



ICE Credit Management

User Guide

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1 Overview

Each ICE Participant is required to set up and manage the type and degree of credit it extends to its counterparties on a commodity-by-commodity basis. This responsibility encompasses both bilateral and cleared credit settings. This user guide will walk a Risk Manager through both bilateral and cleared credit setups.

2 Credit Types

2.1 Bilateral Credit

For bilaterally traded markets, credit settings need maintenance for both financially and physically settled products with whom it is prepared to buy and/or sell products. Bilaterally traded markets must pass credit limitations, with prospective counterparties, based on forward period (tenor) limits and daily dollar limits by market type.

2.2 Clearing Credit

For clearable markets, an additional setting, the Participant's "Clearing Preference", must be maintained to determine whether cleared trading is available on a counterparty-by-counterparty basis. Clearing preferences will be set at the market level for clearable products. All clearable products within a market share the preference set at the market level. Cleared products will have two possible settings to determine whether an order is cleared or bilateral: Prefer Cleared and Prefer Bilateral. If a trade "fails-over" the counterparty preference settings or clearing account trade limits established by the Participant's Clearing Firm, it is passed to the bilateral counterparty checks to see if the trade can be executed bilaterally.

The absence of bilateral trade capabilities will only allow a participant to trade cleared. In this case, no access to the "OTC-Credit" tab to setup a "Clearing Preference" would be necessary.

2.3 Order Routing

Both bilateral and "clearing capable" orders will be advertised in the same price stream. Users will not know the nature of their trade (cleared or bilateral) until the time of trade confirmation. The enhanced credit management settings determine the outcome of the transaction and appropriately process the trade. The confirmation table (see trade logic) outlines the basic pathways for these cleared trades on The ICE. Upon trade execution, the system verifies credit settings of all counterparties involved in a potential trade to ensure the notional value and tenor of an order do not violate the most restrictive credit limitations of any counterparty involved in the transaction.

2.4 Credit Access

A designated Risk Manager for your organization manages this functionality. This person must possess an ICE "Risk Manager" or "Super User" user ID to have edit rights to these interfaces. (This document outlines the capabilities afforded to these users. "User" and "View-Only" user ID access are only permitted to view the information).

3 Screen Layout

The ICE user is presented with the main risk screen which includes access to:

- **ATMS:** The Authorized Trade Management System allows the ICE Administrator to register and manage the details of authorized traders placing orders via a FIX trade session.
- **OTC – Credit:** All Bilateral counterparty and "Clearing Preference" settings are set in this tab.
- **Clearing:** All company clearing relationships and user account associations are done from this tab. You can also view the voice broker that have access to your firm to allow for off-exchange (ICEBlock) trading.
- **Settlements:** Outright and options settlement prices to markets that your company has access to.
- **Help:** will provide you links to:
 - ATMS User Guide - https://www.theice.com/publicdocs/ATMS_user_guide.pdf
 - CM User Guide - https://www.theice.com/publicdocs/Credit_Management_user_guide.pdf

4 OTC Credit

4.1 Credit Settings by Market Type

The Credit Settings by Market Type tab is the first screen visible when entering the OTC-Credit section of Credit Management (CM). This page allows a company to view and edit bilateral and cleared preferences by Market Type. Note: If a Company only has access to futures markets, the user is automatically directed to the “Clearing” section of CM instead.

The screenshot shows the 'Credit Settings by Market Type' interface. At the top, there are navigation tabs: 'ATMS', 'OTC-Credit' (highlighted with a red box), 'Clearing', 'Settlements', and 'Help'. Below these are sub-tabs: 'Credit Settings by Market Type' (highlighted with a red box), 'Credit Settings by Counterparty', 'Change Log', and 'Preferences'. The main area contains several dropdown menus: 'Market Type' set to 'Financial Gas', 'Bilateral Credit Settings' set to 'All', and 'Acting as The' set to 'Buyer/Seller'. A 'Settlement' field is set to 'Financial'. At the bottom, there is a table with columns: 'Their Bilateral', 'Their Clearing', 'Counterparty', 'Contact Info', 'Max Days', 'My Bilateral', 'My Clearing', 'DL On', 'Daily Limit (DL)', 'Remaining DL', 'DL Alert Threshold', and 'Open Credit Count'.

4.2 Multi-Company Choice

Multi-company users will have to select the proper company in the “Company:” dropdown menu, below your User ID in the top right of the CM screen, to select the company for which you wish to view and/or make credit changes. If your ICE ID is a single company ID this function will not apply.

The screenshot shows a dropdown menu for 'Company:'. The selected option is 'Test Company 1 (35)'. Below it, the dropdown is open, showing 'Test Company 1 (35)' and 'Test Company 2 (36)'. To the left of the dropdown, there are two tabs: 'TMS' and 'OTC'.

4.3 Market Type, Acting as The: Buyer and/or Seller, and Settlement

Once you have selected the company, select the Market Type for which you wish to view credit and make changes.

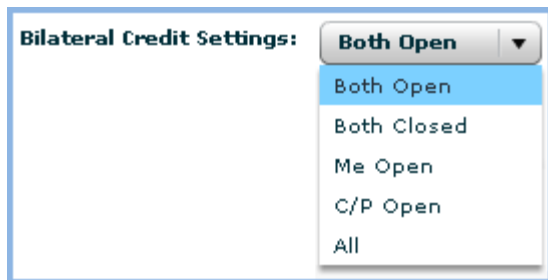
The screenshot shows the 'Credit Settings by Market Type' interface with several fields highlighted by red boxes. The 'Market Type' dropdown is set to 'Financial Gas'. The 'Acting as The' dropdown is set to 'Buyer/Seller'. The 'Settlement' field is set to 'Financial'. The 'Bilateral Credit Settings' dropdown is set to 'Both Open'.

Once the Market Type is selected, both the “Acting as The:” dropdown and Settlement field will be populated based on system defined market characteristics. Valid values for the Settlement field are Physical or Financial.

- For physically settled market types, you can set different credit limits from a buyer’s (delivery risk) and seller’s (payment risk) perspective. Therefore, the “Acting as The:” dropdown contains two values: 1) Buyer and 2) Seller.
- Financially settled market types only allow a common set of credit limits for both the buyer and seller perspective (both are payment risk). Therefore, the “Acting as The:” dropdown contains one value: 1) Buyer/Seller.

