



GUIDANCE

ICE Futures Europe Block Trades

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ICE Futures Europe Guidance on Block Trades

This Guidance updates and supersedes the Guidance previously published and contains details on the ICE Block Facility (“ICE Block”) and on the method of reporting Block Trades to ICE Futures Europe (“the Exchange” or “IFEU”) for registration and subsequent clearing by ICE Clear Europe (“the Clearing House”).

1. GENERAL

- i) ICE Block enables Members to report for clearing, high volume trades arranged and executed by Members away from the order book in specific Contracts designated by the Exchange.
- ii) For the purposes of this Guidance, and in accordance with the Rules, a Member shall include all registered General, Trade and Individual Participants; ICE Block Members; and all Member representatives such as traders, brokers and back office staff, as appropriate.
- iii) Each Member and its representatives should ensure that it is appropriately authorised and holds all necessary licenses and consents in accordance with Exchange Regulation B.3.1(h); and that it has appropriate systems and controls in place in order to conduct business on the ICE Platform. Members must also ensure that Block Trades are reported in accordance with Exchange Rule F.7 and Trading Procedure 17, Failure to do so may render the Member liable to disciplinary action by the Exchange and potentially the FCA or another Regulatory Body.
- iv) Members must ensure that they act with due skill, care and diligence and the interests of the client(s) are not prejudiced at all times including when using ICE Block. Members must be mindful of applicable regulatory requirements, e.g. the FCA’s Conduct of Business Sourcebook and the Market Conduct Sourcebook, as well as any fiduciary requirements under law when conducting business on the ICE Platform.

2. ELIGIBLE CONTRACTS

- i) Block Trades may take place in respect of Futures or Options (including Swap Futures Contracts¹) designated by the Exchange from time to time as Block Trade Contracts. At present, all of the contracts specified in Tables 1, 3 and 4 of this Guidance are eligible to be registered as Block Trades.
- ii) Block Trades may be for single outright contract months, intra-commodity spreads (e.g. calendar spreads), inter-commodity spreads, volatility trades and other combination trades². Further, Block Trades may be arranged for the ICE Brent Futures leg of an ICE Brent Futures/NYMEX WTI arbitrage; the ICE Gasoil Futures leg of an ICE Gasoil Futures/NYMEX Heating Oil arbitrage; the IFEU White Sugar Futures leg of an ICE Futures US (IFUS) Sugar No.11/IFEU White Sugar Futures arbitrage; and the IFEU Containerised White Sugar Futures Leg of an IFUS Sugar No.11/ IFEU Containerised White Sugar Futures Arbitrage and similar cross-exchange arbitrage transactions.

3. TRADING HOURS AND FEES

- i) Block Trades may, pursuant to Rule F.7.1, only be arranged during specific trading hours and on specific ICE Futures Europe Trading Days as notified by the Exchange from time to time. Currently this means normal trading hours and all Trading Days.
- ii) Block TAS Trades for ICE Gasoil Futures Contract **are not permitted** on the last day of trading for the expiring contract month.
- iii) Block Trades may not be arranged at any other times or after the expiry of the relevant contract month.
- iv) Block Trades will be charged the Exchange transaction fee as published at <https://www.theice.com/fees>.

¹ Swap Futures Contracts are those contracts listed in Section TTT of the ICE Futures Europe Regulations.

² Combination trade: A trade which consists of two or more contract months from the same Contract or different Contracts that is not supported on the ICE Platform. Otherwise known as strategy trades e.g. Fly, Condor, Butterfly, straddle / strangle trades.

