

**SECTION QQQQQQ - CONTRACT RULES: ICE FUTURES EUROPE ERIS GBP INTEREST RATE FUTURES
CONTRACTS**

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¹ Amended 16 November 2015, 1 February 2021

² Amended 16 November 2015, 1 February 2021

³ Amended 16 November 2015

⁴ Amended 16 November 2015

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⁶ Amended 16 November 2015, 1 February 2021

⁷ Amended 16 November 2015, 1 February 2021

⁸ Inserted 16 November 2015, amended 1 February 2021



CONTRACT RULES: ICE FUTURES EUROPE ERIS GBP INTEREST RATE FUTURES CONTRACTS

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QQQQQQ.1 DEFINITIONS⁹

(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:

"Actual/365" also known as "Actual/365 (Fixed)", means, in relation to a calculation of a Fixed Amount or a Floating Amount, the actual number of days (including the first and excluding the last) in the Calculation Period ending on the Notional Payment Date on which such Fixed Amount or Floating Amount, as the case may be, is notionally payable divided by 365;

"Administrative Procedures" means the administrative procedures at Rule RRRRRR implemented by the Exchange for the purposes of these Contract Rules;

"Buyer" means the Notional Floating Rate Payer under a Contract (Fixed Rate Receiver);

"Calculation Period" means, in relation to each Notional Fixed Payment Date for a Contract, the period from and including the immediately preceding Notional Fixed Payment Date (or, if none, the Effective Date) to but excluding such Notional Fixed Payment Date and, in relation to each Notional Floating Payment Date for a Contract, the period from and including the immediately preceding Notional Floating Payment Date (or, if none, the Effective Date) to but excluding such Notional Floating Payment Date;

"Contract" means a contract made expressly or impliedly under these Contract Rules for the sale and purchase of one or more lots in respect of a Fixed Rate, a Floating Rate Index, an Effective Date, an Underlying Tenor, Notional Floating Rate payments and a Roll Method, as specified or made available by the Exchange, and "registered Contract" means a Contract registered by or with the Clearing House;

"Contract Business Day" means a day which commercial banks are open for general business in London;

"Contract Currency" means Sterling, being the lawful currency of the United Kingdom, denoted as "GBP", "£" and "Sterling";

"Contract Notional Amount" means the amount specified by the Exchange in Tables 1 and 2;

⁹ Amended 16 November 2015, 19 April 2018, 1 February 2021

"contract month"	means each month specified by the Exchange in Tables 1 and 2;
"Custom Contract"	means a Contract the terms of which when entered into satisfy these Contract Rules and the requirements of Table 1 but not of Table 2;
"Daily Settlement Price"	has the meaning attributed to it in Rule QQQQQQ.5;
"Effective Date"	means, in relation to a Custom Contract, the date selected by the parties thereto from those listed in Table 1 and, in relation to a Non-Custom Contract, the date specified by the Exchange from those listed in Table 2 as the Effective Date for such Contract;
"EDSP"	means the Exchange Delivery Settlement Price and has the meaning attributed to it in Rule QQQQQQ.5;
"First Trading Day"	means, in relation to a Contract, the day on which the Exchange makes such Contract available for trading in the central order book;
"Fixed Amount"	means, in relation to a Notional Fixed Payment Date for a Contract and the Calculation Period then ending, a Gross amount notionally payable by the Fixed Rate Payer to the Floating Rate Payer on such Notional Fixed Payment Date equal to the product of (i) the relevant Contract Notional Amount, (ii) the relevant Notional Fixed Rate and (iii) the relevant Fixed Rate Day Count Fraction;
"Fixed Rate Day Count Fraction"	means, in relation to a Contract, the fixed rate day count fraction specified by the Exchange in Tables 1 and 2;
"Floating Amount"	means, in relation to a Notional Floating Payment Date for a Contract and the Calculation Period then ending, a Gross amount notionally receivable by the Fixed Rate Payer from the Floating Rate Payer on such Notional Floating Payment Date equal to the product of (i) the relevant Contract Notional Amount, (ii) the relevant Notional Floating Rate and (iii) the relevant Floating Rate Day Count Fraction;
"Floating Rate Day Count Fraction"	means, in relation to a Contract, the floating rate day count fraction specified by the Exchange in Tables 1 and 2;
"Gross"	means, in respect of any payment or notional payment, the gross amount of such payment free from any withholding or deduction for or on account of any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest,