4.4 Bilateral Credit Settings

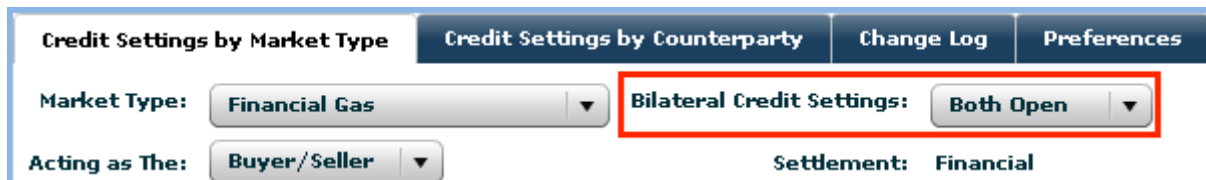
Finally, the Bilateral Credit Settings dropdown can be used to understand how credit is set between your company and its counterparties.



The dropdown has the following values:

- Both Open - Displays each row where your company has My Bilateral Credit = Open and the counterparty has Their Bilateral Credit = Open
- Both Closed - Displays each row where your company has My Bilateral Credit = Closed and the counterparty has Their Bilateral Credit = Closed
- Me Open - Displays each row where your company has My Bilateral Credit = Open and the counterparty has Their Bilateral Credit = Closed
- CP (Counterparty) Open - Displays all rows where your company has My Bilateral Credit = Closed and the counterparty has Their Bilateral Credit = Open
- All - Displays all rows

This dropdown defaults to “Both Open”. Once you have selected all of the header information, a list of counterparties meeting that criteria will be returned.



4.5 Their Bilateral

The first column, “Their Bilateral”, displays the counterparty’s bilateral credit setting for your company. This is a view only column, and the only transparency your company is given to the bilateral trading limits a counterparty has setup for your company.

4.6 Their Clearing

The second column, “Their Clearing”, displays the counterparty’s cleared credit setting for your company. This is a view only column, and the only transparency your company is given to the cleared credit limits a counterparty has setup for your company.

4.7 Counterparty Settings

The third column, “Counterparty”, will display a list of counterparty names in alphabetical order. To establish or update credit for a counterparty you must click on the counterparty name hyperlink.

Their Bilateral	Their Clearing	Counterparty	Contact Info	Max Days	My Bilateral	My Clearing	DL On
Closed	Bilate...	Test Company 1		0	Closed	Bilate...	
Closed	Bilate...	Test Company 3		0	Closed	Bilate...	

Result of clicking on the counterparty name:

The screenshot shows a dialog box titled "Edit Counterparty Filter Settings". At the top, it displays "Market Type: Financial Gas". Below this, there are three fields: "I am: Test Company 2", "Acting as: Buyer/Seller", and "Counterparty: Test Company 1". The "Counterparty" field is highlighted with a red border. Below these fields, there are several input fields and dropdown menus: "Max Days" with a value of 0, "My Bilateral" with a dropdown menu set to "Closed", "My Clearing" with a dropdown menu set to "Bilateral", "DL On" with an unchecked checkbox, "Daily Limit (DL)" with a value of 0, "DL Alert Threshold" with a value of 0, and "Legal Name Override" with an empty text box. At the bottom right, there are "Save" and "Cancel" buttons.

The editable fields in the “Credit Settings by Market Type” pop-up window (which are also columns in the main Credit Settings by Market Type tab) are described below:

4.7.1 Max Days

In the “Max Days” field, enter the tenor limit for the counterparty. This represents the maximum number of days forward you will trade with that counterparty. Maximum tenor limits set by either counterparty cannot be exceeded. Therefore, for an order to satisfy a tenor limit, the end date of the strip of the order must fall within the most restrictive tenor limit established by either company.

Example: Company 1 sets a tenor limit of **365 days** for purchases by Company 2 and Company 2 sets a tenor limit of **180 days** for sales to Company 1. The limit of **180 days** prevents any purchase by Company 1 from Company 2 that has a payment/delivery obligation more than **180 days** from the trade date.

Note that all changes to credit settings are effective immediately in the system.

4.7.2 My Bilateral

The “My Bilateral” dropdown allows you define credit on a counterparty by counterparty basis. Click the field and select Open from the dropdown menu to accept credit with a company or Closed to reject credit.

This close-up shows the "My Bilateral" dropdown menu. The "Max Days" field contains the value "365". The "My Bilateral" dropdown is open, showing "Open" (highlighted in blue) and "Closed" options. The "My Clearing" dropdown is set to "Bilateral".

Both counterparties must have credit terms of Open for an order to be executed.

Example:

- Company 1 has Company 2 set to “Open” for both buyer and seller perspectives.
- Company 2 has Company 1 set to “Open” for buying (Acting as: Buyer) and “Closed” for selling (Acting as: Seller).
- **Company 1** will be able to “Hit” (Sell) a bid but not “Lift” (Buy) an offer posted by Company 2.
- **Company 2** will be able to “Lift” (Buy) an offer but not “Hit” (Sell) a bid posted by Company 1.

4.7.3 My Clearing

The “My Clearing” setting is a preference. It let’s your counterparty know that, in this market, you would prefer to clear the OTC products (when applicable). When your firm has no clearing account established the “My Clearing” setting will always be “Bilateral”. When your firm establishes a clearing account with a clearing firm, the default “My Clearing” setting will change to “Cleared”.

The screenshot shows a form with three sections: 'Max Days' with a text input containing '365', 'My Bilateral' with a green dropdown button labeled 'Open', and 'My Clearing' with a green dropdown button labeled 'Cleared'. The 'My Clearing' dropdown menu is open, showing three options: 'Cleared' (highlighted in blue), 'Cleared', and 'Bilateral'.

Here are the rules for the “My Clearing” preference:

- Company 1 has a clearing preference of “Bilateral” and Company 2 has a clearing preference of “Bilateral”. If open bilateral credit exists and meets the Max Days and Daily Limit (if applicable) then the trade will go bilaterally.
- Company 1 has a clearing preference of “Bilateral” and Company 2 has a clearing preference of “Cleared”. The “Cleared” preference is the more restrictive setting and is what will be used to allow/disallow a trade. If clearing limits have reached a point where the trade cannot go cleared and open bilateral credit exists and meets the Max Days and Daily Limit (if applicable) then the trade will go bilaterally. The same will apply if Company 1 has a clearing preference of “Cleared” and Company 2 has a clearing preference of “Bilateral”.
- Company 1 has a clearing preference of “Cleared” and Company 2 has a clearing preference of “Cleared”. If clearing limits allow for the trade to be processed as “Cleared” then the trade will go cleared. If the trade does not have enough clearing limits then, no trade. If open bilateral credit exists and meets the Max Days and Daily Limit (if applicable) then the trade will go bilaterally.

