buyer, other than a Delivery Unit to be converted from a Nominated Bulk Delivery Unit, in accordance with these ~~terms and the~~ Contract Rules ~~of and~~ the Clearing ~~Organisation~~ House Rules; and
 - (ii) ~~(b)~~ — on the Conversion Settlement Day or on the Extended Conversion Settlement Day, as the case may be, in respect of each Converted Delivery Unit formed upon the conversion of a Nominated Bulk Delivery Unit allocated to the Buyer in accordance with these ~~terms~~ Contract Rules and the ~~Rules of the~~ Clearing Organisation House Rules.

Payment is to be made without prejudice to the reference of any claim or dispute to arbitration.

- (b) ~~16.02~~ — The Seller shall ensure that the Warrant details recorded on ~~NYSE Liffe~~ Guardian in respect of each Delivery Unit are accurate and complete in all respects.
- (c) ~~16.03~~ — Notwithstanding ~~term 15.09(b)~~ Rule EEEE.15(i)(ii), Rent and Fumigation Charges in respect of each Delivery Unit shall be paid by the Seller in accordance with ~~term 6.03~~ Rule EEEE.6(c).
- (d) ~~16.04~~ — The Seller shall represent and warrant to the Buyer that each Delivery Unit delivered by the Seller is free from any security interest, lien or encumbrance. The Seller shall indemnify the Buyer on demand against each loss, liability and cost which the Buyer incurs or suffers arising out of any claim, made or action brought or threatened alleging infringement of the rights of any third party in respect of any Delivery Unit delivered by the Seller under a Contract.
- (e) ~~16.05~~ — For the avoidance of doubt, notwithstanding that the Clearing ~~Organisation~~ House is not recorded as the owner of a Delivery Unit on ~~NYSE Liffe~~ Guardian, it is the buyer to the Seller and the seller to the Buyer in the process of transferring ownership of the Delivery Unit.
- (f) ~~16.06~~ — No later than the time specified for that purpose in the Administrative Procedures, the Clearing ~~Organisation~~ House shall make payment to the Seller of the final Invoicing Amount, at

which point the Seller will be deemed to have transferred the Delivery Unit to the Clearing ~~Organisation~~House:

- (i) ~~(a)~~—on the Settlement Day in respect of each Delivery Unit delivered by the Seller, other than a Delivery Unit to be converted from a Nominated Bulk Delivery Unit, in accordance with these ~~terms~~Contract Rules and the ~~Rules of the~~ Clearing ~~Organisation~~House Rules; and
 - (ii) ~~(b)~~—on the Conversion Settlement Day or on the Extended Conversion Settlement Day, as the case may be, in respect of each Converted Delivery Unit formed upon the conversion of a Nominated Bulk Delivery Unit delivered by the Seller in accordance with these ~~terms~~Contract Rules and the ~~Rules of the~~ Clearing ~~Organisation~~House Rules.
- (g) ~~16.07~~—No later than the time specified for that purpose in the Administrative Procedures, if the Buyer has paid the final Invoicing Amount in respect of a Delivery Unit, the records on ~~NYSE Liffe~~ Guardian will be updated to reflect the change in ownership from Seller to Buyer in respect of such Delivery Unit, at which point the Buyer will be deemed to have taken up the Delivery Unit from the Clearing ~~Organisation~~House:
- (i) ~~(a)~~—on the Settlement Day in respect of each Delivery Unit allocated to the Buyer, other than a Delivery Unit to be converted from a Nominated Bulk Delivery Unit; or
 - (ii) ~~(b)~~—on the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be, in respect of each Converted Delivery Unit formed upon the conversion of a Nominated Bulk Delivery Unit allocated to the Buyer,

in accordance with these ~~terms~~Contract Rules and the ~~Rules of the~~ Clearing ~~Organisation~~House Rules. Each Warrant is to be taken up by the Buyer without prejudice to the reference of any claim or dispute to arbitration. The Clearing ~~Organisation~~House is under no obligation to effect delivery if the Buyer has not paid the final Invoicing Amount in respect of the Delivery Unit which is the subject of the Warrant.

- (h) ~~16.08~~—Without prejudice to any steps taken by the Clearing ~~Organisation~~House under ~~term~~ Rule EEEE.18, if payment is not made by the time and on the day prescribed for that purpose in the Administrative Procedures, the Clearing ~~Organisation~~House may sell the Delivery Unit in respect of which payment has not been made. Any surplus or deficit resulting from such sale, with an account for interest and the costs of sale, shall be settled with the Clearing ~~Organisation~~House forthwith.
- (i) ~~16.09~~—A Buyer shall (for all purposes, including the making of any claim for damages) be deemed to have accepted a Delivery Unit delivered under this ~~term~~Rule EEEE.16, by the time stipulated in the Administrative Procedures on the Business Day which:
- (i) ~~(a)~~—in respect of each Delivery Unit other than a Delivery Unit to be converted from a Nominated Bulk Delivery Unit, is the tenth Business Day immediately after the Settlement Day; or
 - (ii) ~~(b)~~—in respect of each Converted Delivery Unit formed upon the conversion of a Nominated Bulk Delivery Unit, is the seventh Business Day immediately after the Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be,

(each date being referred to as the "Acceptance Date") unless the Buyer has, not later than the time stipulated in the Administrative Procedures on the relevant Acceptance Date, given notice to the Clearing [OrganisationHouse](#) in accordance with ~~term Rule EEEE.23~~ and in a form published by the Clearing [OrganisationHouse](#) from time to time that the Buyer claims that the Delivery Unit does not comply with ~~the terms of the~~ [these Contract Rules](#), stating in what respects the Delivery Unit is said not to comply and whether the Buyer also claims to reject the Delivery Unit. The Clearing [OrganisationHouse](#) will notify the Seller of the Buyer's notification. If the Buyer has not notified the Clearing [OrganisationHouse](#) by such time, then any claim by the Buyer of any nature whatsoever in respect of the Delivery Unit shall be deemed to have been waived and absolutely barred.

- (j) ~~16.10~~ — Without prejudice to the provisions of ~~terms 16.04~~ [Rules EEEE.16\(d\)](#) and [EEEE.18](#), a failure by the Seller or Buyer to comply with its obligations under any of the provisions of ~~terms Rules EEEE.12, EEEE.13, EEEE.14, EEEE.15 and EEEE.16~~, as the case may be, shall constitute a Default in Performance entitling the Clearing [OrganisationHouse](#) forthwith to take steps under any of the provisions of ~~term Rule EEEE.18~~. Any action taken by the Clearing [OrganisationHouse](#) shall be without prejudice to any rights, obligations or claims of the Seller or the Buyer or the Clearing [OrganisationHouse](#) and any costs, claims, losses, taxes or expenses of whatsoever nature incurred or suffered by the Clearing [OrganisationHouse](#) in connection with such action shall be paid by the Seller or by the Buyer in Default in Performance.

~~17. Property and Risk~~

EEEE.17 PROPERTY AND RISK

- (a) ~~17.01~~ — Property and risk in respect of a Delivery Unit delivered under a registered Contract will pass:
- (i) ~~(a)~~ — from the Seller to the Clearing [OrganisationHouse](#) as Buyer, once the following has been effected:
 - (A) ~~(i)~~ — the deemed transfer by the Seller of the Warrant in respect of such Delivery Unit to the Clearing [OrganisationHouse](#); and
 - (B) ~~(ii)~~ — the payment by the Clearing [OrganisationHouse](#) of the final Invoicing Amount in respect of such Delivery Unit in same day or immediately available, freely transferable, cleared funds; and
 - (ii) ~~(b)~~ — from the Clearing [OrganisationHouse](#) as Seller to the Buyer, once the following has been effected:
 - (A) ~~(i)~~ — the payment by the Buyer of the final Invoicing Amount in respect of such Delivery Unit to the Clearing [OrganisationHouse](#) in respect of such Delivery Unit in same day or immediately available, freely transferable, cleared funds; and
 - (B) ~~(ii)~~ — the deemed take up of the Warrant in respect of such Delivery Unit by the Buyer.
- (b) ~~17.02~~ — In the event of the Buyer acquiring under ~~term 17.01~~ [Rule EEEE.17\(a\)](#) a Delivery Unit which forms part of an identified bulk of Cocoa, the Buyer will acquire proprietary rights in an undivided share in the identified bulk of Cocoa as set out in section 20A of the Sale of Goods Act 1979.

~~18. Default in Performance~~

EEEE.18 DEFAULT IN PERFORMANCE

- (a) ~~18.01~~ — The provisions of this ~~term~~ Rule EEEE.18 shall be subject to the default rules from time to time in force of the Clearing ~~Organisation~~ House.
- (b) ~~18.02~~ — For the purposes of this ~~term~~ Rule EEEE.18, a reference to a “Default in Performance” shall, subject to ~~term 18.04, Rule EEEE.18(d)~~, be construed as including an actual failure by a Seller or a Buyer under ~~term 18.03~~ Rule EEEE.18(c) in performing its obligations under a Contract, or an anticipated failure. An anticipated failure is one which the Clearing ~~Organisation~~ House, in its reasonable opinion, thinks will occur and in respect of which the Clearing ~~Organisation~~ House considers that it should take action under the provisions of this ~~term~~ Rule EEEE.18.
- (c) ~~18.03~~ — A Buyer or a Seller shall be in Default in Performance where:
- (i) ~~(a)~~ — he fails to fulfil his obligations under a Contract by the time and in the manner prescribed in accordance with these ~~terms~~ Contract Rules, the ~~Rules~~ Regulations and the Administrative Procedures and the ~~Rules of the~~ Clearing ~~Organisation~~ House Rules;
 - (ii) ~~(b)~~ — he fails to pay any sum due to the Clearing ~~Organisation~~ House in respect of a registered Contract by the time specified for that purpose in the Administrative Procedures; or
 - (iii) ~~(c)~~ — in the reasonable opinion of the Clearing ~~Organisation~~ House, he is in Default in Performance.
- (d) ~~18.04~~ — Errors in a notice, which are determined in the Clearing ~~Organisation~~ House’s absolute discretion to be clerical errors which can be readily rectified and are rectified, shall not be treated as constituting a Default in Performance.
- (e) ~~18.05~~ — Subject to ~~terms 18.06(b)~~ Rules EEEE.18(f)(ii) and ~~18.10, EEEE.18(j)~~, if it appears to the Clearing ~~Organisation~~ House that a Seller or a Buyer is in Default in Performance under a registered Contract, the Clearing ~~Organisation~~ House shall notify the Exchange of the Default in Performance and may, in its absolute discretion:
- (i) ~~(a)~~ — take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the Default in Performance. A resolution of a Default in Performance may be on such terms and take such form as is acceptable to the Clearing ~~Organisation~~ House, to the Seller and to the Buyer. Such terms may limit some or all of the rights of the Seller, the Buyer or the Clearing ~~Organisation~~ House to refer any matter concerning or arising out of a Default in Performance (or the resolution thereof) to arbitration ~~under term 23~~;
 - (ii) ~~(b)~~ — without prejudice to any of its other rights under this ~~term~~ Rule EEEE.18, refer to the ~~Board~~ Exchange any dispute or issue arising between any of the parties. If upon such reference, the ~~Board~~ Exchange is of the opinion that the Default in Performance is of minor significance it shall determine any such dispute or issue between such parties upon such evidence as it may deem relevant and convey its findings to such parties who shall forthwith accept such determination and shall implement its terms without question, provided that such acceptance and implementation shall be without

prejudice to the right of any party to refer the dispute or any related dispute to arbitration ~~under term 23~~; or

(iii) ~~(e)~~ — take any steps whatsoever which may appear desirable to the Clearing ~~OrganisationHouse~~ for the protection of the Clearing ~~OrganisationHouse~~ or of the Seller or Buyer not in Default in Performance including, without prejudice to the generality of the foregoing, any steps in order to perform its obligations to a party under a registered Contract.

(f) ~~18.06~~ — If, within five Business Days of the Default in Performance having come to the attention of the Clearing ~~OrganisationHouse~~:

(i) ~~(a)~~ — the steps taken by the Clearing ~~OrganisationHouse~~ have not led or are not likely to lead to a resolution of the Default in Performance; or

(ii) ~~(b)~~ — the Clearing ~~OrganisationHouse~~ has not taken any steps and the Default in Performance remains unresolved,

the Clearing ~~OrganisationHouse~~ will refer the matter to the ~~BoardExchange~~. If upon reference of the dispute or issue to the ~~BoardExchange~~, the ~~BoardExchange~~ is of the opinion that the Default in Performance may not be determined by the ~~BoardExchange~~ in accordance with ~~term 18.05(b)Rule EEEE.18(e)(ii)~~, then each Lot of Cocoa the subject of the dispute or issue shall be the subject of cash settlement at a price fixed by the ~~BoardExchange~~ in consultation with the Clearing ~~OrganisationHouse~~. The price may at the ~~BoardExchange~~'s absolute discretion take account of any compensation that the ~~BoardExchange~~ may consider, on the evidence before it, should be paid by either party to the other.

(g) ~~18.07~~ Any cash settlement price fixed under ~~term 18.06~~~~Rule EEEE.18(f)~~ shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer the dispute or issue between them to arbitration under term 23.~~

(h) ~~18.08~~ — Any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing ~~OrganisationHouse~~ in connection with any steps taken by the Clearing ~~OrganisationHouse~~ in relation to a Contract to which the Default in Performance relates shall be paid by the Buyer or Seller who is in Default in Performance. Any steps taken by the Clearing ~~OrganisationHouse~~ in relation to a Default in Performance shall be without prejudice to any rights (including rights to refer matters to arbitration ~~under term 23~~), obligations or claims of the Buyer, the Seller or the Clearing ~~OrganisationHouse~~ in relation to a Contract to which the Default in Performance relates.

(i) ~~18.09~~ — A Buyer or Seller who is in Default in Performance under this ~~term~~~~Rule EEEE.18~~, shall forthwith pay to the Clearing ~~OrganisationHouse~~ any sums payable by him under ~~term~~~~Rule EEEE.11~~ and any sums payable pursuant to this ~~term~~~~Rule EEEE.18~~.

(j) ~~18.10~~ — Notwithstanding that a Buyer or Seller may be in Default in Performance under this ~~term~~~~Rule EEEE.18~~, the Clearing ~~OrganisationHouse~~ may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under this ~~term~~~~Rule EEEE.18~~, and no failure by the Clearing ~~OrganisationHouse~~ to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing ~~OrganisationHouse~~'s rights upon that or any subsequent occasion, nor shall any single or partial exercise of any such rights prevent any further exercise thereof or of any other right.

- (k) ~~18.11~~ — A Buyer, a Seller or the Clearing [OrganisationHouse](#) may refer a dispute or issue arising out of a Default in Performance under this ~~term~~ [Rule EEEE.18](#) (subject always to the application of provisions of ~~terms 18.05, 18.06 and 18.07~~ [Rules EEEE.18\(e\), EEEE.18\(f\) and EEEE.18\(g\)](#)) to arbitration ~~under term 23.~~
- (l) ~~18.12~~ — The provisions of this ~~term~~ [Rule EEEE.18](#) relating to steps that may be taken by the Clearing [OrganisationHouse](#), where there appears to the Clearing [OrganisationHouse](#) to be a Default in Performance by a party to a registered Contract, may be varied, or different steps may be substituted therefor by the [BoardExchange](#) from time to time. Any such variation or substitution shall have such effect with regard to such existing and/or new Contracts and registered Contracts as the [BoardExchange](#) may determine.

~~19.~~ [Emergency Provisions](#)

EEEE.19 EMERGENCY PROVISIONS

- (a) ~~19.01~~ — If, at any time after the close of trading two Business Days prior to the day which would have been the Last Trading Day in respect of a Delivery Month, it becomes known to the Exchange that the day which would have been the Last Trading Day will not be a Business Day, then the [BoardExchange](#) may at its discretion determine that the Business Day next following such day shall become the Last Trading Day in respect of that Delivery Month and the Exchange shall publish the [BoardExchange](#)'s determination by [Notice notice posted on the Market](#).
- (b) ~~19.02~~ — The Notice Day shall be the Business Day immediately following the Last Trading Day so that if the Last Trading Day is moved by the [BoardExchange](#) in the circumstances described in ~~term 19.01~~, [Rule EEEE.19\(a\)](#), then the Notice Day shall be moved so that it falls on the Business Day immediately following the Last Trading Day.
- (c) ~~19.03~~ — The Settlement Day shall be the last Business Day in the relevant Delivery Month. If, at any time after two Business Days prior to the day which would have been the Settlement Day in respect of a Delivery Month, it becomes known to the Exchange that the day which would have been the Settlement Day will not be a Business Day, then the [BoardExchange](#) may at its discretion determine that the Business Day next following such day shall become the Settlement Day in respect of that Delivery Month, and the Exchange shall publish the [BoardExchange](#)'s determination by [Notice notice posted on the Market](#).
- (d) ~~19.04~~ — If the Settlement Day, Conversion Settlement Day or the Extended Conversion Settlement Day is moved by the [BoardExchange](#) (whether as a result of the operation of ~~term 19.03~~ [Rule EEEE.19\(c\)](#) or otherwise), the Invoicing Amount calculated in accordance with ~~term~~ [Rule EEEE.10](#) shall be adjusted by the Clearing [OrganisationHouse](#) to reflect any Allowance made under ~~term 15.09~~ [Rule EEEE.15\(i\)](#) to reflect such new Day.
- (e) ~~19.05~~ — If an adjustment to the Invoicing Amount is required by ~~term 19.04~~ [Rule EEEE.19\(d\)](#) after the Clearing [OrganisationHouse](#) has made available details of the final Invoicing Amount to the Seller and Buyer under ~~terms 12.08(a), 13.06(a), 14.06(b) and 15.08~~, [Rules EEEE.12\(h\)\(i\), EEEE.13\(f\)\(i\), EEEE.14\(f\)\(ii\) and EEEE.15\(h\)](#), as the case may be, then a sum equal to the difference between that Invoicing Amount and the Invoicing Amount adjusted under ~~term 19.04~~ [Rule EEEE.19\(d\)](#) shall be payable:

- (i) ~~(a)~~ by the Seller to the Clearing ~~Organisation~~House and by the Clearing ~~Organisation~~House to the Buyer if the total adjustment gives rise to a reduction in the Invoicing Amount; or
- (ii) ~~(b)~~ by the Buyer to the Clearing ~~Organisation~~House and by the Clearing ~~Organisation~~House to the Seller if the total adjustment gives rise to an increase in the Invoicing Amount.

Sums payable hereunder shall be payable by such time and in such manner as the Clearing ~~Organisation~~House may specify.

~~20. Force Majeure~~

~~EEEE.20 FORCE MAJEURE~~

- (a) ~~20.01~~ Subject to ~~term 20.02~~Rule ~~EEEE.20(b)~~ and ~~15.07(b)~~~~EEEE.15(g)(ii)(B)(2)~~, a “Force Majeure event” shall mean an event beyond the reasonable control of either party to a Contract which delays, hinders or prevents the performance in whole or in part by a party of his obligations under the Contract (other than an obligation to make a payment), including, without limitation, act of God, storm, flood, earthquake, fire, explosion, malicious damage, accident howsoever caused, strike, lock-out, labour dispute, riot, civil commotion, war whether declared or undeclared, armed conflict, use of force by authority of United Nations, act of terrorism, act of government or other national or local authority or any agency thereof, breakdown of machinery, and unavailability, restriction, failure or delay in or computer or data processing systems or communication or energy supplies or bank transfer systems.
- (b) ~~20.02~~ The following shall not be a Force Majeure event: the failure for whatever reason of a computer or other electronic facility to accept a notification made by a Seller or a Buyer (other than the Clearing ~~Organisation~~House) as required by these ~~terms~~Contract Rules and the Administrative Procedures.
- (c) ~~20.03~~ A party to a Contract shall not be entitled to rely upon this ~~term~~Rule ~~EEEE.20~~ unless such party has notified the Clearing ~~Organisation~~House in writing immediately after such party has become aware (or after it ought reasonably to have become aware) of such Force Majeure event, and has continued to seek to perform its obligations in accordance with the Contract (in which event it shall be entitled to such relief with effect from the commencement of such Force Majeure event). The notice shall state the date on which the Force Majeure event commenced and the effects of the Force Majeure event on such party’s ability to perform its obligations in accordance with the Contract, including an estimate of the period of the Force Majeure event.
- (d) ~~20.04~~ Upon the request of the Clearing ~~Organisation~~House, a party seeking relief under this ~~term~~Rule ~~EEEE.20~~ shall promptly provide such other information as required by the Clearing ~~Organisation~~House as soon as reasonably practicable to assist the ~~Board~~Exchange in determining whether a Force Majeure event has occurred. If a Force Majeure event has occurred, neither party will be deemed in Default in Performance of its obligations under a Contract if such party was unable to perform its obligations as a direct result of the occurrence of such Force Majeure event nor will any penalty or damages be payable if and to the extent that performance of any obligation is hindered or prevented by a Force Majeure event.
- (e) ~~20.05~~ Subject to any steps taken at any time by the ~~Board~~Exchange under emergency powers in the ~~Rules~~Regulations and subject to the default rules from time to time in force of the Clearing ~~Organisation~~House, if the ~~Board~~Exchange determines under ~~term 20.04~~Rule ~~EEEE.20(d)~~ that a Force Majeure event delays, hinders or prevents a party from performing any obligation under a Contract for a period of at least five Business Days beyond the time limit fixed in or

under the Contract any Delivery Unit or part thereof not delivered to the Buyer, shall be the subject of cash settlement at a price to be fixed by the ~~Board~~Exchange in consultation with the Clearing ~~Organisation~~House in their absolute discretion. Such price shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer any dispute arising out of the Contract to arbitration under the Rules.~~

~~21. — New Legislation~~

~~21.01 — Subject to any steps taken by the Board under the emergency powers in the Rules, if the Board in its absolute discretion determines that a change of legislative or administrative provisions in the United Kingdom, the European Union, any country or group of countries or of an institution or market organisation in any country or group of countries, has affected, is affecting or is likely to affect the normal course of business or the performance of these terms or the Administrative Procedures, the Board shall have the power to vary these terms (including without limitation those of any existing Contract) in any way it considers necessary for restoring or preserving the orderly course of business or performance of these terms or the Administrative Procedures.~~

~~21.02 — A variation pursuant to term 21.01 may be made notwithstanding that it may affect the performance or value of an existing Contract (or of such existing Contracts as may be specified by the Board).~~

~~21.03 — Any determination made by the Board under this term 21 shall be the subject of a Notice. Any such variation of these terms or Administrative Procedures shall take effect at such time and for such period as may be specified in the Notice and may be modified or revoked by a subsequent variation by the Board made under this term 21.~~

~~21.04 — A Contract affected by a variation under this term 21 shall remain in full force and effect subject to such variation and neither party shall be entitled to repudiate such Contract or treat it as frustrated except so far as may be allowed by the Board.~~

~~22. — Rules~~

~~22.01 — Every Contract shall be subject to the Rules and to the Rules of the Clearing Organisation insofar as applicable notwithstanding that either or both of the parties to it are not a member of the market or of the Clearing Organisation.~~

~~22.02 — In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and in the event of any conflict between these terms and the Rules, the Rules shall prevail.~~

~~22.03 — In case of any conflict between the Administrative Procedures and these terms or the Rules of the Clearing Organisation:~~

- ~~• — the Rules of the Clearing Organisation shall prevail in respect of any matter relating to clearing, and~~

- ~~the provisions of the Administrative Procedures and these terms shall prevail in respect of any other matter.~~

~~23. Arbitration~~

~~23.01 Subject to term 16.09 and this term 23 and to the Rules, any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules. The arbitration shall be held in accordance with the Rules in force at the time of such reference.~~

~~23.02 No dispute arising from or in relation to any cash settlement price fixed by the Board under these terms shall be referred to arbitration under the Rules.~~

EEEE.21 [NOT USED]

EEEE.22 [NOT USED]

EEEE.23 ARBITRATION

(a) [Not used]

(b) [Not used]

(c) ~~23.03~~ (a) Where the Buyer has duly given notice by the time on the Acceptance Date specified in ~~Term 16.09~~ Rule EEEE.16(i) that the Buyer claims that the Delivery Unit does not comply with the terms of the Contract, stating in what respects the Delivery Unit is said not to comply and whether the Buyer also claims to reject the Delivery Unit, then the Delivery Unit shall be subject to an inspection.

(ii) ~~(b)~~ The Clearing OrganisationHouse shall on or before the second Business Day after receipt of such notice notify the Buyer and the Seller of whether such inspection shall be carried out by the Clearing OrganisationHouse or by a third party inspector ("Inspector") to be appointed by the Clearing OrganisationHouse. Where an Inspector is appointed, then the Clearing OrganisationHouse may, in its absolute discretion, attend as an observer at any inspection carried out by the Inspector. The Buyer shall indemnify the Clearing OrganisationHouse in respect of the costs of the Inspector, and shall be responsible for the costs of the Clearing OrganisationHouse relating to the inspection, without prejudice to the right of the Buyer to claim such costs hereunder. The Clearing OrganisationHouse shall inform the Inspector (if such is appointed) of the respects in which the Buyer claims that the Delivery Unit is not in conformity with the terms of the Contract.

(iii) (e) The Clearing OrganisationHouse or the Inspector (as the case may be) shall inspect the Delivery Unit, carrying out such inspections, sampling and analyses as they consider appropriate (but shall not be required to break up the Delivery Unit, or inspect every bag within the Delivery Unit, for the purposes of any inspection) and shall on or before the Business Day which is the 22nd Business Day immediately after the Acceptance Date issue a report to the Buyer, the Seller and, in the case of a report by an Inspector, the Clearing OrganisationHouse stating the facts relevant to the question of whether the Delivery Unit is in compliance with the terms of the Contract in the respects stated by the Buyer. The period of 22 Business Days may be extended by the Clearing OrganisationHouse provided that it is satisfied, in its absolute discretion, that exceptional circumstances have prevented or will prevent the completion of the report within the time stipulated. The report of the Clearing OrganisationHouse or the Inspector shall be conclusive and binding on the Buyer, the ~~Seller and~~ Seller and the Clearing

OrganisationHouse in respect of the facts stated in it, save in the case of fraud or manifest error.

- (iv) ~~(d)~~—Where the Buyer has claimed to reject the Delivery Unit, then on or before the fifth Business Day after the issuance of the report made by the Clearing OrganisationHouse or the Inspector (as the case may be), the Clearing OrganisationHouse shall determine in its absolute discretion, on the basis of such report, whether the Buyer's claim to reject the Delivery Unit is upheld. The Buyer's claim to reject the Delivery Unit based on a breach of a condition of the Contract on the part of the Seller shall not be upheld if the Clearing OrganisationHouse determines that the breach of that condition is so slight that it would be unreasonable for the Buyer to reject the Delivery Unit. The Clearing OrganisationHouse may in its absolute discretion consult experts or legal advisers in reaching its determination. The costs of such experts or legal advisers and the costs of the Clearing OrganisationHouse and/or the Inspector relating to the inspection, shall be borne by the Buyer and the Seller in the first instance in such proportions as the Clearing OrganisationHouse may direct, without prejudice to the right of either party to claim such costs in arbitration under the RulesRegulations. The determination of the Clearing OrganisationHouse shall be binding on the Buyer, the Seller and the Clearing OrganisationHouse and they shall comply with it forthwith, without prejudice to the rights of the parties to refer any claim for loss, damage or costs to arbitration under the RulesRegulations.
- (v) ~~(e)~~—Any party wishing to refer a claim for loss, damage or costs to arbitration (whether or not the Buyer has claimed to reject the Delivery Unit) must, on or before the tenth Business Day after the issuance of the report made by the Clearing OrganisationHouse or the Inspector (as the case may be), notify the Clearing OrganisationHouse in accordance with the RulesRegulations of its intention to refer a claim or dispute to arbitration. If a party has not so notified the Clearing OrganisationHouse by such time, then any claim by such party of any nature whatsoever in respect of the Delivery Unit shall be deemed to have been waived and absolutely barred.
- (vi) ~~(f)~~—No claim of any nature whatsoever may be brought by the Buyer in respect of the Delivery Unit until a report by the Clearing OrganisationHouse or an Inspector (as the case may be) has been made, and a copy of it delivered to the ~~Buyer and~~ Buyer and the Seller and, in the case of a report by an Inspector, the Clearing OrganisationHouse.
- (vii) ~~(g)~~—If the Buyer has claimed to reject the Delivery Unit, and the Clearing OrganisationHouse has upheld such claim, then:-
- (A) ~~(i)~~—the Seller shall repay to the Clearing OrganisationHouse the final Invoicing Amount in respect of the Delivery Unit by 10.00 hours on the day which is the fifth Business Day after the Clearing OrganisationHouse has made the determination referred to in sub-paragraph ~~(d)(iv)~~ above (the "Repayment Day"), together with interest thereon at the Interest Rate plus 2% per annum for the period from the day following the Settlement Day up to and including the Repayment Day;
- (B) ~~(ii)~~—the Clearing OrganisationHouse shall repay to the Buyer the final Invoicing Amount in respect of the Delivery Unit after 12.00 hours on the Repayment Day, together with interest thereon at the Interest Rate plus 2% per annum for the period from the day following the Settlement Day up to and including the Repayment Day;

~~(C) (iii)~~—The records on ~~NYSE Liffe~~ Guardian will be updated by the Clearing ~~Organisation~~House to reflect the change of ownership from Buyer to Seller.

~~(D) (iv)~~—the Seller shall reimburse the Buyer in respect of any costs of the Inspector or of the Clearing ~~Organisation~~House relating to the inspection, any reasonable Rent and Fumigation Charges, and any other reasonable costs or fees in respect of work done by the Warehousekeeper in relation to the inspection of the Delivery Unit by the Inspector or by the Clearing ~~Organisation~~House which have been incurred by the Buyer in respect of the Delivery Unit, on or before the fifth Business Day after receipt of an invoice from the Buyer accompanied by supporting documents evidencing the amounts incurred by the Buyer; and

~~(E) (v)~~—the Buyer, pursuant to ~~term 23.03 (eRule EEEE.23(c)(v))~~, shall be entitled to claim damages from the Seller by reference to the market price of Cocoa complying with the requirements of the Contract, but in no event shall either party be liable to the other in respect of any indirect or consequential losses or expenses.

~~(viii) (h)~~—Property and risk in respect of a Delivery Unit which the Clearing ~~Organisation~~House has determined that the Buyer is entitled to reject will pass:

~~(A) (i)~~—from the Buyer to the Clearing ~~Organisation~~House as Seller, once the following has been effected:

~~(1) (1)~~ the deemed transfer by the Buyer of the Warrant in respect of such Delivery Unit to the Clearing ~~Organisation~~House; and

~~(2) (2)~~ the payment by the Seller of the final Invoicing Amount in respect of such Delivery Unit in same day or immediately available, freely transferable, cleared funds; and

~~(B) (ii)~~—from the Clearing ~~Organisation~~House as Buyer to the Seller, once the following has been effected:

~~(1) (1)~~ the payment by the Clearing ~~Organisation~~House of the final Invoicing Amount in respect of such Delivery Unit to the Buyer in respect of such Delivery Unit in same day or immediately available, freely transferable, cleared funds; and

~~(2) (2)~~ the deemed take up of the Warrant in respect of such Delivery Unit by the Seller.

