

CONTRACT PROCEDURES: ICE FUTURES ABU DHABI MURBAN CRUDE OIL FUTURES CONTRACT



SECTION L – CONTRACT PROCEDURES: ICE FUTURES ABU DHABI MURBAN CRUDE OIL FUTURES CONTRACT¹

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¹ Inserted 25 September 2020.



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L.1 CESSATION OF TRADING²

- (a) Subject to Rule L.1(b), trading in the ICE Murban Crude Oil Futures Contracts shall cease at 16.30 SPT on the Last Trading Day.
- (b) The Exchange may amend the provisions of this Rule L.1(a) by way of Circular if:
 - (i) at any time dealings on the Market in the ICE Murban Crude Oil Futures Contracts are suspended on any Trading Day; or
 - (ii) the Exchange, in its sole discretion, considers it prudent or necessary to do so.

L.2 DELIVERY CONFIRMATIONS BY THE SELLER AND BUYER

- (a) In respect of each expiring Contract remaining open at 16.30 SPT on the Last Trading Day, the Seller and Buyer shall each notify the Clearing House of their delivery intentions by 13.30 LPT on the Last Trading Day in compliance with this Rule.
- (b) As part of such notification, the Seller and Buyer shall each specify the following information, or such other information as may be requested by the Exchange or the Clearing House from time to time:
 - (i) name(s) of underlying client(s) or whether the Seller/Buyer is acting for its own account;
 - (ii) the volume going to delivery; and
 - (iii) any other relevant information.
- (c) In addition to the above, the Seller will provide such other documentation or information or evidence of or security for the existence or availability of Murban Crude Oil for delivery in accordance with the Contract Rules as the Exchange or the Clearing House may require from time to time.
- (d) Failure to identify a customer or to specify whether the Buyer or Seller is making or taking delivery for its own account pursuant to Rule L.2(b) above may be the subject of summary disciplinary measures by the Exchange under Rule E.2.1.

L.3 ALLOCATION AND NOTIFICATIONS TO THE SELLER AND BUYER

- (a) The Clearing House will allocate tenders to Buyers and Sellers at its sole discretion based on the information received pursuant to Rule L.2 and in accordance with the Clearing House Rules. Whilst the Clearing House will endeavour to minimise, having regard to the information received by all Buyers and Sellers as a whole, the number of ultimate parties and tenders involved, such allocation shall be at the sole discretion of the Clearing House.
- (b) The Clearing House will notify each Seller of the Buyer(s) with whom it has been matched or allocated for each delivery and shall instruct each Seller to deliver directly to the Buyer(s) in accordance with the Contract Rules. The Clearing House will notify the Buyer of the Seller(s) and the delivery or receipt quantity involved per allocated tender.

² Amended on 20 March 2025.

- (c) By 09.00 LPT on the first Clearing Day following the Last Trading Day, the Seller and Buyer shall each deposit cash (or such other permitted cover as may be acceptable to the Clearing House) in such amount as determined by the Clearing House, to be held by the Clearing House as margin for the parties' deliverable positions.

L.4 NOMINATION AND AGREEMENT OF DELIVERY RANGE

- (a) By 14.00 LPT on the twenty-fifth calendar day prior to the first calendar day of the delivery month, the Buyer shall notify the Clearing House and the Seller of, among other things, the Buyer's preferred Delivery Range and any customary documentation requested by the Buyer to be provided by the Seller in addition to the documents specified in Rule L.6(b) and any other information requested by the Clearing House.
- (b) The Terminal Operator will establish the loading programme for the Delivery Period and send the finalised loading programme to relevant parties and the Clearing House by the fifteenth calendar day prior to the first calendar day of the delivery month. For the avoidance of any doubt, the Clearing House has no input or influence in respect of the loading programme determined by the Terminal Operator.
- (c) By 18.00 LPT on the first Clearing Day following the fifteenth calendar day prior to the first calendar day of the delivery month, the Clearing House will advise all agreed Delivery Ranges to Buyers and Sellers based on the loading programme established by the Terminal Operator. Once the Buyers and the Sellers are informed of the loading programme, the Delivery Range becomes final, save that:
 - (i) a Buyer may request a change to the agreed Delivery Range in accordance with the procedure set out in this paragraph. Any such request must be submitted in such form and such manner as the Clearing House may prescribe from time to time, and will be assessed by the Clearing House and Terminal Operator, who each may approve or reject the request at their discretion. The requested changes will only become effective if approval is received from each of the Clearing House and Terminal Operator by the earlier of: (a) five Clearing Days prior to the first day of the original published Delivery Range; and (b) five Clearing Days prior to the first day of the Delivery Range requested by the Buyer; and
 - (ii) the Terminal Operator may agree with the Buyer to the early loading of Murban Crude Oil into the Buyer's Vessel provided that any such early loading shall not take place (a) earlier than 48 hours prior to the first day of the agreed Delivery Range; or (b) earlier than the first Terminal Loading Day of the delivery month; and
 - (iii) the Terminal Operator may shorten the Delivery Range from three consecutive Terminal Loading Days to two consecutive Terminal Loading Days at any time, provided that the Terminal Operator gives notice to the Buyer, Seller and the Clearing House.