4.7.4 Daily On, Daily Limit (DL) and Remaining DL

The Daily On checkbox gives users the option of using the notional value matrix to employ additional bilateral trade credit restrictions. ***If left unchecked, this additional setting is ignored by the system for your company for that counterparty.***

The Daily Limit (DL) field represents the maximum notional trade value exposure that you want the system to allow between you and your counterparty on any given day. The DL is entered in the currency that the market is denominated.

The screenshot shows a form with six sections: 'Max Days' (text input '365'), 'My Bilateral' (green dropdown 'Open'), 'My Clearing' (red dropdown 'Bilateral'), 'DL On' (checkbox checked), 'Daily Limit (DL)' (text input '1,000,000'), and 'DL Alert Threshold' (text input '200,000').

The system calculates the total notional value of your company’s daily trades with each counterparty when a trade is consummated. These amounts are subtracted from your preset Daily Limit to determine your Remaining DL with each counterparty. The notional value of an open order must be less than the smallest remaining Daily Limit of both counterparties for the system to display the order as executable to potential trade aggressors.

The calculation of total notional value consumed for a day is simply the sum of the notional value of every trade with your counterparty; there is no netting or offsets. If you are operating in a multi-company or parent-child structure, each of your companies is independent from a credit and notional value perspective. **There is no aggregation of child company trades or limits.**

Example: Company 1 sets the DL for Company 2 at \$10 million, and Company 2 sets the DL: for Company 1 at \$8 million. The two companies have completed a deal with a notional value of \$3.million. A new open order of one of the companies must have a notional value less than or equal to \$5 million for it to be executable on the system from Company 2’s perspective. Any order with a notional value in excess of \$5 million will appear credit constrained (red) to the aggressor.

The Remaining DL column (visible from the main Credit Management screen) displays the real-time amount of the DL remaining. This value is reset to the full DL amount when the system clears the trades for the next calendar day’s trading (~6:00 PM EST).

Counterparty	Contact Info	Max Days	My Bilateral	My Clearing	DL On	Daily Limit (DL)	Remaining DL	DL Alert Threshold
Test Company 1		365	Open	Bilate...	<input checked="" type="checkbox"/>	1,000,000	1,000,000	200,000

4.7.5 DL Limit Threshold

The DL Limit Threshold allows users to establish an internal alert related to the DL value.

Counterparty	Contact Info	Max Days	My Bilateral	My Clearing	DL On	Daily Limit (DL)	Remaining DL	DL Alert Threshold
Test Company 1		365	Open	Bilate...	<input checked="" type="checkbox"/>	1,000,000	1,000,000	200,000

When the balance of the Remaining DL falls below your DL Limit Threshold setting for your counterparty, the color indicator on your Open setting turns from green to yellow. Only users from your company can see this color indicator. A counterparty whose credit use penetrates the DL Limit Threshold is not prevented from trading until the Remaining DL is used up. Users can increase the DL in real-time to allow additional trade credit, given appropriate circumstances.

4.7.6 Legal Name Override

The “Legal Name Override” field allows you to substitute a different Legal Entity Name for transactions with a particular counterparty, other than the primary one that you specified in the Company field at the top of the Counterparty Filter screen.

Max Days	My Bilateral	My Clearing	DL On	Daily Limit (DL)	DL Alert Threshold	Legal Name Override
<input type="text" value="365"/>	<input type="button" value="Open"/>	<input type="button" value="Bilateral"/>	<input checked="" type="checkbox"/>	<input type="text" value="1,000,000"/>	<input type="text" value="200,000"/>	<input type="text" value="Test Affiliate 1"/>

Changing your Legal Entity Name for your counterparty automatically turns off your credit with that counterparty and requires them to reestablish credit with your “new” Legal Entity Name.

This may be one of your subsidiaries or affiliates under which you prefer to do business with a specific counterparty. An alternate “Legal Name Override” entered in the last column will appear on all trade confirmations with that counterparty.

Once you are satisfied with the bilateral settings, click the Save button. To discard your changes, simply click the Cancel button, and you will be returned to the main Credit Management screen.

4.7.7 Contact Info

The Contact Info icon provides a list of Risk Managers by Market Type for the respective counterparty.

Their Bilateral	Their Clearing	Counterparty	Contact Info	Max Days	My Bilateral	My Clearing
Closed	Bilate...	Test Company 1		365	Open	Bilate...
Closed	Bilate...	Test Company 3		0	Closed	Bilate...

The market contacts pop-up will show you a list of market types that you and your counterparties share.

Clicking on the market type name will show all the counterparty's risk manager contact information.

Clicking on an email address will automatically generate an email. In addition, there is an “Email all Contacts for Market Type” option is available that will generate an email with all email addresses. Simply right click on the “Market Type” name to select “Email all Contacts for Market Type”.

4.7.8 Open Credit Count

The Open Credit Count column shows the number of users that have established mutually acceptable credit with a specific counterparty.

Example: If 10 counterparties have credit opened for Company 1, and Company 1 has credit opened for 5 of those 10, the Counterparties column will show a count of 5 for Company 1.

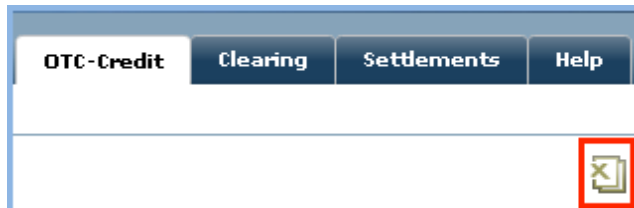
This column serves as a rough indicator of a counterparty’s “credit worthiness” and market participation. There are minimum requirements for common DL and Max Days between counterparties that must be met before bilateral credit is recognized as mutually acceptable and counted in this field.