4. MINIMUM VOLUME THRESHOLDS

- i) The minimum volume threshold is the minimum number of lots, as determined by the Exchange from time to time that can be traded as a Block Trade.
- ii) Please note minimum volume thresholds can be found in the following tables :
 - a. Energy, ICE Eurodollar, ICE GCF Repo Index[®] and applicable Soft Commodity Contracts – Tables 1 and 2 below.
 - b. Fixed Income contracts – Table 3.
 - c. Equity Derivatives contracts – Table 4.
- iii) Specific minimum block volume thresholds for Energy, Eurodollar, GCF Repo Index[®], and applicable Soft Commodity Contracts are set out in Table 1. For contracts and contract groups not specified in Table 1, refer to Table 2, which sets out the default rules that apply in all other cases.
- iv) Minimum volume thresholds for outright contracts and for strategy trades in Fixed Income contracts and Equity Derivative contracts are outlined in Tables 3 and 4 respectively, which is followed by a summary explanation in Table 5 and by notes with examples demonstrating how the thresholds apply.
- v) Please see Part 7 for details on aggregation of orders, including when it is permitted to aggregate separate client orders (e.g. for outright contract months and intra-commodity spreads) and when it is permissible to aggregate orders on the matching side.
- vi) All option strategy trades (in all asset classes) may also be submitted as volatility trades. The minimum volume threshold applicable to a volatility trade is in respect of the options leg, i.e. the volume of the related futures leg may be less than the options leg, depending on the relevant delta. There are no minimum thresholds applied to Futures Blocks which form the delta hedge on an option strategy. Members not meeting the minimum volume threshold may be subject to disciplinary action under Exchange Rules.
- vii) Block trades are currently not available for Soft Commodity Contracts apart from the IFUS Sugar No.11/IFEU White Sugar Futures arbitrage, IFUS Sugar No. 11/ IFEU Containerised White Sugar Futures arbitrage (“the Sugar Arbitrage Block Trade”), and the ICE Futures Europe (IFEU) London Cocoa/IFEU Euro Cocoa Futures arbitrage (“the IFEU Cocoa Arbitrage Block Trade”).
- viii) Members may choose to delay publication or not publish details of Block Trades for those contracts listed in Tables 3 and 4 respectively for which such functionality is available, provided that the relevant block minimum volume thresholds are met or exceeded on an outright or aggregate basis (as applicable).

Table 1: Minimum Volume Thresholds (Energy, ICE Eurodollar and ICE GCF Repo Index[®] and applicable Soft Commodity Contracts)

Contract	Minimum Volume Threshold (lots)
Energy Futures	
ICE Brent Futures	100
ICE Brent NX Futures, Middle East Sour Crude, ASCI & ASCI Differential Futures	100
ICE Low Sulphur Gasoil Futures	100
ICE WTI	50
ICE WTI (CAD Denominated)	50
ICE Heating Oil; RBOB Gasoline	50
All ICE Emissions Futures	50
All ICE Natural Gas Contracts	50
All ICE UK Power Contracts	50
All Coal Futures	5
ICE Brent Futures / ICE WTI Futures	50
ICE Brent / ICE Low Sulphur Gasoil Spread	ICE Brent Leg – 75 ICE Low Sulphur Gasoil Leg – 100
ICE Heating Oil Futures / Low Sulphur Gasoil Futures Spread	ICE Heating Oil Leg – 75 ICE Low Sulphur Gasoil Leg – 100
Energy Options	
All ICE Oil Options	25
All ICE Utility Options (Except coal)	25
All ICE Coal Options	5
All ICE Emissions Options	25
Volatility trades	Minimum volume threshold of the appropriate Option Contract applicable to the Option leg (see part 4(iv))
Inter-commodity (IFEU Energy Futures or Options Contracts)	
.05% Singapore Gasoil (SWS) / ICE Gasoil Futures (Minimum per leg)	Singapore leg 43
	Gasoil leg 57
Interest Rate Futures	
ICE Three month Eurodollar	White & Red Delivery Months: 250
	Green, Blue and Gold Delivery months: 100
ICE U.S Treasury DTCC GCF Repo Index [®]	100
ICE U.S. Mortgage backed DTCC GCF Repo Index [®]	100
ICE U.S. Agency DTCC GCF Repo Index [®]	50
Soft Commodity Futures	
IFUS Sugar No. 11/IFEU White Sugar arbitrage	100 (for the White Sugar leg on IFEU)
IFUS Sugar No. 11/IFEU Containerised White Sugar arbitrage	100 (for the Containerised White Sugar leg on IFEU)
IFEU London Cocoa/IFEU Euro Cocoa spread	IFEU London Cocoa Leg - 100 lots IFEU Euro Cocoa Leg - 100 lots

