



## Eris CDX IG Credit Future (5 Year)

### Contract Specifications

Description	Cash Settled Futures contract with \$100,000 notional principal whose value reflects the value of a basket of credit default protection on the entities in the index as published by Markit.
Commodity Code	IG5
Underlying CDS Index	5Y Markit CDX North American Investment Grade Index (CDX.NA.IG)
Fixed Amount	100 basis points (annually)
Contract Size	\$1,000 x relevant Underlying CDS Index (\$100,000 notional)
Quotation	Index points
Minimum Quotation Price Fluctuation	0.0100 index points equal to \$10 per contract
Settlement Price Quotation	0.0001 index points equal to \$0.1 per contract
Minimum Settlement Price Fluctuation	0.0001 index points equal to \$0.1 per contract
Contract Series	New Contracts for every new Underlying CDS Index series will be listed on the First Trading Date.
Payment Dates	Mar 20, June 20, Sept 20, and Dec 20 of each calendar year

# Contract Specifications

Futures Conventions	Day Count Convention: Actual/360 Currency: USD Holiday Calendar(s): New York Business Day Convention: Following with adjustment to period end dates for all Fixed Payment Dates except for Maturity Date. For the payment on the Maturity Date, Business Day Convention is Following, with no adjustment.
Trading Model	Buy = Receive Premium = Long Credit Risk Sell = Pay Premium = Short Credit Risk
First Trading Day	March and September 20; subject to Business Day conventions
First Accrual Date	The first date from which Fixed Amounts accrue; March and Sept 20; subject to Business Day conventions. Quarterly Fixed Amounts accrue through the Calendar Day prior to the Fixed Payment Date.
Last Trading Day	The Maturity Date.
Index Publication Date	After 5 PM EST on the Business Day preceding the First Trading Date
Credit Event	As determined and announced by ISDA. Credit Event determination will match the process that is used for credit default swaps.
Credit Event Amount	Credit Event Amount determination will match the process that is used for credit default swaps.
Credit Event Auction Date	As set by ISDA. The recovery amount for the defaulting entity is set at Auction Date.
Maturity Date	Maturity Date of the Underlying CDS Index; June and Dec 20; subject to Business Day Conventions.

# Contract Specifications

Each traded price is converted into a Clearing Price, which is expressed in Index Points and calculated for four decimal places using the following formula:

$$\text{Clearing Price} = A_t + B_t - C_t$$

$$A_t = 100 + (TP_t - 100) \times IF_t + AI_t$$

Where  $TP_t$  = The Traded Price;

$AI_t$  = The interest accrued from the most recent Fixed Payment Date to time t, multiplied by  $IF_t$ , expressed in Index Points; and

$IF_t$  = The Index Factor at time t

$B_t$  is the sum of all historical cash flows to time t, and

$C_t$  is the Cumulative PAI<sup>†</sup> at time t.

The B and C components are calculated and applied by IFUS, and are not subject to negotiation by the counterparties.

† As calculated using the Eris Methodology™.

Clearing Price

Daily Settlement Price at time t =  $A_t + B_t - C_t$ , where:

All values below are in the Quoting Convention;

$$A_t = 100 + (SP_t - 100) \times IF_t + AI_t$$

Where  $SP_t$  = the ICE Clear Credit daily settlement price for the ICE Clear Credit cleared swap on the related Index Series, expressed in Index Points;

$AI_t$  = t the interest accrued from the most recent Fixed Payment Date to time t, multiplied by  $IF_t$ , expressed in Index Points; and

$IF_t$  = the Index Factor at time t

$B_t$  = sum of historical cash flows;

$C_t$  = the Cumulative PAI<sup>†</sup> at time t.

Daily Settlement Price Quotation

# Contract Specifications

Final Settlement Price Quotation	<p>Final Settlement Price = <math>100 + B_{\text{final}} - C_{\text{final}}</math>, where:            All values below are in the Quoting Convention;  <math>B_{\text{final}}</math> = Sum of historical cash flows from the First Trade Date through the Maturity Date;</p> <p><math>C_{\text{final}}</math> = Cumulative PAI<sup>†</sup> on the Maturity Date.</p> <p>† As calculated using the Eris Methodology™.</p>
Block Trade Minimum	2 Contracts
EFRP Enabled	<p>IFUS Eris CDX IG Credit Futures are allowed to be traded as privately negotiated, off-exchange EFRPs and reported to IFUS. EFRPs must be executed and reported pursuant to IFUS Rule 4.06 in the IFUS Exchange Rulebook.</p>
Price Alignment Interest (PAI)	<p>PAI<sup>†</sup> is calculated daily by applying the overnight Federal Funds effective rate to the contract's 'A' value, using the Day Count Convention. Cumulative PAI is the sum of the daily PAI calculations from the First Trade Date.</p> <p>† As calculated using the Eris Methodology™</p>
Daily Price Limit	None
NCR, RL and CSLOR	<p>R NCR: 0.15 index points            RL: 0.30 index points</p>
IPL Levels	<p>IPL Amount: 0.05 index points            IPL Recalculation and Hold Times: 5 seconds</p>
Position Limit	50,000 contracts in any one month, or all months combined
Other Information	<p>Eris products listed on ICE exchanges are based on the Eris Methodology™, Eris' product design for constructing capital-efficient futures that incorporates intellectual property, expertise and patent-pending innovations.</p>