These minimums are detailed in the table below:

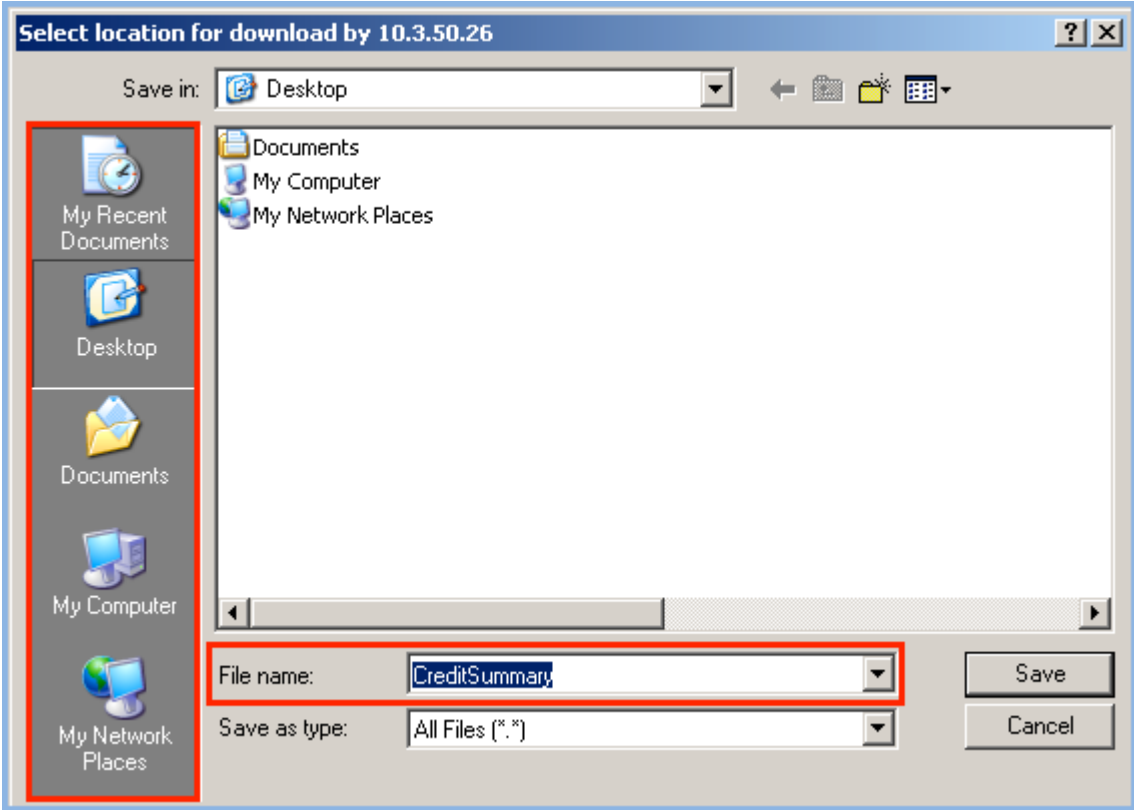
Commodity Type	Daily Limit	Tenor (Max Days)
Austrian Power	2 MM	60 days
Coal	1 MM	60 days
Dutch Power	2 MM	60 days
Emissions	750,000	30 days
Euro Physical Gas	2 MM	60 days
Financial Coal	1 MM	60 days
Financial Gas	3 MM	60 days
Financial Power	5 MM	184 days
French Power	2 MM	60 days
German Power	2 MM	60 days
Natural Gas Liquids	50,000	30 days
Oil	3 MM	60 days
Physical Gas	10,000	1 day
Physical Oil	3 MM	60 days
Power	5 MM	184 days
Precious Metals	10 MM	367 days
Swiss Power	2 MM	60 days
UK Power	2 MM	60 days
Weather	300,000	7 days

4.7.9 Export Credit Settings

The Export button allows a user to export the current credit settings into an Excel file.



Clicking on the Excel icon will present the “Select location for download” to save the file to a desired location.



4.8 Credit Settings by Counterparty

The “Credit Settings by Counterparty” tab offers similar functionality as the “Credit Settings by Market Types”. A risk user can change all credit settings for a single counterparty. This is a convenient view for understanding a counterparty’s complete credit picture.

Credit Settings by Market Type		Credit Settings by Counterparty			Change Log	Preferences	
Counterparty:		Test Company 1					
Their Bilateral	Their Clearing	Market Type	Settlement	Acting as Th	Max Days	My Bilateral	My Clearing
Closed	Bilate...	Financial Gas	Financial	Buyer/Seller	365	Open	Bilate...
Closed	Bilate...	Financial Power	Financial	Buyer/Seller	0	Closed	Bilate...
Open		Heat Rate Spread	Financial	Buyer/Seller	10,000	Open	
Closed	Bilate...	Physical Gas	Physical	Seller	0	Closed	Bilate...
Closed	Bilate...	Physical Gas	Physical	Buyer	0	Closed	Bilate...
Closed		Power	Physical	Buyer	0	Closed	
Closed		Power	Physical	Seller	0	Closed	

Similar to the “Credit Settings by Market Types” tab, a user can view and edit credit settings by clicking on the particular Market Type. This will deploy the “Credit Settings by Counterparty” pop-up window.

In addition, the user can view contact info for a counterparty by clicking the “Contact” icon next to the “Counterparty” dropdown.

4.9 Change Log

The “Change Log” tab allows a user to view changes made to his or her Company’s credit settings by “Market Type”, “Counterparty”, and “Date Range”. Select the desired “Market Type”, “Counterparty” and “Date Range” to query and click the “Retrieve” button.

Each change returned will display two rows of data:

- The first row of data shows a complete row of current information at the time the change was made (i.e. the data when the user clicked “Save”) along with the user ID who made the change and the corresponding Date/Time.
- The second row of data will only show what data was updated by displaying the previous value as well as the user ID who made that change and the corresponding Date/Time.
- You can also export the change log into an Excel file by clicking the Export button.

4.10 Preferences

The Preferences tab allows users to specify whether they want to receive e-mail notices when events occur that affect credit settings.

Preferences	Descriptions
<input type="checkbox"/> Counterparty Change to my Settings	An email notice is sent when a counterparty makes changes to its credit settings for your company.
<input type="checkbox"/> Daily Limit (DL) Threshold	An email notice is sent when the Remaining DL falls below the DL Threshold for a counterparty.

The events are:

- “Counterparty Change to my Settings” - An email is sent when a counterparty makes changes to its credit setting for your company, including a change to the Legal Name Override.
- “Daily Limit (DL) Threshold” - An email is sent when the “Remaining DL” falls below the “DL Threshold” for a counterparty.

5 Clearing

Clearing setups are also a part of the Credit Management tool. This will allow you to setup a clearing relationship(s) with clearing firms to trade cleared ICE products.