~~23.04 [deleted]~~

~~23.05—The Rules of the Clearing Organisation shall have priority over these terms in any dispute relating to clearing save where the Rules of the Clearing Organisation provide for a dispute to be governed by the LIFFE Rules.~~

~~24.—Governing Law~~

~~24.01—Every Contract shall be governed by and construed in accordance with English law.~~

~~24.02—The provisions of neither the Convention relating to a Uniform Law on the International Sale of Goods, of 1964, nor the United Nations Convention on Contracts for the International Sale of Goods, 1980, shall apply to Contracts.~~

~~25. — [deleted]~~

~~26. — Economic and Monetary Union~~

~~26.01—The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in any way which the Board considers desirable, arising out of or in connection with the introduction of the euro as the lawful currency of the United Kingdom, or to facilitate the calculation of and making of payments in euros or to facilitate the calculation of the EDSP or any invoicing amount, in pursuance of this Exchange Contract.~~

~~26.02—Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 26.01 shall have such effect with regard to existing and/or new Contracts as the Board may determine.~~

~~26.03—Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to terms 26.01 and 26.02 shall be the subject of a Notice.~~

~~27. — Statement in relation to the Tender Process~~

~~(d) — [Not used]~~

~~(e) — [Not used]~~

EEEE.24 [NOT USED]

EEEE.25 [NOT USED]

EEEE.26 [NOT USED]

EEEE.27 STATEMENT IN RELATION TO THE TENDER PROCESS

(a) ~~27.01—~~The Exchange draws the following statement to the attention of potential users of the ICE Futures Cocoa Futures Contract. Members should ensure that their clients are made aware of the statement.

“Statement in relation to the Tender Process:

Potential users of the ICE Futures Cocoa Futures Contract should familiarise themselves with the relevant Contract ~~Terms~~Rules and Administrative Procedures and the Grading and Warehousekeeping Procedures in respect of ICE Futures Cocoa ~~and Futures Contracts and ICE Futures~~ Robusta Coffee Futures Contracts. Potential users should also be aware of the fact that for the May 2010 delivery month onwards only Warrants that have been immobilised will be tenderable.”

~~Issue Date: 10 June 2013~~

Document comparison by Workshare Compare on 01 September 2014
12:15:26

Input:	
Document 1 ID	file://C:\Users\et23549\Desktop\ICE\IFEU Contract Terms for LIFFE Products\LIFFE Exchange Contracts\Soft Commodities\EEEE - Cocoa Futures - No. 401.doc
Description	EEEE - Cocoa Futures - No. 401
Document 2 ID	PowerDocs://LNDOCS01/862831/8
Description	LNDOCS01-#862831-v8-Section_EEEE_-_Contract_Rules_-_Cocoa_Futures_Contract
Rendering set	Shearman & Sterling

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	684
Deletions	990
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	1674

Cocoa Futures Contract

~~Exchange Contract No. 401~~

SECTION FFFF - PROCEDURES: ICE FUTURES COCOA FUTURES CONTRACT

FFFF.0 Interpretation

FFFF.1 Price

~~Administrative~~ FFFF.2 Settlement Procedures

FFFF.3 Last Trading Day

FFFF.4 Notice Day

FFFF.5 The First Business Day after the Notice Day

FFFF.6 The First Business Day prior to the Settlement Day

FFFF.7 Settlement Day

FFFF.8 The First Business Day prior to the Conversion Settlement Day

FFFF.9 Conversion Settlement Day

FFFF.10 The First Business Day prior to the Extended Conversion Settlement Day

FFFF.11 Extended Conversion Settlement Day

FFFF.12 Acceptance Date

FFFF.0 INTERPRETATION

All defined terms set out in Rule EEEE shall apply to this Rule FFFF.

~~1. Price~~

FFFF.1 PRICE

The minimum price fluctuation shall be £1.

~~2. Settlement Procedures~~

FFFF.2 SETTLEMENT PROCEDURES

All deliveries in respect of ~~this Contract~~ Contracts governed by Rule EEEE must be made in accordance with ~~the Contract's terms~~ Rule EEEE, the Administrative Procedures and the Clearing ~~Organisation~~ House procedures. Clearing Members are obliged to deliver or take delivery in respect of their total gross Contract position remaining open after the close of trading on the Last Trading Day in the relevant Delivery Month and must therefore ensure that their gross position (open buying and selling Contracts) registered with the Clearing ~~Organisation~~ House allows for this.

~~3. Last Trading Day~~

FFFF.3 LAST TRADING DAY

At 12.00 hours Trading in Contracts for the relevant Delivery Month shall cease.

By 16.00 hours The Exchange will publish the EDSP. The EDSP will be determined in accordance with ~~term~~ Rule EEEE.9. The prices, offers or bids used for the calculation of the EDSP under: ~~term 9.01~~ Rule EEEE.9(a)(i), ~~(bii)~~ or ~~(eiii)~~ shall be those during the period of one minute immediately preceding 12.00 hours; and ~~term 9.01(d)~~ Rule EEEE.9(a)(iv) or ~~9.02~~ EEEE.9(b) shall be those during the period referred to in ~~term 9.02(a)~~ Rule EEEE.9(b)(i) or ~~(bii)~~, as applicable.

~~4. Notice Day~~

FFFF.4 NOTICE DAY

By 09.30 hours All payments required by ~~term 11.01~~ Rule EEEE.11(a) to be made by the Buyer and the Seller shall have been completed.

By 10.00 hours Each Buying Clearing Member ("Buyer") shall have given a Buyer's Position Notice to the Clearing ~~Organisation~~ House by such means and in a form prescribed by the Clearing ~~Organisation~~ House from time to time. The Buyer's Position Notice may only be removed, substituted or replaced by the Buyer up to but no later than 10.00 hours.

Each Selling Clearing Member ("Seller") shall have given a Seller's Delivery Notice to the Clearing ~~Organisation~~ House by such means and in a form prescribed by the Clearing ~~Organisation~~ House from time to time. The Seller's Delivery Notice may only be removed, substituted or replaced by the Seller up to but no later than 10.00 hours.

Each Seller's Delivery Notice shall specify in respect of each Delivery Unit:

- (a) the name of the Seller;

PROCEDURES: ICE FUTURES COCOA FUTURES CONTRACT

- (b) details of the number of Lots and size and number of Delivery Units to be delivered under the Contract;
- (c) details of the Delivery Area for each Delivery Unit and Warehousekeeper in whose Warehouse each Delivery Unit is stored and details of the Origin for each Delivery Unit;
- (d) details of the Warrant number and Valid Grading Result number for each Delivery Unit; and
- (e) details of the account designation of each Lot (e.g. house or client); and
- (f) such other information as the Clearing ~~Organisation~~House may prescribe from time to time.

After 10:00 hours The Clearing ~~Organisation~~House will allocate to a Buyer one or more Delivery Units referred to in a Tender in respect of each Lot to be delivered to it by the Clearing ~~Organisation~~House by such method of allocation as may be prescribed from time to time by the Clearing ~~Organisation~~House. If there are no conversions required:

The Clearing ~~Organisation~~House will make available to the Seller and Buyer details of the final Invoicing Amount payable in respect of each Delivery Unit.

By 16.00 hours The Clearing ~~Organisation~~House may direct the Seller to convert:

- (a) a Bulk Delivery Unit into Large or Standard Delivery Units or both; or
- (b) a Large Delivery Unit into Standard Delivery Units.

~~5. The First Business Day after the Notice Day following direction by the Clearing Organisation to the Seller to convert~~

FFFF.5 THE FIRST BUSINESS DAY AFTER THE NOTICE DAY FOLLOWING DIRECTION BY THE CLEARING HOUSE TO THE SELLER TO CONVERT

By 12.00 hours The Seller shall have given the Clearing ~~Organisation~~House by such means as the Clearing ~~Organisation~~House may prescribe, a notice under ~~term 12.04~~Rule ~~EEEE.12(d)~~ in a form prescribed by the Clearing ~~Organisation~~House from time to time. Such notice shall specify whether the Seller will comply with the direction of the Clearing ~~Organisation~~House by converting the Nominated Delivery Unit under ~~term 12.04(a)~~Rule ~~EEEE.12(d)(i)~~ or ~~(b)~~ or delivering Substituted Delivery Units under ~~term 12.04(e)~~Rule ~~EEEE.12(d)(iii)~~.

If the Seller makes a notification pursuant to ~~term 12.04(b)~~Rule ~~EEEE.12(d)(ii)~~ or ~~12.04(e)~~Rule ~~EEEE.12(d)(iii)~~, the Seller shall specify the following details for each Delivery Unit:

- (a) the name of the Seller;
- (b) details of the number of Lots and size and number of the Delivery Units to be converted or delivered under the Contract, as the case may be;
- (c) details of the Delivery Area for each Delivery Unit and Warehousekeeper in whose Warehouse each Delivery Unit is stored and, in respect of each substituted Delivery Unit, details of the Origin;

- (d) details of the Warrant number and Valid Grading Result number for each Delivery Unit;
- (e) details of the account designation (e.g. house or client) of each Lot; and
- (f) such other information as the Clearing ~~Organisation~~House may prescribe from time to time.

If the Seller has made a notification to the Clearing ~~Organisation~~House under ~~term 12.04(a)~~Rule ~~EEEE.12(d)(i)~~ or ~~(b)(i)~~, the Seller shall immediately instruct the relevant Warehousekeeper to undertake the conversion of the Nominated Delivery Unit.

The Seller may only remove, substitute or replace a notice made under ~~term 12.04~~Rule ~~EEEE.12(d)~~ up to but no later than 12.00 hours.

By 16.00 hours The Clearing ~~Organisation~~House will allocate to a Buyer one or more Delivery Units referred to in a Tender in respect of each Lot to be delivered to it by the Clearing ~~Organisation~~House by such method of allocation as may be prescribed from time to time by the Clearing ~~Organisation~~House. The allocation to a Buyer of any Converted Delivery Unit under ~~term 13.04(a)~~Rule ~~EEEE.13(d)(i)~~ will be a provisional allocation subject to confirmation by the Clearing ~~Organisation~~House under ~~term 14.06(b)~~ or ~~15.08(b)~~Rule ~~EEEE.14.(f)(ii)~~ or ~~EEEE.15.(h)(ii)~~, as applicable.

The Clearing ~~Organisation~~House will use its reasonable endeavours to make allocations in accordance with the Buyer's Position Notice submitted by a Buyer in accordance with these ~~terms~~Contract Rules.

The Clearing ~~Organisation~~House will make available to the Seller and Buyer:

- (a) details of the final Invoicing Amount payable by the Buyer in respect of each Delivery Unit, other than a Delivery Unit to be converted from a Nominated Delivery Unit; and
- (b) details of the provisional Invoicing Amount payable by the Buyer in respect of each Converted Delivery Unit to be converted from a Nominated Delivery Unit which has been provisionally allocated to the Buyer.

~~6. The First Business Day prior to the Settlement Day~~

FFFF.6 THE FIRST BUSINESS DAY PRIOR TO THE SETTLEMENT DAY

By 10.00 hours The Seller shall have complied with ~~term 14.04~~Rule ~~EEEE.14(d)~~ and given the Clearing ~~Organisation~~House a notice under ~~term 14.04(e)~~Rule ~~EEEE.14(d)(iii)~~ in a form prescribed by the Clearing ~~Organisation~~House from time to time. Such notice shall specify the following details for each Converted Delivery Unit:

- (a) the name of the Seller;
- (b) details of the Delivery Area for each Delivery Unit and Warehousekeeper in whose Warehouse each Delivery Unit is stored;
- (c) details of the Warrant number and Valid Grading Result number for each Converted Delivery Unit;

PROCEDURES: ICE FUTURES COCOA FUTURES CONTRACT

(d) details of the account designation (e.g. house or client) of each Converted Delivery Unit; and

(e) such other information as the Clearing ~~Organisation~~House may prescribe from time to time.

By 16.00 hours The Clearing ~~Organisation~~House will make available to the Seller details of the final Invoicing Amount payable to the Seller in respect of each Converted Delivery Unit to be delivered on the Settlement Day.

The Clearing ~~Organisation~~House will make available to the Buyer confirmation of the final allocation of the Converted Delivery Units derived from one or more Nominated Large Delivery Units to be delivered to it and details of the final Invoicing Amount payable by the Buyer in respect of each such Converted Delivery Unit.

~~7. Settlement Day~~

FFFF.7 SETTLEMENT DAY

By 09.00 hours The Buyer shall pay to the Clearing ~~Organisation~~House in accordance with ~~term 16.01~~Rule ~~EEEE.16(a)(i)~~ and in the manner prescribed from time to time by the Clearing ~~Organisation~~House, the final Invoicing Amount in respect of each Delivery Unit allocated to the Buyer, other than a Delivery Unit converted from a Nominated Bulk Delivery Unit.

As soon as ~~possible~~ after final Delivery invoicing The Clearing ~~Organisation~~House shall pay to the Seller the ~~possible~~ after 09.30 hours amount in respect of each ~~09.30 hours~~ Delivery Unit, other than a Unit converted from a Nominated Bulk Delivery Unit, delivered by the Seller in accordance with ~~term 16.02~~Rule ~~EEEE.16(b)~~.

The Clearing ~~Organisation~~House will make such entries on ~~NYSE Liffe~~ Guardian so as to effect the transfer of ownership from the Seller to the Buyer in respect of each Delivery Unit, other than a Delivery Unit which is converted from a Nominated Bulk Delivery Unit, which it has been allocated under these ~~terms~~Contract Rules in accordance with ~~terms~~Rules ~~EEEE.16~~ and 17.

~~8. The First Business Day prior to the Conversion Settlement Day~~

FFFF.8 THE FIRST BUSINESS DAY PRIOR TO THE CONVERSION SETTLEMENT DAY

By 10.00 hours The Seller shall have:

(a) complied with ~~term 15.04~~Rule ~~EEEE.15(d)~~ and given the Clearing ~~Organisation~~House a notice under ~~term 15.04(e)~~Rule ~~EEEE.15(d)(iii)~~ in a form prescribed by the Clearing ~~Organisation~~House from time to time. Such notice shall specify the following details for each Converted Delivery Unit:

(i) the name of the Seller;

(ii) details of the Delivery Area for each Converted Delivery Unit and Warehousekeeper in whose Warehouse each Converted Delivery Unit is stored;

(iii) details of the Warrant number and Valid Grading Result number for each Converted Delivery Unit;

(iv) details of the account designation (e.g. house or client) of each Converted Delivery Unit; and

(v) such other information as the Clearing ~~Organisation~~House may prescribe from time to time; or

(b) given the Clearing ~~Organisation~~House a notice under ~~term 15.05~~Rule ~~EEEE.15(e)~~ in a form prescribed by the Clearing ~~Organisation~~House from time to time.

By 16.00 hours The Clearing ~~Organisation~~House will make available to the Seller details of the final Invoicing Amount payable to the Seller in respect of each Converted Delivery Unit which complies with ~~terms 15.04~~Rule ~~EEEE.15(d)~~ and ~~5.05(a)~~Rule ~~EEEE.5(e)(i)~~ or ~~(b)(ii)~~, as the case may be, to be delivered by the Seller on the Conversion Settlement Day.

The Clearing ~~Organisation~~House will make available to the Buyer confirmation of the final allocation of the Converted Delivery Units derived from Nominated Bulk Delivery Units to be delivered to it on the Conversion Settlement Day and details of the final Invoicing Amount payable by the Buyer in respect of each such Converted Delivery Unit.

~~9. Conversion Settlement Day~~

FFFF.9 CONVERSION SETTLEMENT DAY

By 09.00 hours The Buyer shall pay to the Clearing ~~Organisation~~House, in the manner prescribed from time to time by the Clearing ~~Organisation~~House, the final Invoicing Amount in respect of each Converted Delivery Unit to be delivered to it on the Conversion Settlement Day in accordance with ~~term 16.01(b)~~Rule ~~EEEE.16(a)(ii)~~.

As soon as possible after ~~the~~ final Invoicing Amount in ~~accordance with term 16.06(b)~~ accordance with Rule EEEE.16(f)(ii) in respect of each Converted Delivery Unit delivered by the Seller in accordance with ~~term~~Rule ~~EEEE.16~~.

The Clearing ~~Organisation~~House will make such entries on ~~NYSE Liffe Guardian~~ so as to give effect to the transfer of ownership from the Seller to the Buyer in respect of each Delivery Unit, other than a Delivery Unit which is converted from a Nominated Bulk Delivery Unit, which it has been allocated under these ~~terms~~Contract Rules, in accordance with ~~terms~~Rules ~~EEEE.16~~ and 17.

~~10. The First Business Day prior to the Extended Conversion Settlement Day~~

FFFF.10 THE FIRST BUSINESS DAY PRIOR TO THE EXTENDED CONVERSION SETTLEMENT DAY

By 10.00 hours The Seller shall have:

(a) complied with ~~term 15.04~~Rule ~~EEEE.15(d)~~ and given the Clearing ~~Organisation~~House a notice under ~~term 15.04(c)~~Rule ~~EEEE.15(d)(iii)~~

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in a form prescribed by the Clearing ~~Organisation~~House from time to time. Such notice shall specify the following details for each Converted Delivery Unit:

- (i) the name of the Seller;
 - (ii) details of the Delivery Area for each Converted Delivery Unit and Warehousekeeper in whose Warehouse each Converted Delivery Unit is stored;
 - (iii) details of the Warrant number and Valid Grading Result number for each Converted Delivery Unit;
 - (iv) details of the account designation (e.g. house or client) of each Converted Delivery Unit; and;
 - (v) such other information as the Clearing ~~Organisation~~House may prescribe from time to time; or
- (b) given the Clearing ~~Organisation~~House a notice under ~~term 15.07(b)(i)~~Rule ~~EEEE.15(g)(ii)(A)~~ in a form prescribed by the Clearing ~~Organisation~~House from time to time.

By 16.00 hours The Clearing ~~Organisation~~House will make available to the Seller details of the final Invoicing Amount payable to the Seller in respect of each Converted Delivery Unit which complies with ~~terms 15.04 and 5.05(a)~~Rules ~~EEEE.15(d), 5(e)(i)~~ or ~~(b)(ii)~~, as the case may be, to be delivered by the Seller on the Extended Conversion Settlement Day.

The Clearing ~~Organisation~~House will make available to the Buyer confirmation of the final allocation of the Converted Delivery Units derived from Nominated Bulk Delivery Units to be delivered to it on the Extended Conversion Settlement Day and details of the final Invoicing Amount payable by the Buyer in respect of each Converted Delivery Unit.

~~11. Extended Conversion Settlement Day~~
FFFF.11 EXTENDED CONVERSION SETTLEMENT DAY

By 09.00 hours The Buyer shall pay to the Clearing ~~Organisation~~House, in the manner prescribed from time to time by the Clearing ~~Organisation~~House, the final Invoicing Amount in respect of each Converted Delivery Unit as notified to the Buyer in accordance with ~~term 16.01(b)~~Rule ~~EEEE.16(a)(i)~~.

As soon as ~~possible~~ possible The Clearing ~~Organisation~~House shall pay to the Seller in ~~possible~~ possible ~~after~~ after ~~accordance with term 16.06(b)~~ accordance with Rule ~~after 09.30 hours~~ EEEE.16(f)(ii) the final Invoicing Amount ~~09.30 hours~~ in respect of each Converted Delivery Unit delivered by the Seller in accordance with ~~term~~ Rule ~~EEEE.16~~.

As soon as ~~possible~~ possible The Clearing ~~Organisation~~House will make such entries ~~possible~~ possible ~~after~~ after ~~on NYSE Liffe~~ on NYSE Liffe Guardian so as ~~after 09.30 hours~~ to give effect to the transfer ~~09.30 hours~~ of ownership from the Seller to the Buyer in respect of each Delivery Unit, other than a Delivery Unit which is converted from a Nominated Bulk Delivery Unit, which it has been allocated under these ~~terms~~ Contract Rules, in accordance with ~~terms~~ Rule ~~EEEE.16 and Rule EEEE.17~~.

~~12. Acceptance Date~~FFFF.12 ACCEPTANCE DATE

The tenth Business Day after the Settlement Day, or the seventh Business Day after the Conversion Settlement Day or the Extended Conversion Settlement Day

By 17.00 hours Subject to ~~term 16.09~~, Rule EEEE.16(i), the Buyer shall be deemed to have accepted each Delivery Unit delivered to the Buyer on the Settlement Day, Conversion Settlement Day or the Extended Conversion Settlement Day, as the case may be.

~~Issue Date: 10 June 2013~~

Document comparison by Workshare Compare on 01 September 2014
12:17:55

Input:	
Document 1 ID	file:///C:/Users/et23549/Desktop/ICE/IFEU Contract Terms for LIFFE Products/LIFFE Exchange Contracts/Soft Commodities/FFFF - Cocoa Futures - No. 401.doc
Description	FFFF - Cocoa Futures - No. 401
Document 2 ID	PowerDocs://LNDOCS01/862836/5
Description	LNDOCS01-#862836-v5-Section_FFFF_-_Procedures_-_Cocoa_Futures_Contract
Rendering set	Shearman & Sterling

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	153
Deletions	131
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	284

CONTRACT RULES: ICE FUTURES ROBUSTA COFFEE FUTURES
CONTRACT

~~EXCHANGE~~ SECTION GGGG - CONTRACT NO. 409 RULES: ICE FUTURES ROBUSTA COFFEE
FUTURES CONTRACT

~~CONTRACT TERMS~~ ~~Issue Date: 10 June 2013~~

~~ADMINISTRATIVE PROCEDURES~~ ~~Issue Date: 10 June 2013~~

~~Delivery Months: July 2013 onwards~~

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~~ROBUSTA COFFEE FUTURES CONTRACT~~
~~THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS EXCHANGE~~

~~Terms of Exchange Contract No. 409~~

~~1. Interpretation~~

GGGG.1 INTERPRETATION

(a) ~~1.01~~ Save as otherwise specified herein, words and phrases defined in ~~the~~these Contract Rules and the Grading and Warehousekeeping Procedures in respect of ICE Futures Cocoa ~~and~~ Futures Contracts and ICE Futures Robusta Coffee Futures Contracts shall have the same meanings in these ~~terms~~Contract Rules and in the Administrative Procedures.

(b) ~~1.02~~ In these ~~terms~~Contract Rules and in the Administrative Procedures:

“Acceptance Date” means, in respect of each lot, the business day falling seven business days immediately after the Settlement Day.

“~~Administrative Procedures~~” means the administrative procedures ~~from time to time~~at Rule HHHH implemented by the ~~Board pursuant to the Rules~~Procedures ~~Exchange~~ for the purposes of ~~this Exchange~~these Contract Rules.

“Allowance” means a premium or discount, expressed in US Dollars per Tonne, used in calculating the invoicing amount pursuant to ~~term 10.01.~~Rule GGGG.10(a).

“Age Allowance” means a discount, expressed in US Dollars per Tonne, calculated in accordance with ~~term 3.05.~~Rule GGGG.3(e).

“bean fragment” means a fragment of a coffee bean of volume less than half a bean.

“black bean” means a coffee bean of which more than one-half of the external surface and interior is black (endosperm).

“bulk” means Robusta Coffee that has been shipped from Origin in packaging other than original bags conforming with ~~Contract terms 5.01(a) and 5.02(a).~~Rules GGGG.5(a)(i) and GGGG.5(b)(i).

“business day” means a day on which the market, the Clearing ~~Organisation~~House and banks in London are open for business.

“Buyer” in respect of a Contract means the person who is obliged under such Contract to accept delivery in respect of each lot of Robusta Coffee and to pay the invoicing amount in respect of each such lot (including, except where the context otherwise requires, the Clearing ~~Organisation~~House as a buyer under a registered Contract).

“cherry” means the fruit of the coffee plant.

“Class”	means the class of a lot as determined by Graders pursuant to term 4.03 Rule GGGG.4(c) .
“Class Allowance”	means a premium or discount, expressed in US Dollars per tonne, calculated in accordance with term 4.03 Rule GGGG.4(c) .
“coffee bean”	means the dried seed of the coffee plant.
“Contract”	means a contract made expressly or impliedly in the terms of this Exchange these Contract Rules for the sale and purchase of one or more lots and “registered Contract” means a Contract registered by the Clearing Organisation House .
“Contract price”	means the price agreed between a Buyer and a Seller in respect of a Contract.
“CPS”	means the Clearing Processing System, or any successor thereto, which handles real-time position-keeping facilities; functions for the entry of position transfer, settlement, delivery and option exercise instructions; and the processing related to any position changes.
“default in performance”	has the meaning attributed to it in term 16.02 Rule GGGG.16(b) .
“Defects”	means any defect determined to be a defect by the Graders pursuant to term 4.04 Rule GGGG.4(d) .
“delivery area”	means each geographic area referred to in term 3.03 Rule GGGG.3(c) , as varied by the Board Exchange from time to time, within which a Warehouse must be located.
“delivery month”	means each month specified as such by the Board Exchange pursuant to the Rules.
“Depository”	means any person appointed by the Exchange to receive, hold and administer Warrants in immobilised form; details of such persons shall be notified by Notice notice posted on the Market from time to time.
“EDSP”	means the Exchange Delivery Settlement Price and has the meaning attributed to it in term Rule GGGG.9 .
“FIBC”	means a Flexible Intermediate Bulk Container of a type described in term 5.01(b) Rule GGGG.5(a)(ii)(B) .
“foreign matter”	means any substance or matter, other than a whole Coffee coffee bean or Residue residue , which in the opinion of the Graders is, upon grading, identified as foreign matter pursuant to term 4.05 Rule GGGG.4(e) .
“Grader”	means a LIFFE ICE Registered Robusta Coffee Grader.

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“Grading and ~~Warehousekeeping Procedures~~” means the procedures from time to time implemented by the ~~Board~~ Exchange Warehousekeeping pursuant to the ~~Rules~~ Regulations in respect of: Procedures”

Warehousekeepers;

- (~~a~~) sampling and storage of Robusta Coffee by
 - (~~b~~) grading of Robusta Coffee by the Graders; and
 - (~~e~~) the Warrant management service for Robusta Coffee,
- which may be contained in one or more documents.

“Grading Result” means the result given to a parcel or lot which has been graded by the Graders and containing such information as the ~~Board~~ Exchange may prescribe from time to time.

“Gross Weight” means the actual weight of Robusta Coffee including the bag(s) within which the Robusta Coffee is contained.

~~“invoicing amount” has the meaning attributed to it in term 10.~~

~~“Last Trading Day” in respect of a delivery month means (subject to term 8) the last business day of the relevant delivery month~~

“Guardian” means the electronic system relating to grading, tender, delivery and warrant management services, or any successor thereto, which, amongst other things, lists parcels and lots stored in a Warehouse for delivery under a Contract.

“~~LIFFE~~ ICE Registered ~~Robusta Coffee Graders~~” means a panel of Robusta Coffee graders registered with the Exchange in Robusta Coffee Graders” accordance with the Grading and Warehousekeeping Procedures who,

upon the application of a Nominated Member, examine and grade a sample of the parcel or lot which is the subject of the application and issue a Grading Result in respect of such parcel or lot pursuant to the Grading and Warehousekeeping Procedures.

“invoicing amount” has the meaning attributed to it in Rule GGGG.10.

“Last Trading Day” in respect of a delivery month means (subject to Rule GGGG.8) the last business day of the relevant delivery month.

“lot” has the meaning attributed to it in ~~term 2.02.~~ Rule GGGG.2(b).

“mouldy bean” means a coffee bean showing mould growth over half or more of the bean visible to the naked eye.

“Net Weight” in respect of a lot means the net weight of such lot calculated in accordance with ~~term 5.04~~[Rule GGGG.5\(d\)](#) and expressed in Tonnes.

“Nominated Member” means a Clearing Member who, on behalf of an Owner, has been nominated by a Warehousekeeper or another Nominated Member in respect of the registration on ~~NYSE Liffe~~ Guardian of a Warrant that is to be, or has been, immobilised.

~~“NYSE Liffe Guardian” means the electronic system relating to grading, tender, delivery and warrant management services, or any successor thereto, which, amongst other things, lists parcels and lots stored in a Warehouse for delivery under a Contract.~~

“Origin” means the country in which the Robusta Coffee was produced.

“parcel” means all or any portion of a shipment of Robusta Coffee of one Origin, one Class, ex one vessel, shipped on one ~~Bill~~[bill](#) of ~~Lading~~[lading](#) to the same destination and which is stored in one Warehouse.

“Rent” means a periodic fee which a Warehousekeeper shall be entitled to charge in respect of the storage of a parcel or lot in its Warehouse.

“Rent Allowance” is an allowance which is calculated in accordance with ~~term 6.02~~[Rule GGGG.6\(b\)](#).

“Robusta Coffee” means coffee of the botanical species *Coffea canephora* Pierre ex A. Froehner, with some varieties and cultivars of these species.

~~“Screen 12 round” means a laboratory test sieve with 12/64ths of an inch round apertures.~~

~~“Screen 13 round” means a laboratory test sieve with 13/64ths of an inch round apertures.~~

~~“Screen 14 round” means a laboratory test sieve with 14/64ths of an inch round apertures.~~

~~“Screen 15 round” means a laboratory test sieve with 15/64ths of an inch round apertures.~~

~~“Screen 12 round” means a laboratory test sieve with 12/64ths of an inch round apertures.~~

~~“Screen 13 round” means a laboratory test sieve with 13/64ths of an inch round apertures.~~

~~“Screen 14 round” means a laboratory test sieve with 14/64ths of an inch round apertures.~~

~~“Screen 15 round” means a laboratory test sieve with 15/64ths of an inch round apertures.~~

“Seller” in respect of a Contract means the person who is obliged under such Contract to deliver Robusta Coffee in respect of each lot (including, except where the context otherwise requires, the Clearing ~~Organisation~~[House](#) as seller under a registered Contract).

“Seller’s Delivery Notice” means the notice to be given by the Seller to the Clearing ~~Organisation~~[House](#) under ~~terms 12.01~~[Rules GGGG.12\(a\)](#) and ~~12.02~~[GGGG.12\(b\)](#).

“shipment period” means the crop year for the country of origin of Robusta Coffee as defined by the International Coffee Organisation.

“Settlement Day” means the day (or the next business day if such a day is not a business day) which is 14 days after the Tender Day (subject to ~~term 6.02~~[eRule GGGG.6\(b\)\(iii\)](#)).

	<p>“Supervision Company” is a company whose business is the supervision and/or inspection of goods and which is appointed by the Exchange for the purposes of performing inspections.</p>
“tender”	<p>means the delivery by a Seller in accordance with these termsContract Rules of a Seller’s Delivery Notice.</p>
	<p>“Tender Day” means in respect of any lot, the business day on which a Seller’s Delivery Notice is given by the Seller and accepted by the Clearing OrganisationHouse.</p>
	<p>“Tonne” means a metric tonne of 1,000 kilogrammes.</p>
and “cents”	<p>“US Dollars”, “\$” denote, at the date of issue of these termsContract Rules, the lawful currency of the United States of America.</p>
	<p>“Valid Grading Result” has the meaning attributed to it in term 3.05Rule GGGG.3(e).</p>
	<p>“Warehouse” means a warehouse in respect of which a Warehousekeeper has been nominated by the Exchange in its absolute discretion to store Goods and which appears on the List of Nominated Warehouses and Warehousekeepers published from time to time by Noticenotice posted on the Market. A Warehouse shall, for the purposes of nomination under the Grading and Warehousekeeping Procedures, be a single structure designed or modified for the purpose of storing Goods, or groups of such structures connected by internal doors allowing for the passage of the relevant Goods. Where there are no such interconnecting doors between such structures these shall be nominated as separate Warehouses.</p>
	<p>“Warehousekeeper” means either a Single or Dual Capacity Warehousekeeper which has been nominated by the Exchange in its absolute discretion to store in its Warehouse Goods piled as either parcels, lots, Standard and Large Delivery Units or Standard, Large or Bulk Delivery Units, as the case may be, and to record such details that are represented by the Warrant on NYSE Liffe Guardian and which appears on the List of Nominated Warehouses and Warehousekeepers published from time to time by Noticenotice posted on the Market.</p>
	<p>“Warrant” means a warrant for the delivery of a parcel or lot stored in a Warehouse which authorises the possessor of such document to transfer or receive the parcel or lot referred to therein¹.</p>
	<p>“Weight Allowance” means a discount, expressed in US\$ per Tonne, calculated in accordance with term 5.06Rule GGGG.5(f).</p>

¹ ~~the~~[The](#) Warrant must not have expired under the relevant terms under which the Warrant was issued.