	penalties and additions thereto) that is or would be imposed by any government or other taxing or competent authority in respect of any such payment;
"IMM Roll Method"	means a method for scheduling certain future dates whereby Reset Dates and the Maturity Date are determined by reference to the third Wednesday in the relevant month adjusted by the Modified Following Business Day Convention;
"Last Trading Day"	means, in relation to a Contract, the Contract Business Day immediately preceding the Maturity Date for that Contract;
"lot"	means the unit of trading specified by the Exchange in Tables 1 and 2, being equal to the Contract Notional Amount;
"Maturity Date"	means, in relation to a Contract, the anniversary of the Effective Date determined by the Underlying Tenor, subject to adjustment in accordance with the Modified Following Business Day Convention;
"Minimum EDSP Increment"	has the meaning specified by the Exchange in Tables 1 and 2;
"Modified Following Business Day Convention"	means the convention for adjusting a relevant date if it would otherwise fall on a day that is not a Contract Business Day to the first following day that is a Contract Business Day unless that day falls in the next calendar month, in which case the adjusted date will be the first preceding day that is a Contract Business Day;
"Net Present Value" or "NPV"	means, in relation to a Contract and any date, the net present value, for the Buyer, of the Notional Future Cash Flows for that Contract, as determined by the Exchange using OIS Discounting for the purposes of calculating the Daily Settlement Price and PAI.
"Non-Custom Contract"	means a Contract, the terms of which when entered into satisfy these Rules and the requirements of Table 2;
"Notional Fixed Payment Dates"	means, in relation to a Contract, the day of each calendar month, falling at intervals of one year after the Effective Date, up to and including the Maturity Date, determined by the Roll Method for that Contract, subject to adjustment in accordance with the Modified Following Business Day Convention;
"Notional Floating Payment Dates"	means, in relation to a Contract, the day of each calendar month, falling at intervals of one year after the Effective Date up to and including the Maturity Date, determined by the Roll Method for that Contract, subject to adjustment in accordance with the Modified Following Business Day Convention;

"Notional Fixed Rate"	means, in relation to a Custom Contract, the fixed rate chosen by the parties from the range specified by the Exchange and, in relation to a Non-Custom Contract, the fixed rate specified by the Exchange, in each case in a notice posted on the Market before such Contract is available for trading;
"Notional Fixed Rate Payer"	means the party who is obliged to pay the Notional Fixed Rate under a Contract, being the Seller;
"Notional Floating Rate"	means, in relation to the determination of a Floating Amount notionally payable on a Notional Floating Payment Date, the Relevant Rate determined with respect to the Reset Date
"Notional Floating Rate Payer"	means the party who is obliged to pay the Notional Floating Rate under a Contract, being the Buyer;
"Notional Future Cash Flows"	means, in relation to a Contract on any date, the Gross amounts notionally payable as Fixed Amounts and as Floating Amounts on all then future Notional Payment Dates;
"Notional Historical Fixed and Floating Amounts"	means, in relation to a Contract and any date, the Gross amounts notionally paid as Fixed Amounts and as Floating Amounts on all Notional Payment Dates falling on or before such date;
"Notional Payment Dates"	means Notional Fixed Payment Dates and Notional Floating Payment Dates;
"OIS Discounting"	means calculating the NPV of the Notional Future Cash Flows using discount factors derived from the Exchange's GBP overnight index swaps curve;
"Price Alignment Interest (PAI)"	means the cumulative value calculated daily by applying SONIA to the Contract's NPV using the Fixed Rate Day Count Fraction and cumulating the result with the PAI calculated for the previous day. PAI will begin to accrue for a Contract on its First Trading Day;
"Rate Determination Date"	means the Reset Date;
"Relevant Rate"	means, in relation to a Contract and a Reset Date, the daily compounded SONIA rate over the previous 12 month period
"Remaining Tenor"	means, in relation to a Contract on any date before its Effective Date, the Underlying Tenor and in relation to a Contract on any date on or after its Effective Date, the number of years in the period from and including such date to but excluding the Maturity Date for that Contract;