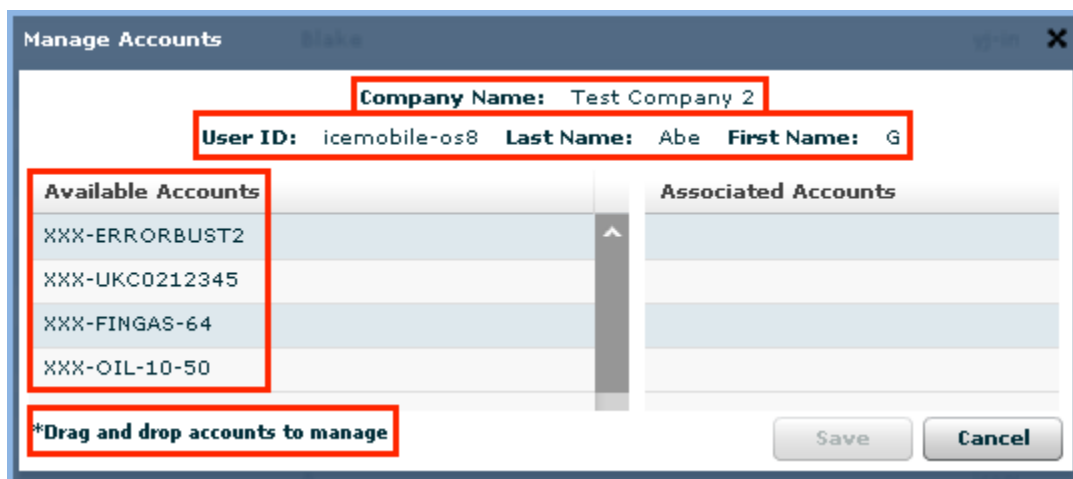
5.1 Trader Profile

The Trader Profile tab is the first screen visible when entering the Clearing section of Credit Management. This page lists all active users from your company alphabetically by their last names. Also included are the user's first name and his/her user ID. To view and/or edit a Trader Profile, click on the user row.

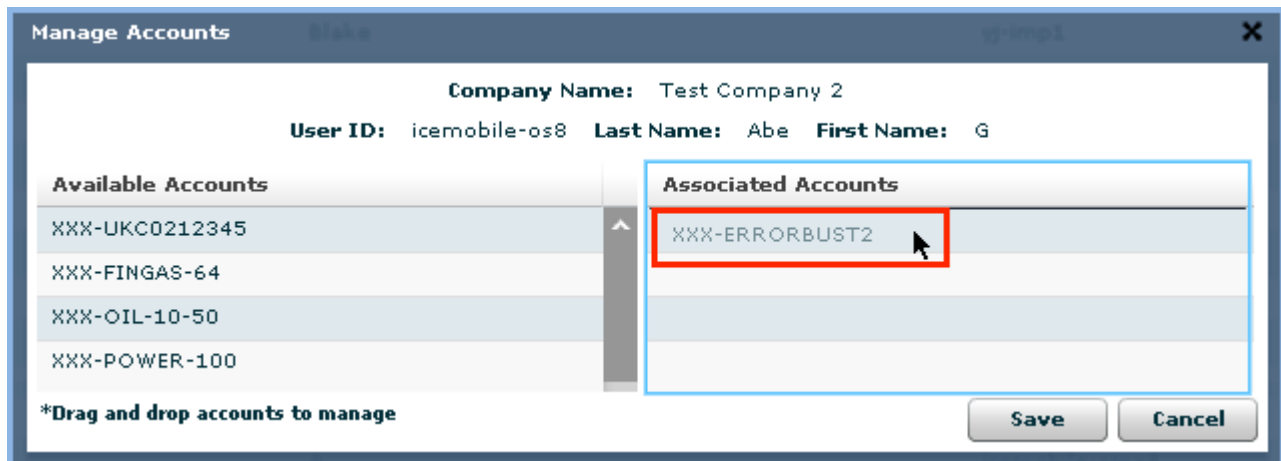


5.2 Edit Trader Profile

Included in the trader's profile are the company name, user ID, user's first and last names, and the accounts the user has access to (the ability to enter orders under).



To add an account to a trader's profile, click on the account from the "Available Accounts" list to drag and drop the account to the "Associated Accounts" list. Likewise, you can remove accounts from a trader's profile by drag and drop to move accounts from the "Associated Accounts" list to the "Available Accounts" list.



Once this process has been completed, click Save and you will be returned to the Trader Profile Page.

Note: The assignment of a clearing account to a particular user does not mean that the user will be able to begin trading with the account. The WebICE user will have to assign the newly assigned clearing account to their WebICE portfolios prior to trading cleared. ICE FIX users will have to update the appropriate FIX tags to begin trading as well.

5.3 Account Request

The Account Request tab contains a list of established Clearing Firms on The ICE. Next to each Clearing Firm is the "Request" link that will send a clearing account request to that Clearing Firm. In addition, there is an Account Summary for each Clearing Firm detailing the number of Existing, Closed, and Denied accounts.



If you wish to add additional clearings accounts with the chosen clearing firm, contact your clearer. The clearing firm can add any number of accounts to your list without having to send additional requests.

5.4 Existing/Pending Accounts

The “Only show existing accounts and requests” flag, when checked, will only display those existing clearing account relationships that you have with each clearing firm.

Trader Profile		Accounts	Permissions	
<input checked="" type="checkbox"/> Only show existing accounts and requests				
Clearing Firm ▲	Request Account	Existing	Closed	Denied
ABN AMRO Clearing I	Pending	0	0	0
ICE Test		10	0	11
ICE Test YYY		1	0	0

Note: Pending accounts are requested accounts that have not been actioned by the clearing firm.

Trader Profile		Accounts	Permissions	
<input checked="" type="checkbox"/> Only show existing accounts and requests				
Clearing Fi ▲	Request Acc	Existi	Closed	Deni
ABN AMRO CI	Pending	0	0	0
ICE Test		10	0	11
ICE Test YYY		1	0	0

By clicking on one of the existing clearing firms, this will populate three sections of clearing information:

- Clearer Details
- Account Details
- Product Details

5.4.1 Clearer Details

Clicking on the “Clearer Details” will show the clearing firm’s:

- Order Routing # - this number is used for FIX trading session when routing orders to the exchange
- Name – the name of the clearing firm
- Clearer Identifier – this three digit alpha/numeric is the clearing firm’s identifier at the Clearing House
- Affiliate – which clearing house does the clearing firm clear ICE products:
 - ICE Clear Canada
 - ICE Clear Europe
 - ICE Clear U.S.

