

**SECTION PPPP - CONTRACT RULES: ICE FUTURES OVERNIGHT INDEX AVERAGE INDEXED
FUTURES CONTRACTS**

PPPP.1	Definitions
PPPP.2	Contract Specification
PPPP.3	Price
PPPP.4	Last Trading Day and Reference Day
PPPP.5	Exchange Delivery Settlement Price (“EDSP”)
PPPP.6	Errors in an EONIA Rate
PPPP.7	Payment
PPPP.8	Default in Performance
PPPP.9	Force Majeure
PPPP.10	[Not Used]
PPPP.11	[Not Used]
PPPP.12	[Not Used]
PPPP.13	[Not Used]
PPPP.14	Statement in relation to the EDSP
TABLE	Contract Details Specified by the Exchange for ICE Futures Overnight Index Average Indexed Futures Contracts

PPPP.1 DEFINITIONS

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

(b) In these Contract Rules and the Administrative Procedures:

“Administrative Procedures” means the administrative procedures at Rule QQQQ implemented by the Exchange for the purposes of these Contract Rules.

“Accrual Period” means the period for which quoted rates in the relevant Overnight Index Average are included in the determination of the EDSP in respect of a Contract, as specified for each delivery month by notice posted on the Market.

“business day” means:

- (i) in relation to the determination of the dates of the Last Trading Day, ~~the Reference Day~~ and the Settlement Day for a Contract, a day on which the market, the Clearing House, banks in London and the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System are open for business; and
- (ii) in all other respects, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

“Contract” means a contract made expressly or impliedly under these Contract Rules for the sale and purchase of one or more lots, and “registered Contract” means a Contract registered by the Clearing House.

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

“EDSP” means the Exchange Delivery Settlement Price and has the meaning attributed to it in Rule PPPP.5.

“EDSP Rate” has the meaning attributed to it in Rule PPPP.5(b).

“EONIA” means the Euro OverNight Index Average, being a weighted average rate of interest of euro-denominated overnight unsecured lending transactions in the inter-bank market calculated on each business day by the European Central Bank.

“EONIA rate” means a rate computed by the European Central Bank in respect of a particular business day, expressed on an Actual/360 basis.

“euro” and “€” denote the single currency of the European Union introduced in participating Member States pursuant to their participation in Economic and Monetary Union in the European Union.

“Last Trading Day” means, in respect of a delivery month, the day specified by the Exchange in the Table (subject to Rule PPPP.4).

“lot” means the unit of trading in respect of a Contract.

CONTRACT RULES: ICE FUTURES OVERNIGHT INDEX AVERAGE INDEXED FUTURES CONTRACTS

“OverNight Index Average”	means a weighted average rate of interest of overnight unsecured lending transactions in the inter-bank market calculated on each business day by the relevant central bank or other relevant party.
“Member State”	means a member of the European Union.
“Reference Day”	means the first business day after the Last Trading Day.
“Reserve Maintenance Period”	means the period over which institutions are required to hold minimum reserves with the European Central Bank and beginning on the settlement day of the first main refinancing operation following the meeting of the Governing Council at which the monthly assessment of the monetary policy stance is pre-scheduled.
“Settlement Day”	means in respect of a delivery month the first business day after the Reference Day <u>Last Trading Day</u> .
(c) [Not used]	

PPPP.2 CONTRACT SPECIFICATION

- (a) Each Contract shall be for one or more lots for the delivery month specified.

PPPP.3 PRICE

- (a) Bids and offers shall be quoted in “Basis Points” and half Basis Points.
- (b) One Basis Point shall be 0.01 and shall have a value equal to the Basis Point value as specified by the Exchange in the Table.

PPPP.4 LAST TRADING DAY ~~AND REFERENCE DAY~~

- (a) On the Last Trading Day:
 - (i) ~~On the Last Trading Day~~ trading in Contracts for the relevant delivery month shall cease at such time as may be specified in the Administrative Procedures.
 - (ii) ~~On the Reference Day~~ the Exchange shall calculate the EDSP for such Contracts in accordance with Rule PPPP.5.
- (b) 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 immediately preceding such day shall become the Last Trading Day in respect of that delivery month, ~~and the Exchange shall make such consequential adjustment to the date of the Reference Day as it considers necessary~~, and the Exchange shall publish a notice posted on the Market to that effect.