- ~~1.03~~—References to a “term” refer to terms hereof, and references to a “Rule” refer to a rule of the Exchange’s Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.
- ~~1.04~~—In these terms and in the Administrative Procedures, references to the Exchange in the context of delivery rights and obligations shall be read as reference to the Clearing Organisation where the context so dictates, including, without limitation, where there is reference to situations where the Clearing Organisation becomes counterparty to delivery rights and obligations pursuant to the Clearing Membership Agreements and/or the Rules (be this due to a LIFFE Clearing Member being declared a defaulter; or following the expiry of an open contract on the market; or otherwise). For the avoidance of doubt these terms and the Administrative Procedures are not intended to vary the terms of any Clearing Membership Agreement and, in the event of conflict between the terms of such documents/agreements the terms of the Clearing Membership Agreement shall prevail over these terms and the Administrative Procedures.
- ~~1.05~~—All times referred to herein, are London times.

~~2.~~ Contract Specification

~~(c)~~ [Not used]

~~(d)~~ [Not used]

~~(e)~~ [Not used]

GGGG.2 CONTRACT SPECIFICATION

- ~~(a)~~ ~~2.01~~—Each Contract shall be for one or more lots for delivery in the delivery month specified.
- ~~(b)~~ ~~2.02~~—A lot shall be an amount of Robusta Coffee which shall be of the same Origin and shipment period and stored in the same Warehouse under the control of the same Warehousekeeper in accordance with the Grading and Warehousekeeping Procedures. Each lot shall have a nominal Net Weight of ten Tonnes and shall be made up of Robusta Coffee from not more than two parcels.

~~3.~~ Delivery

GGGG.3 DELIVERY

- ~~(a)~~ ~~3.01~~—A Seller shall, in respect of each lot of a Contract, deliver the amount of Robusta Coffee which is required by these ~~terms~~Contract Rules.
- ~~(b)~~ ~~3.02~~—A Seller may only deliver a tender for a lot if, on or before the day and by the time specified for delivery of such tender in the Administrative Procedures, the lot:
- ~~(i)~~ ~~(a)~~—has a Warrant that has been immobilised and its details recorded on ~~NYSE~~Liffe Guardian (in respect of each parcel, where applicable);
 - ~~(ii)~~ ~~(b)~~—has a Valid Grading Result; and
 - ~~(iii)~~ ~~(c)~~—complies with these ~~terms~~Contract Rules.

- (c) ~~3.03~~ Robusta Coffee shall be delivered in bags in a Warehouse which is located in a geographic area (a "delivery area"), which is in London and the Home Counties, or which is in or, in the ~~Board~~ Exchange's opinion, sufficiently close to, Amsterdam, Antwerp, Barcelona, Bremen, Felixstowe, Genoa-Savona, Hamburg, Le Havre, Marseilles-Fos, New Orleans, New York, Rotterdam or Trieste. The ~~Board~~ Exchange may from time to time delist a delivery area or list any other delivery area which shall have such effect with regard to existing or new Contracts or both as the ~~Board~~ Exchange may determine in its absolute discretion.
- (d) ~~3.04~~ A Seller shall deliver a lot which conforms to ~~terms~~ Rules GGGG.4 and GGGG.5 and which is stored in a Warehouse in a clearly identifiable pile of bagged Robusta Coffee, in accordance with the Grading and Warehousekeeping Procedures. The Seller of a lot shall be responsible for any port, landing and delivery charges in respect of that lot.
- (e) ~~3.05~~ A Grading Result issued in respect of a lot shall be valid ("Valid Grading Result") if:
- (i) ~~(a)~~ it states that the lot has been graded as "tenderable"; and
 - (ii) ~~(b)~~ the invoicing amount for that lot, as defined in ~~term~~ Rule GGGG.10, is reduced by an Age Allowance of:
 - (A) ~~(i)~~ \$5 per Tonne per calendar month for the period of 13-48 calendar months following the date of grading; and
 - (B) ~~(ii)~~ \$10 per Tonne per calendar month for the period of 49 calendar months and onwards following the date of grading.

The Age Allowance shall be calculated on the basis of the Net Weight and shall be in addition to any Allowance available under ~~term 4, 5.06, 6.02~~ Rules GGGG.4, GGGG.5(f), GGGG.6(b) and 7.01.GGGG.7(a).
- (f) ~~3.06~~ Without prejudice to any exclusion of liability provision in the Rules Regulations or the Rules of the Clearing Organisation, none of House Rules, neither the Exchange, ~~none of the Exchange, the Board or nor~~ the Clearing OrganisationHouse shall be liable for any loss or damage whatsoever, whether for negligence, breach of contract, misrepresentation or otherwise (other than for fraud or wilful default) in respect of:
- (i) ~~(a)~~ the failure by the Exchange, the Clearing OrganisationHouse or any Graders to grade or to issue a Grading Result by a particular date; or
 - (ii) ~~(b)~~ the performance or non-performance by any Grader of any function relating to grading; or
 - (iii) ~~(c)~~ the performance or non-performance of a Warehousekeeper of his supervisory duties; or
 - (iv) ~~(d)~~ the performance or non-performance by any Warehousekeeper of his obligations pursuant to these ~~terms~~ Contract Rules or the Grading and Warehousekeeping Procedures; or
 - (v) ~~(e)~~ the performance or non-performance of ~~NYSE Liffe~~ Guardian; or
 - (vi) ~~(f)~~ the accuracy or availability of any information recorded on ~~NYSE Liffe~~ Guardian; or

- ~~(vii) (g)~~ — the safeguarding of rights of any person entitled to a Warrant that has been immobilised or rights asserted by any person claiming to be entitled to be treated as Owner; or
- ~~(viii) (h)~~ — the legal consequences or enforceability of the Grading and Warehousekeeping Procedures in any jurisdiction; or
- ~~(ix) (i)~~ — the performance or non-performance by any Supervision Company of his obligations which are carried out on behalf of the Clearing ~~Organisation~~House; or
- ~~(x) (j)~~ — the performance or non-performance of the Depository of his duties as an immobilised Warrant depository, including, but not limited to receiving, holding and administering Warrants that have been immobilised.

~~4. Origin and Quality~~

GGGG.4 ORIGIN AND QUALITY

- ~~(a) — 4.01~~ — A Seller shall deliver a lot which is of an Origin and quality which complies with this ~~term~~ Rule GGGG.4. The Origin and quality of Robusta Coffee shall be determined under ~~terms 4.02, 4.04, 4.05 and 4.06~~ Rules GGGG.4(b), GGGG.4(d), GGGG.4(e) and GGGG.4(f) on the basis of examination in accordance with the procedures required by the Grading and Warehousekeeping Procedures. The quality of a lot shall be evidenced by the Valid Grading Result for such a lot.
- ~~(b) 4.02~~ — A Seller may deliver a lot of Robusta Coffee from any country of Origin provided that it is freely available for export to any destination.
- ~~(c) 4.03~~ — A Seller shall deliver under a Contract a lot of Robusta Coffee which shall be deliverable at the Contract price subject to any of the following applicable Class Allowances, which shall be calculated on the basis of the Net Weight:
 - ~~(i) (a)~~ — Premium Class: up to a maximum of 0.5% Defects by weight and up to a maximum of 0.2% foreign matter by weight and a minimum of 90% over Screen 15 round and a minimum of 96% over Screen 13 round per 300g; at an Allowance of \$30 premium per Tonne; or
 - ~~(ii) (b)~~ — Class 1: up to a maximum of 3.0% Defects by weight and up to a maximum of 0.5% foreign matter by weight and a minimum of 90% over Screen 14 round and a minimum of 96% over Screen 12 round per 300g; at Contract price; or
 - ~~(iii) (c)~~ — Class 2: up to a maximum of 5.0% Defects by weight and up to a maximum of 1.0% foreign matter by weight and a minimum of 90% over Screen 13 round and a minimum of 96% over Screen 12 round per 300g; at an Allowance of \$30 discount per Tonne; or
 - ~~(iv) (d)~~ — Class 3: up to a maximum of 7.5% Defects by weight and up to a maximum of 1.0% foreign matter by weight and a minimum of 90% over Screen 13 round and a minimum of 96% over Screen 12 round per 300g; at an Allowance of \$60 discount per Tonne; or
 - ~~(v) (e)~~ — Class 4: up to a maximum of 8.0% Defects by weight and up to a maximum of 1.0% foreign matter by weight and a minimum of 90% over Screen 12 round per 300g; at an Allowance of \$90 discount per Tonne.

CONTRACT RULES: ICE FUTURES ROBUSTA COFFEE FUTURES CONTRACT

- (d) ~~4.04~~ Defects shall include but shall not be limited to black beans, bean fragments, cherries or mouldy beans.
- (e) ~~4.05~~ Foreign matter shall mean any object which is not a coffee bean or part thereof or a cherry including but not limited to sticks, stones, soil and husks.
- (f) ~~4.06~~ A Seller shall not deliver a lot, and a Valid Grading Result shall not be issued in respect of any lot, to which in the opinion of the Graders upon grading one or more of the following applies:
- (i) ~~(a)~~ the lot is not Robusta Coffee;
 - (ii) ~~(b)~~ the lot is unsound for any reason other than having the Defects listed in ~~term 4.04~~ Rule GGGG.4(d) above, as determined by the Graders; or
 - (iii) ~~(c)~~ the lot contains more than 8.0% Defects by weight per 300g; or
 - (iv) ~~(d)~~ the lot contains less than 90% Robusta Coffee beans over Screen 12 round; or
 - (v) ~~(e)~~ the lot contains more than 1.0% by weight foreign matter per 300g; or
 - (vi) ~~(f)~~ the lot has a detectable foreign odour including, but not limited to, mould, fermentation or smoke.
- (g) ~~4.07~~ In respect of a lot delivered under a Contract, the Origin as stated in the ~~Bill~~ bill of ~~Lading~~ lading shall be prima facie evidence of the relevant Origin of such Robusta Coffee.
- (h) ~~4.08~~ Robusta Coffee which has formed part or all of a lot, which has previously been graded as not tenderable by Graders under ~~the terms of this~~ these Contract Rules, shall not form part or all of a lot and shall not be delivered by a Seller under a Contract.
- (i) ~~4.09~~ Robusta Coffee which has formed part or all of a lot or parcel which has previously been graded as tenderable by Graders under ~~the terms of this~~ these Contract Rules, shall not form part or all of a lot to be submitted for re-grading.

(j)

(k) ~~5.~~ Packing and Weights

GGGG.5 PACKING AND WEIGHTS

- (a) ~~5.01~~ Robusta Coffee to be delivered under a Contract;
- (i) ~~(a)~~ if shipped from Origin in bags, shall be packed in sound bags which are in external good order, are woven from natural fibres, are of sufficient strength to withstand transit and storage, are previously unused, clean and suitable for food contact use and meet such other criteria as may be prescribed by the ~~Board~~ Exchange from time to time; and
 - (ii) ~~(b)~~ if shipped from Origin in bulk, shall be packed in;
 - (A) ~~(i)~~ sound bags which are in external good order, are woven from natural fibres, are of sufficient strength to withstand transit and storage, are previously unused, clean and suitable for food contact use, and meet such other criteria as may be prescribed by the ~~Board~~ Exchange from time to time; or

- (B) ~~(ii)~~—sound FIBCs which are sealed, are in external good order, are constructed using woven material such that they prevent condensation occurring during storage, are of sufficient strength to withstand transit and storage, are previously unused, clean and suitable for food contact use and meet such other criteria as may prescribed by the ~~Board~~Exchange from time to time.
- (b) ~~5.02~~—If the Robusta Coffee was shipped from Origin;
- (i) ~~(a)~~—in bags; each bag of Robusta Coffee contained within a lot and delivered under a Contract shall have a Gross Weight of no more than 80 kilogrammes; or
- (ii) ~~(b)~~—in bulk;
- ~~(i)~~ (A) each bag of Robusta Coffee contained within a lot and delivered under a Contract shall have a Gross Weight of no more than 80 kilogrammes; or
- ~~(ii)~~ (B) each FIBC of Robusta Coffee contained within a lot and delivered under a Contract shall have a Gross Weight of no less than 900 kilogrammes and no more than 1,100 kilogrammes.
- (c) ~~5.03~~—Subject to the Grading and Warehousekeeping Procedures, Robusta Coffee to be delivered under a Contract may be rebagged. Bags shall, at the time of any such rebagging, be previously unused, clean and suitable for food contact use, and shall meet the criteria referred to in ~~5.01(b)~~GGGG.5(a)(ii) and such other criteria prescribed by the ~~Board~~Exchange from time to time.
- (d) ~~5.04~~—Subject to ~~term 5.06~~Rule GGGG.5(f) and the Grading and Warehousekeeper Procedures each lot to be delivered by a Seller under a Contract shall be invoiced in accordance with ~~term 10.01~~. ~~In term 10.01, Rule GGGG.10(a).~~ In Rule GGGG.10(a), the “Net Weight” shall be calculated in accordance with this ~~term 5.04~~Rule GGGG.5(d) and shall equal:
- (i) ~~(a)~~—Gross Weight as specified on the Warrant details recorded on ~~NYSE Liffe~~ Guardian;
- (ii) ~~(b)~~—less the weight of any samples drawn from such lot after it was last weighed; and
- (iii) ~~(e)~~—less the actual bag tare weight of the lot, to the nearest gramme, as specified on the Warrant details recorded on ~~NYSE Liffe~~ Guardian.
- (e) ~~5.05~~—A Seller shall deliver under a Contract a lot which has a Net Weight within a tolerance of 3% above or below ten Tonnes. For the avoidance of doubt, the Buyer shall not reject a lot for not being delivered with a nominal Net Weight of ten Tonnes, provided it is delivered within the tolerance band for such lot as specified in this ~~term~~Rule. The Buyer is entitled to reject a lot which is not within such tolerance band.
- (f) ~~5.06~~—Periodic Reweighing:
- (i) ~~(a)~~—Subject to paragraph ~~(b)~~(ii) below, Robusta Coffee may not be tendered more than twelve months after the last day of the month in which it was last weighed or reweighed. If such period has expired the Robusta Coffee shall, at the Seller's expense, be reweighed before delivery and the Warrant details recorded on ~~NYSE Liffe~~ Guardian updated accordingly; and
- (ii) ~~(b)~~—Robusta Coffee may be tendered up to 36 months after the last day of the month in which it was last weighed or reweighed, provided that the Seller makes a Weight

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Allowance in respect of notional loss of weight at the rate of 0.75 per cent per Tonne in respect of the second year or part thereof and 0.0625 per cent per Tonne in respect of each subsequent month or part thereof, up to a maximum deduction of 1.5 per cent per Tonne. The Weight Allowance shall be calculated on the basis of:

(A) ~~—————(i)—————~~ the Net Weight; and

(B) ~~—————(ii)—————~~ the EDSP.

(g) ~~5.07~~—A lot shall be weighed or reweighed in a Warehouse in accordance with the Grading and Warehousekeeping Procedures in force at the time of such weighing or reweighing.

~~6. Price~~
GGGG.6 PRICE

(a) ~~6.01~~—Bids and offers shall be quoted in US Dollars per Tonne and prices shall be a whole number multiple of the minimum price fluctuation. The minimum price fluctuation shall be US\$1 per Tonne and shall have a value of US\$10 per lot.

(b) ~~6.02~~—(a) A Warrant shall not be tendered unless Rent is written up (that is to say, the Warrant details recorded on ~~NYSE Liffe~~ Guardian in relation to Rent are updated by the Warehousekeeper) in respect of the period to at least the last calendar day of the month immediately preceding the delivery month.

(bii) The Seller shall make an Allowance for any Rent short of the Settlement Day and the Buyer shall make an Allowance, at the same rate, for any Rent written up beyond the Settlement Day. This Allowance shall be known as the Rent Allowance and shall be calculated on the basis of:

(A) ~~(i)—————~~ the Gross Weight;

(B) ~~(ii)—————~~ the daily rent rate per Tonne as published by the Clearing ~~Organisation~~House from time to time; and

(C) ~~(iii)—————~~ the number of days in respect of which Rent is due.

(eiii) For the purposes of this ~~term 6.02~~Rule GGGG.6(b) references to the Settlement Day are to be construed as references to the fourteenth day after the Tender Day, whether or not it is a business day.

GGGG.7 ~~7. Import Duty, Levy or Tariffs~~ IMPORT DUTY, LEVY OR TARIFFS

(a) ~~7.01~~—The notional amount of any import duty, levy or other tariff (other than value added tax) chargeable upon the importation of Robusta Coffee (other than Robusta Coffee which is exempt from any such charge) into the European Union, calculated at the rate thereof in force on the first business day of the delivery month and on the basis of the Exchange's EDSP for that delivery month on the last business day of the immediately preceding month, shall in every case be deducted from the Contract price (whether or not any duty, levy or other tariff, other than value added tax, has actually been paid on the Robusta Coffee) unless the tender documents show that the Robusta Coffee tendered is exempt from such charge, or the coffee is tendered for delivery in the ports of New York or New Orleans.

(b) ~~7.02~~—The Contract price shall be exclusive of any value added tax which may be or become payable thereon. Any such tax shall be for the Buyer's account.

- (c) ~~7.03~~—If any country shall at any time adhere or cease to adhere to any international agreement, convention or treaty the ~~Board~~Exchange may (without prejudice to its powers under any other rule) take any steps it deems necessary or desirable (whether by way of varying these Contract ~~terms~~Rules or otherwise) for the purpose of reducing or eliminating any effect on the market which in the ~~Board~~Exchange's opinion results from any consequential change in the rate or incidence of any import duty, levy or other tariff charged on Robusta Coffee of any Origin. Such steps may include the adjustment of Contract prices by such Allowances, premiums or other means as may be determined by the ~~Board~~Exchange.

~~8. Last Trading Day~~

GGGG.8 LAST TRADING DAY

- (a) ~~8.01~~—On the Last Trading Day:
- (i) ~~(a)~~—trading in Contracts for the relevant delivery month shall cease at such time as may be specified for that purpose in the Administrative Procedures; and
- (ii) ~~(b)~~—the Exchange will calculate the EDSP for such Contracts in accordance with ~~term~~Rule GGGG.9.
- (b) ~~8.02~~—If, for Contracts in respect of a delivery month, the day specified as the Last Trading Day is not a business day then the business day immediately preceding that day shall become the Last Trading Day for such Contracts.
- (c) ~~8.03~~—If, at any time after the close of trading two business days prior to the day which would have been the Last Trading Day in respect of a delivery month, it becomes known to the Exchange that the day which would have been the Last Trading Day will not be a business day, then the business day next following such day shall become the Last Trading Day in respect of that delivery month and the Exchange shall publish a ~~Notice~~notice posted on the Market to that effect.

GGGG.9 ~~9. Exchange Delivery Settlement Price (“EDSP”)~~EXCHANGE DELIVERY SETTLEMENT PRICE (“EDSP”)

- (a) ~~9.01~~—Subject to ~~term 9.02, Rule GGGG.9(b)~~, the EDSP for Contracts for a particular delivery month shall be calculated by Exchange officials on each business day during the delivery period. The EDSP for a business day in the delivery period shall be the Daily Settlement Price determined by the Exchange on the previous business day, in accordance with the ~~Liffe~~ Trading Procedures, as amended from time to time.
- (b) ~~9.02~~—If, in the opinion of Exchange officials, the EDSP which would result from a calculation made in accordance with ~~term 9.01 Rule GGGG.9(a)~~ would be unrepresentative or incompatible with due observance of the Exchange's responsibilities, or it is impracticable to calculate the EDSP in accordance with ~~term 9.01, Rule GGGG.9(a)~~, then Exchange officials may in their absolute discretion fix the EDSP at a price determined by them with reference to such available data as they deem appropriate.
- (c) ~~9.03~~—The Exchange shall publish the EDSP by the time specified for that purpose in the Administrative Procedures. The EDSP shall be final and binding for all purposes.

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GGGG.10 ~~10. Invoicing Amount~~ INVOICING AMOUNT

- (a) ~~10.01~~ — Subject to ~~term 10.02~~, Rule GGGG.10(b), the “invoicing amount” in respect of each lot to be delivered under a Contract and referred to in a Seller's Delivery Notice shall be a sum calculated in accordance with the formula:

$$\text{EDSP} * \text{Net Weight} - (A+B+C+D+E)$$

where:

EDSP = The EDSP for the Tender Day

- A = Age Allowance (as per ~~term 3.05~~ Rule GGGG.3(e))
- B = Class Allowance (as per ~~terms 4.03, 4.04~~ Rules GGGG.4(c), GGGG.4(d) and 4.05 GGGG.4(e))
- C = Weight Allowance (as per ~~term 5.06~~ Rule GGGG.5(f))
- D = Rent Allowance (as per ~~term 6.02~~ Rule GGGG.6(b))
- E = Import Duty (as per ~~term~~ Rule GGGG.7)

- (b) ~~10.02~~ — (a) — Where the sum calculated in accordance with ~~term 10.01~~ Rule GGGG.10(a) is not a number of US Dollars and whole cents, such sum shall be rounded to the nearest sum which is a number of US Dollars and whole cents and the invoicing amount shall be such nearest sum.

- (c) (b) — Where the sum calculated in accordance with ~~term 10.01~~ Rule GGGG.10(a) is a number of US Dollars and whole cents and one half of one cent, such sum shall be rounded up to the nearest sum which is a number of US Dollars and whole cents, and the invoicing amount shall be such nearest sum.

~~11. Settlement Payments~~

GGGG.11 SETTLEMENT PAYMENTS

- (a) ~~11.01~~ — In respect of each lot referred to in a Seller's Delivery Notice, in addition to any other payment required by these ~~terms~~ Contract Rules, the following payments shall be made by the time specified for that purpose in the Administrative Procedures:

(i) — (a) — where the EDSP exceeds the Contract price, payment by the Seller to the Clearing OrganisationHouse or payment by the Clearing OrganisationHouse to the Buyer, or both (as the case may require); and

(ii) — (b) — where the Contract price exceeds the EDSP, payment by the Buyer to the Clearing OrganisationHouse or payment by the Clearing OrganisationHouse to the Seller, or both (as the case may require);

of an amount calculated as the difference, in US Dollars multiplied by ten in respect of each lot, between the EDSP and the Contract price.

~~12. Seller's Delivery Notice and Notifications to the Seller~~

GGGG.12 SELLER'S DELIVERY NOTICE AND NOTIFICATIONS TO THE SELLER

- (a) ~~12.01~~—A Seller in whose name one or more Contracts is registered by the Clearing ~~Organisation~~House shall have given to the Clearing ~~Organisation~~House a Seller's Delivery Notice in respect of each lot which has been allocated a Valid Grading Result and for which there is a Warrant that has been immobilised, not later than the time on the Tender Day specified for that purpose in the Administrative Procedures.
- (b) ~~12.02~~—A Seller's Delivery Notice shall be presented to the Clearing ~~Organisation~~House by the Seller by such means and in such a form as is prescribed from time to time by the Clearing ~~Organisation~~House. The Seller's Delivery Notice shall in respect of each lot to be delivered by the Seller specify the information set out in the Administrative Procedures and such other information as the Clearing ~~Organisation~~House may prescribe from time to time.
- (c) ~~12.03~~—Subject to ~~term 14.05~~, Rule GGGG.14(e), a Seller shall not substitute a tender after delivery of the tender to the Clearing ~~Organisation~~House, unless:
- (i) ~~(a)~~—the Seller has obtained the prior consent of the Clearing ~~Organisation~~House, the Clearing ~~Organisation~~House has obtained the Buyer's prior written consent in respect of any lots referred to in the tender which have been allocated to such Buyer under ~~term 12.01~~ Rule GGGG.12(a) and the Seller has notified the Clearing ~~Organisation~~House of the proposed substitution; or
- (ii) ~~(b)~~—the Seller is directed by the Clearing ~~Organisation~~House to make a substitution of the tender, or any of its terms.
- (d) ~~12.04~~—The Clearing ~~Organisation~~House shall not be obliged to accept a tender in respect of one or more lots, unless:
- (i) ~~(a)~~—the tender complies with ~~terms 12.02~~ Rules GGGG.12(b) and ~~12.03~~ GGGG.12(c); and
- (ii) ~~(b)~~—the Seller is able to present such other documents or information in respect of such lots as may be required by the Clearing ~~Organisation~~House under ~~term 12.02~~ Rule GGGG.12(b).
- (e) ~~12.05~~—By the time specified for that purpose in the Administrative Procedures on the Tender Day, the Clearing ~~Organisation~~House shall make available to the Seller details of the invoicing amount payable to the Seller by the Clearing ~~Organisation~~House in respect of each lot to be delivered by the Seller.

~~13.—Allocations and Notifications to the Buyer~~

GGGG.13 ALLOCATIONS AND NOTIFICATIONS TO THE BUYER

- (a) ~~13.01~~—In respect of registered Contracts, the Clearing ~~Organisation~~House will, not later than the Tender Day specified for that purpose in the Administrative Procedures, allocate to a Buyer one or more lots referred to in a Tender in respect of each lot to be delivered to it by the Clearing ~~Organisation~~House and by such method of allocation as may be specified in the Clearing ~~Organisation Procedures~~House procedures.
- (b) ~~13.02~~—By the time specified for that purpose in the Administrative Procedures on the Tender Day, the Clearing ~~Organisation~~House shall make available to the Buyer details of the invoicing

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amount payable by the Buyer to the Clearing ~~Organisation~~House in respect of each lot allocated to the Buyer.

- (c) ~~13.03~~ — The Buyer acknowledges and agrees that any information provided by the Clearing ~~Organisation~~House pursuant to ~~term 13.01~~Rule GGGG.13(a) may be amended from time to time by the Clearing ~~Organisation~~House.

~~14. Delivery~~ GGGG.14 DELIVERY

- (a) ~~14.01~~ — No later than the time specified for that purpose in the Administrative Procedures, the Buyer shall make payment to the Clearing ~~Organisation~~House of the invoicing amount on the Settlement Day in respect of each lot allocated to the Buyer. Payment is to be made without prejudice to the reference of any claim or dispute to arbitration. No interest shall be payable to a Buyer who pays the invoicing amount before taking up documents.
- (b) ~~14.02~~ — (ai) The Seller shall ensure that the Warrant details recorded on ~~NYSE Liffe~~ Guardian in respect of each lot are accurate and complete in all respects.
- (bii) A Buyer requiring to take up and pay for the Warrant before the Settlement Day ("~~Early Take-Up~~") shall give notice to the Clearing ~~Organisation~~House in accordance with ~~Administrative Procedure~~Rule HHHH.5 on the Business Day prior to that on which he wishes to take up the Warrant.
- (c) ~~14.03~~ — (ai) Rent in respect of each lot shall be paid by the Seller in accordance with ~~term 6.02~~Rule GGGG.6(b).
- (bii) A Seller or Buyer who delivers or takes delivery of a lot on behalf of another party shall be entitled to recover from such party any tender fee payable to the Clearing ~~Organisation~~House.
- (d) ~~14.04~~ — The Seller shall represent and warrant to the Buyer that each lot delivered by the Seller is free from any security interest, lien or encumbrance. The Seller shall indemnify the Buyer on demand against each loss, liability and cost which the Buyer incurs or suffers arising out of any claim made or action brought or threatened against the Buyer alleging infringement of the rights of any third party in respect of any lot delivered by the Seller under a Contract.
- (e) ~~14.05~~ — For the avoidance of doubt, notwithstanding that the Clearing ~~Organisation~~House is not recorded as the owner of a lot on ~~NYSE Liffe~~ Guardian, it is the buyer to the Seller and the seller to the Buyer in the process of transferring ownership of the lot.
- (f) ~~14.06~~ — No later than the time specified for that purpose in the Administrative Procedures, the Clearing ~~Organisation~~House shall make payment to the Seller of the invoicing amount on the Settlement Day in respect of each lot delivered by the Seller in accordance with these ~~terms~~Contract Rules and the ~~Rules of the~~ Clearing ~~Organisation~~House Rules. At such point the Seller will be deemed to have transferred the lot to the Clearing ~~Organisation~~House.
- (g) ~~14.07~~ — No later than the time specified for that purpose in the Administrative Procedures, if the Buyer has paid the invoicing amount in respect of a lot, the records on ~~NYSE Liffe~~ Guardian will be updated to reflect the change of ownership from Seller to Buyer in respect of such lot on the Settlement Day in respect of each lot allocated to the Buyer, in accordance with these ~~terms~~Contract Rules and the ~~Rules of the~~ Clearing ~~Organisation~~House Rules. At such point the Buyer will be

deemed to have taken up the Warrant from the Clearing ~~Organisation~~House. Each Warrant is to be taken up by the Buyer without prejudice to the reference of any claim or dispute to arbitration. The Clearing ~~Organisation~~House is under no obligation to effect delivery if the Buyer has not paid the invoicing amount in respect of the lot which is the subject of the Warrant.

- (h) ~~14.08~~ — Without prejudice to any steps taken by the Clearing ~~Organisation~~House under ~~term Rule GGGG.16~~, if payment is not made by the time and on the day prescribed for that purpose in the Administrative Procedures, the Clearing ~~Organisation~~House may sell the lot in respect of which payment has not been made. Any surplus or deficit resulting from such sale, with an account for interest and the costs of sale, shall be settled between the Clearing ~~Organisation~~House and the Buyer forthwith.
- (i) ~~14.09~~ — A Buyer shall be deemed to have accepted a lot delivered under ~~term 14.02, Rule GGGG.14(b)~~, by 17.00 on the Acceptance Date unless the Buyer has, within such period, notified the Clearing ~~Organisation~~House in accordance with the ~~Rules Regulations~~, of the Buyer's intention to refer a claim or dispute to arbitration. The Clearing ~~Organisation~~House will promptly notify the Seller of the Buyer's notification.
- (j) ~~14.10~~ — Without prejudice to the provisions of ~~terms 14.04 Rules GGGG.14(d)~~ and ~~GGGG.16~~, a failure by the Seller or Buyer to comply with its obligations under any of the provisions of ~~terms Rules GGGG.12, GGGG.13 or GGGG.14~~, as the case may be, shall constitute a default in performance entitling the Clearing ~~Organisation~~House forthwith to take steps under any of the provisions of ~~term Rule GGGG.16~~. Any action taken by the Clearing ~~Organisation~~House shall be without prejudice to any rights, obligations or claims of the Seller or the Buyer or the Clearing ~~Organisation~~House and any costs, claims, losses, taxes or expenses of whatsoever nature incurred or suffered by the Clearing ~~Organisation~~House in connection with such action shall be paid by the party in default in performance, whether that be the Seller or the Buyer.