Trader Profile		Accounts	Permissions	
<input checked="" type="checkbox"/> Only show existing accounts and requests				
Clearing Fi ▲	Re	Exist	Close	D
ABN AMRO CI P..		0	0	
ICE Test		10	0	1
ICE Test YYY		1	0	

Clearer Details			
Order Routing #	Name	Clearer Identifier	Affiliate
649	ICE Test	XXX	ICE Clear Europe

5.4.2 Account Details

The “Account Details” window allows Risk Managers to see the details of each clearing account. To view an account, you must first choose a clearing firm from the clearing firm list that you have open accounts with.

Account details for: ICE Test				Filter by Account ID
Account ID	Mobile Access	My Status	Their Status	ICE Clear Europe...
ABCTEST	<input type="checkbox"/>	Open	Open	RIM

To search for a specific account, enter alpha or numeric characters in to the “Filter by Account ID” search field. This is a dynamic search field that will bring back Account ID’s that meet the criteria as soon as something is entered.

Account details for: ICE Test				Filter by Account ID
Account ID	Mobile Access	My Status	Their Status	ICE Clear Europe...
ABCTEST	<input type="checkbox"/>	Open	Open	RIM

The following details for each account will be displayed:

- Account ID – this is the account identifier that the clearing firm has created on your behalf.
- Mobile Access - ICE mobile allows your firm the capability to specify which Accounts it would like to enable for Trading from within ICE mobile. You will still be able to see all of the orders from all of the Accounts in your “My Orders” and “My Position” tabs, but when you go to place a new order from within ICE mobile you will only be shown those Accounts that you have permissioned for Trading. *As a default, all of your Accounts will be “not” be permissioned for Trading once Trading level permissions are granted. Instead, your company Risk Manager will need to go into the ICE Credit Management application and click on the Mobile Access checkbox next to the Account ID for each Account that they would like to enable for Mobile trading.*
- My Status - The status set by your Risk Manger (this is the only field that is editable on this screen)
 - Open - Account is open and available for trading.
 - Suspend - Account is not available for trading. Orders in the market that have the account number are removed and forced on hold. Account may be reactivated by your Company by setting to Open.

Account ID	Mobile Access	My Status
ABCTEST	<input type="checkbox"/>	Open
	<input type="checkbox"/>	Open
	<input type="checkbox"/>	Suspend

- Their Status - the status set by the Clearing Firm
 - Open - Account is open and available for trading.
 - Suspend - Account is not available for trading. Orders in the market that have the account number are removed and forced on hold. Account may be reactivated by Clearing Firm by setting to Open.
 - Liquidate - Trading only allowed that offsets the current day’s net position.
 - Closed - Account is closed, archived, and unavailable for use.
- RIM – (Responsible Individual Mnemonic) assigned to the account to enable Futures trading. A RIM is required for all accounts with limits for any ICE Futures product.

Account details for: ICE Test bust2

Account ID	Mobile Acc...	My Status	Their Status	ICE Clear Europ...
ERRORBUST2	<input type="checkbox"/>	Open	Open	RIM YYY

5.4.3 Product Details

By clicking on the “Account ID”, the “Product Details” will appear below the “Account Details” with the following details:

- Bid/Offer - The maximum number of lots a user can bid/offer on **order entry**.
- Long/Short - The maximum number of lots the **net position** can go long or short. Outright buys and sells, as well as intra-commodity spreads, are netted across all contracts when determining a product’s net position.
- Net Lots - The result of net position automatically calculated by the system as trading occurs (see Long/Short above).
- Abs Long/Abs Short - Applicable to Futures products only. The total number of long and short positions allowed. Only buys and sells in the same contract are netted when determining a product’s Absolute Long and Absolute Short position. Intra-commodity spreads are not netted. If Abs Long and Abs Short limits are left blank, they are ignored by the system.

Account details for: ICE Test bust2

Account ID	Mobile Access	My Status	Their Status	ICE Clear Europe/...
ERRORBUST2	<input type="checkbox"/>	Open	Open	RIM YYY

Filter by Product

Product	Bid	Offer	Long	Short	Net Lots
ARA-Rbay Spr	3000	3000	9999	9999	0
Basis Swap	3000	3000	9999	9999	0

To search for a specific product, enter the product in to the “Filter by Account ID” search field. This is a dynamic search field that will bring back Account ID’s that meet the criteria as soon as something is entered.

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Product	Bid	Offer	Long	Short	Net Lots	Abs Long	Abs Short
Henry Hub (Pen)	3000	3000	9999	9999	0	99999	99999
Henry Nat Gas	3000	3000	9999	9999	0	99999	99999
Options - Henry Hub (Pen)	3000	3000	0	0	0	-1	-1
SwSwp HenryBOM*	3000	3000	9999	9999	0	99999	99999

5.5 Pre-Trade Lot Limits at PCC (Physical Commodity Code) level under Product Groups

Pre-trade risk limits for both screen and off-exchange trading can be managed by your Clearing Firms at a more granular (PCC) level than the Product Group level. If your Clearing Firm has set PCC level lot limits under a Product Group, then they are displayed in the Product section for those Accounts as indented rows. Product Group and PCC level limits are validated and managed independently.

PCC level lot limits can be less than, equal to or greater than the limits set at the Product Group level. Intraday changes made by the Clearing Firm take effect immediately.

Filter by Product						
Product	Bid	Offer	Spr Bid	Spr Offer	Long	Short
BUD Master	99999	99999	999999	999999	999999	999999
Basis Master	99999	99999	99999	99999	99999	99999
IFED - ALG	99999	99999	99999	99999	99999	99999
IFED - CFB	0	0	0	0	0	0
IFED - CGA	11111	11111	11111	11111	11111	11111

Export and Notifications

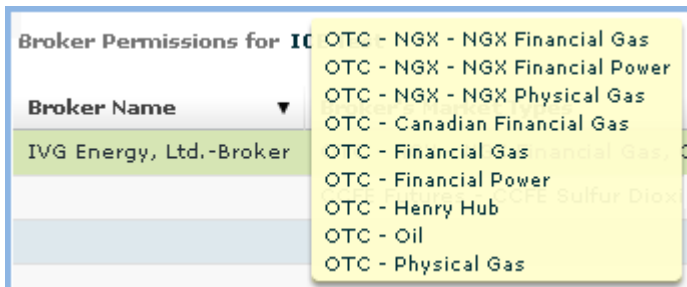
The existing Account Export and notifications will include PCC limits (if any) in addition to Product Group Limits.