"Reset Dates"	means, in relation to a Contract, the Effective Date and each Notional Floating Payment Date other than the Maturity Date;
"Roll Method"	means IMM Roll Method
"Seller"	means the Notional Fixed Rate Payer under a Contract (Fixed Rate Payer);
"Settlement Day"	means, in respect of a Contract, the first Contract Business Day after its Maturity Date;
"SONIA"	means the Sterling Overnight Index Average as published by the benchmark administrator or its agent each business day;
"Table"	means Table 1 or Table 2 set out below, Table 1 being the relevant Table for Custom Contracts and Table 2 being the relevant Table for non-custom Contracts;
"Tick Sizes"	has the meaning specified by the Exchange in Tables 1 and 2;
"Underlying Tenor"	means, in relation to a Contract, the period specified by the Exchange in Tables 1 and 2.

(c) References to "as specified by the Exchange in Tables 1 and 2" means, in relation to a Contract, as set out in the columns in the relevant Table for such Contract and where more than one choice is set out, it means, in the case of a Custom Contract, the choice which is chosen by the parties for that Contract and, in the case of a Non-Custom Contract, the choice specified by the Exchange as applicable to that Contract. Tables 1 and 2 attached hereto form part of these Contract Rules.

QQQQQQ.2 CONTRACT SPECIFICATION

Each Contract shall be for one or more lots of a Contract for the contract month specified.

QQQQQQ.3 PRICE¹⁰

- (a) The Contract price shall be expressed in the Contract Currency as determined in accordance with the formulae set out in QQQQQQ.5 per lot.
- (b) The Daily Settlement Price and the EDSP for a Contract which has had a First Trading Day shall be the price which shall be determined in accordance with the formulae set out in Rule QQQQQQ.5 below and expressed in the Contract Currency, stated to four decimals.
- (c) The Contract price for the purposes of comparison with the EDSP pursuant to Rule QQQQQQ.7 shall be determined by applying the formula set out in Rule QQQQQQ.5(a)

QQQQQQ.4 LAST TRADING DAY AND MATURITY DATE¹¹

- (a) On the Last Trading Day for a Contract, trading in such Contract shall cease at such time as may be specified in the Administrative Procedures.

¹⁰ Amended 16 November 2015, 1 February 2021

¹¹ Amended 16 November 2015

- (b) On the Maturity Date, the Exchange will calculate the EDSP for Contracts which have had a First Trading Day in accordance with Rule QQQQQQ.5.

QQQQQQ.5 DAILY SETTLEMENT PRICE AND EXCHANGE DELIVERY SETTLEMENT PRICE ("EDSP")¹²

- (a) Subject to Rule QQQQQQ.5(b), the Exchange will calculate, on each Contract Business Day t falling on or after the First Trading Day of any Contract, the Daily Settlement Price for such Contract, in accordance with the following formula:

$$\text{Daily Settlement Price} = 100 + A_t + B_t - C_t$$

A_t = the NPV on day t of one lot of the relevant Contract divided by 1,000;

B_t = the sum, for the Buyer, of all Notional Historical Fixed and Floating Amounts for one lot of the relevant Contract from the First Trading Day to day t inclusive divided by 1,000; and

C_t = PAI for one lot of the relevant Contract as at day t divided by 1,000.

- (b) If no Daily Settlement Price can be calculated in respect of a Contract in accordance with Rule QQQQQQ.5(a), the Exchange shall calculate the Daily Settlement Price for such Contract at a price determined by it in its absolute discretion as reflecting the value of the rights and obligations of Buyer and Seller under such Contract.
- (c) Subject to Rules QQQQQQ.5(e) and QQQQQQ.5(f), and the rounding convention described in Rule QQQQQQ.5(d), the Exchange will calculate the EDSP for all Contracts which have had a First Trading Day, in accordance with the following formula:

$$\text{EDSP} = 100 + B_{\text{final}} - C_{\text{final}}$$

B_{final} = the sum, for the Buyer, of all Notional Historical Fixed and Floating Amounts for one lot of the relevant Contract from the First Trading Day to the Maturity Date inclusive divided by 1,000; and

C_{final} = PAI for one lot of the relevant Contract as at the Maturity Date divided by 1,000.