GGGG.15 ~~15. Property and Risk~~ PROPERTY AND RISK

- (a) ~~15.01~~ — Property and risk in respect of a lot delivered under a registered Contract will pass:
- (i) ~~(a)~~ — from the Seller to the Clearing ~~Organisation~~House as Buyer, once the following has been effected:
- (A) ~~(i)~~ — the deemed transfer by the Seller to the Clearing ~~Organisation~~House of the Warrant in respect of such lot; and
- (B) ~~(ii)~~ — the payment by the Clearing ~~Organisation~~House of the invoicing amount in respect of such lot in same day or immediately available, freely transferable, cleared funds; and
- (ii) ~~(b)~~ — from the Clearing ~~Organisation~~House as Seller to the Buyer, once the following has been effected:
- (A) ~~(i)~~ — the payment by the Buyer to the Clearing ~~Organisation~~House of the invoicing amount in respect of such lot in same day or immediately available, freely transferable, cleared funds; and
- (B) ~~(ii)~~ — the deemed take up of the Warrant in respect of such lot by the Buyer.

~~16.~~ Default in Performance

GGGG.16 DEFAULT IN PERFORMANCE

- (a) ~~16.01~~ — The provisions of this ~~term~~ Rule GGGG.16 shall be subject to the default rules from time to time in force of the Clearing OrganisationHouse.
- (b) ~~16.02~~ — For the purposes of this ~~term~~ Rule GGGG.16, a reference to a “default in performance” shall, subject to ~~term 16.05~~, Rule GGGG.16(e), be construed as including an actual failure or an anticipated failure by a Seller or a Buyer under ~~term 16.03~~ Rule GGGG.16(c) in performing its obligations under a Contract. An anticipated failure is one which the Clearing OrganisationHouse, in its reasonable opinion, thinks will occur and in respect of which the Clearing OrganisationHouse considers that it should take action under the provisions of this ~~term~~ Rule GGGG.16.
- (c) ~~16.03~~ — A Buyer or a Seller shall be in default in performance where:
- (i) ~~(a)~~ — he fails to fulfil his obligations under a Contract by the time and in the manner prescribed in accordance with these ~~terms~~ Contract Rules, the RulesRegulations and the Administrative Procedures and the ~~Rules of the~~ Clearing OrganisationHouse Rules; or
- (ii) ~~(b)~~ — he fails to pay any sum due to the Clearing OrganisationHouse in respect of a registered Contract by the time specified for that purpose in the Administrative Procedures; or
- (iii) ~~(c)~~ — in the reasonable opinion of the Clearing OrganisationHouse, he is in default in performance.
- (d) ~~16.04~~ — If a default occurs, this ~~term~~ Rule GGGG.16 shall entitle the Clearing OrganisationHouse to declare a default in performance. For the avoidance of doubt, neither the Buyer nor the Seller shall be entitled to declare a default in performance under this ~~term~~ Rule GGGG.16.
- (e) ~~16.05~~ — Errors in a notice, which are determined in the Clearing OrganisationHouse’s absolute discretion to be clerical errors which can be readily rectified and are rectified, shall not be treated as constituting a default in performance.
- (f) ~~16.06~~ — Subject to ~~terms 16.07(b)~~ Rules GGGG.16(g)(ii) and ~~16.11~~, GGGG.16(k), if it appears to the Clearing OrganisationHouse that a Seller or a Buyer is in default in performance under a registered Contract, the Clearing OrganisationHouse shall notify the Exchange of the default in performance and may, in its absolute discretion:
- (i) ~~(a)~~ — take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the default in performance. A resolution of a default in performance may be on such terms and take such form as is acceptable to the Clearing OrganisationHouse, to the Seller and to the Buyer. Such terms may limit some or all of the rights of the Seller, the Buyer or the Clearing OrganisationHouse to refer any matter concerning or arising out of a default in performance (or the resolution thereof) to arbitration ~~under term 20~~;
- (ii) ~~(b)~~ — without prejudice to any of its other rights under this ~~term~~ Rule GGGG.16, refer to the BoardExchange any dispute or issue arising between any of the parties. If upon such reference, the BoardExchange is of the opinion that the default in performance is of minor significance it shall determine any such dispute or issue between such parties upon such evidence as it may deem relevant and convey its findings to such parties who shall forthwith accept such determination and shall implement its terms without question, provided that such

acceptance and implementation shall be without prejudice to the right of any party to refer the dispute or any related dispute to arbitration ~~under term 20~~; or

(iii) ~~(e)~~—take any steps whatsoever which may appear desirable to the Clearing [OrganisationHouse](#) for the protection of the Clearing [OrganisationHouse](#) or of the party, either Seller or Buyer, which is not in default in performance including, without prejudice to the generality of the foregoing, any steps in order to perform its obligations to a party under a registered Contract.

(g) ~~16.07~~—If, within five business days of the default in performance having come to the attention of the Clearing [OrganisationHouse](#):

(i) ~~(a)~~—the steps taken by the Clearing [OrganisationHouse](#) have not led or are not likely to lead to a resolution of the default in performance; or

(ii) ~~(b)~~—the Clearing [OrganisationHouse](#) has not taken any steps and the default in performance remains unresolved,

the Clearing [OrganisationHouse](#) will refer the matter to the [BoardExchange](#). If upon reference of the dispute or issue to the [BoardExchange](#), the [BoardExchange](#) is of the opinion that the default in performance may not be determined by the [BoardExchange](#) in accordance with ~~term 16.06(b)~~ [Rule GGGG.16\(f\)\(ii\)](#), then each lot of Robusta Coffee the subject of the dispute or issue shall be the subject of cash settlement at a price fixed by the [BoardExchange](#) in consultation with the Clearing [OrganisationHouse](#). The price may at the [BoardExchange](#)'s absolute discretion take account of any compensation that the [BoardExchange](#) may consider, on the evidence before it, should be paid by either party to the other.

(h) ~~16.08~~—Any cash settlement price fixed under ~~term 16.07~~ [Rule GGGG.16\(g\)](#) shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer any other dispute or issue between them to arbitration under term 20.~~

(i) ~~16.09~~—Any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing [OrganisationHouse](#) in connection with any steps taken by the Clearing [OrganisationHouse](#) in relation to a Contract to which the default in performance relates shall be paid by the Buyer or Seller who is in default in performance. Any steps taken by the Clearing [OrganisationHouse](#) in relation to a default in performance shall be without prejudice to any rights (including rights to refer matters to arbitration ~~under term 20~~), obligations or claims of the Buyer, the Seller or the Clearing [OrganisationHouse](#) in relation to a Contract to which the default in performance relates.

(j) ~~16.10~~—A Buyer or Seller who is in default in performance under this ~~term~~ [Rule GGGG.16](#) shall forthwith pay to the Clearing [OrganisationHouse](#) any sums payable by it under ~~term~~ [Rule GGGG.12](#) and any sums payable pursuant to this ~~term~~ [Rule GGGG.16](#).

(k) ~~16.11~~—Notwithstanding that a Buyer or Seller may be in default in performance under this ~~term~~ [Rule GGGG.16](#), the Clearing [OrganisationHouse](#) may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under this ~~term~~ [Rule GGGG.16](#), and no failure by the Clearing [OrganisationHouse](#) to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing [OrganisationHouse](#)'s rights upon that or any subsequent occasion, nor shall any single or partial exercise of any such rights prevent any further exercise thereof or of any other right.

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- (l) ~~16.12~~ — A Buyer, a Seller or the Clearing ~~Organisation~~House may refer a dispute or issue arising out of a default in performance under this ~~term~~Rule GGGG.16 (subject always to the application of provisions of ~~terms 16.06, 16.07~~Rules GGGG.16(f), (g) and ~~16.08(h)~~) to arbitration ~~under term 20.~~
- (m) ~~16.13~~ — The provisions of this ~~term~~Rule GGGG.16 relating to steps that may be taken by the Clearing ~~Organisation~~House where there appears to the Clearing ~~Organisation~~House to be a default in performance by a party to a registered Contract may be varied, or different steps may be substituted therefore by the ~~Board~~Exchange from time to time. Any such variation or substitution shall have such effect with regard to such existing and/or new Contracts and registered Contracts as the ~~Board~~Exchange may determine.

~~17.~~ Force Majeure

GGGG.17 FORCE MAJEURE

- (a) ~~17.01~~ — Subject to ~~term 17.02,~~Rule GGGG.17(b), a “Force Majeure event” shall mean an event beyond the reasonable control of either party to a Contract which delays, hinders or prevents the performance in whole or in part by a party of his obligations under the Contract (other than an obligation to make a payment), including, without limitation, act of God, storm, flood, earthquake, fire, explosion, malicious damage, accident howsoever caused, strike, lock-out, labour dispute, riot, civil commotion, war whether declared or undeclared, armed conflict, use of force by authority of United Nations, act of terrorism, act of government or other national or local authority or any agency thereof, breakdown of machinery, and unavailability, restriction, failure or delay in or computer or data processing systems or communication or energy supplies or bank transfer systems.
- (b) ~~17.02~~ — The following shall not be a Force Majeure event: the failure for whatever reason of a computer or other electronic facility to accept a notification made by a Seller or a Buyer (other than the Clearing ~~Organisation~~House) as required by these ~~terms~~Contract Rules and the Administrative Procedures.
- (c) ~~17.03~~ — A party to a Contract shall not be entitled to rely upon this ~~term~~Rule GGGG.17 unless such party has notified the Clearing ~~Organisation~~House in writing immediately after such party has become aware (or after it ought reasonably to have become aware) of such Force Majeure event, and has continued to seek to perform its obligations in accordance with the Contract (in which event it shall be entitled to such relief with effect from the commencement of such Force Majeure event). The notice shall state the date on which the Force Majeure event commenced and the effects of the Force Majeure event on such party’s ability to perform its obligations in accordance with the Contract, including an estimate of the period of the Force Majeure event. A further notice shall be given immediately after the Force Majeure event has ceased.
- (d) ~~17.04~~ — Upon the request of the Clearing ~~Organisation~~House or the Exchange, a party seeking relief under this ~~term~~Rule GGGG.17 shall promptly provide such other information as required by the Clearing ~~Organisation~~House or the Exchange to assist the ~~Board~~Exchange in determining whether a Force Majeure event has occurred. If a Force Majeure event has occurred, neither party will be deemed in default in performance of its obligations under a Contract if such party was unable to perform its obligations as a direct result of the occurrence of such Force Majeure event nor will any penalty or damages be payable if and to the extent that performance of any obligation is delayed hindered or prevented by a Force Majeure event.
- (e) ~~17.05~~ — Subject to any steps taken at any time by the ~~Board~~Exchange under emergency powers in the ~~Rules~~Regulations and subject to the default rules from time to time in force of the Clearing ~~Organisation~~House, if the ~~Board~~Exchange determines under ~~term 17.04~~Rule

GGGG.17(d) that a Force Majeure event has delayed, hindered or prevented a party from performing any obligation under a Contract for a period of at least five Business Days beyond the time limit fixed in or under the Contract any lot or part thereof not delivered to the Buyer, shall be the subject of cash settlement at a price to be fixed by the BoardExchange in consultation with the Clearing OrganisationHouse in their absolute discretion. Such price shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer any dispute arising out of the Contract to arbitration under the Rules.~~

~~18. — New Legislation~~

~~18.01 — Subject to any steps taken by the Board under the emergency powers in the Rules, and without prejudice to any other powers of the Board to vary the terms of any Contract (existing or future) if the Board in its absolute discretion determines that a change of legislative or administrative provisions in the United Kingdom, the European Union, any country or group of countries or of an institution or market organisation in any country or group of countries, has affected, is affecting or is likely to affect the normal course of business or the performance of these terms or the Administrative Procedures, the Board shall have the power to vary these terms (including without limit those of any existing Contract) in any way it considers necessary for restoring or preserving the orderly course of business or performance of these terms or the Administrative Procedures.~~

~~18.02 — A variation pursuant to term 18.01 may be made notwithstanding that it may affect the performance or value of an existing Contract (or of such existing Contracts as may be specified by the Board). Without limitation of its powers hereunder the Board will use its best endeavours to keep any variation to the minimum considered reasonably necessary to achieve the purpose of this term.~~

~~18.03 — Any determination made by the Board under this term 18 shall be the subject of an Notice. Any such variation of these terms or Administrative Procedures shall take effect at such time and for such period as may be specified in the Notice and may be modified or revoked by a subsequent variation by the Board made under this term 18.~~

~~18.04 — A Contract affected by a variation under this term 18 shall remain in full force and effect subject to such variation and neither party shall be entitled to repudiate such Contract or treat it as frustrated except so far as may be allowed by the Board.~~

~~19. — Rules~~

~~19.01 — Every Contract shall be subject to the Rules and to the Rules of the Clearing Organisation insofar as applicable notwithstanding that either or both of the parties to it are not a member of the market or of the Clearing Organisation.~~

~~19.02 — In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and in the event of any conflict between these terms and the Rules, the Rules shall prevail.~~

~~19.03 — The Exchange or Clearing Organisation shall not do anything under this Contract or take any other action which shall put the Exchange or Clearing Organisation in breach of any legislation, restriction or sanction to which it is subject.~~

~~19.04 In case of any conflict between the Administrative Procedures and these terms or the Rules of the Clearing Organisation:~~

- ~~• the Rules of the Clearing Organisation shall prevail in respect of any matter relating to clearing, and~~
- ~~• the provisions of the Administrative Procedures and these terms shall prevail in respect of any other matter.~~

~~20. Arbitration~~

~~20.01 Subject to term 16 and terms 20.02 and 20.03 and to the Rules, any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules. The arbitration shall be held in accordance with the Rules in force at the time of such reference.~~

~~20.02 No dispute arising from or in relation to any cash settlement or invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.~~

~~20.03 The Rules of the Clearing Organisation shall have priority over these terms in any dispute relating to clearing save where the Rules of the Clearing Organisation provide for a dispute to be governed by the LIFFE Rules.~~

~~21. Law and Jurisdiction~~

~~21.01 Every Contract shall be governed by and construed in accordance with English law.~~

~~21.02 The provisions of the Convention relating to a Uniform Law on the International Sale of Goods, of 1964 and the provisions of the United Nations Convention on Contracts for the International Sale of Goods, 1980, shall not apply to Contracts.~~

~~22. [deleted]~~

~~23. Statement in relation to the Tender Process~~

GGGG.18 [NOT USED]

GGGG.19 [NOT USED]

GGGG.20 [NOT USED]

GGGG.21 [NOT USED]

GGGG.22 [NOT USED]

GGGG.23 STATEMENT IN RELATION TO THE TENDER PROCESS

~~23.01~~—The Exchange draws the following statement to the attention of potential users of the ICE Futures Robusta Coffee Futures Contract. Members should ensure that their clients are made aware of the statement.

“Statement in relation to the Tender Process:

Potential users of the ICE Futures Robusta Coffee Futures Contract should familiarise themselves with the relevant Contract Terms and Administrative Procedures and the Grading and Warehousekeeping Procedures in respect of ICE Futures Cocoa and Futures Contracts and ICE Futures Robusta Coffee Futures Contracts. Potential users should also be aware of the fact that for the May 2010 delivery month onwards only Warrants that have been immobilised will be tenderable.”

~~Issue Date: 10 June 2013~~

Document comparison by Workshare Compare on 01 September 2014
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PROCEDURES: ICE FUTURES ROBUSTA COFFEE FUTURES CONTRACT

Robusta Coffee Futures Contract

SECTION HHHH - PROCEDURES: ROBUSTA COFFEE FUTURES CONTRACT

- HHHH.0 Interpretation
- HHHH.1 Settlement Procedures
- HHHH.2 Tender Day
- HHHH.3 Last Trading Day
- HHHH.4 Settlement Day
- HHHH.5 Early Take Up
- HHHH.6 Acceptance of a Lot

~~Exchange Contract No. 409~~

HHHH.0 INTERPRETATION

~~Administrative Procedures~~

All defined terms in Rule GGGG shall apply to this Rule HHHH.

~~1. Settlement Procedures~~

HHHH.1 SETTLEMENT PROCEDURES

All deliveries in respect of this Contract must be made in accordance with ~~the Contract terms, the Rule GGGG, these~~ Administrative Procedures and the ~~Rules of the~~ Clearing ~~Organisation~~House Rules. Buyers and Sellers are obliged to deliver or take delivery in respect of their total gross Contract position remaining open after the close of trading on the Last Trading Day in the relevant delivery month and must therefore ensure that their gross position (open buying and selling Contracts) registered with the Clearing ~~Organisation~~House allows for this.

~~2. Tender Day~~ HHHH.2 TENDER DAY

By 12.00 hours Each Seller shall have given a Seller's Delivery Notice to the Clearing ~~Organisation~~House by such means and in such form as is prescribed by the Clearing ~~Organisation~~House from time to time by 12.00 hours on any business day during the delivery month (excluding the Last Trading Day when the Seller's Delivery Notice must be submitted by 14.30 hours).

Seller's Delivery Notices may be deleted by members up to 12.00 hours on the day on which they were given.

Each Seller's Delivery Notice shall specify in respect of each parcel:

- (a) the name of the Seller;
- (b) details of the number of lots to be delivered under the Contract;
- (c) details of the delivery area for each lot and Warehousekeeper in whose Warehouse each lot is stored;
- (d) details of the Warrant number and Valid Grading Result number for each parcel;
- (e) details of the account designation of each parcel (e.g. house or client); and
- (f) such other information as the Clearing ~~Organisation~~House may prescribe from time to time.

After 12.00 hours The Clearing ~~Organisation~~House allocates the Robusta Coffee to the Buyers in accordance with the Administrative Procedures.

The Clearing ~~Organisation~~House will make available to the Seller details of the invoicing amount payable to the Seller in respect of each lot to be delivered on the Settlement Day.

PROCEDURES: ICE FUTURES ROBUSTA COFFEE FUTURES CONTRACT

The Clearing

~~Organisation~~House will make available to the Buyer details of the invoicing amount payable by the Buyer in respect of each lot allocated to the Buyer.

All payments required by ~~term 11.01~~Rule GGGG.11(a) to be made by the Buyer and the Seller shall have been completed.

A Seller's Delivery Notice received by the Clearing ~~Organisation~~House after 12.00 hours will be counted as received the following business day. Subject thereto, the date of the Seller's Delivery Notice is the date on which the Seller's Delivery Notice is received by the Clearing ~~Organisation~~House.

By 13.00 hours The Clearing ~~Organisation~~House will announce the EDSP. The EDSP will be determined in accordance with ~~term~~Rule GGGG.9.

~~3. Last Trading Day~~
HHHH.3 LAST TRADING DAY

At 12.30 hours Trading in Contracts for the relevant delivery month shall cease.

By 13.30 hours The Exchange will announce the EDSP. The EDSP will be determined in accordance with ~~term~~Rule GGGG.9.

By 14.30 hours Remaining open positions automatically become delivery contracts.

Sellers must transmit tender details to the Clearing ~~Organisation~~House.

Tender notifications may be deleted by ~~members~~Members up to 14.30 hours.

After 14.30 hours The Clearing ~~Organisation~~House allocates the Robusta Coffee to the Buyers in accordance with the Administrative Procedures.

The Clearing ~~Organisation~~House will make available to the Seller details of the invoicing amount payable to the Seller in respect of each lot to be delivered on the Settlement Day.

The Clearing ~~Organisation~~House will make available to the Buyer details of the invoicing amount payable by the Buyer in respect of each lot allocated to the Buyer.

~~4. Settlement Day~~ HHHH.4 SETTLEMENT DAY

By 09.00 hours The Buyer shall pay to the Clearing ~~Organisation~~House in accordance with ~~term 14.01~~Rule GGGG.14(a), in the manner prescribed from time to time by the Clearing ~~Organisation~~House, the final invoicing amount in respect of each lot.

As soon as possible The Clearing ~~Organisation~~House shall pay to the Seller the final ~~possible after~~ Invoicing Amount in after 12.00 hours respect of each lot, delivered by the ~~12.00 hours~~ seller~~Seller~~ in accordance with ~~term 14.02~~Rule GGGG.14(b).

The Clearing ~~Organisation~~House will, in respect of each lot, make such entries on ~~NYSE Liffe~~ Guardian so as to give effect to the transfer of ownership from the Seller to the Buyer for the lots which it has been allocated under these terms, in accordance with ~~terms~~Rules GGGG.16 and GGGG.17.

~~5. Early Take Up~~ HHHH.5 EARLY TAKE UP

By 16.00 hours In respect of Early Take Up in accordance with ~~term 14.02(e)~~Rule GGGG.14(b)(ii), the Buyer shall give notice to the Clearing ~~Organisation~~House by 16.00 hours on the business day prior to that on which he wishes to take up the Warrant.

~~6. Acceptance of a Lot~~ HHHH.6 ACCEPTANCE OF A LOT

By 17.00 hours The Buyer shall be deemed to have accepted a lot by 17.00 hours, on the day which is seven business days after payment unless he has:

- (a) within such period notified the Clearing ~~Organisation~~House, which will in turn notify the Seller of his intention to refer a dispute to arbitration; and
- (b) referred such dispute to arbitration not later than the next business day in accordance with ~~term 20~~Rule I.7.

~~Issue Date: 10 June 2013~~

Document comparison by Workshare Compare on 01 September 2014
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EXCHANGE SECTION III - CONTRACT NO. 407 RULES: ICE FUTURES WHITE SUGAR FUTURES
CONTRACT

(A) ~~CONTRACT TERMS~~ – Issue Date: 10 June 2013

(B) ~~ADMINISTRATIVE PROCEDURES~~ – Issue Date: 6 January 2014¹

Delivery Months: March 2014 onwards

¹ See London Notice No. 3783, issued on 6 January 2014, relating to the change of trading hours for White Sugar Contracts.



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White Sugar Futures Contract

Terms of Exchange Contract No. 407

1. Interpretation

III.1 INTERPRETATION

(a) ~~1.01~~ Save as otherwise specified herein, words and phrases defined in the ~~Rules~~Regulations shall have the same ~~meanings~~meaning in these ~~terms~~Contract Rules and in the Administrative Procedures.

(b) ~~1.02~~ In these ~~terms~~Contract Rules and in the Administrative Procedures:

“Administrative Procedures” means the administrative procedures ~~from time to time~~at Rule JJJJ implemented by the ~~Board pursuant to the Rules~~Exchange for the purposes of ~~this Exchange~~these Contract Rules.

“adopted rules” means the RSA Rules.

“business day” means a day on which the market, the Clearing ~~Organisation~~House and banks in London are open for business.

“Buyer” in respect of a Contract means the person who is obliged under such Contract to accept transfer in respect of each lot of the delivery amount of sugar and to pay the invoicing amount in respect of each such lot (including, except where the context otherwise requires, the Clearing ~~Organisation~~House as buyer under a registered Contract).

“Contract”

~~“Contract”~~ means a contract made expressly or impliedly in the terms of ~~this Exchange~~these Contract Rules for the sale and purchase of one or more lots for a delivery month and “registered Contract” means a Contract registered by the Clearing ~~Organisation~~House.

“Contract price”

means the price agreed between a Buyer and a Seller in respect of a Contract.

“default in performance” has the meaning attributed to it in ~~term 14.02~~Rule III.14(b).

“delivery period” means the period commencing on and including the first day of the delivery month, up to and including the last day of the succeeding month, subject to ~~term 15.02~~Rule III.15(b).

“delivery month” means each month specified as such by the ~~Board~~Exchange pursuant to the ~~Rules~~Regulations.

“Document Notice Day” shall have the meaning attributed to it in ~~term 12.01~~Rule III.12(a).



CONTRACT RULES: ICE FUTURES WHITE SUGAR FUTURES CONTRACT

	<p>“ECS” means ICE Clear Europe Limited’s Extensible Clearing System.</p>
	<p>“EDSP” means Exchange Delivery Settlement Price and has the meaning attributed to it in term Rule III.5.</p>
	<p>“European port” means a port described as such by the Exchange and included in the list published by the Board Exchange from time to time pursuant to term 2.02 Rule III.2(b).</p>
<p>“Guardian”</p>	<p>means the electronic system relating to the tender and delivery management services, or any successor thereto, which amongst other things, records details of sugar for delivery against the ICE Futures White Sugar Futures Contract.</p>
	<p>“ICUMSA” means the International Commission for Uniform Methods of Sugar Analysis referred to in the RSA Rules.</p>
<p>“Insufficient Seller”</p>	<p>means a Seller who has made a Notice of Tender in respect of a Non-Qualifying Port.</p>
	<p>“invoicing amount” has the meaning attributed to it in term Rule III.8.</p>
	<p>“Last Trading Day” in respect of any delivery month means the business day immediately preceding the Tender Day.</p>
	<p>“lot” shall have the meaning attributed to it in term 3.01 Rule III.3(a).</p>
	<p>“Non-Qualifying Port” means one of the ports included on the list of ports from time to time published by notice posted on the Board by NoticeMarket, in respect of which all Sellers’ Notices of Tender which have been made for that delivery month amount in aggregate to less than 80 lots.</p>
<p>“Qualifying Port”</p>	<p>means one of the ports included on the list of ports from time to time published by notice posted on the Board by NoticeMarket in respect of which all Sellers’ Notices of Tender which have been made for that delivery month amount in aggregate to 80 lots or more.</p>
	<p>“RSA Rules” means those parts of the Rules of the Refined Sugar Association relating to white sugar contracts for delivery free on board and stowed, from time to time in force.</p>
<p>“Seller”</p>	<p>in respect of a Contract means the person who is obliged under such Contract to deliver in respect of each lot, the delivery amount of sugar (including, except where the context otherwise requires, the Clearing Organisation House, as seller under a registered Contract).</p>
<p>delivery given by the Seller to the</p>	<p>“Seller’s Delivery Notification” means the form instigating</p>
<p>Notification”</p>	<p>Exchange.</p>



“Settlement Day” in respect of each lot comprised in a Contract means the first business day after the Document Notice Day on which banks are open for business in New York.

“Sugar Charter Party” means the un-amended, unedited form of the Sugar Charter Party which is commonly used in the sugar trade for the carriage by sea of white or refined sugar in bags (as may be revised from time to time) in effect as at the first day of the delivery month.

“tender” means the delivery by a Seller of a Seller’s Delivery Notification for sugar pursuant to a Contract.

“Tender Day” in respect of any lot comprised in a Contract has the meaning attributed to it by ~~term 9.01~~ Rule III.9(a).

“tonne” means metric tonne of 1000 kilogrammes.

~~1.03 — References to a “term” refer to terms hereof, and references to a “Rule” refer to a rule of the Exchange’s Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice-versa.~~

~~1.04 — In these terms and in the Administrative Procedures, references to the Exchange in the context of delivery rights and obligations shall be read as reference to the Clearing Organisation where the context so dictates. For the avoidance of doubt these terms and the Administrative Procedures are not intended to vary the terms of any Clearing Membership Agreement and, in the event of conflict between the terms of such documents/agreements the terms of the Clearing Membership Agreement shall prevail over these terms and the Administrative Procedures.~~

~~2. — Sugars Tenderable~~

~~(c) [Not used]~~

~~(d) [Not used]~~

III.2 SUGARS TENDERABLE

(a) ~~2.01~~ — Each Contract shall be for white beet or cane crystal sugar or refined sugar of the crop current at the time of delivery, free running of regular grain size and fair average of the quality of deliveries made from the declared origin from such crop, with minimum polarisation 99.8 degrees, moisture maximum 0.06 per cent, and colour of a maximum of 45 units ICUMSA attenuation index at time of delivery to vessel at the port named in the Seller’s Notice of Tender, as evidenced by a certificate issued in accordance with these ~~terms~~ Contract Rules.

(b) ~~2.02 (a)(i)~~ Delivery shall be at one of the ports included on the list of ports from time to time published by notice posted on the Board by NoticeMarket, which shall apply to such delivery months specified in the Notice notice as the BoardExchange may determine. The BoardExchange may from time to time list or de-list a port, which shall have such effect with regard to existing or new Contracts or both as the BoardExchange may determine in its absolute discretion. Any such determination will be notified to Members by means of a Notice notice posted on the Market or otherwise as the BoardExchange may direct.



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- (ii) ~~(b)~~—Subject to ~~term 2.02~~[Rule III.2\(a\)\(i\)](#), sugar shall be delivered at a port in the country of origin of the sugar. However, in the case of landlocked countries and sugar originating from a country within the European Union, delivery shall be made at any customary port of export from such country.
- (iii) ~~(c)~~—The Exchange and Clearing ~~Organisation~~[House](#) give no warranty and ~~does~~[do](#) not make any representation or promise that any port which is included in any list published by the ~~Board~~[Exchange](#) pursuant to this ~~term 2.02~~[Rule III.2\(b\)](#) has any particular characteristics or facilities or is safe or suitable in any way whatsoever, and the Exchange and Clearing ~~Organisation~~[House](#) shall not be liable for any loss, damage, or delay resulting from conditions at any such port.
- (c) ~~2.03~~—The sugar shall be packed in new sound polypropylene bags, each with a single new polythene liner, of a weight of minimum 50 kg net each of sugar and each bag and liner having a combined minimum tare of 160g. The bags of each lot shall be uniform and suitable for export. All bags shall be of a colour as customarily used for export by the relevant producer, and for each lot each bag shall bear the same minimum marks written in the English language stating the following:
- (i) ~~(a)~~—product description (e.g. refined sugar);
- (ii) ~~(b)~~—net weight;
- (iii) ~~(c)~~—origin;
- (iv) ~~(d)~~—crop or production year;
- (v) ~~(e)~~—an expiry being at least two years later than production or a validity period of at least two years; and
- (vi) ~~(f)~~—name of the producer.

Additional marks in local lettering/language are permitted provided that they do not contradict the marks referred to above.

- (d) ~~2.04~~—Sugar delivered shall be free of all liens and claims of any kind and shall be freely available for export to any destination except in the case of sugar originating in the European Union which shall only be available for export to destinations outside the European Union. In the case of sugar originating in the European Union, the sugar shall physically leave the geographical area of the European Union without undue delay after loading has been completed, and under no circumstances shall the sugar be re-imported into the European Union.

~~3.~~ ~~Contract Specification~~

III.3 CONTRACT SPECIFICATION

- (a) ~~3.01~~—Each Contract shall be for one or more lots for the delivery month specified. A lot shall be for an amount of sugar having a nominal net weight of 50 tonnes.

~~4.~~ ~~Price~~



III.4 PRICE

- (a) ~~4.01~~—The Contract price shall be in US dollars and cents (with fluctuations of 10 cents) per tonne net free on board and stowed in vessel’s hold at a port included in the list published by the Clearing ~~Organisation~~House pursuant to ~~term 2.02~~Rule III.2(b).
- (b) ~~4.02~~—The Contract price shall be exclusive of any United Kingdom value added tax which may be or may become payable thereon.

