## ICE Futures Europe Eris GBP Interest Rate Future

### Trading Hours
7:30 AM to 6:00 PM London Time

### Contract Structure
£100,000 notional principal whose value is based upon the difference between a stream of semi-annual fixed interest payments and a stream of quarterly or semi-annual floating interest payments based on 3 or 6 month GBP LIBOR, over a term to maturity.

### Underlying Tenor
The duration of time from the Effective Date to the Maturity Date. Tenors available: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 30 years

### Fixed Rate
Pre-determined rate set by ICE Futures Europe ("IFEU") which will remain static throughout the life of the Contract. Fixed Rate will be set in 25 basis point increments between -1.00% and 10.00%

### Contract Symbol
Determined by Fixed Rate

### Contract Size
1 Contract = 1 lot = £100,000 face value

### Trading Conventions
Buy = Pay Fixed
Sell = Receive Fixed

**Fixed Leg**
- Reset Frequency: Semi-Annual
- Day Count Convention: Actual/365
- Currency: GBP
- Holiday Calendar: London
- Roll Methodology: Calendar or IMM
- Business Day Convention: Modified Following† with adjustments to Period End Dates‡

**Futures Leg Conventions**
Floating Leg
- Reset Frequency: Semi-Annual or Quarterly
- Day Count Convention: Actual/365
-Currency: GBP
- Holiday Calendar: London
- Roll Methodology: Calendar or IMM
- Business Day Convention: Modified Following† with adjustments to Period End Dates‡

### Effective Dates
Quarterly IMM Dates (3rd Wednesday of each March, June, September, December) (e.g. a 2YR Tenor may read "Mar 18, 2015" or "Mar 15")
- Up to 8 consecutive future Effective Dates tradable at one time

### Maturity Date
The final date to which fixed and floating amounts accrue. The last date of the contract. The Maturity Date is determined by the anniversary of the Effective Date determined by the Underlying Tenor, the Roll Method and the Modified Following Business Day Convention.
The Maturity Date may also be referred to as the Termination Date†
# Contract Specifications

<table>
<thead>
<tr>
<th>Remaining Tenor</th>
<th>The duration of time from today to the Maturity Date.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reset Dates</strong></td>
<td>Dates utilised to determine fixed and floating amounts throughout the life of the Contract. Reset Dates define the beginning and end of fixed and floating interest accrual periods. Floating Rate Reset Dates facilitate the determination of the GBP LIBOR Fixing Dates. The Roll Methodology will be used as the basis for determining Reset Dates. Each Reset Date is subject to adjustment based on the Modified Following convention.</td>
</tr>
<tr>
<td><strong>Last Trading Day</strong></td>
<td>The last day on which the Contract can be traded is the Holiday Calendar business day preceding the Maturity Date. On the Last Trading Day trading will cease at 6:00 PM London Time.</td>
</tr>
<tr>
<td><strong>Fixing Dates</strong></td>
<td>2 business days prior to the Effective Date and 2 business days prior to each Reset Date.</td>
</tr>
<tr>
<td><strong>Floating Rate Index</strong></td>
<td>3 or 6 month GBP LIBOR administered by ICE Benchmark Administration.</td>
</tr>
<tr>
<td><strong>Daily Settlement Price (Futures-Style Price)</strong></td>
<td>ICE Futures Europe Eris Standard GBP Interest Rate Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The Daily Settlement Price for each Contract is defined as: $S_t = 100 + A_t + B_t - C_t$ where $A_t =$ Net Present Value (“NPV”) of the future cash flows at time $t$, based on OIS discounting, $B_t =$ Value of historical fixed and floating amounts from the first trade date, C_t = Price Alignment Interest (PAI††), IFEU calculates Daily Settlement Price to 4 decimals of precision (e.g. 100.1234). PAI†† is a cumulative value calculated daily by applying the Sterling OverNight Index Average (SONIA) to the Contract's NPV, using the day count convention specified above for the Floating Price Leg. PAI†† will start accruing on the first trade date.</td>
</tr>
<tr>
<td><strong>Final Settlement Price</strong></td>
<td>$S_{final} = 100 + B_{final} - C_{final}$ where $S_{final} =$ Settlement price on the Maturity Date, $B_{final} =$ Historical fixed and floating amounts starting from the first trade date through the Maturity Date, $C_{final} =$ PAI††, on the Maturity Date. IFEU calculates Final Settlement Price to 4 decimals of precision (e.g. 100.1234).</td>
</tr>
</tbody>
</table>
Contract Specifications

Net Present Value ("NPV") per Contract will be used for trade execution. NPV is expressed in per contract terms for the Buyer (Pay Fixed). Each Future negotiated in NPV terms has an implicit Futures-Style Price of:

\[
\text{Trade Price} = 100 + A_{\text{negotiated}} + B_t - C_t
\]

Where \(A_{\text{negotiated}}\) is the NPV per Contract agreed upon between the counterparties (divided by 1,000 to normalise units to 100 face amounts), \(B_t\) is the value of the historical fixed and floating amounts, and \(C_t\) is the PA†† at time \(t\).

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

The NPV per Contract can be negotiated in the following increments/tick sizes:

- \(£1\) for Contracts where the lesser of Remaining Tenor/Underlying Tenor is less than 2 years
- \(£2\) for Contracts where the lesser of Remaining Tenor/Underlying Tenor is greater than or equal to 2 years and less than 4 years
- \(£5\) for Contracts where the lesser of Remaining Tenor/Underlying Tenor is greater than or equal to 4 years and less than 7 years
- \(£10\) for Contracts where the lesser of Remaining Tenor/Underlying Tenor greater than or equal to 7 years and less than 20 years
- \(£20\) for Contracts where the lesser of Remaining Tenor/Underlying Tenor greater than or equal to 20 years

Block Trade Minimum

250 lots for Contracts with Remaining Tenor up to and including 12 years, 50 lots for Contracts with Remaining Tenor greater than 12 years

Basis Trade Facility

ICE Futures Europe Eris Standard GBP Interest Rate Futures are allowed to be traded as Basis Trades. Basis Trades must be executed and reported pursuant to IFEU Rules under Section F.5.C in the IFEU Rulebook and Trading Procedure 16A

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Contract Logical Code listed by Tenor

6-month, Calendar Rolls: PA - PJ (1 year - 10 year), PN (30 year)
6-month, IMM Rolls: VA - VJ (1 year - 10 year)
3-month, Calendar Rolls: PP - PY (1 year - 10 year)
3-month, IMM Rolls: VP - VY (1 year - 10 year)

†As defined by ISDA
††As calculated using the Eris Futures Exchange pricing methodology, known as the Eris Methodology™