PPPP.5 EXCHANGE DELIVERY SETTLEMENT PRICE (“EDSP”)

- (a) The EDSP shall be calculated by reference to a rate (the “EDSP Rate”), specified in or pursuant to this Rule PPPP.5, which shall be calculated by reference to the relevant OverNight Index Average rate calculated and published in respect of each business day during the Accrual Period.
- (b) Subject to Rule PPPP.5(c), the EDSP Rate shall be:

In respect of the One Month EONIA Indexed Contract:

$$EDSP\ Rate = \left[\frac{360}{N} \left\{ \prod_{i=1}^x (A_i) - 1 \right\} \right] \times 100$$

where:

x = the number of EONIA rates determined in the Accrual Period.

N = the total number of calendar days in the Accrual Period; and

A_i = the overnight return factor in respect of the i^{th} EONIA rate of the Accrual Period, determined as

$$A_i = \left(1 + \frac{E_i * d_i}{360} \right)$$

and rounded to eight decimal places, where:

E_i = the i^{th} EONIA rate of the Accrual Period, expressed in such a way that for a rate of 5%, $E_i = 0.05$.

d_i = the number of days that E_i is applied, such that d_i represents the number of calendar days between the day in respect of which the rate E_i is determined and the next day on which an EONIA rate is published.

(c) The Exchange may at its discretion resolve, prior to five business days prior to the commencement of the Accrual Period in respect of a delivery month, that the reference rate used to determine the EDSP Rate in accordance with Rule PPPP.5(b) shall be a rate other than EONIA, subject always to the proviso that the EDSP rate shall be calculated with reference to over-night interest rates on euro denominated deposits, as the case may be, generally available in the interbank market during the Accrual Period. Any such determination by the Exchange shall be the subject of a notice posted on the Market.

(d) The EDSP shall be a figure calculated in accordance with the formula:

100.00 - R

where R = the EDSP Rate, save as provided in Rule PPPP.5(e).

(e) Where the EDSP Rate is not an exact multiple of 0.001, it will be rounded to the nearest 0.001 or, where the EDSP Rate is an exact uneven multiple of 0.0005, to the nearest lower 0.001.

(f) The Exchange shall publish a provisional EDSP and the final EDSP at such times as are specified in the Administrative Procedures. The final EDSP shall be final and binding for all purposes.

PPPP.6 ERRORS IN AN EONIA RATE

(a) If not later than thirty minutes after the provisional EDSP for a particular delivery month is first published, any member of the Exchange notifies Exchange officials of, or there otherwise comes to the attention of Exchange officials, an alleged or apparent error in a relevant EONIA rate due to any cause whatsoever, then Exchange officials shall request the European Central Bank to investigate such alleged or apparent error. If the European Central Bank corrects a relevant EONIA rate affected thereby, Exchange officials shall calculate or re-calculate (as the case may be) the EDSP Rate and the EDSP in accordance therewith. No correction shall be accepted and no re-calculation of the EDSP Rate and

CONTRACT RULES: ICE FUTURES OVERNIGHT INDEX AVERAGE INDEXED FUTURES CONTRACTS

EDSP shall be made by Exchange officials in respect of any error notified to Exchange officials or coming to their attention after the expiry of such thirty minute period.

- (b) No correction to an EONIA rate shall be accepted and no re-calculation of the EDSP shall be made other than as may be allowed for in Rule PPPP.6(a).
- (c) Neither the Exchange nor Exchange officials shall have any liability whatsoever in respect of any decision as to whether or not to correct an EONIA rate or as to the amount of any correction, or as to whether or not to re-calculate the EDSP.

PPPP.7 PAYMENT

- (a) In respect of each lot comprised in a Contract the following payments shall be made by the time on the Settlement Day specified by the Exchange in the Administrative Procedures:
 - (i) where the EDSP exceeds the Contract price, payment by the Seller to the Clearing House or payment by the Clearing House to the Buyer, or both (as the case may require), and
 - (ii) where the Contract price exceeds the EDSP, payment by the Buyer to the Clearing House or payment by the Clearing House to the Seller, or both (as the case may require),

of an amount calculated by multiplying the difference in Basis Points between the EDSP and the Contract price by the value per lot of one Basis Point as specified in the Table.