L.5 DELIVERY DAY AND VESSEL NOMINATION

- (a) The Buyer shall submit to the Seller (with a copy to the Clearing House), no later than 14.00 LPT on the fifth calendar day prior to the first day of the Delivery Range, the Vessel Nomination Form. The Vessel Nomination Form shall include, inter alia, the nominated Delivery Day, which must be a day within the Delivery Range, and approximate time for initiating delivery and details of the Vessel onto which Murban Crude Oil subject to delivery is to be loaded.
- (b) If the Vessel Nomination Form is received by the Clearing House after 14.00 LPT on any given day, it will be deemed to have been given on the following calendar day.



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- (c) Re-nomination or substitution of Vessel is permitted provided the Buyer submits a new Vessel Nomination Form to the Seller (with a copy to the Clearing House) no later than five calendar days prior to the first day of the Delivery Range. A shorter period may be permitted provided all the parties agree namely the Terminal Operator, the Clearing House, the Buyer and the Seller.
- (d) The Seller must notify the Buyer and the Clearing House of any rejection of a nominated Vessel. Such notice must contain the reasons for rejection and will be managed by the Terminal Operator. A nomination may not be rejected for frivolous or vexatious reasons, or obvious clerical errors.
- (e) By 09.00 LPT on the third Clearing Day prior to the first day of the Delivery Range, the Buyer must provide security to the Clearing House Margin in such amounts and form as may be required by the Clearing House from time to time.

L.6 DELIVERY, LODGING AND TAKING UP OF DOCUMENTS AND PAYMENT

- (a) Delivery is to be made at the Terminal in accordance with the Contract Rules, Clearing House Rules, Applicable Laws and the loading programme given by the Terminal Operator. Loading shall be scheduled to commence on the nominated Delivery Day and take place in accordance with the Terminal Operator's terms and any other applicable procedures. The Buyer's Vessel must arrive and present its notice of readiness to load within the Delivery Range.
- (b) By 12.00 LPT on or before the tenth Clearing Day after completion of loading, the Seller (either directly or through the Terminal Operator) shall lodge the following original delivery documents with the Clearing House, copying in the Buyer:
 - (i) the certificates of quality and quantity; and
 - (ii) a full set of original, negotiable, to order bills of lading.
- (c) The Seller shall use reasonable endeavours to provide any additional customary documentation reasonably requested by the Buyer and/or the Clearing House. Any documents received by the Buyer and the Clearing House after 12.00 LPT will be deemed to be received on the following Clearing Day. The Clearing House will provide the documents to the Buyer as soon as reasonably practical following receipt of documents from the Seller (or the Terminal Operator on its behalf).
- (d) In the event of non-availability of any of the original documents listed in Rule L.6(b) by the time specified above for delivery of such documents to the Clearing House, the Seller shall provide to the Clearing House a Letter of Indemnity in favour of the Buyer in lieu of the unavailable document(s) and the Buyer shall be required to make payment against that Letter of Indemnity. For the purposes of this provision:
 - (i) the Buyer may request that any such Letter of Indemnity be countersigned by the Seller's bank. Any such request must be submitted to the Seller and the Clearing House by 18.00 LPT on the fourth Clearing Day following the Last Trading Day, specifying the reasons for such request, and may not be based on frivolous or vexatious reasons. If no notification is received by this deadline, the Buyer will be deemed to have agreed to make payment to the Clearing House against a Letter of Indemnity provided by the Seller regardless of whether it has been countersigned by a bank; and
 - (ii) in the event that the Buyer has submitted a valid request as specified in (i) above, the Seller will be required to have the Letter of Indemnity countersigned by a bank with a credit rating equal or greater than the minimum credit rating score for bank Letter of Indemnity providers for ICE Murban Crude Oil Futures Contracts as advised by the Exchange from time to time, unless the Buyer agrees to an alternative bank. Any such agreement between the Seller and Buyer to have

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an alternative bank countersign a Letter of Indemnity must be notified to the Clearing House by 18.00 LPT on the seventh Clearing Day following the Last Trading Day.

- (e) By 09.00 LPT on the third Clearing Day following the day on which documents have been received by the Buyer and the Clearing House, the Buyer shall provide a Document Receipt Confirmation Form to the Clearing House and the Seller confirming its receipt of a full set of delivery documents, or its acceptance of a Letter of Indemnity in respect of any unavailable document(s). A Buyer may not reject the delivery documents or the Letter of Indemnity provided by the Seller due to frivolous or vexatious reasons. Non-receipt of the Document Receipt Confirmation Form by the times specified herein shall be construed as deemed acceptance of the documents and/or a Letter of Indemnity, where applicable, by the Buyer.
- (f) Payment shall be made by the Buyer as required by Rule K.16(a) by 09.00 LPT on the third Clearing Day prior to the thirtieth calendar day following the bill of lading date. Without prejudice to the Buyer's ability to request additional customary documentation in accordance with Rule L.4(a), the Buyer shall not be entitled to require the presentation of any documents in return for payment other than the documents specified in Rule L.6(b) or a Letter of Indemnity as specified in Rule L.6(d).
- (g) Payment shall be of the contract price, applied to full lots delivered in accordance with Rule K.15(a)(vi). The Clearing House may require or accept provisional payment pending the preparation of final invoices.
- (h) Provided the Clearing House is in receipt of satisfactory delivery documents from the Seller, the Clearing House will, upon receipt of payment in accordance with Rules L.6(f) and (g), pay the Seller the sum due to it by 09.00 LPT on the thirtieth calendar day following the bill of lading date.