III.5

~~5. Exchange Delivery Settlement Price~~ EXCHANGE DELIVERY SETTLEMENT PRICE

- (a) ~~5.01~~—Subject to ~~term 5.02~~Rule III.5(b), the EDSP for Contracts for a particular delivery month shall be calculated by ~~exchange~~Exchange officials on the Last Trading Day as follows:
 - (i) ~~(a)~~—if (as far as reasonably ascertainable) one or more Contracts for that delivery month have been made ~~in the pit~~ on the Last Trading Day during the period specified for this purpose in the Administrative Procedures, then:
 - (A) ~~(i)~~—if only one Contract has been made, the EDSP shall be the price (as far as reasonably ascertainable) at which that Contract was made; or
 - (B) ~~(ii)~~—if more than one Contract has been made, the EDSP shall be the average rounded down to the nearest 10 cents of the prices (as far as reasonably ascertainable) at which such Contracts were made, weighted by reference to the number of lots (as far as reasonably ascertainable) comprised in each such Contract;
 - (ii) ~~(b)~~—if (as far as reasonably ascertainable) on the Last Trading Day, during the period specified for this purpose in the Administrative Procedures, no Contract for that delivery month has been made ~~in the pit~~ but both an offer (or offers) and a bid (or bids) have been made ~~in the pit~~ in respect of a Contract (or Contracts) for that delivery month, then the EDSP shall be the average of the lowest price (as far as reasonably ascertainable) at which such an offer was made and the highest price (as far as reasonably ascertainable) at which such a bid was made and such average shall be rounded down to the nearest 10 cents;
 - (iii) ~~(c)~~—if (as far as reasonably ascertainable) on the Last Trading Day, during the period specified for this purpose in the Administrative Procedures, no Contract for that delivery month has been made ~~in the pit~~ and either no offer or no bid has been made ~~in the pit~~ in respect of a Contract (or Contracts) for that delivery month, then ~~exchange~~Exchange officials shall determine the EDSP by reference inter alia to the price at which any offer or bid, as the case may be, in respect of a Contract for that delivery month was made ~~in the pit~~ during such period on such day; or
 - (iv) ~~(d)~~—if (as far as reasonably ascertainable) on the Last Trading Day, during the period specified for this purpose in the Administrative Procedures, no Contract for that delivery month has been made ~~in the pit~~ and neither an offer nor a bid have been made ~~in the pit~~ in respect of a Contract (or Contracts) for that delivery month, then ~~exchange~~Exchange officials may in their absolute discretion fix the EDSP at a price determined by them as being consistent with the prices at which any Contracts or any offers or bids in respect of a Contract were made ~~in the pit~~ on the Last Trading Day for the delivery month and period referred to in ~~paragraphs (a) Rule III.5(b)(i) and (b) of term 5.02(ii)~~ below and, if necessary, rounded down to the nearest 10 cents.



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(b) ~~5.02~~ — If in the opinion of ~~exchange~~Exchange officials, the EDSP which would result from a calculation made in accordance ~~with paragraphs (a) Rule III.5(a)(i), (bii) or (c) of term 5.01(iii)~~ would not be consistent with the prices at which any Contracts or any offers or bids in respect of a Contract were made ~~in the pit~~ on the Last Trading Day for:

(i) ~~(a)~~ — the relevant delivery month prior to the applicable period referred to in ~~paragraphs Rule III.5(a)(i), (bii) or (c) of term 5.01(iii)~~, as the case may be; or

(ii) ~~(b)~~ — any other delivery month during the applicable period referred to in ~~paragraphs Rule III.5(a)(i), (bii) or (c) of term 5.01(iii)~~, as the case may be,

then ~~exchange~~Exchange officials may in their absolute discretion fix the EDSP at a price determined by them as being consistent with the prices, offers or bids for the delivery month and period referred to in ~~paragraphs (a) or (b) of term 5.02 above~~this Rule III.5(b), and, if necessary, rounded down to the nearest 10 cents.

(c) ~~5.03~~ — The Exchange shall publish the EDSP at the time specified for that purpose in the Administrative Procedures. The EDSP shall be final and binding for all purposes.

~~6.~~ Settlement Payments

III.6 SETTLEMENT PAYMENTS

(a) ~~6.01~~ — In respect of each lot referred to in a Seller's Delivery Notification, in addition to any other payment required by these ~~terms~~Contract Rules, the following payments shall be made by the time specified for that purpose in the Administrative Procedures:

(i) ~~(a)~~ — where the EDSP exceeds the Contract price, payment by the Seller to the Clearing ~~Organisation~~House or payment by the Clearing ~~Organisation~~House to the Buyer, or both (as the case may require); and

(ii) ~~(b)~~ — where the Contract price exceeds the EDSP, payment by the Buyer to the Clearing ~~Organisation~~House or payment by the Clearing ~~Organisation~~House to the Seller, or both (as the case may require);

of an amount calculated as the difference, in US dollars multiplied by 50 in respect of each lot, between the EDSP and the Contract price.

~~7.~~ Payment

III.7 PAYMENT

(a) ~~7.01~~ — The Seller shall present the following documents to the Clearing ~~Organisation~~House evidencing the proper fulfilment of the terms of the Contract and conforming with the information given by the Seller in the Seller's Delivery Notification:-

(i) ~~(a)~~ commercial invoice;

(ii) ~~(b)~~ complete set of original signed clean on board bills of lading;

(iii) ~~(c)~~ original certificate of origin; and

(iv) ~~(d)~~ an original certificate of weight, packing, quality (polarisation, moisture and colour) issued by the Seller's Supervisor in accordance with these terms.



- (b) ~~7.02~~ — Without prejudice to the Buyer’s ability to request that the Seller provides additional documents pursuant to Rule 17 of the RSA Rules, the Buyer shall not be entitled to require the presentation of any documents in return for payment other than those specified in ~~term 7.01~~. Rule III.7(a).
- (c) ~~7.03~~ — The Clearing ~~Organisation~~House shall by the time specified in the Administrative Procedures advise the Buyer that the documents are available to be taken up and the Buyer shall thereupon collect the documents from the Clearing ~~Organisation~~House.
- (d) ~~7.04~~ — The documents shall be deemed to have been accepted by the Buyer unless the Buyer has prior to 14.00 hours on the Settlement Day notified the Clearing ~~Organisation~~House via ~~NYSE Liffe~~ Guardian that the documents are rejected by the Buyer on the grounds that they do not evidence the proper fulfilment of the terms of the Contract, and the documents have been returned to the Clearing ~~Organisation~~House by 15.00 hours on that day. Immediately following the notification via ~~NYSE Liffe~~ Guardian of the rejection of the documents, the Buyer shall provide to the Clearing ~~Organisation~~House a written explanation for the rejection of the documents which should state, with reasonable precision, the respects in which the documents do not evidence the proper fulfilment of the terms of the Contract. The Buyer shall be precluded from relying on any grounds for the rejection of the documents which are not stated in the Buyer’s explanation to the Clearing ~~Organisation~~House. For the avoidance of doubt, where a Seller presents more than one set of documents to the Clearing ~~Organisation~~House, the Buyer shall not be entitled to reject any documents which are tendered in respect of a lot or lots where this is solely on the ground that the Buyer has rejected a document or documents which relate to a different lot or lots.
- (e) ~~7.05~~ — Title to goods shall not pass from the Seller until the Buyer has accepted the documents and the Seller has received payment for the sugar.
- (f) ~~7.06~~ — Where documents have been rejected by the Buyer:
- (i) ~~(a)~~ the Clearing ~~Organisation~~House shall advise the Seller, after 14.00 hours on the Settlement Day, of such rejection and the reasons for it given by the Buyer, and shall make the documents available for collection by the Seller from 15.00 hours on that day; and
- (ii) ~~(b)~~ the Seller may re-present documents at any time within five business days of having received a notice of rejection provided always that any such re-presentation must be within twenty calendar days of the ~~Bill~~bill of ~~Lading~~lading date.
- (g) ~~7.07~~ — Where documents have been re-presented by the Seller and accepted by the Buyer, then these terms shall apply to such re-presentation as if it were a first presentation, save that the Buyer shall not be entitled to reject documents on such re-presentation on any grounds other than those specified at the time of the first rejection unless such rejection is based on a discrepancy in documents which did not exist at the time of the previous presentation of the documents.
- (h) ~~7.08~~ — Where documents have been accepted and paid for by the Buyer, this shall be without prejudice to the reference to arbitration by the Seller or the Buyer of any question in dispute, including but not limited to any claim relating to or arising out of any discrepancy in documents presented by the Seller to the Buyer, whether or not identified by the Buyer prior to payment having been made.
- (i) ~~7.09~~ — Where the Buyer has collected documents from the Clearing ~~Organisation~~House and subsequently rejects the documents, the Buyer shall indemnify the Exchange and the Clearing ~~Organisation~~House against any liability, loss, cost or expense which arises out of or



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is related to any failure (whether on the part of the Buyer, the Exchange, the Clearing ~~Organisation~~House or any person whatsoever) to return all of the documents in their original condition without delay.

- (j) ~~7.10~~ — Should documents which have been accepted by the Buyer not be taken up and paid for by the time specified in ~~term 13.03~~Rule III.12(c) and the Administrative Procedures, the Clearing ~~Organisation~~House may, unless payment has previously been made and without prejudice to any other rights or remedies available to it;
- (i) (a) — sell the sugar at any time and any difference in price resulting from such sale, together with interest and all charges incurred by reason of the delay, shall be paid by the Buyer to the Clearing ~~Organisation~~House forthwith; or
- (ii) (b) — claim damages from the Buyer for failing to take up the documents, which damages shall be deemed to include (but shall not be limited to) the invoicing amount.
- (k) ~~7.11~~ — If the invoice against which the Clearing ~~Organisation~~House effect payment is not ready when documents are required to be passed on to the Buyer in accordance with ~~term 12.03~~Rule III.12(c), then provided that the other documents are accepted by the Buyer, payment of the invoicing amount shall in any event be made by the Clearing ~~Organisation~~House to the Seller and received on account from the Buyer.
- (l) ~~7.12~~ — The Seller and Buyer may mutually agree to take the sugar off the market on any business day from and including the Tender Day to the last day of the delivery period and, in such event, the Clearing ~~Organisation~~House having been so informed in accordance with the Administrative Procedures by 16.00 hours on a business day will settle with the parties at the EDSP by reference to the number of lots tendered.



~~8.~~ ~~Invoicing Amount~~
III.8 INVOICING AMOUNT

- (a) ~~8.01~~—The invoicing amount in respect of each lot referred to in a Seller’s Notice of Tender shall be the sum calculated in accordance with the formula:

Contract Weight x EDSP

where:

EDSP = The EDSP for the relevant delivery month

- (b) ~~8.02~~—(a)(i) Subject to ~~term 8.02~~ Rule III.8(b)(ii), where the sum calculated in accordance with ~~term 8.01~~ Rule III.8(a) is not a number of dollars and whole cents, such sum shall be rounded to the nearest sum which is a number of dollars and whole cents and the invoicing amount shall be such nearest sum.
- (ii) ~~(b)~~—Where the sum calculated in accordance with ~~term 8.01~~ Rule III.8(a) is a number of dollars and whole cents and one half of one cent, such sum shall be rounded up to the nearest sum which is a number of dollars and whole cents, and the invoicing amount shall be such nearest sum.

III.9 ~~9.~~ ~~Tender Day~~ TENDER DAY

- (a) ~~9.01~~—The Tender Day in respect of a delivery month shall be the fifteenth day preceding the first day of the delivery period for that delivery month, but if the fifteenth day is not a business day the next following business day shall be the Tender Day.
- (b) ~~9.02~~—A tender shall be made on the Tender Day to the Clearing OrganisationHouse in the form of the Seller’s Delivery Notification prescribed by the Clearing OrganisationHouse or in such other form acceptable to the Clearing OrganisationHouse. The tender must be submitted by the Seller to the Clearing OrganisationHouse on the Tender Day by the time specified in the Administrative Procedures.
- (c) ~~9.03~~—The Clearing OrganisationHouse shall initially review all Sellers’ Delivery Notifications which have been submitted by all Sellers with a view to ensuring that all deliveries will take place at a Qualifying Port, (except as provided for in ~~terms 9.07~~ Rules III.9(g) and ~~9.08~~ (h) below) in accordance with the Contract ~~Terms~~ Rules and Administrative Procedures and the statement set out ~~at term~~ in Rule III.21. For the avoidance of doubt, any Sellers’ Delivery Notification in respect of a Qualifying Port may not be withdrawn and re-tendered.
- (d) ~~9.04~~—If, following the initial review, the Clearing OrganisationHouse determines that Sellers’ Delivery Notifications have been made in respect of any Non-Qualifying Port, then the Clearing OrganisationHouse shall by the time specified in the Administrative Procedures:
- (i) ~~(a)~~—advise the Insufficient Sellers by whom such Sellers’ Delivery Notifications were made of such determination;
- (ii) ~~(b)~~—reject any Sellers’ Delivery Notifications in respect of a Non-Qualifying Port;
- (iii) ~~(c)~~—advise each Insufficient Seller of the Qualifying Ports, if any; and



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- (iv) ~~(d)~~ provide to each Insufficient Seller a summary of all other Sellers' Delivery Notifications made in respect of Non-Qualifying Ports.
- (e) ~~9.05~~ All such Insufficient Sellers shall then, by the time specified in the Administrative Procedures, either:
- (i) ~~(a)~~ make a revised Seller's Delivery Notification in respect of a Qualifying Port; or
- (ii) ~~(b)~~ enter into arrangements with other Insufficient Sellers to enable such Sellers to make revised Sellers' Delivery Notifications such that a previously Non-Qualifying Port becomes a Qualifying Port.
- (f) ~~9.06~~ If for any reason after the process set out in ~~term 9.05~~ [Rule III.9\(e\)](#) has been completed, any Seller's Delivery Notification is still made in respect of a Non-Qualifying Port, then such Seller's Delivery Notification shall be rejected by the Clearing ~~Organisation~~ [House](#) and the Insufficient Seller(s) shall make a further revised Seller's Delivery Notification in respect of a Qualifying Port by the time specified in the Administrative Procedures. If there is no Qualifying Port in respect of which to make such a revised Seller's Delivery Notification, the Insufficient Seller(s) shall instead act in accordance with ~~term 9.07 or term 9.08~~, [Rule III.9\(g\) and \(h\)](#), as the case may be.
- (g) ~~9.07~~ If for any reason after the process set out in ~~term 9.06~~ [Rule III.9\(f\)](#) has been completed there is still no Qualifying Port, then the Clearing ~~Organisation~~ [House](#) shall determine that all tenders shall take place at the port which has been nominated in respect of the largest number of lots in the Seller's Delivery Notification. The Clearing ~~Organisation~~ [House](#) shall notify all Sellers accordingly that they must tender sugar at the port determined by the Clearing ~~Organisation~~ [House](#).
- (h) ~~9.08~~ If for any reason after the process set out in ~~term 9.06~~ [Rule III.9\(f\)](#) has been completed there is still no Qualifying Port, and if there are two or more ports which have been equally nominated in respect of the largest number of lots in the Sellers' Delivery Notifications under ~~term 9.06~~, [Rule III.9\(f\)](#), then the Clearing ~~Organisation~~ [House](#) shall determine at which port such tenders are to be made. In doing so, the Clearing ~~Organisation~~ [House](#) shall take into account circumstances in the physical sugar market generally and the previous practice of the Exchange. The Clearing ~~Organisation~~ [House](#) shall notify all Sellers accordingly that they must tender sugar at the port determined by the Clearing ~~Organisation~~ [House](#).

III.10

~~10.~~ ~~Tenders~~ [TENDERS](#)

- (a) ~~10.01~~ A tender shall not be withdrawn nor substitution allowed except with the consent of the Buyer or, in case of dispute, unless so ordered by the ~~Board~~ [Exchange](#).
- (b) ~~10.02~~ A tender which has been made to the Clearing ~~Organisation~~ [House](#) in time shall, subject to ~~term 10.01~~, [Rule III.10\(a\)](#), be accepted by the Buyer as a valid tender for that date.
- (c) ~~10.03~~ With the consent of the Clearing ~~Organisation~~ [House](#), Buyers may, in accordance with, and by the time specified, in the Administrative Procedures, exchange with one another, via ~~NYSE Liffe~~ [Guardian](#), the tenders that they have been assigned.

III.11

~~11.~~ ~~Delivery~~ [DELIVERY](#)

- (a) ~~11.01~~ Delivery shall be in accordance with Rule 7 of the RSA Rules and the Administrative Procedures, save that the notice referred to in the second paragraph of Rule 7 of



the RSA Rules shall be a notice of fourteen calendar days and shall be given by the Buyer to the Seller and the Clearing ~~Organisation~~House.

~~12. Presentation of Documents~~

III.12 PRESENTATION OF DOCUMENTS

- (a) ~~12.01~~—Advice of the presentation of documents, which must include the name of the ocean vessel, must be made by the Seller via ~~NYSE Liffe~~ Guardian to the Clearing ~~Organisation~~House by no later than the time specified in the Administrative Procedures on any business day within twenty calendar days of the bill of lading date. The day on which such advice is given to the Clearing ~~Organisation~~House shall be known as the Document Notice Day.
- (b) ~~12.02~~—Documents as prescribed in ~~term 7.01~~Rule III.7(a) shall be presented by the Seller to the Clearing ~~Organisation~~House on the day following such advice by the time specified in the Administrative Procedures, being a day on which banks are open for business in both London and New York.
- (c) ~~12.03~~—The Clearing ~~Organisation~~House shall pass on documents to the Buyer without delay but, provided the Clearing ~~Organisation~~House has been notified and documents have been presented to it by the times specified in the Administrative Procedures, the Buyer shall (unless the documents have been rejected in accordance with the provisions of ~~term 7.04~~Rule III.7(d)) be bound to take up and pay for such documents on the same day by the time specified in the Administrative Procedures without prejudice to the reference of any claim or dispute of whatsoever nature to arbitration.

~~13. New Legislation~~

- ~~13.01~~—If after consultation with the Clearing Organisation the Board shall in its absolute discretion determine that a change of legislative or administrative provisions of the United Kingdom or any state or territory or the European Union, or of an institution or market organisation in any country or group of countries, has affected, is affecting or is likely to affect the normal course of business, the Board shall have power to vary the terms of Contracts in any way it deems necessary or desirable for restoring or preserving the orderly course of business.
- ~~13.02~~—Such variation may be made notwithstanding that it may affect the performance or value of existing Contracts (or of such existing Contracts as may be specified by the Board). Without limitation of its powers hereunder the Board will use its best endeavours to keep any variation to the minimum considered reasonably necessary to achieve the purpose of this term.
- ~~13.03~~—Any determination made by the Board pursuant to this term 13 shall be published by Notice. A variation of contract terms made hereunder shall take effect at such time and for such period as the Board shall declare but (without prejudice to term 13.02 above) shall not take effect earlier than the day on which such Notice is issued.
- ~~13.04~~—A Contract affected by a variation under this term 13 shall remain in full force and effect subject to such variation and shall not be treated as frustrated or repudiated except so far as may be allowed by the Board.



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~~13.05~~ — A variation made by the Board under this term may be modified or revoked by a subsequent variation made hereunder.

~~14.~~ — Default in Performance

III.13 [NOT USED]

III.14 DEFAULT IN PERFORMANCE

- (a) ~~14.01~~ — The provisions of this ~~term~~ Rule III.14 shall be subject to the default rules from time to time in force of the Clearing OrganisationHouse and also subject to the provisions of ~~term 18.03~~ Rule III.18(c).
- (b) ~~14.02~~ — For the purposes of this ~~term~~ Rule III.14, a reference to a “default in performance” shall, subject to ~~term 14.04~~ Rule III.14(d), be construed as including an actual failure or an anticipated failure by a Seller or a Buyer under ~~term 14.02~~ Rule III.14(b) in performing its obligations under a Contract at any time before the time of tender on the Tender Day. An anticipated failure is one which the Clearing OrganisationHouse, in its reasonable opinion, considers will occur at any time before the time of tender on the Tender Day and in respect of which the Clearing OrganisationHouse considers that it should take action under the provisions of this ~~term~~ Rule III.14.
- (c) ~~14.03~~ — A Buyer or a Seller shall be in default in performance where:
- (i) ~~(a)~~ — he fails to fulfil his obligations under a Contract by the time and in the manner prescribed in accordance with these ~~terms~~ Contract Rules, the RulesRegulations and ~~the~~ Administrative Procedures and ~~the Rules of the~~ Clearing OrganisationHouse Rules;
 - (ii) ~~(b)~~ — he fails to pay any sum due to the Clearing OrganisationHouse in respect of a registered Contract by the time specified for that purpose in the Administrative Procedures; or
 - (iii) ~~(c)~~ — in the reasonable opinion of the Clearing OrganisationHouse, he is in default in performance.
- (d) ~~14.04~~ — Errors in a notice, which are determined in the Exchange’s absolute discretion to be clerical errors which can be readily rectified and are rectified, shall not be treated as constituting a default in performance.
- (e) ~~14.05~~ — Subject to ~~terms 14.06(b)~~ Rules III.14(f)(ii) and ~~14.10~~ III.14(j), if it appears to the Clearing OrganisationHouse that a Seller or a Buyer is in default in performance under a registered Contract, the Clearing OrganisationHouse shall notify the Exchange of the default in performance and may, in its absolute discretion:
- (i) ~~(a)~~ — take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the default in performance. A resolution of a default in performance may be on such terms and take such form as is acceptable to the Clearing OrganisationHouse, to the Seller and to the Buyer. Such terms may limit some or all of the rights of the Seller, the Buyer or the Clearing OrganisationHouse to refer any matter concerning or arising out of a default in performance (or the resolution thereof) to arbitration ~~under term 16~~;



- (ii) ~~(b)~~—without prejudice to any of its other rights under this ~~term~~ [Rule III.14](#), refer to the ~~BoardExchange~~ any dispute or issue arising between any of the parties. If upon such reference, the ~~BoardExchange~~ is of the opinion that the default in performance is of minor significance it shall determine any such dispute or issue between such parties upon such evidence as it may deem relevant and convey its findings to such parties who shall forthwith accept such determination and shall implement its terms without question, provided that such acceptance and implementation shall be without prejudice to the right of any party to refer the dispute or any related dispute to arbitration ~~under term 16~~; or
- (iii) ~~(c)~~—take any steps whatsoever which may appear desirable to the Clearing ~~OrganisationHouse~~ for the protection of the Clearing ~~OrganisationHouse~~ or of the Seller or Buyer not in default in performance including, without prejudice to the generality of the foregoing, any steps in order to perform its obligations to a party under a registered Contract.
- (f) ~~14.06~~—If, within five business days of the default in performance having come to the attention of the Clearing ~~OrganisationHouse~~:
- (i) ~~(a)~~—the steps taken by the Clearing ~~OrganisationHouse~~ have not led or are not likely to lead to a resolution of the default in performance; or
- (ii) ~~(b)~~—the Clearing ~~OrganisationHouse~~ has not taken any steps and the default in performance remains unresolved,
- the Clearing ~~OrganisationHouse~~ will refer the matter to the ~~BoardExchange~~. If upon reference of the dispute or issue to the ~~BoardExchange~~, the ~~BoardExchange~~ is of the opinion that the default in performance may not be determined by the ~~BoardExchange~~ in accordance with ~~term 14.05(b)~~ [Rule III.14\(e\)\(ii\)](#), then (if the dispute or issue is one which has arisen before the time of tender) each lot the subject of the dispute or issue shall be the subject of cash settlement at a price fixed by the ~~BoardExchange~~ in consultation with the Clearing ~~OrganisationHouse~~. The price may at the ~~BoardExchange~~'s absolute discretion take account of any compensation that the ~~BoardExchange~~ may consider, on the evidence before it, should be paid by either party to the other.
- (g) ~~14.07~~—Any cash settlement price fixed under ~~term 14.06~~ [Rule III.14\(f\)](#) shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer the dispute or issue between them to arbitration under term 16.~~
- (h) ~~14.08~~—Any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing ~~OrganisationHouse~~ in connection with any steps taken by the Clearing ~~OrganisationHouse~~ in relation to a Contract to which the default in performance relates shall be paid by the Buyer or Seller who is in default in performance. Any steps taken by the Clearing ~~OrganisationHouse~~ in relation to a default in performance shall be without prejudice to any rights (including rights to refer matters to arbitration ~~under term 16~~), obligations or claims of the Buyer, the Seller or the Clearing ~~OrganisationHouse~~ in relation to a Contract to which the default in performance relates.
- (i) ~~14.09~~—A Buyer or Seller who is in default in performance under this ~~term~~ [Rule III.14](#), shall forthwith pay to the Clearing ~~OrganisationHouse~~ any sums payable by him under ~~term~~ [Rule III.8](#) and any sums payable pursuant to this ~~term~~ [Rule III.14](#).
- (j) ~~14.10~~—Notwithstanding that a Buyer or Seller may be in default in performance under this ~~term~~ [Rule III.14](#), the Clearing ~~OrganisationHouse~~ may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under this ~~term~~ [Rule III.14](#), and no



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failure by the Clearing [OrganisationHouse](#) to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing [OrganisationHouse](#)'s rights upon that or any subsequent occasion, nor shall any single or partial exercise of any such rights prevent any further exercise thereof or of any other right.

(k) ~~14.11~~ — A Buyer, a Seller or the Clearing [OrganisationHouse](#) may refer a dispute or issue arising out of a default in performance under this ~~term~~ [Rule III.14](#) (subject always to the application of provisions of ~~terms 14.05, 14.06~~ [Rules III.14\(e\), \(f\) and 14.07\(g\)](#)) to arbitration ~~under term 16.~~

(l) ~~14.12~~ — The provisions of this ~~term~~ [Rule III.14](#) relating to steps that may be taken by the Clearing [OrganisationHouse](#), where there appears to the Clearing [OrganisationHouse](#) to be a default in performance by a party to a registered Contract, may be varied, or different steps may be substituted therefore by the [BoardExchange](#) from time to time. Any such variation or substitution shall have such effect with regard to such existing and/or new Contracts and registered Contracts as the [BoardExchange](#) may determine.

III.15

~~15.~~ — ~~Force Majeure~~ [FORCE MAJEURE](#)

(a) ~~15.01~~ — At any time before the time of tender on the Tender Date and in respect of events before such time:

(i) ~~(a)~~ — for the purposes of this ~~term 15.01,~~ [Rule III.15\(a\)](#), “Force Majeure Event” shall mean an event which occurs before the Tender Date which is beyond the reasonable control of either party to a Contract and which delays, hinders or prevents the performance in whole or in part by a party of his obligations under the Contract (other than an obligation to make a payment), including, without limitation, act of God, storm, flood, earthquake, fire, explosion, malicious damage, accident howsoever caused, strike, lock-out, labour dispute, riot, civil commotion, war whether declared or undeclared, armed conflict, use of force by authority of United Nations, act of terrorism, act of government or other national or local authority or any agency thereof, breakdown of machinery, and unavailability, restriction, failure or delay in or computer or data processing systems or communication or energy supplies or bank transfer systems;

(ii) ~~(b)~~ — the failure for whatever reason of a computer or other electronic facility to accept a notification made by a Seller or a Buyer (other than the Clearing [OrganisationHouse](#)) as required by these ~~terms~~ [Contract Rules](#) and the Administrative Procedures shall not be a Force Majeure Event;

(iii) ~~(c)~~ — a party to a Contract shall not be entitled to rely upon this ~~term 15.01~~ [Rule III.15\(a\)](#) unless such party has notified the Clearing [OrganisationHouse](#) in writing immediately after such party has become aware (or after it ought reasonably to have become aware) of such Force Majeure Event, and has continued to seek to perform its obligations in accordance with the Contract (in which event it shall be entitled to such relief with effect from the commencement of such Force Majeure Event). The notice shall state the date on which the Force Majeure Event commenced and the effects of the Force Majeure Event on such party's ability to perform its obligations in accordance with the Contract, including an estimate of the period of the Force Majeure Event;

(iv) ~~(d)~~ — upon the request of the Clearing [OrganisationHouse](#), a party seeking relief under this ~~term 15.01~~ [Rule III.15\(a\)](#) shall promptly provide such other information as required by the Clearing [OrganisationHouse](#) as soon as reasonably practicable to assist the [BoardExchange](#) in determining whether a Force Majeure Event has occurred. If a Force Majeure Event has occurred, neither party will be deemed in default in performance of its obligations under a Contract if such party was unable to perform its obligations as a



direct result of the occurrence of such Force Majeure Event nor will any penalty or damages be payable if and to the extent that performance of any obligation is hindered or prevented by a Force Majeure Event;

(v) ~~(e)~~—subject to any steps taken at any time by the [BoardExchange](#) under emergency powers in the [RulesRegulations](#) and subject to the default rules from time to time in force of the Clearing [OrganisationHouse](#), if the [BoardExchange](#) determines under ~~term 15.01(d)~~[Rule III.15\(a\)\(iv\)](#) that a Force Majeure Event delays, hinders or prevents a party from performing any obligation under a Contract for a period of at least five business days beyond the time limit fixed in or under the Contract any lot or part thereof not delivered to the Buyer shall be the subject of cash settlement at a price to be fixed by the [BoardExchange](#) in consultation with the Clearing [OrganisationHouse](#) in their absolute discretion. Such price shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer any dispute arising out of the Contract to arbitration under the Rules.~~

(b) ~~15.02~~—At any time from the time of tender on the Tender Date and in respect of circumstances or events which occur after such time:

(i) ~~(a)~~—should ice in a port, war, strikes, rebellion, insurrection, political or labour disturbances, civil commotion, fire, stress of weather, Act of God or any cause of force majeure (whether or not of like kind to those before mentioned) beyond the Seller’s control prevent directly or indirectly within the delivery period specified in the Contract, the supply to or delivery at a port listed pursuant to ~~term 2.01~~[Rule III.2\(a\)](#) in whole or in part of the sugar allocated by the Seller against the Contract, the Seller shall immediately notify the Clearing [OrganisationHouse](#) of such fact and the quantity so affected. If the Seller is prevented from advising the Clearing [OrganisationHouse](#) immediately through circumstances beyond his control he shall notify the Clearing [OrganisationHouse](#) as soon as possible;

(ii) ~~(b)~~—upon giving such notice, the delivery period shall be extended as follows:

(A) ~~(i)~~—where the ~~force majeure event~~[Force Majeure Event](#)(s) prevents performance for up to three days, the delivery period shall be extended by seven days;

(B) ~~(ii)~~—where such event(s) prevents performance for more than three days, the delivery period shall be extended by forty-five days.

(iii) ~~(c)~~—the Seller shall notify the Clearing [OrganisationHouse](#) immediately that the ~~force majeure event~~[Force Majeure Event](#)(s) terminates. If delivery is still prevented at the end of the forty-five day extended delivery period, the [BoardExchange](#) shall immediately fix a price for invoicing back and the quantity of sugar affected shall be invoiced back to the Buyer at that price. The price fixed may at the [BoardExchange](#)’s absolute discretion take account of any compensation that the [BoardExchange](#) may consider, on the evidence before it, should be paid by either party to the other. ~~No other dispute as to the invoicing back price may be referred to arbitration;~~

(iv) ~~(d)~~—should the Buyer be prevented from accepting delivery of the whole or part of the sugar within the delivery period by reason or loss or delay of the vessels declared due to ice in a port, war, strikes, rebellion, insurrection, political or labour disturbances, civil commotion, fire, stress of weather, Act of God or any cause of force majeure (whether or



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not of like kind to those before mentioned) beyond the Buyer's control, the Buyer shall immediately notify the Clearing ~~Organisation~~House of such fact;

- (v) ~~(e)~~—if the Buyer is prevented from advising the Clearing ~~Organisation~~House immediately through circumstances beyond his control he shall notify the Clearing ~~Organisation~~House as soon as possible. Upon giving such notice, the delivery period for the affected quantity shall be extended, without extra charge to the Buyer as follows:
- (A) (i) ~~—~~where the ~~force majeure event~~Force Majeure Event(s) prevents the Buyer from accepting delivery for up to three days, the delivery period shall be extended by seven days;
- (B) (ii) ~~—~~where such event(s) prevents the Buyer from accepting delivery for more than three days, the delivery period shall be extended by forty-five days;
- (vi) ~~(f)~~—the Buyer shall notify the Seller immediately that the ~~force majeure event~~Force Majeure Event(s) terminates. If the Buyer is still prevented from accepting delivery at the end of the forty-five day extended contract delivery period the ~~Board~~Exchange shall immediately fix a price for invoicing back and the quantity of sugar affected shall be invoiced back to the Buyer at that price. The price fixed may at the ~~Board~~Exchange's absolute discretion take account of any compensation that the ~~Board~~Exchange may consider, on the evidence before it, should be paid by either party to the other. No other dispute as to the invoicing back price may be referred to arbitration;
- (vii) ~~(g)~~—if performance of the contract is prevented by a ~~force majeure event~~Force Majeure Event more than once during the delivery period (as extended in accordance with these ~~terms~~Contract Rules) the provision of these ~~terms~~Contract Rules shall apply to each such event. However, in no circumstances shall that delivery period be extended for more than forty-five days;
- (viii) ~~(h)~~—these provisions shall apply notwithstanding the occurrence of events which would otherwise frustrate the Contract;
- (ix) (i) ~~—~~the party claiming force majeure shall within fourteen days from the initial notification of the facts relied upon deliver to the Clearing ~~Organisation~~House evidence of the existence of those facts. If evidence is not delivered in accordance with this provision, the right to invoke force majeure shall be forfeited unless an arbitration tribunal in its absolute discretion decides otherwise.