PPPP.8 DEFAULT IN PERFORMANCE

- (a) A Buyer or Seller other than the Clearing House shall be in default in performance where:
 - (i) he fails to fulfil in accordance with these Contract Rules, the Regulations and the Administrative Procedures and the Clearing House Rules his obligations under a Contract by the time and in the manner prescribed; or
 - (ii) he fails to pay any sum due to the Clearing House in respect of a registered Contract by the time specified in these Contract Rules or in the Administrative Procedures or under the Regulations; or
 - (iii) in the reasonable opinion of the Clearing House he is otherwise in default.
- (b) Subject to the default rules of the Clearing House, in the event of a default in performance by a Buyer or a Seller in respect of a registered Contract, the Exchange shall, at the request of the Clearing House, forthwith fix a price for invoicing back and each lot in issue shall be invoiced back at that price. Such price may at the Exchange's absolute discretion take account of any compensation that the Exchange may consider should be paid by or to the Buyer or Seller, as applicable.

PPPP.9 FORCE MAJEURE

- (a) Subject to any steps taken at any time by the Exchange under emergency powers in the Regulations and subject to the default rules of the Clearing House, a Seller or a Buyer shall be liable to perform his 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 so doing 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, act of terrorism, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems.

PPPP.10 [NOT USED]

PPPP.11 [NOT USED]

PPPP.12 [NOT USED]

PPPP.13 [NOT USED]

PPPP.14 STATEMENT IN RELATION TO THE EDSP

(a) The Exchange draws the following statement to the attention of potential users of its One Month EONIA Indexed Contract. Members should ensure that their clients are made aware of the statement.

“Statement in relation to the EDSP

The Exchange Delivery Settlement Price (“EDSP”) of the One Month EONIA Indexed Contract is calculated on the basis of the relevant EONIA rates as described in the relevant Contract Rule. Potential users of the One Month EONIA Indexed Contract made available on ICE Futures Europe should familiarise themselves with the relevant Contract Rules of the One Month EONIA Indexed Contract. Potential users should note that, whilst the relevant EONIA rates are publicly available, the detailed calculation procedures in relation to those rates are not published.

Potential users should be aware that EONIA rates to be used in the calculation of a final EDSP will be amended only where the European Central Bank (“ECB”) indicates to the Exchange that there is an error in such EONIA rates before the Exchange publishes that final EDSP. In that event, and subject to the relevant Contract Rules of the One Month EONIA Indexed Contract, the requisite corrections to all relevant EONIA rates will be made in order to calculate such final EDSP.

The accrual period for One Month EONIA Indexed Contracts is determined by the number of days in the ECB reserve maintenance period. The number of days in the relevant period currently varies from 21 to 43 days. A change in the length of such periods may lead to a change in the accrual period and Last Trading Day of One Month EONIA Indexed Contracts. Moreover, the contracts have a standardised basis point value so that, for hedging purposes, a calculation will need to be made in relation to the hedge ratio to take into account any mismatch between the standardised basis point value and the actual basis point value of the position being hedged, determined by the actual number of days in the accrual period.”

CONTRACT RULES: ICE FUTURES OVERNIGHT INDEX AVERAGE INDEXED FUTURES CONTRACTS

TABLE
CONTRACT DETAILS SPECIFIED BY THE EXCHANGE FOR ICE FUTURES OVERNIGHT INDEX AVERAGE INDEXED FUTURES CONTRACTS

Contract	One Month EONIA
Currency specified by the Exchange	Euro €
Period specified by the Exchange	One Month
Unit of trading	€3,000,000
Delivery months	All calendar months
No. of delivery months available for trading	A maximum of twelve and a minimum of three consecutive delivery months will be available for trading. The number of available delivery months will be determined by the number of Maintenance Periods for which dates have been published by the European Central Bank.
Basis Point value¹	€25.00 per lot
Minimum price movement (Value)	Half Basis Point (€12.50)
Minimum EDSP Price Increment	0.001%
Quotation	100.00 minus rate of interest
Last Trading Day	Last Day of the European Central Bank Reserve Maintenance Period during the relevant delivery month
Interest rate basis	Actual days/360

¹ A one Basis Point change in price has a value equal to the Basis Point value. In respect of Contracts for a one month period, this is equal to the change in gross interest on the unit of trading for 30 days resulting from a 0.01% change in the interest rate i.e. Basis Point value = $\frac{0.01}{100} \times \frac{30}{360} \times \text{Unit of trading}$.