Table 1: Minimum Volume Thresholds (continued)

ICE Swap Futures and Options Contracts			
Swap Futures Product Group	Product name	Contract Size	Minimum Volume Threshold (lots)
US Crude	All	1,000 bbls	5
	Mini Products	100 bbls	5
International Crude	All	1,000 bbls	10
	All	1 bbl	1,000
	Mini Products	100 bbls	5
Gasoline	All	1,000 bbls or 42,000 US glns	10
	All	1,000 MT	5
	Mini Products	100 bbls	5
	Mini Products	100 MT	5
Gasoil/Diesel/Heating Oil	All	1,000 bbls or 42,000 US glns	10
	All	1,000 MT	5
	All	100 MT	10
	Mini Products	100 bbls	5
	Mini Products	100 MT	5
Fuel Oil	All	1,000 bbls	10
	All	1,000 MT	5
	Mini Products	100 MT	5
Bitumen	All	100 MT	5
Bio Diesel	All	1,000 MT	5
	All	100 MT	5
Jet	All	1,000 bbls or 42,000 US glns	10
	All	1,000 MT	5
	Mini Products	100 bbls or 4,200 US glns	5
	Mini Products	100 MT	5
Naphtha	All	1,000 bbls	10
	All	1,000 MT	5
	Mini Products	100 MT	5
	Mini Products	100 bbls	5
Freight	Dry Freight	1 day of time charter	5
		500 MT	5
	Wet Freight	1,000 MT	5
		1 day of time charter	5
	LPG Freight	1,000 MT	2
US NGLs	All	1,000 bbls	10
	Mini Products	100 bbls	5
International NGLs	All	1,000 MT	2
	Mini Products	100 MT	2
Iron Ore	All	1,000 MT	5
Ethanol	All	1,000 bbls or 42,000 US glns	5
	All	100 cubic metres	5
LNG	All	10,000 MMBTU	5
Petrochemicals	All	100,000 pounds	10
	All	1,000 bbl	10

Table 2 – Block Trading Requirements (for ICE Energy, Eurodollar and GCF Repo Index[®] contracts and the Sugar and IFEU Cocoa Arbitrage Block Trades)

Block trade type	Description	Block Minimum Volume Threshold	Reporting time
1. Outright	One maturity of any IFEU Futures or Options Contract	Minimum threshold applicable to the Contract being traded as published by the Exchange	Futures (not Coal): 5 minutes; Swap Futures, Coal & all Option Contracts: 15 minutes
2. Intra-commodity IFEU Futures or Options Contract	Two or more contract months and/or strike prices of the <u>same</u> IFEU Futures or Options Contract	<u>Sum of the legs</u> of the Block Trade must meet the minimum volume threshold applicable to the Contract (or in the case of ICE Three-Month Eurodollar Future, the lower of the applicable minimum volume thresholds) being traded.	15 minutes
3. Inter-commodity IFEU Futures or Options Contract	Two or more contract months and/or strike prices of two or more <u>different</u> IFEU Futures or Options Contracts; or any same-month combination of standard size plus mini contracts	<u>Sum of the legs</u> of the Block Trade must meet the <u>larger</u> of the minimum volume thresholds applicable to the Contracts being traded	15 minutes
4. Ratio	Standard crack spreads listed on the ICE Platform; or , non-standard crack spreads which involve months or a combination of months other than those listed on the ICE Platform; or , crack spreads with a ratio other than 4:3	<u>Sum of the legs</u> of the Block Trade must meet the <u>larger</u> of the minimum volume thresholds applicable to the Contracts being traded	15 minutes
5. Cross Exchange	Any of Block Trade types 2, 3 or 4 (non-standard crack spreads) where one or more of the legs is executed on an Exchange other than IFEU.	Treated as Block Trade type 3 as set out above.	15 minutes