~~16. Arbitration~~

III.16 ARBITRATION

~~16.01 — Any dispute arising out of a Contract shall (subject to terms 14, 15.02(f) and 18.03 to the extent that they apply) be referred to arbitration under the Rules relating to arbitration. The arbitration shall be conducted in accordance with the arbitration rules in force at the time of reference.~~

~~16.02 — The determination and payment of an invoicing back price shall not limit the jurisdiction of arbitrators to make such award as they deem proper on the issue before them. No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules. 16.03 — Terms 16.01 and 16.02 apply only to a dispute arising before the time of tender on the Tender Day. A dispute~~



~~arising on or after the time of tender on the Tender Day shall be referred to arbitration in accordance with term 18.03. Any dispute arising out of a Contract and before the time of tender on the Tender Day shall (subject to Rules III.14, III.15(b)(iii) and (vi) and III.18(c) to the extent that they apply) be subject to Rule I.7 and the Arbitration Rules at Section H. A dispute arising on or after the time of tender on the Tender Day shall be referred to arbitration in accordance with Rule III.18(c).~~

~~16.04 The Rules of the Clearing Organisation shall have priority over these terms in any dispute relating to clearing save where the Rules of the Clearing Organisation provide for a dispute to be governed by the LIFFE Rules.~~

~~17. Rules, Administrative Procedures etc~~

~~17.01 Every Contract shall be subject to the Rules and to the Rules of the Clearing Organisation insofar as applicable notwithstanding that either or both of the parties to it be not a member of the Exchange or of the Clearing Organisation.~~

~~17.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and in the event of any conflict between these terms and the Rules, the Rules shall prevail.~~

~~17.03 The Board may at its discretion at any time revoke, alter or add to the Administrative Procedures. Any such amendment shall have such effect on existing as well as new Contracts as the Board may direct and will be notified to Members by means of a Notice or otherwise as the Board may direct.~~

~~17.04 In case of any conflict between the Administrative Procedures and these terms or the Rules of the Clearing Organisation:~~

- ~~• the Rules of the Clearing Organisation shall prevail in respect of any matter relating to clearing, and~~
- ~~• the provisions of the Administrative Procedures and these terms shall prevail in respect of any other matter.~~

~~18. Adopted Rules~~

~~III.17 [NOT USED]~~

~~III.18 ADOPTED RULES~~

- ~~(a) 18.01 From the time of tender on the Tender Day a Contract shall be subject to the RSA Rules, except where otherwise stated in these ~~terms~~Contract Rules or the Administrative Procedures.~~
- ~~(b) 18.02 Subject to ~~term 18.04~~,Rule III.18(d), to the extent that the adopted rules are inconsistent with these ~~terms~~Contract Rules and the Administrative Procedures, the adopted rules shall prevail.~~
- ~~(c) 18.03 All disputes arising at or after the time of tender on the Tender Day shall be referred to the council of the Refined Sugar Association for settlement in accordance with its rules relating to arbitration, subject always (where the Clearing ~~Organisation is a party~~) to Rule 6.2.1.House is a party) to the Clearing House being entitled to call upon a Clearing Member of the Clearing House who is a Buyer, and a clearing member of the Clearing House~~



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who is a Seller, to conduct the arbitration between them in accordance with the Clearing House Rules.

- ~~(d) 18.04~~ — ~~Term 2.03, term 2.04, term 15 and Administrative Procedures 3.02 to 3.08~~ Rules III.2(c), (d) and 15 and Rules JJJ.3(b) to (h) inclusive shall prevail over the provisions of the adopted rules.

~~19.~~ Law and Jurisdiction

~~19.01~~ — ~~Every Contract shall be governed by and construed in accordance with English law. Subject to terms 16 and 18.03, any question arising therefrom shall be subject to the jurisdiction of the English courts.~~

~~19.02~~ — ~~The provisions of neither the Convention relating to a Uniform Law on the International Sale of Goods, of 1964, nor the United Nations Convention on Contracts for the International Sale of Goods, 1980, shall apply to Contracts.~~

~~20.~~ — ~~[deleted]~~

~~21.~~ Statement in relation to the Tender Process

III.19 [NOT USED]

III.20 [NOT USED]

III.21 STATEMENT IN RELATION TO THE TENDER PROCESS

- ~~(a) 21.01~~ — The Exchange draws the following statement to the attention of potential users of the ICE Futures White Sugar Futures Contract. Members should ensure that their clients are made aware of the statement.

“Statement in relation to the Tender Process

Potential users of the ICE Futures White Sugar Futures Contract should familiarise themselves with the relevant Contract ~~Terms~~ Rules and Administrative Procedures. Amongst other things, potential users should be aware that the objective of the tender process for the ICE Futures White Sugar Futures Contract is to seek to ensure that, to the extent possible, no less than a total of 80 lots of sugar will be tendered for delivery at a port included on the list of ports from time to time published by the ~~Board by Notice~~ Exchange by notice posted on the Market.

In order to seek to achieve that objective, the Clearing ~~Organisation~~ House will reject, in accordance with the Contract ~~Terms~~ Rules, a Seller’s Delivery Notification which relates to a port for which tenders of less than 80 lots in aggregate have been received. In such case, such Seller will be provided with an opportunity to re-tender at a port included on the list of ports from time to time published by the ~~Board by Notice~~ Exchange by notice posted on the Market, where, in aggregate, a minimum of 80 lots will be tendered. If the Seller’s revised tender is not in respect of such a port, such Seller will be required to deliver the sugar in a port or ports prescribed by the Clearing ~~Organisation~~ House. Accordingly, Sellers should note that they may be required to make delivery from a port other than their preferred port.

Potential users should also be aware that, notwithstanding the objective of the tender process, where the aggregate of all tenders is less than 80 lots, the Buyers will be required to take delivery of such lots of sugar from a single port.”



~~Issue Date: 10 June 2013~~



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FUTURES CONTRACT

Document comparison by Workshare Compare on 01 September 2014
12:28:01

Input:	
Document 1 ID	file://C:\Users\et23549\Desktop\ICE\IFEU Contract Terms for LIFFE Products\LIFFE Exchange Contracts\Soft Commodities\IIII - White Sugar Futures - No. 407.docx
Description	IIII - White Sugar Futures - No. 407
Document 2 ID	PowerDocs://LNDOCS01/862818/5
Description	LNDOCS01-#862818-v5-Section_IIII_-_Contract_Rules_-_ICE_Futures_White_Sugar_Futures_Contract
Rendering set	Shearman & Sterling

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	332
Deletions	464
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	796

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~~White Sugar Futures Contract~~ SECTION JJJJ - PROCEDURES: ICE FUTURES WHITE SUGAR FUTURES CONTRACT

~~Exchange Contract No. 407~~

~~Administrative Procedures~~

~~1. Index~~

~~In these Administrative Procedures:~~

~~1. Index~~

~~JJJ.1 Interpretation~~

~~2. JJJ.2 Timetable~~

~~3. JJJ.3 Delivery~~

~~2. Timetable~~

JJJJ.1 INTERPRETATION

All defined terms in Rule III shall apply to this Rule JJJJ.

JJJJ.2 TIMETABLE

Last Trading Day

At 17.55 hours Trading in the Contract delivery month shall cease.

After 17.55 hours The Exchange will publish the EDSP. The EDSP will be determined in accordance with ~~term~~ Rule III.5. The prices, offers or bids used for the calculation of the EDSP pursuant to ~~term 5.01~~ Rule III.5(a) shall be those during the one minute period immediately preceding cessation of trading.

Tender Day (Last Trading Day + 1 business day)

By 10.30 hours Remaining open positions automatically become delivery contracts.

Sellers deliver the Seller's Delivery Notification via ~~NYSE Liffe~~ Guardian, instigating delivery, to the Clearing ~~Organisation~~ House in accordance with these Administrative Procedures.

By 11.00 hours Where any Sellers have submitted Sellers' Delivery Notifications in respect of a Non-Qualifying Port or Ports, the Clearing ~~Organisation~~ House shall take the steps specified in ~~term 9.04~~ Rule III.9(d) and shall notify such Insufficient Seller(s) that the tenders should be revised in accordance with ~~term 9.05~~ Rule III.9(e).

By 13.00 hours Any Insufficient Sellers deliver in accordance with ~~term 9.05~~ Rule III.9(e) revised Seller's Delivery Notification to the Clearing ~~Organisation~~ House. If the Insufficient Sellers have not delivered the revised Seller's Delivery Notification by 13.00 hours, the Clearing ~~Organisation~~ House will determine in accordance with ~~the Contract terms~~ Rule III the port from which tenders will be made.

By 14.00 hours Where Sellers' Delivery Notifications continue to be made in respect of Non-Qualifying Port(s), the Clearing ~~Organisation~~ House will determine in accordance with ~~terms 9.06~~ Rules III.9(f) to 9.08, (h), the port from which tenders will be made and shall notify the Insufficient Seller(s) of the port at which their tender(s) shall take place.

Sugar allocated to Buyers by the Clearing ~~Organisation~~ House.

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The Clearing ~~Organisation~~[House](#) via ~~NYSE-Liffe~~ Guardian makes available to the Seller the identity of the Buyer and to the Buyer the identity of the Seller.

Any business day from and including the tender day to the last day of the delivery period

~~by~~[By](#) 16:00 The Buyer or the Seller may inform the Clearing ~~Organisation~~[House](#) via ~~NYSE-Liffe~~ Guardian that the sugar is to be taken off market and settled in accordance with ~~term 7.12~~[Rule III.7\(1\)](#).

Tender Day + 1 business day

By 9.00 hours All payments required by ~~term 6.01~~[Rule III.6\(a\)](#) to be made by the Buyer and the Seller shall have been completed.

By 12.00 hours Buyers may, with the consent of the Clearing ~~Organisation~~[House](#), exchange with one another, via ~~NYSE-Liffe~~ Guardian, the tenders that they have been assigned.

Delivery Day(s) – 14 calendar days

By 16.00 hours Buyer informs Seller and the Clearing ~~Organisation~~[House](#) via ~~NYSE-Liffe~~ Guardian of the name of the vessel for delivery.

Document Notice Day

By 12.00 hours Seller gives notice to the Clearing ~~Organisation~~[House](#) via ~~NYSE-Liffe~~ Guardian of presentation of documents.

Settlement Day

By 9.00 hours The Clearing ~~Organisation~~[House](#) debits the Buyer's account in ECS.

By 10.00 hours Seller lodges the delivery documents specified in ~~term 7.01~~[Rule III.7\(a\)](#) with the Clearing ~~Organisation~~[House](#).

As soon as [possible](#) The Clearing ~~Organisation~~[House](#) advises Buyer that documents ~~possible~~ [are](#) after 10.00 ~~are~~ [hours](#) available to take up. The Buyer collects the delivery ~~documents~~ [hours](#) from the Clearing ~~Organisation~~[House](#).

By 14.00 hours In the event that the Buyer wishes to reject the delivery documents, he shall inform the Clearing ~~Organisation~~[House](#) via

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~~NYSE Liffe~~ Guardian and shall immediately provide a written explanation for the rejection of the documents as required by ~~term 7.04~~Rule III.7(d). The Buyer shall return all the original documents to the Clearing ~~Organisation~~House at the Buyer's expense by 15.00 hours.

After 14.00 hours

The Clearing ~~Organisation~~House shall notify the Seller in the event that the Buyer has rejected the documents, and shall advise the Seller that the original documents shall be held at their disposal at the Clearing ~~Organisation~~House for collection at the Seller's expense after 15.00 hours.

The Clearing ~~Organisation~~House credits the Seller's account in ECS unless the documents have been rejected. If the documents have been rejected, the Clearing ~~Organisation~~House credits back to the Buyer the sum debited earlier.

~~3.~~ Delivery

JJJJ.3 DELIVERY

(a) ~~3.01~~ Subject to ~~Administrative Procedure 3.03~~Rule JJJJ.3(c):

(i) ~~(a)~~ the Seller shall be responsible for all expenses pertaining to delivery and loading of sugar into the vessel, including freight taxes and other taxes of any nature of the country of origin or loading; and

(ii) ~~(b)~~ the Buyer shall be responsible for all expenses pertaining to pilotage, wharfage, customs fees and similar charges pertaining to the entry and exit of the vessel at the loading port.

(b) ~~3.02~~ (a)(i) Subject to ~~Contract term 2.02~~Rule III.2(b), the Seller shall ensure that the port at which the sugar is to be delivered shall:

(A) ~~(i)~~ be capable of providing a berth or anchorage at which the sugar shall be loaded that will enable a vessel drawing 9.2 metres salt water and with length overall (LOA) of 190 metres to proceed to and depart from such berth or anchorage always safely afloat. Notwithstanding the foregoing:

(1) ~~(aa)~~ if the draft and/or the LOA of the vessel nominated to load the sugar so permits, a shallower and/or shorter berth or anchorage may be provided; and

(2) ~~(bb)~~ if the berth or anchorage nominated by the Seller is able to accept a vessel with draft greater than 9.2 metres salt water and/or LOA greater than 190 metres, then the seller shall be obliged to accept a vessel nominated to load the sugar (whether by original nomination or by substitution, pursuant to Rule 7 of the RSA Rules) up to a maximum size that can be accommodated by the nominated berth or anchorage,

provided in either case that the vessel nominated is able to proceed to and depart from such berth or anchorage always safely afloat;

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- (B) ~~(iii)~~ have storage close to and/or transport facilities to the loading berth, to allow for uninterrupted loading at the prescribed minimum loading rate;
- (C) ~~(iii)~~ have sampling facilities to allow independent supervision companies to operate unimpeded in accordance with these ~~terms~~ [Administrative Procedures](#); and
- (D) ~~(iv)~~ have access for independent supervision companies to ensure compliance with these ~~terms~~ [Administrative Procedures](#).
- (ii) ~~(b)~~—The sugar, whatever its origin or destination, shall be loaded in accordance with the following provisions:
- (A) ~~(i)~~—vessels presented may be geared or gearless;
- (B) ~~(ii)~~—at each loading port, even if loading commences earlier, laytime for loading to begin at 14.00 hours if written/cabled/telexed notice of readiness to load is tendered to agents before noon and at 08.00 hours next working day if written/cabled/telexed notice of readiness to load is tendered to agents after noon. Notice of readiness to load to be tendered to agents in ordinary office hours, Saturdays afternoon, Sundays (or local equivalents) and holidays excepted, whether in berth or not;
- (C) ~~(iii)~~—laydays at the average rate of 1,500 metric tonnes calculated on gross weight provided vessel can receive at this rate, basis 4 or more hatches (if less than 4, pro-rata), per weather working day of 24 consecutive hours, time from noon Saturdays to 08.00 hours Mondays (or local equivalents) and from 17.00 hours day preceding a holiday until 08.00 hours next working day excepted, even if used, shall be allowed to the Seller for loading. Vessels having less than 4 hatches but with any hatch exceeding 15 metres in length and able to work 2 gangs simultaneously shall have such hatch counted as 2 hatches. Time employed in shifting anchorages and/or loading places within the same port or its jurisdiction not to count as laytime. At loading port(s) in the event of congestion Master has the right to tender notice of readiness to load at the customary waiting place in ordinary office hours by cable/telex to agents whether in berth or not, whether in port or not, whether in free pratique or not, whether customs cleared or not. Time proceeding from customary waiting place to loading berth/anchorage not to count as laytime;
- (D) ~~(iv)~~—the demurrage rate shall be the rate specified in the charterparty pursuant to which the sugar is carried, and despatch shall be half of the demurrage rate. Such rates shall be declared by the Buyer to the Seller latest on tendering notice of readiness to load and to be in line with the prevailing market rate for like type and size of vessel as at the first day of the delivery month. The Buyer shall give the Seller a copy of the actual charterparty pursuant to which the sugar is carried or the details thereof pertaining to loading, prior to vessel(s) commencing to load;
- (E) ~~(v)~~—where the sugar is loaded pre-slung, the Buyer has the right to request that the slings are broken in the hold of the vessel to ensure a stowage factor equivalent to that available when loose bags are stowed is achieved, in order that the called for tonnage can be loaded in accordance

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with the Sugar Charter Party. The Seller is obliged to comply with any such request, with all time and cost (including any labour) associated therewith for Seller's account; and

- (F) ~~(vi)~~—all other terms pertaining to loading to be in accordance with the Sugar Charter Party.
- (c) ~~3.03~~—Rule 5 of the RSA Rules shall not apply to Contracts, except where express provision is made for its application in ~~the Contract terms~~ Rule III and these Administrative Procedures. In the event of a conflict between ~~Administrative Procedures 3.04 to 3.08~~ Rules JJJ.3(d) to (h) inclusive and Rule 6 of the RSA Rules, ~~Administrative Procedures 3.04 to 3.08~~ Rules JJJ.3(d) to (h) inclusive shall prevail.
- (d) ~~3.04~~—~~(a)~~(i) The Seller shall, at his own expense, appoint an internationally recognised independent or, with the written consent of the Buyer, a state supervision firm (“the Seller’s Supervisor”) to supervise and inspect the loading of the sugar to be delivered to the Buyer. Such appointment shall be made not less than 48 hours prior to the Seller commencing loading of the sugar. The Seller shall upon the appointment of the Seller’s Supervisor notify the Buyer of such appointment.
- (ii) ~~(b)~~—The Buyer may, at his own expense, appoint an internationally recognised independent or, with the written consent of the Seller, a state supervision firm (“the Buyer’s Supervisor”) to supervise and inspect the loading of the sugar to be delivered to the Buyer in conjunction with the Seller’s Supervisor. The Buyer shall notify the Seller of the appointment of the Buyer’s Supervisor prior to the Seller commencing to load the sugar.
- (iii) — ~~(c)~~—~~(i)~~(A) If the Buyer has appointed a supervisor in accordance with ~~Administrative Procedure 3.04(b)~~ Rule JJJ.3(d)(ii), the Buyer’s Supervisor and the Seller’s Supervisor shall jointly supervise and inspect the loading of the sugar in accordance with ~~Administrative Procedure 3.05~~ Rule JJJ.3(e).
- (B) ~~(ii)~~—If the Buyer has not appointed a supervisor, the Seller’s Supervisor shall supervise and inspect the loading of the sugar in accordance with ~~Administrative Procedure 3.06~~ Rule JJJ.3(f).
- (e) ~~3.05~~—The Buyer’s Supervisor (where one has been appointed) and the Seller’s Supervisor (jointly referred to as “the Supervisors”) shall comply with the following procedures:
- (i) ~~(a)~~—the Supervisors shall comply with Rules 5(i) to (iv) of the RSA Rules;
- (ii) ~~(b)~~—the Supervisors shall jointly take a composite sample of the sugar to be delivered under a Contract part of which shall be divided into three equal parts with any remaining part of the sample being utilised or disposed of as may be agreed between the Supervisors. Each of the three equal parts shall be placed in a separate, new, clean and suitable container, with a seal which only breaks upon opening and which ensures that such container remains airtight until re-opened. Each container shall, in the presence of the Supervisors, be sealed and marked with the name of the vessel, loading port, date of sampling, shipping marks and names of each of the Supervisors. The Seller’s Supervisor shall retain one such part of

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the sample and the Buyer's Supervisor shall retain the other two such parts. Each container shall remain sealed;

- (iii) ~~(c)~~—prior to the sugar being loaded on board the vessel, either Supervisor may object to the condition of the sugar and/or packing or weight of the bags, provided that he shall immediately notify the other Supervisor and each Supervisor shall notify his Buyer or Seller, as the case may be, of the objection. The Buyer shall promptly notify the Clearing ~~Organisation~~House of such objection;
- (iv) ~~(d)~~—upon the vessel having been loaded with sugar to be delivered under a Contract, the Seller's Supervisor shall issue a certificate of weight, packing and quality (including, without limit, the polarisation, moisture and colour of the sugar) ("the Supervisors' Certificate") in respect of such sugar, provided that the weight, packing or quality of the sugar is either not disputed by the Buyer or if disputed by the Buyer, such dispute has been resolved prior to the issue of the Supervisors' Certificate. A copy of the Supervisors' Certificate shall be promptly provided by the Seller to the Buyer. If the Buyer does not notify the Seller and the Clearing ~~Organisation~~House of a dispute under either ~~Administrative Procedure 3.05(e)~~Rule JJJ.3(e)(iii) or ~~(e)~~ or, if a dispute is notified by the Buyer, such dispute has been resolved prior to the issue of the Supervisors' Certificate, the Supervisors' Certificate shall be conclusive evidence as to the weight, packing and quality of the sugar, in the absence of fraud or manifest error. If the Buyer disputes:
 - (A) ~~(i)~~—the weight or packing of the sugar under ~~Administrative Procedure 3.05(c)~~Rule JJJ.3(e)(iii) and such dispute remains unresolved, then the Supervisors' Certificate shall be prima facie evidence, and not conclusive evidence, as to the weight or packing of the sugar which is in dispute; or
 - (B) ~~(ii)~~—the quality of the sugar under ~~Administrative Procedure 3.05(e)~~Rule JJJ.3(e)(iii) or ~~(e)~~ and such dispute remains unresolved, then the Supervisors' Certificate shall be disregarded as conclusive evidence as to the quality of such sugar and any Chemist's Certificate issued under ~~Administrative Procedure 3.05(j)~~Rule JJJ.3(e)(x) shall apply, provided that if a Chemist's Certificate is not issued under ~~Administrative Procedure 3.05(j)~~Rule JJJ.3(e)(x), the Supervisors' Certificate shall be regarded as prima facie evidence of the quality of such sugar;
- (v) ~~(e)~~—the Buyer may dispute the quality of the sugar to be delivered under a Contract no later than two working days after either such sugar has been loaded on board the vessel or receipt of the Supervisors' Certificate, whichever is the later, provided that he has notified the Seller, of the objection. The Buyer shall promptly notify the Clearing ~~Organisation~~House of such dispute, providing details of the name of the vessel, loading port, date of sampling, shipping marks and the name of the Buyer, Seller and each Supervisor;
- (vi) ~~(f)~~—if the Buyer has notified the Clearing ~~Organisation~~House of a dispute in respect of the quality of the sugar in accordance with ~~Administrative Procedure 3.05(e)~~Rule JJJ.3(e)(v), the Buyer shall instruct the Buyer's Supervisor to send promptly by air courier the part of the sample held by the Buyer's Supervisor, as

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defined in ~~Administrative Procedure 3.05(b)~~ Rule JJJJ.3(e)(ii), directly to the Clearing OrganisationHouse. The Buyer shall be responsible for ensuring that a sample is cleared by HM Revenue and Customs ~~and Excise~~;

(vii) ~~(g)~~—subject to ~~Administrative Procedure 3.05(h)~~ Rule JJJJ.3(e)(viii), the Clearing OrganisationHouse shall deliver the sample which it receives at its premises from either Supervisor to an analytical chemist approved by the Clearing OrganisationHouse and contained in a list published by the Clearing OrganisationHouse from time to time by ~~Notice~~ notice. The Clearing OrganisationHouse shall provide the analytical chemist with details of the name of the vessel, loading port, date of sampling, shipping marks and the name of the Buyer, Seller and each Supervisor, as notified to the Clearing OrganisationHouse under ~~Administrative Procedure 3.05(e)~~ Rule JJJJ.3(e)(v). The analytical chemist shall analyse the sample in accordance with ~~Administrative Procedure 3.05(j)~~ Rule JJJJ.3(e)(x);

(viii) ~~(h)~~—if the Clearing OrganisationHouse receives a sample which has a broken seal then the Clearing OrganisationHouse shall, in its absolute discretion, determine whether to deliver such sample to the analytical chemist for analysis. If the Clearing OrganisationHouse, in its absolute discretion, rejects the sample, it will notify the Buyer and the Seller that the sample arrived with a broken seal;

(ix) ~~(i)~~—immediately upon receiving a notification from the Clearing OrganisationHouse under ~~Administrative Procedure 3.05(h)~~ Rule JJJJ.3(e)(viii):

(A) ~~(i)~~—if the sample is the first sample sent by the Buyer's Supervisor, the Seller shall instruct the Seller's Supervisor to send promptly by air courier the part of the sample held by it, as defined in ~~Administrative Procedure 3.05(b)~~ Rule JJJJ.3(e)(ii), directly to the Clearing OrganisationHouse on the same terms as ~~Administrative Procedure 3.05(f)~~ Rule JJJJ.3(e)(vi) and the Clearing OrganisationHouse shall deliver such further sample to the analytical chemist in accordance with ~~Administrative Procedures 3.05(g)~~ Rule JJJJ.3(e)(vii) and ~~(h)~~ (viii);

(B) ~~(ii)~~—if the sample is the second sample, sent by the Seller's Supervisor, the Buyer shall instruct the Buyer's Supervisor to send promptly by air courier the other part of the sample held by it directly to the Clearing OrganisationHouse on the same terms as ~~Administrative Procedure 3.05(f)~~ Rule JJJJ.3(e)(vi) and the Clearing OrganisationHouse shall deliver such further sample to the analytical chemist in accordance with ~~Administrative Procedures 3.05(g)~~ Rule JJJJ.3(e)(vii) and ~~(h)~~ (viii); and

(C) ~~(iii)~~—if the sample is the third sample, sent by the Buyer's Supervisor, the Supervisors' Certificate shall be prima facie evidence as to the quality of the sugar;

(x) ~~(j)~~—the analytical chemist shall analyse the sample in accordance with internationally recognised methods for sugar analysis and any methods established from time to time by ICUMSA to establish whether such sample meets the quality requirements of the sugar under ~~term 2.01-~~ Rule III.2(a). The analytical chemist

PROCEDURES: ICE FUTURES WHITE SUGAR FUTURES CONTRACT

shall issue a certificate as to the quality of the sugar a copy of which shall be immediately provided to each of the Seller and the Buyer (“the Chemist’s Certificate”). The Chemist’s Certificate shall be conclusive evidence as to the quality of the sugar, in the absence of fraud or manifest error; and

(xi) ~~(k)~~—the Buyer shall pay all costs and expenses relating to or arising out of any sample sent by a Supervisor, and the analysis of a sample by an analytical chemist, in accordance with this ~~Administrative Procedure 3.05~~, Rule JJJ.3(e), (including, but not limited to, transportation, excise duty, import duty or other charges levied by customs at the port of export or import, analysis and certification costs in relation to such sample). If the Chemist’s Certificate is in favour of the Buyer, then the Seller shall indemnify the Buyer in relation to any such costs and expenses.

(f) ~~3.06~~—The Seller’s Supervisor shall comply with the following procedures:

(i) ~~(a)~~—the Supervisors shall comply with Rules 5(i) to (iv) of the RSA Rules; and

(ii) ~~(b)~~—the Seller’s Supervisor shall issue a certificate of weight, packing and quality (including, without limit, the polarisation, moisture and colour of the sugar) a copy of which shall be promptly provided to the Seller (“the Seller’s Certificate”). The Seller’s Certificate shall be prima facie evidence as to the weight, packing and quality of the sugar.

(g) ~~3.07~~—The Exchange or Clearing ~~Organisation~~House shall not be liable in respect of any cost, loss, damage, claim or expense of any nature suffered or incurred by any person for: the performance or non-performance of any analytical chemist which the Clearing ~~Organisation~~House approves; any determination, act or omission of the Exchange or Clearing ~~Organisation~~House, their officers, employees, agents or representatives in respect of a delivery or failure to deliver any sample, or the details relating to a sample, to the analytical chemist; or from any other act or omission of the Exchange or Clearing ~~Organisation~~House, their officers, employees, agents or representatives in respect of the Seller, Buyer or a Supervisor performing or failing to perform its obligations at any port listed by the Clearing ~~Organisation~~House from time to time.

(h) ~~3.08~~—If either party has a claim, or wishes to bring a claim, as to the quality, weight or packing of the sugar arising out of any provision of ~~Administrative Procedures 3.03 to 3.06~~, Rules JJJ.3(c) to (f), it may refer such claim to arbitration in accordance with ~~the Contract terms~~Rule III and these Administrative Procedures.

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Issue Date: 6 January 2014

PROCEDURES: ICE FUTURES WHITE SUGAR FUTURES CONTRACT

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Document 2 ID	PowerDocs://LNDOCS01/862825/4
Description	LNDOCS01-#862825-v4-Section_JJJJ_-_Procedures_-_ICE_Futures_White_Sugar_Futures_Contract
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Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	122
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Moved to	0
Style change	0
Format changed	0
Total changes	284

~~EXCHANGE~~ SECTION KKKK - CONTRACT ~~NO. 405~~ RULES: ICE FUTURES WHEAT FUTURES CONTRACT

~~(A) CONTRACT TERMS – Issue Date: 13 June 2014[‡]~~

~~(B) ADMINISTRATIVE PROCEDURES – Issue Date: 13 June 2014[‡]~~

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<u>KKKK.18</u>	<u>[Not Used]</u>
<u>KKKK.19</u>	<u>[Not Used]</u>
<u>KKKK.20</u>	<u>[Not Used]</u>
<u>KKKK.21</u>	<u>Powers of the Exchange</u>
<u>KKKK.22</u>	<u>[Not Used]</u>
<u>KKKK.23</u>	<u>[Not Used]</u>

[‡] Please refer to Liffe Notice No. 3839, issued on 13 June 2014, re changes to the Wheat Futures Contract and Grainstorekeeper Procedures in respect of the Wheat Futures Contract.

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KKKK.1 INTERPRETATION

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Wheat Futures Contract Terms

Terms of Exchange Contract No. 405

~~1.~~ ~~Interpretation~~1.01 Save as otherwise specified herein, words and phrases defined in the ~~Rules~~Regulations shall have the same meanings in these ~~terms~~Contract Rules and in the Administrative Procedures.

~~For the avoidance of doubt, these contract terms and Administrative Procedures are implemented under (and have the same force as) the Rules. In the event of any conflict between any provision of these contract terms and the Rules, the Rules will prevail.~~

~~1.02(b)~~ In these ~~terms~~Contract Rules and in the Administrative Procedures:

“Administrative Procedures” means ~~all~~the ~~administrative~~ procedures ~~from time to time~~at Rule LLLL implemented by the ~~Board pursuant to the Rules~~Exchange for the purposes of ~~this Exchange~~these Contract Rules.

“~~the~~ Analyst” means a ~~Person~~person nominated by the Exchange from time to time to carry out the analysis of samples in accordance with ~~Administrative Procedure 10 of this Contract~~Rule LLLL.10.

“Business Day” means a day on which the market, the Clearing ~~Organisation~~House and banks in London are open for business.

“Buyer” in respect of a Contract means the person who is obliged under such Contract to accept transfer in respect of each lot of the delivery amount of Wheat and to pay the Invoicing Amount in respect of each such lot (including, except where the context otherwise requires, the Clearing ~~Organisation~~House as a Buyer under a registered Contract).