5.6 Permissions (Broker)

Broker permissions, (assigned by your clearing firm(s)), can be viewed in the “Permissions” tab. By clicking on the clearing firm name you can view which brokers that clearing firm have assigned to you.



Hovering over the “Broker’s Market Types” will show what markets that broker can input on ICE.

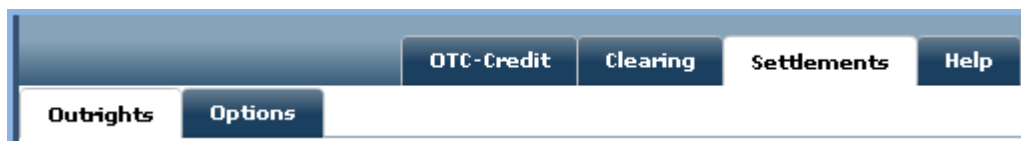


By clicking on the broker name, this will display the “Detailed Permissions” for each market and active clearing account. Checked markets and clearing accounts have been permissioned to the broker to access. Unchecked markets and clearing accounts have not been permissioned to that broker. Contact your clearing firm for any changes that need to be made.

Detailed Permissions for IVG Energy, Ltd		Filter by Account
MarketTypes		Accounts
▼ <input type="checkbox"/> OTC	▼ <input checked="" type="checkbox"/> All Accounts (10)	<input checked="" type="checkbox"/> ABCTEST
▼ <input checked="" type="checkbox"/> Financial Gas	<input checked="" type="checkbox"/> Block	<input checked="" type="checkbox"/> ERRORBUST1X
<input checked="" type="checkbox"/> Crossing Orders	<input checked="" type="checkbox"/> ERRORBUST2	<input checked="" type="checkbox"/> FINGAS-64
▼ <input type="checkbox"/> Financial Power	<input checked="" type="checkbox"/> IPE-TC2-HI	<input checked="" type="checkbox"/> IPE1-HILIM
<input type="checkbox"/> Block	<input checked="" type="checkbox"/> IPE2-LOLIM	<input checked="" type="checkbox"/> OIL-10-50
<input type="checkbox"/> Crossing Orders	<input checked="" type="checkbox"/> POWER-100	<input checked="" type="checkbox"/> UKC0212345
▼ <input checked="" type="checkbox"/> Henry Hub		
<input checked="" type="checkbox"/> Block		
<input checked="" type="checkbox"/> Crossing Orders		
▼ <input checked="" type="checkbox"/> Oil		
<input checked="" type="checkbox"/> Block		
<input checked="" type="checkbox"/> Crossing Orders		

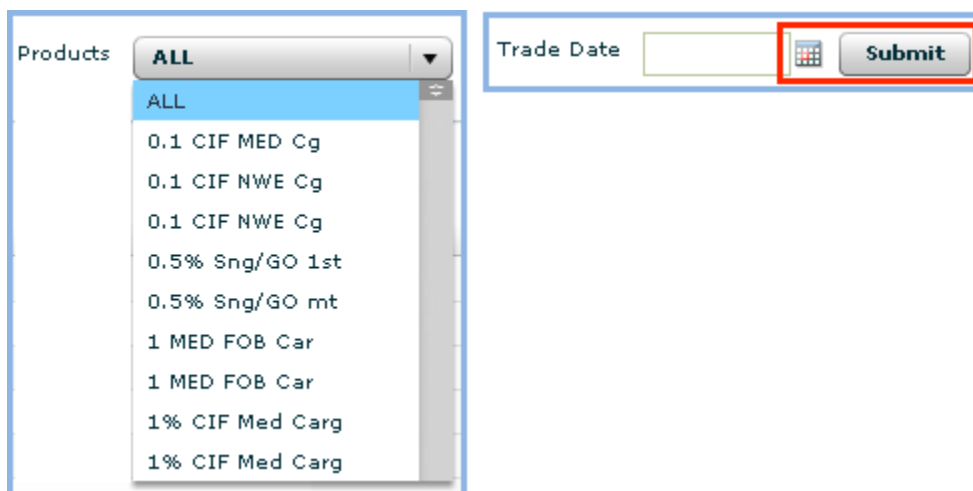
6 Settlements

The Settlements report provides access to both historical and current day underlying and option settlement prices and contract information for cleared products traded on the Exchange.



6.1 Outright and Options Settlements

For the underlying settlement prices report, select a product from the “Product” dropdown and “Trade Date” you wish to view and click the ‘submit’ button. The market information is displayed in chronological order, beginning with the prompt month listed first.



The information displayed is as follows:

- **Product** - The product specified in the search.
- **Contract** - The delivery month and year of the product.
- **High** - The highest price the contract traded on the selected trade date.
- **Low** - The lowest price the contract traded on the selected trade date.
- **Last** - The last price the contract traded prior to close on the selected trade date.
- **Settlement Price** - The price the contract was determined to have settled on the selected date
- **Change** - This day's settlement price (T=0) from the prior business day's settlement price (T-1).

Settlement contracts for HenPhyFP Gas L for 04/08/2011						
Product	Contract	High	Low	Last	Settle Price	Change
HenPhyFP Gas L	MAY-11	-	-	-	0.0000	-
HenPhyFP Gas L	JUN-11	-	-	-	0.0000	-
HenPhyFP Gas L	JUL-11	-	-	-	0.0000	-

For Options, clicking on the “Options” tab, select a product from the “Product” dropdown and “Trade Date” you wish to view and click the ‘submit’ button.

The option market information is displayed in chronological order, beginning with the prompt month listed first. By clicking on the month, the option market information is displayed in order, beginning with the lowest strike listed first.

Settlement contracts for Cinergy Hub for Apr, 08 2011

Strip	Prev Settle Apr, 07 2011	Current Settle Apr, 08 2011	Net Change
01-Apr-2011	0	0	0
01-May-2011	0	0	0

The information displayed is as follows:

- Call Settlement Price - The price the contract’s call was determined to have settled on the selected date
- Call Previous Settlement Price - The price the contract’s call was determined to have settled on the previous date
- Call Change - The change of this day’s call settlement price (T=0) from the prior business day’s call settlement price (T-1).
- Strike Price - The strike price for the contract on the selected date.
- Put Settlement Price - The price the contract’s put was determined to have settled on the selected date
- Put Previous Settlement Price - The price the contract’s put was determined to have settled on the previous date
- Put Change - The change of this day’s put settlement price (T=0) from the prior business day’s put settlement price (T-1).