- (d) Where $100 + B_{\text{final}} - C_{\text{final}}$ is not an exact multiple of the Minimum EDSP Increment specified by the Exchange in Tables 1 and 2, it will be rounded to the nearest Minimum EDSP Increment or, where $100 + B_{\text{final}} - C_{\text{final}}$ is an exact uneven multiple of half of the Minimum EDSP Increment, to the nearest higher Minimum EDSP Increment.
- (e) If no EDSP can be calculated in respect of a Contract which has had a First Trading Day in accordance with Rules QQQQQQ.5(c) and QQQQQQ.5(d), the Exchange shall calculate the EDSP for such Contract at a price determined by it in its absolute discretion as reflecting the value of the rights and obligations of Buyer and Seller under such Contract.
- (f) The Exchange may at its discretion resolve, prior to the commencement of the calendar month in which the Last Trading Day falls, that the EDSP shall be determined by means other than that specified in Rules QQQQQQ.5(c) and QQQQQQ.5(d), subject always to the proviso that the EDSP shall be calculated by reference to the value of the rights and obligations of Buyer and Seller under the relevant Contract.
- (g) The Daily Settlement Price shall be used as the "Exchange Delivery Settlement Price" for the purposes of calculating Variation Margin (as defined in the Clearing House Rules), including under Rule 503(e) of the Clearing House Rules, and for the purposes of contractual netting and related provisions in the Clearing House Rules.

¹² Amended 16 November 2015

QQQQQQ.6 PRICE PUBLICATION

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

QQQQQQ.7 PAYMENT

In respect of each lot comprised in a Contract the following payments shall be made in the Contract Currency 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 in the Contract Currency calculated by multiplying the difference between the EDSP and the Contract price by 1000.

QQQQQQ.8 DEFAULT IN PERFORMANCE¹³

- (a) A Buyer or Seller, other than the Clearing House, shall be in default 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 in respect of a registered Contract by the time specified in these Contract Rules or in the Administrative Procedures or under the Clearing House Rules; or
 - (iii) in the reasonable opinion of the Exchange or Clearing House he is otherwise in default.
- (b) Subject to the default rules of the Clearing House, in the event of a default by a Buyer or a Seller, other than the Clearing House, in respect of a registered Contract, the Exchange shall, at the request of the Clearing House, fix a price for invoicing back and each lot comprised in such Contract shall be invoiced back at that price. No dispute as to such price may be referred to arbitration. 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.

QQQQQQ.9 FORCE MAJEURE

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, 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.

¹³ Amended 16 November 2015

QQQQQ.10 STATEMENT IN RELATION TO THE DAILY SETTLEMENT PRICE AND EDSP CALCULATION PROCESS¹⁴

Potential users of the ICE Futures Europe Eris GBP Interest Rate Futures Contracts made available on ICE Futures Europe should familiarise themselves with the relevant Contract Rules as well as the relevant Daily Settlement Price and EDSP calculation process.

See Rule I.25 of the ICE Futures Europe Regulations for additional risk disclosures.

¹⁴ Amended 16 November 2015, 1 February 2021

TABLE 1¹⁵
CUSTOM CONTRACT DETAILS SPECIFIED BY THE EXCHANGE FOR
ICE FUTURES EUROPE ERIS GBP INTEREST RATE FUTURES CONTRACTS