“Clean E Warrant” means an E Warrant Tendered by a Seller for which the details on ~~NYSE Liffe~~Guardian have been updated to reflect that the Rent has been paid up to and including the fourteenth calendar day after the Tender Day in accordance with the Grainstorekeeper Procedures.

“Contract” means a contract made expressly or impliedly in the terms of ~~this Exchange~~these Contract Rules for the sale and purchase of one or more lots and “registered Contract” means a Contract registered by the Clearing ~~Organisation~~House.

~~“Conversion Date” means the date on which the conversion rate for Sterling against the euro is fixed in accordance with EMU legislation.~~

“Default in Performance” has the meaning attributed to it in ~~term 17.02.~~[Rule KKKK.17\(b\).](#)

“Delivery Month” means each month specified as such by the ~~Board~~[Exchange](#) pursuant to the ~~Rules.~~[Regulations.](#)

“ECS” means ICE Clear Europe Limited’s Extensible Clearing System.

“Earliest Tender Day” means the day so specified in ~~Administrative Procedure~~[Rule LLLL.5.](#)

“EDSP” means Exchange Delivery Settlement Price and has the meaning attributed to it in ~~term~~[Rule KKKK.6.](#)

~~“EMU Legislation” means legislative measures of the European Council, and as appropriate the United Kingdom, for the introduction of, changeover to or operation of the euro pursuant to implementation of Economic and Monetary Union including such legislative measures as are enacted in contemplation of the United Kingdom introducing the euro as its lawful currency.~~

~~“€” denotes the single currency of the European Union introduced in a Member State as the lawful currency of that Member State pursuant to its participation in Economic and Monetary Union in the European Union pursuant to EMU legislation known, at the date of the issue of these terms, as “euro”.~~

“E Warrant” means the details recorded on ~~NYSE Liffe~~ Guardian relating to an undivided share of Wheat weighing 100 tonnes stored by a Grainstorekeeper together with the rights conferred by ~~these~~[the Administrative](#) Procedures upon the Owner referred to in such details.

“Grainstorekeeper” means a grainstorekeeper which has been registered by the Exchange in its absolute discretion to store Wheat for delivery under a Contract and which appears on the list of Registered Grainstorekeepers published from time to time by ~~Notice~~[notice posted on the Market.](#)

“Grainstorekeeper Procedures” means ~~LIFFE~~[the Exchange](#)’s Grainstorekeeper Procedures in respect of ~~ICE Futures~~ Wheat Futures Contracts from time to time in force.

~~“Initial Tender” has the meaning attributed to it in the definition of “Subsequent Tender”.~~

~~“Invoicing Amount” has the meaning attributed to it in term 7.~~

~~“Last Trading Day” in respect of any Delivery Month has the meaning attributed to it in Administrative Procedure 4.~~

~~“Member State” means a member of the European Union.~~

~~“NYSE Liffe Guardian”~~ means the electronic system relating to the tender, delivery and E Warrant management services, or any successor thereto, which amongst other things, records details of Wheat stored by a Grainstorekeeper for delivery against the ICE Futures Wheat Futures Contract.

“Initial Tender” has the meaning attributed to it in the definition of “Subsequent Tender”.

~~“Owner”~~ Invoicing Amount” has the meaning attributed to it in Rule KKKK.7.

“Last Trading Day” in respect of any Delivery Month has the meaning attributed to it in Rule LLLL.4.

“Nominated Member” means a Clearing Member who, on behalf of an Owner, has been nominated by a Grainstorekeeper or another Nominated Member in respect of the registration on Guardian of an E Warrant that is to be, or has been immobilised.

“Owner” means the person recorded as such on ~~NYSE Liffe~~ Guardian in relation to the Wheat. A person whose name is recorded on ~~NYSE Liffe~~ Guardian as the “Owner” in relation to the Wheat is the person entitled, as against each Participant, to possession of the Wheat.

~~“Participant”~~ means a Nominated Member or a Grainstorekeeper.

and “penny” “Pounds”, “£”, “pence” denote lawful currency of the UK.

“Relevant Assurance Requirements”

means:

(a) in respect of Wheat of UK origin, grain assurance sticker requirements in respect of source assured combinable crop schemes, as referred to in the Agricultural Industries Confederation (“AIC”) Trade Assurance Scheme for Combinable Crops (“TASCC”) Scheme Manual or the Grain and Feed Trade Association (“GAFTA”) Trade Assurance Scheme (“GTAS”) Code of Practice for Bulk Storage and Handling in force on the relevant Tender Day; and

(b) in respect of Wheat of other than UK origin, to comply with the requirements of Supplier Approval as detailed under the Universal Feed Assurance Scheme (“UFAS”) Compound Feeds Code of Practice, as administered by the AIC, and to be from a scheme listed in the Food Feed Schemes document on the UFAS section of the AIC website, www.agindustries.org.uk www.agindustries.org.uk, both as in force on the relevant Tender Day.

“Rent”	means a charge for storage (including insurance cover and VAT) payable by the Owner in accordance with these terms Contract Rules and the Grainstorekeeper Procedures.
	“Seller” in respect of a Contract means the person who is obliged under such Contract to deliver in respect of each lot of the delivery amount of Wheat (including, except where the context otherwise requires, the Clearing Organisation House as Seller under a registered Contract).
Notification”	“Seller’s Delivery” means the notice submitted at time of Tender in respect of each E Warrant by the Seller to the Clearing Organisation Exchange .
	“Settlement Day” has the meaning attributed to it in Administrative Procedure Rule LLLL Rule LLLL .8(b).
	“Store” means any storage accommodation registered by the Exchange for the storage and delivery of Wheat.
“Subsequent Tender”	means a Tender in respect of an E Warrant that has previously been subject to a Tender in the same Delivery Month (the first such Tender in such Delivery Month being the “Initial Tender”).
	“Tender” means the delivery by a Seller of a Seller’s Delivery Notification pursuant to a Contract.
	“Tender Day” in respect of any lot comprised in a Contract means the Business Day on which a Seller’s Notice of Tender in respect of such lot is given by the Seller and accepted by the Clearing Organisation House .
	“UCP” means Universal Clearing Platform which is the electronic system for trade registration and clearing in respect of financial futures, equity and index options and commodity futures and options.
	“Unpaid Rent” in respect of a Subsequent Tender by a Seller of an E Warrant, means the amount of Rent, being the product of the maximum rate of Rent per tonne (as determined by the Board Exchange from time to time) and the number of days for which Rent is unpaid by the Seller, payable to the relevant Grainstorekeeper in respect of Wheat the subject of such E Warrant.
“Wheat”	means wheat of the quality and condition specified in term Rule KKKK .5.

~~1.03 Subject to term 23.01, in these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the laws of the United Kingdom once the~~

~~United Kingdom has introduced the euro as its lawful currency pursuant to EMU Legislation and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in the United Kingdom.~~

~~1.04 References to a "term" refer to terms hereof, and references to a "Rule" refer to a rule of the Exchange's Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice-versa.~~

~~1.05 In these terms and in the Administrative Procedures, references to the Exchange in the context of delivery rights and obligations shall be read as reference to the Clearing Organisation where the context so dictates. For the avoidance of doubt these terms and the Administrative Procedures are not intended to vary the terms of any Clearing Membership Agreement and, in the event of conflict between the terms of such documents/agreements the terms of the Clearing Membership Agreement shall prevail over these terms and the Administrative Procedures.~~

~~2. Contract Specification~~

~~(a) [Not used]~~

~~(c) [Not used]~~

~~(d) [Not used]~~

~~(e) [Not used]~~

KKKK.2 CONTRACT SPECIFICATION

~~(a) 2.01~~ Each Contract shall be for one or more lots each of 100 tonnes of Wheat for the Delivery Month specified.

~~(b) 3. Price~~

KKKK.3 PRICE

~~3.01(a)~~ The Contract price shall be in pounds and pence per tonne with minimum fluctuations of 5 pence per tonne.

~~3.02(b)~~ The Contract shall be in respect of Wheat which has borne such co-responsibility levy as may be payable on Wheat at the date of issue of the E Warrant under regulations of the EU. No price deduction shall be made by the Clearing ~~Organisation~~House or by the Buyer for co-responsibility levy which shall always be the liability of the Seller.

~~4. Rent, Storage and Other Costs and Charges, Contract Price and E Warrants~~

KKKK.4 RENT, STORAGE AND OTHER COSTS AND CHARGES, CONTRACT PRICE AND E WARRANTS

~~(a) 4.01~~ The Contract price shall be inclusive of the amount of Rent payable by the Seller pursuant to ~~term 4.02~~Rule KKKK.4(b) (whether in respect of Wheat subject to an Initial Tender or any Subsequent Tender). Delivery of Wheat the subject of an E Warrant

shall be free to Buyer's lorry in bulk from a Store. Any taxes, duties, and levies (other than the VAT on Rent payable by the Seller) which may be or may become payable shall be paid by the Buyer.

- (b) ~~4.02~~ Without prejudice to any other obligation of the Seller to pay Rent to the relevant Grainstorekeeper, a Seller (other than the Clearing ~~Organisation~~House in its capacity as Seller) is liable to pay Rent to such Grainstorekeeper for the period of fourteen calendar days after the Tender Day. Subject to ~~term 4.03~~, Rule KKKK.4(c), a Seller shall Tender a Clean E Warrant to the Clearing ~~Organisation~~House pursuant to these ~~terms~~Contract Rules, the Administrative Procedures and the Grainstorekeeper Procedures.
- (c) ~~4.03~~ A Seller shall not be obliged to Tender a Clean E Warrant in respect of a Subsequent Tender. In such circumstances, the Clearing ~~Organisation~~House deduct the amount of Unpaid Rent from the Invoicing Amount payable by it to the Seller so that Rent is paid for the period of fourteen calendar days after the respective Tender Day and shall account for such amount to the relevant Grainstorekeeper in accordance with the Grainstorekeeper Procedures. The date up to which the Rent has been paid shall be recorded on ~~NYSE Liffe~~Guardian.

~~5.~~ Quality and Condition

KKKK.5 QUALITY AND CONDITION

- (a) ~~5.01~~ The Wheat which is the subject of an E Warrant shall be of EU origin and of the following standard:
- (i) ~~(a)~~ Wheat to be sound and sweet and in good condition and to contain not more than 3% heat damage;
 - (ii) ~~(b)~~ natural weight to be not less than 72.50 kg per hectolitre;
 - (iii) ~~(c)~~ moisture content not to exceed 15%;
 - (iv) ~~(d)~~ admixture;
 - (v) ~~(f)~~ seeds and/or total admixture of farinaceous grain (including wild oats) and dirt not to exceed 2% of which the dirt content not to exceed 1%;
 - (vi) ~~(ii)~~ ergot or garlic not to exceed 0.001%;
 - (vii) ~~(e)~~ sprouted wheat not to exceed 6%; and
 - (viii) ~~(f)~~ mycotoxins not to exceed the maximum levels specified under any EU legislation in force, from time to time, with respect to unprocessed cereals intended for use in feed.
- (b) ~~5.02~~ All the tests in ~~terms 5.01~~ ~~(a)~~Rules KKKK.5(a)(i) to ~~(e)~~viii inclusive shall be applied on a weight basis.
- (c) ~~5.03~~ The Wheat which is the subject of an E Warrant shall meet the Relevant Assurance Requirements.

KKKK.6 EXCHANGE DELIVERY SETTLEMENT PRICE

~~6. Exchange Delivery Settlement Price (“EDSP”)~~~~(a)~~~~6.01~~ Subject to ~~term 6.02,~~Rule KKKK.6(b), the EDSP for Contracts for a particular Delivery Month shall be calculated by ~~exchange~~Exchange officials on each Business Day during the delivery period. This shall be the average of the final bid and offer made on the market on the previous Business Day and displayed on the price reporting system. The average shall be rounded up if necessary. If either a bid or an offer or both are not made (and the ~~market~~Market is trading normally) the ~~exchange~~Exchange officials may, in such fashion as they deem fit, solicit the best bids and offers available in order to establish a bid and an offer for each Delivery Month.

~~6.02(b)~~ If, in the opinion of ~~exchange~~Exchange officials, the EDSP which would result from a calculation made in accordance ~~with term 6.01~~Rule KKKK.6(a) would be unrepresentative, impracticable or incompatible with due observance of the Exchange’s responsibilities then ~~exchange~~Exchange officials may in their absolute discretion fix the EDSP at a price determined by them with reference to such available data as they deem appropriate.

~~6.03(c)~~ The Exchange shall publish the EDSP by the time specified for that purpose in the Administrative Procedures. The EDSP shall be final and binding for all purposes.

~~7. Invoicing Amount~~

KKKK.7 INVOICING AMOUNT

~~(a) 7.01~~ The “Invoicing Amount” in respect of each lot referred to in a Seller’s Delivery Notification shall be the sum calculated in accordance with the formula:

$$\text{Contract Weight} \times (\text{EDSP} - \text{Unpaid Rent})$$

where:

$$\text{EDSP} = \frac{\text{the sum calculated in accordance with term 7.01}}{\text{Tender Day}} = \frac{\text{The EDSP for the relevant}}{\text{Tender Day}}$$

~~(b) 7.02 (a)(i)~~ Where the sum calculated in accordance with ~~term 7.01~~Rule KKKK.7(a) is not a number of pounds and whole pence, such sum shall be rounded to the nearest sum which is a number of pounds and whole pence, and the Invoicing Amount shall be such nearest sum.

~~(ii) (b)~~ Where the sum calculated in accordance with ~~term 7.01~~Rule KKKK.7(a) is a number of pounds and whole pence and one half of one penny, such sum shall be rounded up to the nearest sum which is a number of pounds and whole pence, and the Invoicing Amount shall be such nearest sum.

~~8. Settlement Payments~~

KKKK.8 SETTLEMENT PAYMENTS

~~(a) 8.01~~ In respect of each lot referred to in a Seller’s Delivery Notification, in addition to any other payment required by these ~~terms~~Contract Rules, the following payments shall be made by the time specified for that purpose in the Administrative Procedures:

- (i) ~~(a)~~—where the EDSP for the relevant Tender Day exceeds the Contract price, payment by the Seller to the Clearing ~~OrganisationHouse~~ or payment by the Clearing ~~OrganisationHouse~~ to the Buyer, or both (as the case may require);~~;~~ and
- (ii) ~~(b)~~—where the Contract price exceeds the EDSP for the relevant Tender Day, payment by the Buyer to the Clearing ~~OrganisationHouse~~ or payment by the Clearing ~~OrganisationHouse~~ to the Seller, or both (as the case may require);~~;~~

of an amount calculated as the difference, in pounds and pence multiplied by 100 in respect of each lot, between the EDSP for the relevant Tender Day and the Contract price.

~~9. Seller, Buyer and Grainstorekeeper~~

KKKK.9 SELLER, BUYER AND GRAINSTOREKEEPER

~~9.01(a)~~ As between the Seller and the Clearing ~~OrganisationHouse~~ and the Clearing ~~OrganisationHouse~~ and the Buyer respectively, and subject to ~~term 4.03, Rule KKKK.4(c)~~, the Tender of one or more Clean E Warrants in respect of the Contract quantity shall be good performance of their respective obligations as Seller under a Contract. Any question as to the quantity, quality, condition or other incident of the Wheat the subject of an E Warrant shall be an issue between the Owner and the Grainstorekeeper alone.

~~9.02(b)~~ The E Warrant identifies the Wheat which is tendered under the relevant Contract.

~~10. Administrative Procedures~~

~~10.01~~ The Contract shall (without prejudice to any other provision herein) be subject to such Administrative Procedures as may from time to time be announced by the Board, provided always that if there be any conflict between the Administrative Procedures and these terms the provisions of these terms shall prevail.

~~10.02~~ The Board may at its discretion at any time revoke, alter or add to the Administrative Procedures. Any such amendment shall be the subject of a Notice and shall have such effect on existing as well as new Contracts as the Board may direct.

~~11. Disputes~~

~~11.01 Any dispute arising in respect of a Contract or an E Warrant shall be referred to arbitration in accordance with term 18.~~

~~12. Exclusion of Liability~~

KKKK.10 [NOT USED]

KKKK.11 [NOT USED]

KKKK.12 EXCLUSION OF LIABILITY

- (a) ~~12.01~~ Without prejudice to any exclusion of liability provision in the ~~Rules or the Rules of the Clearing Organisation, none of the Exchange, none of the Exchange, the Board or the Clearing Organisation~~ Regulations or the Clearing House Rules, neither the Exchange nor the Clearing House shall have any liability whatsoever for the performance by a Grainstorekeeper of his responsibilities under these ~~terms~~ Contract Rules and Administrative Procedures or of any responsibilities he may assume towards members or other parties pursuant to an E Warrant or Contract nor for the condition of a Store or its suitability for the storage of Wheat. Parties placing Wheat into a Store or taking delivery of Wheat in or from the same shall accordingly have no claim against the Exchange, ~~Board~~ or the Clearing ~~Organisation~~ House, for any loss or damage thereby incurred however such loss or damage may be caused.

~~13. War or Government Intervention~~

KKKK.13 WAR OR GOVERNMENT INTERVENTION

~~13.01~~(a) If the ~~Board~~ Exchange after consultation with the Clearing ~~Organisation~~ House, determines in its discretion that one of the following conditions is satisfied, that is to say:

- (i) ~~(a)~~—a state of war exists, or is imminent or threatened, and is likely to affect the normal course of business;
- (ii) ~~(b)~~—a government of any state or territory or any institution or agency thereof has proclaimed or given notice of its intention to exercise, vary or revoke controls in a manner likely to affect the normal course of business; or
- (iii) ~~(c)~~—an international organisation or any institution or agency thereof has introduced, varied, terminated or allowed to lapse any provision, or has given notice of its intention or appears to be about to do so, so as to be likely to affect the normal course of business,

then open Contracts for such Delivery Months as the ~~Board~~ Exchange shall specify (which may if the ~~Board~~ Exchange so determines include Contracts under which notice of Tender has been given) shall, upon the ~~Board~~ Exchange's formal announcement that such condition is satisfied, be invoiced back at the official daily settlement price fixed in respect of each such Delivery Month for the date of the announcement or for such one of the six Business Days (not counting any day on which there was no official settlement price)

immediately preceding the date of the announcement as the BoardExchange shall in its absolute discretion specify in the announcement.

~~13.02~~(b) Accounts shall be made up by the Clearing OrganisationHouse on this basis for each contracting party. Settlement of such accounts shall be due immediately and shall be treated as complete and final notwithstanding any further change of circumstances.

~~13.03~~(c) In the case of a Delivery Month for which there is no official settlement price, open Contracts shall under this term be invoiced back at the market value determined by the BoardExchange in its absolute discretion.

~~13.04~~(d) The BoardExchange's formal announcement under this term shall be made by Notice~~notice posted on the Market~~.

~~13.05~~(e) The decision of the BoardExchange as to the price at which Contracts are to be invoiced back shall be binding on both parties. ~~No dispute as to such price may be referred to arbitration but the completion of invoicing back shall be without prejudice to the right of either party to refer any dispute arising out of the Contract to arbitration under the Rules.~~

~~14.~~ Force Majeure

KKKK.14 FORCE MAJEURE

~~14.01~~(a) For the purposes of this ~~term~~-Rule KKKK.14 a "Force Majeure event" shall mean an event outside the control of either party to a Contract which hinders or prevents the performance in whole or in part by a party of his obligations under the Contract (other than an obligation to make a payment), including but not limited to fire, riot or civil commotion, storm, flood, earthquake, explosion, accident howsoever caused, strike, lockout, work to rule or other industrial action, act of God, war, armed conflict, use of force by authority of United Nations, act of terrorism, act of government or other national or local authority or any agency thereof, breakdown of machinery, and unavailability, restriction, failure or delay in transportation or computer or data processing systems or communication or energy supplies or bank transfer systems.

~~14.02~~(b) Neither party to a Contract shall be deemed in Default in Performance of his obligations nor shall any penalty or damages be payable if and to the extent that performance of any obligation is hindered or prevented by a Force Majeure event.

~~14.03~~(c) If a Force Majeure event hinders or prevents a party from performing any obligation for a period of five days beyond the time limit fixed in or under the Contract, the commodity if not already delivered to the Buyer shall be invoiced back at a price to be determined by the BoardExchange at its absolute discretion. Such price shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of invoicing back shall be without prejudice to the right of either party to refer any dispute arising out of the Contract to arbitration under the Rules.~~

~~15.~~ Trade Emergency

KKKK.15 TRADE EMERGENCY

~~15.01(a)~~ If in the opinion of the ~~Board~~Exchange or the Clearing ~~Organisation~~House an excessive position or unwarranted speculation or any other undesirable situation or practice affecting or capable of affecting the market is developing or has developed the ~~Board~~Exchange may take any steps whatsoever to correct the situation or practice and may give directions to members accordingly. Such steps may (without prejudice to the generality of this term) include any of the following:

- ~~(i)~~ ~~(a)~~—the suspension or curtailment of trading in one or more Delivery Months for such time as may be specified, or the limitation of trading to the liquidation of open Contracts, subject to any condition or exception that may be specified;
- ~~(ii)~~ ~~(b)~~—extension of the places at or from which delivery may be made or modification of the specification of the commodity to be delivered, or both, subject to payment of such compensation by such person or persons as may be specified;
- ~~(iii)~~ ~~(c)~~—the deferment of performance of some or all Contracts for one or more Delivery Months for such time as may be specified, subject to payment of such compensation by such person or persons as may be specified.

~~15.02~~ ~~The Board member~~~~(b)~~ If any Director whose firm or company has any direct interest in the determination of compensation under ~~term 15.01(b)~~Rule KKKK.15(a)(ii) or ~~term 15.01(c)(iii)~~ above, he/she shall be excluded from the deliberations of the ~~Board~~Exchange in such determination.

~~15.03(c)~~ The contravention by a member of any direction under this ~~term~~Rule KKKK.15 may be treated for all purposes as an infringement of the ~~Rules~~Regulations.

~~16.~~ New Legislation

~~16.01~~ ~~— If the Board shall after consultation with the Clearing Organisation in its absolute discretion determine that a change of legislative or administrative provisions of the United Kingdom or any state or territory or the European Union, or of an institution or market organisation in any country or group of countries has affected, is affecting or is likely to affect the normal course of business, the Board shall have power to vary the terms of Contracts in any way it deems necessary or desirable for restoring or preserving the orderly course of business.~~

~~16.02~~ ~~— Such variation may be made notwithstanding that it may affect the performance or value of existing Contracts (or of such existing Contracts as may be specified by the Board). Without limitation of its powers hereunder the Board will use its best endeavours to keep any variation to the minimum considered reasonably necessary to achieve the purpose of this term.~~

~~16.03~~ — The Board's powers under this term shall be exercised by Notice. A variation of terms made hereunder shall take effect at such time and for such period as the Board shall declare but (without prejudice to term 16.02 above) shall not take effect earlier than the date of publication of said Notice.

~~16.04~~ — A Contract affected by a variation under this term shall remain in full force and effect subject to such variation and shall not be treated as frustrated or repudiated except so far as may be allowed by the Board.

~~16.05~~ — A variation made by the Board under this term 16 may be modified or revoked by a subsequent variation made hereunder.

~~17.~~ — Default in Performance

~~17.01~~ — The provisions of this term 17 shall be subject to the default rules from time to time in force of the Clearing Organisation.

KKKK.16 [NOT USED]

KKKK.17 DEFAULT IN PERFORMANCE

(a) The provisions of this Rule KKKK.17 shall be subject to the default rules from time to time in force of the Clearing House.

(b) ~~17.02~~ — For the purposes of this term Rule KKKK.17, a reference to a "Default in Performance" shall, subject to ~~term 17.04~~, Rule KKKK.17(d), be construed as including an actual failure by a Seller or a Buyer under ~~term 17.02~~ Rule KKKK.17(b) in performing its obligations under a Contract or an anticipated failure. An anticipated failure is one which the Clearing OrganisationHouse, in its reasonable opinion, thinks will occur and in respect of which the Clearing OrganisationHouse considers that it should take action under the provisions of this ~~term~~ Rule KKKK.17.

(c) ~~17.03~~ — A Buyer or a Seller shall be in Default in Performance where:

(i) ~~(a)~~ — he fails to fulfil his obligations under a Contract by the time and in the manner prescribed in accordance with these ~~terms, the~~ Contract Rules and ~~the Administrative Procedures and the Rules of, the Regulations and~~ the Clearing OrganisationHouse Rules;

(ii) ~~(b)~~ — he fails to pay any sum due to the Clearing OrganisationHouse in respect of a registered Contract by the time specified for that purpose in the Administrative Procedures; or

(iii) ~~(c)~~ — in the reasonable opinion of the Clearing OrganisationHouse, he is in Default in Performance.

(d) ~~17.04~~ — Errors in a notice, which are determined in the Exchange's absolute discretion to be clerical errors which can be readily rectified and are rectified, shall not be treated as constituting a Default in Performance.

- (e) ~~17.05~~—Subject to ~~terms 17.06(b) and 17.10 and to Administrative Procedure Rule KKKK.17(f)(ii), (j) and to Rule LLLL.8,~~ if it appears to the Clearing ~~OrganisationHouse~~ that a Seller or a Buyer is in Default in Performance under a registered Contract, the Clearing ~~OrganisationHouse~~ shall notify the Exchange of the Default in Performance and may, in its absolute discretion:
- (i) ~~(a)~~—take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the Default in Performance. A resolution of a Default in Performance may be on such terms and take such form as is acceptable to the Clearing ~~OrganisationHouse~~, to the Seller and to the Buyer. Such terms may limit some or all of the rights of the Seller, the Buyer or the Clearing ~~OrganisationHouse~~ to refer any matter concerning or arising out of a Default in Performance (or the resolution thereof) to arbitration ~~under term 18;~~
 - (ii) ~~(b)~~—without prejudice to any of its other rights under this ~~term~~ ~~Rule KKKK.17,~~ refer to the ~~BoardExchange~~ any dispute or issue arising between any of the parties. If upon such reference, the ~~BoardExchange~~ is of the opinion that the Default in Performance is of minor significance it shall determine any such dispute or issue between such parties upon such evidence as it may deem relevant and convey its findings to such parties who shall forthwith accept such determination and shall implement its terms without question, provided that such acceptance and implementation shall be without prejudice to the right of any party to refer the dispute or any related dispute to arbitration ~~under term 18;~~ or
 - (iii) ~~(c)~~—take any steps whatsoever which may appear desirable to the Clearing ~~OrganisationHouse~~ for the protection of the Clearing ~~OrganisationHouse~~ or of the Seller or Buyer not in Default in Performance including, without prejudice to the generality of the foregoing, any steps in order to perform its obligations to a party under a registered Contract.
- (f) ~~17.06~~—If, within five business days of the Default in Performance having come to the attention of the Clearing ~~OrganisationHouse~~:
- (i) ~~(a)~~—the steps taken by the Clearing ~~OrganisationHouse~~ have not led or are not likely to lead to a resolution of the Default in Performance; or
 - (ii) ~~(b)~~—the Clearing ~~OrganisationHouse~~ has not taken any steps and the Default in Performance remains unresolved,
- the Clearing ~~OrganisationHouse~~ will refer the matter to the ~~BoardExchange~~. If upon reference of the dispute or issue to the ~~BoardExchange~~, the ~~BoardExchange~~ is of the opinion that the Default in Performance may not be determined by the ~~BoardExchange~~ in accordance with ~~term 17.05(b), Rule KKKK.17(e)(ii)~~ then each lot of Wheat the subject of the dispute or issue shall be the subject of cash settlement at a price fixed by the ~~BoardExchange~~ in consultation with the Clearing ~~OrganisationHouse~~. The price may at the ~~BoardExchange~~'s absolute discretion take account of any compensation that the ~~BoardExchange~~ may consider, on the evidence before it, should be paid by either party to the other.
- (g) ~~17.07~~—Any cash settlement price fixed under ~~term 17.06~~ ~~Rule KKKK.17(f)~~ shall be binding on the parties. ~~No dispute as to the price may be referred to arbitration but the completion of cash settlement shall be without prejudice to the right of either party to refer the dispute or issue between them to arbitration under term 18.~~

- (h) ~~17.08~~—Any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing ~~Organisation~~House in connection with any steps taken by the Clearing ~~Organisation~~House in relation to a Contract to which the Default in Performance relates shall be paid by the Buyer or Seller who is in Default in Performance. Any steps taken by the Clearing ~~Organisation~~House in relation to a Default in Performance shall be without prejudice to any rights (including rights to refer matters to arbitration ~~under term 18~~), obligations or claims of the Buyer, the Seller or the Clearing ~~Organisation~~House in relation to a Contract to which the Default in Performance relates.
- (i) ~~17.09~~—A Buyer or Seller who is in Default in Performance under this ~~term~~Rule ~~KKKK~~.17, shall forthwith pay to the Clearing ~~Organisation~~House any sums payable by him under ~~term~~Rule ~~KKKK~~.8 and any sums payable pursuant to this ~~term~~Rule ~~KKKK~~.17.
- (j) ~~17.10~~—Notwithstanding that a Buyer or Seller may be in Default in Performance under this ~~term~~Rule ~~KKKK~~.17, the Clearing ~~Organisation~~House may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under this ~~term~~Rule ~~KKKK~~.17, and no failure by the Clearing ~~Organisation~~House to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing ~~Organisation~~House's rights upon that or any subsequent occasion, nor shall any single or partial exercise of any such rights prevent any further exercise thereof or of any other right.
- (k) ~~17.11~~—A Buyer, a Seller or the Clearing ~~Organisation~~House may refer a dispute or issue arising out of a Default in Performance under this ~~term~~Rule ~~KKKK~~.17 (subject always to the application of provisions of ~~terms 17.05, 17.06~~Rules ~~KKKK~~.17(e), (f) and ~~17.07(g)~~) to arbitration ~~under term 18~~.
- (l) ~~17.12~~—The provisions of this ~~term~~Rule ~~KKKK~~.17 relating to steps that may be taken by the Clearing ~~Organisation~~House, where there appears to the Clearing ~~Organisation~~House to be a Default in Performance by a party to a registered Contract, may be varied, or different steps may be substituted therefore by the ~~Board~~Exchange from time to time. Any such variation or substitution shall have such effect with regard to such existing and/or new Contracts and registered Contracts as the ~~Board~~Exchange may determine.

~~18.~~ Arbitration

~~18.01~~—Any dispute arising out of or in respect of a Contract or an E Warrant shall (subject to terms ~~13.05, 14.03 and 17.01~~ to the extent that they apply, and subject to the terms of the Contract) be referred to arbitration under the Rules relating to arbitration. The arbitration shall be conducted in accordance with the arbitration rules in force at the time of reference.

~~18.02~~—The determination and payment of an invoicing back price shall not limit the jurisdiction of arbitrators to make such award as they deem proper on the issue before them. No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.

~~18.03~~—The Rules of the Clearing Organisation shall have priority over these terms in any dispute relating to clearing save where the Rules of the Clearing Organisation provide for a dispute to be governed by the LIFFE Rules.