Current Settle	Previous Settle	Change	Strike	Current Settle	Prev Settle	Change
3.041	3.057	-0.016	1.000	0.000	0.000	0.000
2.990	3.006	-0.016	1.050	0.000	0.000	0.000
2.940	2.956	-0.016	1.100	0.000	0.000	0.000
2.890	2.906	-0.016	1.150	0.000	0.000	0.000

7 Trade Logic

There are two types of trade logic: bilateral and cleared.

7.1 Cleared Trade Logic

In order to demonstrate the cleared trade logic, several high level assumptions must be made. The assumptions are as follows:

- Both Counterparties are actively trading a clearable product
- Both Counterparties have active and viable clearing accounts
- Capital adequacy is maintained for all clearing accounts available to the traders
- Default account designation and status is properly managed for all trading accounts

Order pre-qualification (order entry and pre-confirmation events) for clearable markets resides in the clearing preference setting between counterparties. For counterparties who have a one-to-one match in these preference columns (i.e. both prefer cleared or both prefer bilateral), the outcome of the trade is intuitive.

Counterparties preferring bilateral trading with each other direct the trade pathway of the order down the bilateral specific checks. This preference setting between counterparties bypasses all clearing specific checks. Given appropriate bilateral settings the transaction is confirmed as bilateral.

When there is a difference in the clearing preference between the counterparties (One prefers cleared and the other prefers bilateral), the trade pathway defaults the order down the clearing specific checks of order float limits, account status, and trade limits. Given account viability on both sides of the trade, the transaction is confirmed as a cleared trade.

7.2 Bilateral Trade Logic

The bilateral trade logic for clearable markets should be viewed as the underlying trade logic for all potential trades on The ICE. Given open bilateral credit limits between counterparties, bilateral trades in clearable markets have the potential to be borne out of the following situations:

- Neither counterparty has a clearing relationship and thus can only enter orders bilaterally
- Only one counterparty has a clearing relationship
- Both counterparties clearing preference is set to bilateral
- Both counterparties have clearable preference settings, but one or both of the counterparty accounts fails the status and/or trade limit checks

Bilateral trades in clearable products must pass the open/closed checks, max days, and DL as the existing bilateral markets on The ICE. The facility to trade bilaterally in clearable markets serves several purposes including:

- Large trading entities can manage bilateral netting agreements and avoid unnecessary clearing fees
- Participants can bypass cleared order entry limitations and still trade bilateral OTC products
- Liquidity is maintained within the product listing
- Maximum cleared trade limits offer an alternative trade pathway when reached
- Existing bilateral products and functionality (derived spreads, etc.) are maintained.

The Bilateral pathway for a trade becomes the trade pathway of origin and, ironically, of last resort.

8 FAQ's

8.1 How does my Company permission/establish a Clearing Firm relationship?

The Account Request page in the Clearing portion of Credit Management lists all Clearing Firms registered with Intercontinental. You can request an account from any of these Clearing Firms. The request is automatically sent to the Clearing Firm. The account request is in a "Pending" status until the clearer sets up the account and defines limits for trading clearable products.

8.2 Do my company's status changes to available accounts take effect immediately?

Status changes take effect as soon as they are received by The ICE. No action is taken until the user saves the desired changes. Upon a status change to an account, email notifications are sent to your company's Risk Managers. Counterparty notifications are also presented on the screens of all Company users with an active login session and written to The ICE customer support logs with the ID of the Risk Manager who changed it.

8.3 What purpose does designating a default account serve?

Designating a default account serves two purposes. First, it gives the Trader the ability to designate which account will automatically display in the dropdown box on the order entry windows on The ICE. Secondly, for quick ticket order entry and hit/lift events, it uses this account for order pre-qualification against clearing limits.

8.4 Does suspending an account permanently close that account? Can I suspend the account?

Suspending a clearing account, in effect, temporarily closes it to trading for the users from your company. Either a company Risk Manager or your clearing firm can suspend an account or reopen a suspended account.

All active orders in the market have the account number removed and are forced on hold. Upon re-entry to the market, orders are "pre-qualified" versus bilateral credit settings only. Floating an order with another clearing account requires the user to float a new order with the now, new account.

8.5 Can I change my clearing account limits?

All clearing account limits are view only. Only the Clearing Firm and its representatives can make changes to these settings.

8.6 Can I net clearing settings across multiple Child Companies under a Parent Company? No.

8.7 What is the purpose of the Responsible Individual Mnemonic on an account?

The Responsible Individual Mnemonic is applicable to Futures only. The Clearing Firm MUST assign a Responsible Individual Mnemonic to an account with limits for Futures markets to enable Futures trading.

8.8 What is the purpose of the account Single Order Entry Buy/Sell Limits?

The Single Order Entry Bid/Offer Limits ensure that the number of contracts for an order does not exceed the Clearing Firm's maximum allowed.

8.9 What is the purpose of account Max Long/Short Limits?

The Clearing Firm will enter the Long/Short Limits to ensure that the Participant does not exceed the Clearing Firm's maximum permitted product position limits. All buys and sells, as well as intra-commodity spread positions, are netted across all contracts so active monitoring of Participant clearing accounts should be practiced to ensure that a Participant is not accumulating unacceptable "spread" positions.

8.10 What is the purpose of account Absolute Long/Short Limits?

The Clearing Firm will enter the Abs Long/Short Limits to ensure that a Participant does not exceed the Clearing Firm's maximum permitted product Absolute position limits. Only buys and sells in the same contract are netted. Intra-commodity spread positions are NOT netted so these limits can be used to eliminate "spread" position risk.

8.11 Can I specify which Accounts that I am able to place orders within ICE mobile?

Yes, the powerful risk management features of ICE mobile allows your firm the capability to specify which Accounts it would like to enable for Trading from within ICE mobile. You will still be able to see all of the orders from all of the Accounts in your "My Orders" and "My Position" tabs, but when you go to place a new order from within ICE mobile you will only be shown those Accounts that you have permissioned for Trading. *As a default, all of your Accounts will be "not" be permissioned for Trading once Trading level permissions are granted. Instead, your company ICE Admin will need to go into the ICE Credit Management application and click on the Mobile Access checkbox next to the Account ID for each Account that they would like to enable for Mobile trading.*