Contract:	Eris GBP Interest Rate Futures	
Contract Currency:	Sterling	
Contract Notional Amount:	GBP 100,000	
Effective Date:	Third Wednesday of contract month	
Contract month:	March, June, September or December, as specified by notice posted on the Market	
Underlying Tenor:	1 year, 2 years, 3 years, 4 years, 5 years, 6 years, 7 years, 8 years, 9 years or 10 years	
Roll Method	IMM Roll Method	
Maturity Date:	Effective Date plus Underlying Tenor determined by the Roll Method, subject to adjustment in accordance with the Modified Following Business Day Convention	
Notional Fixed Payment Dates:	Annually after Effective Date up to and including Maturity Date, determined by the Roll Method subject to adjustment in accordance with the Modified Following Business Day Convention	
Fixed Rate Day Count Fraction:	Actual/365	
Notional Floating Payment Dates:	Annually after Effective Date up to and including Maturity Date, determined by the Roll Method, subject to adjustment in accordance with the Modified Following Business Day Convention	
Floating Rate Index:	SONIA as determined by the benchmark administrator or its agent	
Floating Rate Calculation	<p>The compounded annual SONIA rate is equal to</p> $Rate = \left[\frac{365}{N} \left\{ \prod_{i=1}^x \left(1 + \frac{S_i * d_i}{365} \right) - 1 \right\} \right] * 100$ <p>S_i = Sonia rate on the ith day of the accrual period d_i = the number of days that the value S_i is applied x = the number of Sonia fixings used in the accrual period N = the total number of days for which the x fixings are applied, i.e. the number of calendar days in the accrual period</p> <p>The payment is equal to the notional * rate / 100 * ACT/365</p>	
Floating Rate Day Count Fraction:	Actual/365	
Business Day:	London	
Tick Size per lot:	Remaining Tenor	Tick Size

¹⁵ Amended 16 November 2015, 1 February 2021

	Less than 2 years	£1
	2 years or more but less than 4 years	£2
	4 years or more but less than 7 years	£5
	7 years or more but less than 20 years	£10
	20 years or more	£20
Minimum EDSP Increment:	0.0001 (£0.10)	

TABLE 2¹⁶

**NON-CUSTOM CONTRACT DETAILS SPECIFIED BY THE EXCHANGE FOR
ICE FUTURES EUROPE ERIS GBP INTEREST RATE FUTURES CONTRACTS**

Contract:	Non-Custom Eris GBP Interest Rate Futures
Contract Currency:	Sterling
Contract Notional Amount:	GBP 100,000
Effective Date:	Third Wednesday of contract month
Contract month:	March, June, September or December, as specified by notice posted on the Market
Underlying Tenor:	2 years, 3 years, 5 years, 7 years, 10 years or 30 years
Roll Method	IMM Roll Method
Maturity Date:	Effective Date plus Underlying Tenor, determined by the Roll Method and Modified Following Business Day Convention
Notional Fixed Payment Dates:	Annually after Effective Date up to and including Maturity Date, subject to adjustment in accordance with the Roll Method and Modified Following Business Day Convention
Fixed Rate Day Count Fraction:	Actual/365
Notional Floating Payment Dates:	Annually after Effective Date up to and including Maturity Date, determined by the Roll Method and Modified Following Business Day Convention
Floating Rate Index:	SONIA as determined by the benchmark administrator or its agent
Floating Rate Calculation	<p>The compounded annual SONIA rate is equal to</p> $Rate = \left[\frac{365}{N} \left\{ \prod_{i=1}^x \left(1 + \frac{S_i * d_i}{365} \right) - 1 \right\} \right] * 100$ <p> S_i = Sonia rate on the i^{th} day of the accrual period d_i = the number of days that the value S_i is applied x = the number of Sonia fixings used in the accrual period N = the total number of days for which the x fixings are applied, i.e. the number of calendar days in the accrual period </p> <p>The payment is equal to the notional * rate / 100 * ACT/365</p>

¹⁶ Inserted 16 November 2015, 1 February 2021

Floating Rate Day Count Fraction:	Actual/365	
Business Day:	London	
Tick Size per lot:	Remaining Tenor	Tick Size
	Less than 2 years	£1
	2 years or more but less than 4 years	£2
	4 years or more but less than 7 years	£5
	7 years or more but less than 20 years	£10
	20 years or more	£20
Minimum EDSP Increment:	0.0001 (£0.10)	