~~19. Rules, Administrative Procedures, etc.~~

~~19.01 Every Contract shall be subject to the Rules and to the Rules of the Clearing Organisation insofar as applicable notwithstanding that either or both of the parties to it may not be a member of the Exchange or of the Clearing Organisation.~~

~~19.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and in the event of any conflict between these terms and the Rules, the Rules shall prevail.~~

~~19.03 In case of any conflict between the Administrative Procedures and these terms or the Rules of the Clearing Organisation:~~

- ~~• the Rules of the Clearing Organisation shall prevail in respect of any matter relating to clearing, and~~
- ~~• the provisions of the Administrative Procedures and these terms shall prevail in respect of any other matter.~~

~~20. Law and Jurisdiction~~

~~20.01 Contracts made under or pursuant to the Rules shall be governed by and construed in accordance with English law. Subject to term 18, any question arising therefrom shall be subject to the jurisdiction of the English courts.~~

~~20.02 The provisions of neither the Convention relating to a Uniform Law on the International Sale of Goods, of 1964, nor the United Nations Convention on Contracts for the International Sale of Goods, 1980, shall apply to Contracts.~~

~~21. Powers of the Board~~

~~21.01 The provisions of terms 13, 15, 16, 17 and 23 shall be without prejudice to any other powers of the Board.~~

~~22. [deleted]~~

~~23. Economic and Monetary Union~~

~~23.01 The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in any way which the Board considers desirable, arising out of or in connection with the introduction of the euro as the lawful currency of the United Kingdom, or to facilitate the calculation of and making of payments in euros or to facilitate the calculation of the EDSP or any Invoicing Amount, in pursuance of this Exchange Contract.~~

~~23.02 Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 23.01 shall have such effect with regard to existing and/or new Contracts as the Board may determine.~~

~~23.03 Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to terms 23.01 and 23.02 shall be the subject of a Notice.~~

~~0~~

~~KKKK.18 [NOT USED]~~

~~KKKK.19 [NOT USED]~~

~~KKKK.20 [NOT USED]~~

~~KKKK.21 POWERS OF THE EXCHANGE~~

~~(a) The provisions of Rules KKKK.13, 15, and 17 shall be without prejudice to any other powers of the Exchange.~~

~~KKKK.22 [NOT USED]~~

~~KKKK.23 [NOT USED]~~

~~Issue Date: 13 June 2014~~

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PROCEDURES: ICE FUTURES WHEAT FUTURES CONTRACT

~~Wheat Futures Contract~~ SECTION LLLL - CONTRACT RULES: ICE FUTURES WHEAT FUTURES CONTRACT PROCEDURES

~~Exchange Contract No. 405~~

~~Administrative Procedures~~

~~1. Index~~

~~In these Administration Procedures:~~

~~1. Index~~

LLLL.1 Interpretation

~~2.~~ LLLL.2 Timetable

~~3.~~ LLLL.3 Delivery Months

~~4.~~ LLLL.4 Cessation of Trading

~~5.~~ LLLL.5 Tenders

~~6.~~ LLLL.6 Allocation of Tenders

~~7.~~ LLLL.7 No Withdrawal or Substitution

~~8.~~ LLLL.8 Payment

~~9.~~ LLLL.9 E Warrants

~~10.~~ LLLL.10 Sampling

~~2. Timetable~~

LLLL.1 INTERPRETATION

All defined terms in Rule KKKK shall apply to this Rule LLLL.

LLLL.2 TIMETABLE

Delivery Procedures

Sellers may Tender from 10.30 hours on the first Tender Day to 14.00 hours on the Last Trading Day. The normal first Tender Day is:

- (a) ~~(i)~~—for January - the second Business Day after Christmas Day; and
- (b) ~~(ii)~~—for other Delivery Months - the seventh calendar day prior to the first Business Day of the Delivery Month. If this is not a Business Day the next following Business Day is the first Tender Day.

Tender Day (except for Last Trading Day)

By 10.30 hours	Sellers who wish to Tender shall input delivery notification to UCP and shall deliver to the Clearing OrganisationHouse via NYSE Liffe Guardian a Seller’s Delivery Notification for each Clean E Warrant in accordance with term-Rule KKKK .4, subject to term-4.03-Rule KKKK.4(c) .
After 10.30 hours	E Warrants allocated to Buyers by the Clearing OrganisationHouse via NYSE Liffe Guardian in accordance with these Administrative Procedures. The Clearing OrganisationHouse supplies Sellers and Buyers with the daily tender information.
Before 11.00 hours	The EDSP shall be published by the Exchange.

Last Trading Day

At 12.30 hours	Trading in the Contract Delivery Month shall cease.
Before 13.00 hours	The EDSP shall be published by the Exchange.
By 14.00 hours	Sellers with open positions shall deliver to the Clearing OrganisationHouse via NYSE Liffe Guardian a Seller’s Delivery Notification for each Clean E Warrant in accordance with term-Rule KKKK .4, subject to term-4.03-Rule KKKK.4(c) .

PROCEDURES: ICE FUTURES WHEAT FUTURES CONTRACT

After 14.00 hours E Warrants allocated to Buyers by the Clearing ~~Organisation~~House in accordance with these Administrative Procedures.
The Clearing ~~Organisation~~House supplies Sellers and Buyers with the daily tender information.

Settlement Day -1

By 16:00 Account Sale and Invoice reports available to Sellers and Buyers via ~~NYSE~~Liffe Guardian.

Settlement Day

At 09:00 hours The Clearing ~~Organisation~~House debits the Buyer's account in ECS.

As soon as possible
after 9.30 hours The Clearing ~~Organisation~~House credits the Seller's ~~possible~~after account in ECS.

~~09.30 hours~~

The Clearing ~~Organisation~~House transfers the E Warrants on ~~NYSE~~Liffe Guardian from the Seller's inventory to the Buyer's inventory.

LLLL.3

~~2.~~

~~Delivery Months~~ DELIVERY MONTHS

Trading shall be for delivery in the months of November, January, March, May and July or such other months as may be determined by the ~~Board~~ Exchange.

~~4. Cessation of Trading~~

LLLL.4 CESSATION OF TRADING

- (a) Trading in respect of each Delivery Month except July shall cease at 12.30 hours on the 23rd day of the month, but if that day is not a Business Day at 12.30 hours on the Business Day immediately prior to the 23rd day of the month.
- (b) Trading in respect of the July Delivery Month shall cease at 12.30 hours on the 7th day of July but if that day is not a Business Day at 12.30 hours on the Business Day immediately prior to the 7th day of July.

~~5. Tenders~~

LLLL.5 TENDERS

- (a) ~~(a)~~—A Tender may be made only in respect of Wheat held in a Store represented by an E Warrant on ~~NYSE Liffe~~ Guardian. Wheat tendered is to be segregated pursuant to procedure 3.6 of the Grainstorekeeper Procedures from the time when the E Warrant is recorded and issued by the Grainstorekeeper on ~~NYSE Liffe~~ Guardian. Wheat so segregated shall remain segregated until delivered out of Store against the E Warrant. A Tender shall be in such form and accompanied by such documents as the Clearing ~~Organisation~~ House may require.
- (b) ~~(b)~~—The Earliest Tender Day shall be the seventh day prior to the first Business Day of the month of delivery and if that day is a non-business day then the next following Business Day shall be the Earliest Tender Day, except in respect of January delivery. The Earliest Tender Day for January delivery shall be the second Business Day after Christmas Day.
- (c) ~~(c)~~—Subject to ~~Administrative Procedure Rule LLLL~~ Rule LLLL.5(d), by 10.30 hours on a Tender Day a Seller wishing to Tender must submit a Seller's Delivery Notification in respect of each Clean E Warrant for which the Tender is being made. Where a Subsequent Tender is being made the Seller is not obliged to Tender a Clean E Warrant (~~term 4.03~~) Rule KKKK.4(c).
- (d) ~~(d)~~—A Tender shall be made and received based upon the open position as at close of business the previous Business Day on any Business Day from the Earliest Tender Day up to and including the last Business Day prior to the Last Trading Day. On the Last Trading Day every Seller who has an open sale Contract, even if the Contract is not yet registered, shall be bound to Tender by 14.00 hours and the Tender shall be made and received based upon the open position as at cessation of trading.

~~6. Allocation of Tenders~~

LLLL.6 ALLOCATION OF TENDERS

Every Buyer who has a Contract open for the relevant Delivery Month shall be bound to accept any valid Tender complying with ~~the terms~~Rule KKKK and these Administrative Procedures of which notice is forwarded to him by the Clearing ~~Organisation~~House.

~~7. No Withdrawal or Substitution~~

LLLL.7 NO WITHDRAWAL OR SUBSTITUTION

An Initial Tender or a Subsequent Tender shall not be withdrawn nor substitution allowed except with the consent of the Buyer or, in case of dispute, unless so ordered by the ~~Board~~Exchange.

~~8. Payment~~

LLLL.8 PAYMENT

- (a) ~~(a)~~—Payment of the Invoicing Amount in respect of an E Warrant shall be effected on a net basis through the ECS on the Settlement Day or, where such notice is given under ~~Administrative Procedure~~Rule LLLL.8(d), on the Business Day following that on which notice is given.
- (b) ~~(b)~~—The Settlement Day shall be the seventh day after the Tender Day or the last day of the Delivery Month, whichever is the earlier. But where such day is not a Business Day the Business Day immediately prior thereto shall be the Settlement Day.
- (c) ~~(c)~~—If payment is not made by a Buyer in respect of an E Warrant in accordance with this ~~procedure~~Rule LLLL.8 the Clearing ~~Organisation~~House may sell the Wheat which is the subject of such E Warrant. Any surplus or deficit resulting from such a sale, with an account for interest and the costs of sale, shall be settled with the Clearing ~~Organisation~~House forthwith.
- (d) ~~(d)~~—E Warrants may be paid for and ownership transferred prior to the Settlement Day with the agreement of the Clearing ~~Organisation~~House provided the Buyer gives notice of his intention to do so by 16.00 hours on the Business Day immediately prior to the Business Day on which the Buyer intends to pay for such E Warrants.
- (e) ~~(e)~~—A Buyer shall be deemed to have accepted a Tender for all purposes by 17.00 hours on the seventh Business Day after payment for the E Warrants unless he has within such period notified the Clearing ~~Organisation~~House, which will in turn immediately notify the Seller, of his intention to refer a dispute to arbitration and referred such dispute to arbitration not later than the next Business Day.
- (f) ~~(f)~~—If in any case the invoice is not ready by the time payment is to be made, payment shall be made and received on account.
- (g) ~~(g)~~—A Buyer who has paid for E Warrants under a Contract shall, by the second Business Day after the Settlement Day, in respect of each such E Warrant update ~~NYSE-Liffe~~ Guardian with the details of the new Owner.

LLLL.9 ~~9. E Warrants~~ E WARRANTS

- (a) ~~(a)~~—No E Warrant shall be issued by a Grainstorekeeper except in respect of Wheat which is in Store, which is segregated from wheat not covered by an E Warrant, pursuant to procedure 3.6 of the Grainstorekeeper Procedures, from the time when the E Warrant is created by the Grainstorekeeper on ~~NYSE Liffe~~ Guardian, and which will remain so segregated until the Wheat is delivered out in full against the E Warrant.
- (b) ~~(b)~~—E Warrants shall cease to be valid hereunder from the 31st of July next following an Owner’s acceptance of the E Warrant.

~~10. Sampling~~
LLLL.10 SAMPLING

- (a) ~~(a)~~—Samples shall be taken at the request of the Owner at the time of delivery out of a Store. Each delivery or consignment of Wheat which is the subject of an E Warrant may be sampled separately in accordance with this procedure.
- (b) ~~(b)~~—Deliveries shall be sampled from not less than ten positions in fair proportion. Samples shall be bulked and a representative sample of not less than 5 kg for each delivery shall be drawn therefrom and jointly sealed by the representatives of the Grainstorekeeper and the Owner for purposes of ascertaining the natural weight on the 1 litre scale, testing for admixture, sprouted wheat and for arbitration on quality. If the claim is in respect of moisture content, an extra half kg sample shall be taken in a glass jar or polythene holder with cotton bag as outer container properly sealed.
- (c) ~~(c)~~—Samples so drawn shall be forwarded immediately to the Analyst identifying the sample as Wheat under an E Warrant and shall be the only ones used for testing and arbitration. Payment to the Analyst will be the responsibility of the Buyer.
- (d) ~~(d)~~—The Clearing ~~Organisation~~ House is to receive a copy of the Certificate of Analysis direct from the Analyst for its records.
- (e)

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CONTRACT RULES: ICE FUTURES SOFT COMMODITY OPTIONS CONTRACT

~~EXCHANGE~~ SECTION MMMM - CONTRACT NO. 501 ~~OPTIONS ON~~ RULES: ICE FUTURES SOFT
COMMODITY ~~CONTRACTS~~ OPTIONS ~~CONTRACT~~ TERMS

Issue Date: 6 January 2014

MMMM.1 Interpretation

MMMM.2 General

MMMM.3 Minimum Price Fluctuations

MMMM.4 Exercise

MMMM.5 Allocation

MMMM.6 Expiry Months: ~~_____~~ Cocoa Option: ~~_____~~ August 2013 onwards

~~_____~~ Wheat Option: ~~_____~~ October 2013 onwards

~~_____~~ Robusta Coffee Option: ~~_____~~ August 2013 onwards

~~_____~~ White Sugar Option: ~~_____~~ March 2014 onwards[‡]

MMMM.7 Official Settlement Premium

MMMM.8 Abandonment

MMMM.9 [Not Used]

MMMM.10 Default in Performance

MMMM.11 Force Majeure

MMMM.12 [Not Used]

MMMM.13 [Not Used]

MMMM.14 [Not Used]

MMMM.15 [Not Used]

MMMM.16 [Not Used]

[‡] See London Notice No. 3783, issued on 6 January 2014, in relation to the change of trading hours for White Sugar Contracts.

CONTRACT RULES: ICE FUTURES SOFT COMMODITY OPTIONS CONTRACT

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3. Minimum Price Fluctuations
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7. Official Settlement Premium
8. Abandonment
9. Administrative Procedures
10. Default in Performance
11. Force Majeure
12. Rules
13. Arbitration
14. Governing Law
15. [deleted]
16. Economic and Monetary Union

CONTRACT RULES: ICE FUTURES SOFT COMMODITY OPTIONS CONTRACT

~~THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS EXCHANGE~~

~~Terms of Exchange Contract No. 501~~

~~1. Interpretation~~ MMMM.1 INTERPRETATION

- (a) ~~1.01~~ Save as otherwise specified herein, words and phrases defined in the ~~Rules~~Regulations shall have the same meanings in ~~these terms~~the Contract Rules and ~~in the~~ Administrative Procedures.

~~For the avoidance of doubt, these contract terms and the Administrative Procedures are implemented under (and have the same force) as the Rules. In the event of any conflict between any provision of these contract terms and the Rules, the Rules will prevail.~~

- (b) ~~1.02~~ In these ~~terms~~Contract Rules and in the Administrative Procedures:

“Administrative Procedures” means all administrative procedures ~~from time to time~~ implemented by the ~~Board pursuant to the Rules~~Exchange for the purposes of ~~this Exchange~~these Contract Rules.

“associated delivery month” means in respect of a Contract for an expiry month a delivery month which is the same month as the expiry month.

“business day” means a day on which the ~~market~~Market, the Clearing ~~Organisation~~House and banks in London are open for business.

“Buyer” in respect of a Contract under these Contract Rules, means the person who is entitled under such Contract to exercise the option or options the subject of such Contract (including, except where the context otherwise requires, the Clearing ~~Organisation~~House as buyer under a registered Contract).

“call option” means a right, upon the exercise of which the Buyer of the call option becomes the buyer and the Seller of the call option becomes the seller under a contract in the terms of the Underlying Futures Contract for one lot and for the associated delivery month specified in the Contract for the call option.

“Cocoa Option” means a Contract for an option in respect of which the Underlying Futures Contract is the ICE Futures Cocoa Futures Contract.

“Contract” means a contract made expressly or impliedly in these ~~terms~~Contract Rules for the sale and purchase of one or more put options or one or more call options, and “registered

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Contract” means a Contract registered by the Clearing ~~Organisation~~House.

~~“Conversion Date” means the date on which pursuant to the implementation of Economic and Monetary Union the conversion rate for Sterling against the Euro is fixed in accordance with Article 109(5) of the EC Treaty.~~

“delivery month” in respect of an Underlying Futures Contract, means each month specified as such by the ~~Board~~ Exchange pursuant to the ~~Rules~~Regulations.

~~“Economic and Monetary Union” means Economic and Monetary Union in the European Union, which is characterised by the introduction of the Euro as a currency in its own right and adoption by Member States of the Euro as their lawful currency, such adoption being governed by the EC Treaty and EMU legislation.~~

~~“EC Treaty” means the treaty establishing the European Community.~~

~~“EMU legislation” means legislative measures of the European Council, and as appropriate the United Kingdom, for the introduction of, changeover to or operation of the Euro pursuant to implementation of Economic and Monetary Union including such legislative measures as are enacted in contemplation of Sterling joining the Euro.~~

~~“Euro” means the single currency of the European Union introduced in a Member State arising out of its participation in Economic and Monetary Union.~~

“Exercise Notice” means a notice from a Buyer to the Clearing ~~Organisation~~House, in a form from time to time prescribed by the Clearing ~~Organisation~~House, notifying the Clearing ~~Organisation~~House that the Buyer thereby exercises one or more options against the Clearing ~~Organisation~~House.

“exercise price” means the price specified in an option contract which will be the contract price in the futures contract resulting from the exercise of the option.

“expiry date” in respect of an option in respect of the relevant Underlying Futures Contract means the date when the option will, unless exercised, expire.

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“expiry month”	means a month specified as such by the Board Exchange for which a Contract for an option in respect of the relevant Underlying Futures Contract can be made.
“expiry time”	in respect of an expiry month, means the time specified as such by the Board Exchange for a Contract for an option in respect of the relevant Underlying Futures Contract.
“in-the-money option”	means a put option or a call option where the exercise price is greater (in the case of a put option) or is less (in the case of a call option) than the price of contracts in the terms of the Underlying Futures Contract for the relevant delivery month.
“Last Trading Day”	in respect of an expiry month means the day specified as such by the Board Exchange for a Contract for an option in respect of the relevant Underlying Futures Contract.
“last trading time”	means the time, specified as such by the Board Exchange for a Contract for an option in respect of the relevant Underlying Futures Contract, at which trading for Contracts for an expiry month ceases on the Last Trading Day for such expiry month.

~~“Member State” means a member of the European Union.~~

“option”	means a put option or a call option.
“put option”	means a right, upon the exercise of which the Buyer of the put option becomes the seller and the Seller of the put option becomes the buyer under a contract in the terms of the Underlying Futures Contract for one lot and for the associated delivery month specified in the Contract for the put option.
“Robusta Coffee No. 409 Option”	means a Contract for an option in respect of which the Underlying Futures Contract is the ICE Futures Robusta Coffee Futures Contract No. 409 .
“Seller”	in respect of a Contract under these Contract Rules means the person who sells the option or options the subject of such Contract (including, except where the context otherwise requires, the Clearing Organisation House as seller under at the registered Contract).

~~“Underlying Futures Contract” means a Commodity Futures Contract specified as such by the Board.~~

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~~“Wheat Option” means a Contract for an option in respect of which the Underlying Futures Contract is the Wheat Futures Contract.~~

~~“White Sugar Option” means a Contract for an option in respect of which the Underlying Futures Contract is the White Sugar Futures Contract.~~

~~1.03 Subject to term 16.01, in these terms references to “lawful currency” shall be construed to include units of value of the Euro which may be used validly to discharge payment obligations pursuant to the law of the United Kingdom once the United Kingdom has introduced the Euro as its lawful currency pursuant to EMU legislation and notwithstanding that such units of value of the Euro may not at all material times following the Conversion Date constitute legal tender in the United Kingdom. 1.04~~
~~References to a “term” refer to terms hereof, and references to a “Rule” refer to a rule of the Exchange’s Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice versa. “Underlying Futures _____ means a Commodity _____ Futures _____ Contract _____ specified _____ as _____ such _____ by _____ the Exchange.”~~

~~2.~~

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General

“Wheat Option” means a Contract for an option in respect of which the Underlying Futures Contract is the ICE Futures Wheat Futures Contract.

“White Sugar Option” means a Contract for an option in respect of which the Underlying Futures Contract is the ICE Futures White Sugar Futures Contract.

(c) [Not used]

(d) [Not used]

MMMM.2 GENERAL

(a) ~~2.01~~ — These ~~terms~~Contract Rules shall apply to all Contracts in respect of options for the relevant Underlying Futures Contract.

(b) ~~2.02~~ — Each Contract shall be for one or more put options or one or more call options on a contract in the ~~terms~~Contract Terms of the relevant Underlying Futures Contract specified by the ~~Board~~Exchange and for the expiry month and at the exercise price specified.

~~3. Minimum Price Fluctuations~~

MMMM.3 MINIMUM PRICE FLUCTUATION

(a) ~~3.01~~ — The exercise prices will be determined from time to time by the ~~Board~~Exchange.

(b) ~~3.02~~ — Minimum premium fluctuations will be determined by the ~~Board~~Exchange from time to time but will not exceed minimum price fluctuations in respect of the relevant Underlying Futures Contract.

~~4. Exercise~~

MMMM.4 EXERCISE

(a) ~~4.01~~ — A Buyer may exercise an option in respect of a Contract for an expiry month up to 17.00 hours on any business day except the Last Trading Day for that expiry month, with the exception of White Sugar Options which may be exercised up to 17.25 hours on any business day except the Last Trading Day for that expiry month. On the Last Trading Day an Exercise Notice shall be given no later than forty-five minutes after the last trading time for a Contract. A Buyer shall give an Exercise Notice to the Clearing ~~Organisation~~House in respect of a Contract in a manner from time to time prescribed by the Clearing ~~Organisation~~House.

(b) ~~4.02~~ — All trading in Contracts in respect of an expiry month for an option in the Underlying Futures Contract shall cease:

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- (i) ~~(a)~~ ~~[deleted]~~ Not used
 - (ii) ~~(b)~~ in respect of a Robusta Coffee ~~No. 409~~ Option, at 12.30 on the third Wednesday in the calendar month immediately preceding the expiry month;
 - (iii) ~~(c)~~ in respect of a Cocoa Option, at 12.00 on the Last Trading Day in the calendar month immediately preceding the expiry month;
 - (iv) ~~(d)~~ ~~[deleted]~~ Not used
 - (v) ~~(e)~~ in respect of a White Sugar Option, at the close of trading in the White Sugar Futures Contract on the first day in the calendar month immediately preceding the expiry month; and
 - (vi) ~~(f)~~ in respect of a Wheat Option, at the close of trading in the relevant Underlying Futures Contract on the second Thursday of the calendar month immediately preceding the expiry month.
- (c) ~~4.03~~ ~~(a)~~(i) If the day mentioned in ~~term 4.02~~ Rule MMMM.4(b) above is not a business day, trading in the relevant Contract shall cease (subject to ~~term 4.03(b)~~ Rule MMMM.4(c)(ii)) on the business day immediately before that day; and
- (ii) ~~(b)~~ — If the day mentioned in ~~term 4.02~~ Rule MMMM.4(b) above is not a business day in consequence of a proclamation or announcement made after the close of business on the preceding business day, then trading in the relevant Contract shall cease on the business day next following always at the times specified in ~~term 4.02~~ Rule MMMM.4(b).
- (d) ~~4.04~~ — Instructions not to exercise an option under a Contract may be given to the Clearing ~~Organisation~~ House no later than forty five minutes after the last trading time on the Last Trading Day.
- (e) ~~4.05~~ — After the last trading time on the expiry date and unless instructions not to exercise have been given under ~~term 4.04~~ Rule MMMM.4(d) above, all options under a Contract that expire at the close of trading of the relevant Underlying Futures Contract which are in-the-money will be exercised automatically. In-the-money options will be determined by reference to that day's official futures settlement prices. For Contracts that expire before the close of trading of the relevant Underlying Futures Contract, in-the-money options will be determined by reference to futures reference prices supplied on the day by the Exchange (these will be calculated by the same means as the relevant official futures settlement prices). Exceptions to these provisions may be made by the Clearing ~~Organisation~~ House's clearing procedures, but these exceptions will not apply to Contracts which have full automatic exercise at expiry.

~~5.~~ Allocation

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MMMM.5 ALLOCATION

- (a) ~~5.01~~ Each Contract referred to in an Exercise Notice or exercised under ~~term 4.05~~ Rule MMMM.4(e) shall be allocated by the Clearing ~~Organisation~~ House to a Seller of a Contract at the same exercise price and for the same expiry month as the option exercised.
- (b) ~~5.02~~ Notification of exercise and assignment will be given by the Clearing ~~Organisation~~ House during the afternoon of the day of exercise, or as soon as is practically possible thereafter, together with a statement of the amount of the settlement premium due from the Buyer to Seller.
- (c) ~~5.03~~ On the morning of the business day after exercise, margin will be called by the Clearing ~~Organisation~~ House from both parties in respect of the futures contract arising therefrom.

~~6. Expiry Months~~

MMMM.6 EXPIRY MONTHS

- (a) ~~6.01~~ The ~~Board~~ Exchange may at its discretion at any time determine the number of expiry months permitted to be traded under these ~~terms~~ Contract Rules in respect of an option for the Underlying Futures Contract, provided that such number does not exceed the number of delivery months for the time being quoted in respect of the Underlying Futures Contract. Subject thereto, a new expiry month will be available for trading on the business day immediately following the Last Trading Day in respect of an expiry month in respect of the Underlying Futures Contract.

~~7. Official Settlement Premium~~

MMMM.7 OFFICIAL SETTLEMENT PREMIUM

- (a) ~~7.01~~ Official ~~Settlement~~ settlement premiums will be established by reference to quotations at a supervised run through at each day's close of business in accordance with procedures established by the ~~Board~~ Exchange from time to time.

~~8. Abandonment~~

MMMM.8 ABANDONMENT

- (a) ~~8.01~~ A Contract may not be abandoned by the Buyer otherwise than on the expiry date.

~~9. Administrative Procedures~~

- ~~9.01~~ A Contract shall (without prejudice to any other provision of these terms) be subject to such Administrative Procedures as may from time to time be determined by the Board,

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~~provided always that if there be any conflict between the Administrative Procedures and these terms the provisions of these terms shall prevail.~~

~~9.02 The Board may at its discretion at any time revoke, alter or add to the Administrative Procedures. Any such amendment shall be published by Notice and shall have such effect on existing as well as new Contracts as the Board may direct.~~

~~10. Default in Performance~~

~~MMMM.9 [NOT USED]~~

MMMM.10 DEFAULT IN PERFORMANCE

(a) ~~10.01~~ A Buyer or a Seller shall be in default in performance where:

(i) ~~(a)~~ he fails to fulfil in accordance with these ~~terms~~Contract Rules, the RulesRegulations and the ~~Rules of the~~ Clearing OrganisationHouse Rules his obligations under a Contract by the time and in the manner prescribed; or

(ii) ~~(b)~~ he fails to pay any sum due to the Clearing OrganisationHouse in respect of a registered Contract by the time specified pursuant to these ~~terms or the~~Contract Rules of, the Regulations and the Clearing OrganisationHouse Rules; or

(iii) ~~(c)~~ in the reasonable opinion of the Clearing OrganisationHouse he is otherwise in default in performance.

(b) ~~10.02~~ Subject to the default rules of the Clearing OrganisationHouse, in the event of a default in performance by a Buyer or a Seller in respect of a registered Contract, the BoardExchange shall, at the request of the Clearing OrganisationHouse, forthwith fix a price for invoicing back and each option to which that Buyer or Seller, as applicable, is party, shall be invoiced back at that price. Such price may at the BoardExchange's absolute discretion take account of any compensation the BoardExchange may consider should be paid by or to the Buyer or Seller as applicable.

~~11. Force Majeure~~

~~MMMM.11 FORCE MAJEURE~~

(a) ~~11.01~~ Subject to any steps taken at any time by the BoardExchange under emergency powers in the RulesRegulations:

(i) ~~(a)~~ a Seller or a Buyer shall be liable to perform his payment obligations in respect of a lot comprised in a Contract by the due time therefor, notwithstanding that he may be or is likely to be prevented from doing so by any event beyond his reasonable control including, without limitation, any act of God, strike, lockout, war, armed conflict, use of force by authority of the United Nations, fire, riot or civil commotion, combination of workmen, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems; and

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- (ii) ~~(b)~~ in the event of a Buyer being prevented from exercising an option under a Contract in respect of an expiry month by the expiry time therefor, by any event beyond his reasonable control including, without limitation, any of the events specified in ~~term 11.01~~ Rule MMMM.11(a)(i):
- (A) ~~(i)~~ the Buyer may give written notice to the BoardExchange specifying the Contract or, if more than one, the Contracts in respect of which the Buyer was prevented from exercising an option, the steps taken by the Buyer to exercise an option and the events which prevented him from so doing. Any such notice shall be given to the BoardExchange as soon as is practicable after the expiry time for an option specified in the notice; and
- (B) ~~(ii)~~ if the BoardExchange is satisfied that the Buyer took all possible steps in the circumstances prevailing to exercise an option, the BoardExchange shall request the Clearing OrganisationHouse to notify it of details of one or more Contracts between a Seller and the Clearing OrganisationHouse which are on the same terms (except as to the parties or the option price) as, and have been matched by the Clearing OrganisationHouse with, the Contract or Contracts specified in the Buyer's notice and shall fix a price for invoicing back. Each Contract the subject of the Buyer's notice and each Contract between the Clearing OrganisationHouse and a Seller notified to the BoardExchange hereunder shall be invoiced back at such price. Such price may at the BoardExchange's absolute discretion take into account the BoardExchange's assessment of the intrinsic value of the options at the expiry thereof.

12. _____

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Rules

~~12.01 Every Contract shall be subject to the Rules and to the Rules of the Clearing Organisation in so far as applicable notwithstanding that one or more parties to any such Contract may not be members of the Exchange or of the Clearing Organisation.~~

~~12.02 In case of any conflict between these terms and the Rules, the Rules shall prevail.~~

~~12.03 In case of any conflict between the Administrative Procedures and these terms or the Rules of the Clearing Organisation:~~

- ~~• the Rules of the Clearing Organisation shall prevail in respect of any matter relating to clearing, and~~
- ~~• the provisions of the Administrative Procedures and these terms shall prevail in respect of any other matter.~~

~~13. Arbitration~~

~~13.01 Subject to terms 13.02 and 13.03 and to the Rules, any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules relating to arbitration and arbitration shall be held in accordance with the Rules in force at the time of such reference.~~

~~13.02 No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.~~

~~13.03 The Rules of the Clearing Organisation shall have priority over these terms in any dispute relating to clearing save where the Rules of the Clearing Organisation provide for a dispute to be governed by the LIFFE Rules.~~

~~14. Governing Law~~

~~14.01 Every Contract shall be governed by and construed in accordance with English law.~~

~~15. [deleted] NOT USED~~

~~16. Economic and Monetary Union~~

~~16.01 If the Board has varied, substituted or removed any of, or added to the terms of an Underlying Futures Contract arising out of or in connection with the introduction of the Euro as the lawful currency of the United Kingdom, the Board may in its absolute discretion vary, substitute or remove any of, or add to, the terms of this Exchange Contract in any way which the Board considers desirable to reflect such changes, or to facilitate the calculation of payments in Euro or to facilitate the calculation of the EDSP and any invoicing amount under the Underlying Futures Contract.~~

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~~16.02 — Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 16.01 shall have such effect with regard to existing or new Contracts or both as the Board may determine.~~

~~16.03 — Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to terms 16.01 and 16.02 shall be subject the subject of a Notice.~~

~~0~~

~~MMMM.13 [NOT USED]~~

~~MMMM.14 [NOT USED]~~

~~MMMM.15 [NOT USED]~~

~~MMMM.16 [NOT USED]~~

~~Issue Date: 6 January 2014~~

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Document 2 ID	PowerDocs://LNDOCS01/863375/6
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