Notes to Table 2

- i) These notes give illustrative examples of how the above rules apply.
- ii) *Examples of a “Type 2” block - two or more contract months and / or strike prices of the same IFEU Futures or Options Contract.*
- For a time spread such as February / March Brent spreads, each leg must be at least 50 lots, so that the sum is 100, which equals the minimum size for Brent (see row 1 of Table 1).
 - For a February / March WTI spread, each leg must be at least 25 lots, so that the sum is 50, which equals the minimum size for WTI (see row 4 of Table 1).
 - For a February / March RBOB spread, each leg must be at least 25 lots, so that the sum is 50, which equals the minimum size for RBOB of 50 lots (see row 5 of Table 1).
 - For a fly trade such as February / March / March / April Brent, each leg must be at least 25 lots, so that the sum is 100, which equals the minimum size for Brent.
 - For seasons, such as April to Sep RBOB, each leg must be at least 9 lots, so that the total is 54, which exceeds the minimum size for RBOB of 50 lots.
 - For combination trades, such as January - June Brent, each leg must be at least 17 lots, so that the total is 102, which exceeds the 100 lots minimum threshold.

- iii) *Examples of a “Type 3” block - two or more contract months and/or strike prices of two or more different IFEU Futures or Options Contracts*

Where the products being blocked are not the same, there will often be different minimum sizes, one for each product. In these cases the legs can be added up, but must sum to the largest threshold among the products involved.

- For a WTI – RBOB crack spread, the WTI threshold is 50 lots and the RBOB is 50. The legs must sum to 50, so 25 lots of each leg.
 - For a Brent futures (B) – Jet CIF NWE cargoes versus Brent 1st line (JNB) spread, the Brent threshold is 100 lots, the JNB Futures Contract threshold is 10 lots; the legs must sum to 100, so 50 lots of each, or any other proportion summing to 100 lots.
 - For a Brent option volatility trade, the options leg must be at least 25, i.e. the minimum threshold for outright Oil option Contracts; and there is no minimum applied to the futures leg.
- iv) *Examples of a “Type 4” block - standard crack spreads listed on the ICE Platform; or, non-standard crack spreads which involve months or a combination of months other than those listed on the ICE Platform; or, crack spreads with a ratio other than 4:3*
- For a Gasoil futures (G) - .05% Singapore Gasoil (SWS) spread, the Gasoil threshold is 100 lots, the SWS Contract threshold is 10 lots; the legs must sum to 100, but taking into account the unequal size of the respective lots, the Gasoil leg can be 57 lots and the SWS leg 43 lots for a total of 100.
- v) *Examples of a “Type 5” block - any of Block Trade types 2, 3 or 4 where one or more of the legs are executed on an Exchange other than IFEU.*

Where one or more legs are executed on another exchange, these are treated as Block Trade Type 3, i.e. encompassing two or more different commodities.

- For a WTI arbitrage trade where one trade is executed on ICE and an opposite quantity elsewhere, i.e. a switch trade, applying this constitutes a Type 3 block trade because two different commodities are involved. Hence the legs must sum to the highest ICE threshold. For a WTI switch trade the ICE leg would need to be at least 25 lots, and the sum of the legs 50.
- For a Brent-WTI arbitrage trade where the Brent leg is executed on ICE and the WTI elsewhere, the ICE leg would need to be 50 lots and the sum of the legs 100 (the larger threshold of the two).

Table 3: Minimum Volume Thresholds (Fixed Income)

Minimum Volume Threshold (lots)					
Contract	Contract Months	Standard Publication		Delayed Publication	
		Outright	Strategy	Outright	Strategy
Short Term Interest Rate Futures					
Euribor® Futures	Serial White Months	500	1,000	2,000	3,000
	White Months	3,000	5,000	10,000	15,000
	Red Months	1,500	3,000	8,000	12,000
	Green Months	500	1,000	4,000	6,000
	All Other Months	500	1,000	2,000	3,000
Short Sterling Futures	Serial White Months	300	1,000	2,000	3,000
	White Months	2,000	3,000	10,000	15,000
	Red Months	1,000	2,000	8,000	12,000
	Green Months	500	1,000	4,000	6,000
	All Other Months	500	1,000	2,000	3,000
Euroswiss Futures	White Months	1,000	1,500	5,000	7,500
	Red Months	500	1,000	2,000	3,000
	All Other Months	250	500	1,000	1,500
Eonia® Futures	All Months	250	375	n/a	n/a
Eonia® Swap Index Futures	All Months	250	375	n/a	n/a
Short Term Interest Rate Options					
Euribor® Options	White Months	3,000	5,000	n/a	n/a
	Red Months	1,000	2,000	n/a	n/a
	All Other Months	500	1,000	n/a	n/a
Euribor® One Year Mid-Curve Options	All Months	1,000	2,000	n/a	n/a
Euribor® Two Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Euribor® Three Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Euribor® Four Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Euribor® Five Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Short Sterling Options	White Months	2,000	3,000	n/a	n/a
	Red Months	1,000	2,000	n/a	n/a
	All Other Months	500	1,000	n/a	n/a
Short Sterling One Year Mid-Curve Options	All Months	1,000	2,000	n/a	n/a
Short Sterling Two Year Mid-Curve Options	All Months	500	1,000	n/a	n/a

Minimum Volume Threshold (lots)					
Contract	Contract Months	Standard Publication		Delayed Publication	
		Outright	Strategy	Outright	Strategy
Short Sterling Three Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Short Sterling Four Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Short Sterling Five Year Mid-Curve Options	All Months	500	1,000	n/a	n/a
Euroswiss Options	Front Month	1,500	1,500	n/a	n/a
	All Other Months	1,500	3,000	n/a	n/a
Medium and Long Term Interest Rate Futures					
Ultra Long Gilt Futures	Front Month	50	100	250	250
	All Other Months	50	100	250	500
Long Gilt Futures	Front Month	500	500	1,500	1500
	All Other Months	500	1000	1,500	3000
Medium Gilt Futures	Front Month	100	250	1,000	1000
	All Other Months	100	250	1,000	2000
Short Gilt Futures	Front Month	250	250	1,000	1000
	All Other Months	250	500	1,000	2000
Ultra Long Bund Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Long Bund Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Medium Bund Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Short Bund Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Long BTP Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Medium BTP Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Short BTP Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Long Bonos Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Medium Bonos Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Short Bonos Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Long Confederation Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600
Medium Confederation Futures	Front Month	100	100	300	300
	All Other Months	100	200	300	600

Minimum Volume Threshold (lots)					
Contract	Contract Months	Standard Publication		Delayed Publication	
		Outright	Strategy	Outright	Strategy
Two Year Euro Swapnote® Futures	Front Month	400	400	1,500	1500
	All Other Months	400	800	1,500	3000
Five Year Euro Swapnote® Futures	Front Month	200	200	1,000	1000
	All Other Months	200	400	1,000	2000
Ten Year Euro Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Thirty Year Euro Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Two Year Sterling Swapnote® Futures	Front Month	100	100	1,500	1500
	All Other Months	100	200	1,500	3000
Five Year Sterling Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Ten Year Sterling Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Thirty Year Sterling Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Two Year Swiss Franc Swapnote® Futures	Front Month	100	100	1,500	1500
	All Other Months	100	200	1,500	3000
Five Year Swiss Franc Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Ten Year Swiss Franc Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Two Year Dollar Swapnote® Futures	Front Month	50	50	1,500	1500
	All Other Months	50	100	1,500	3000
Five Year Dollar Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Ten Year Dollar Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Thirty Year Dollar Swapnote® Futures	Front Month	100	100	1,000	1000
	All Other Months	100	200	1,000	2000
Medium and Long Term Interest Rate Options					
Long Gilt Options	All Months	100	200	n/a	n/a
Two Year Euro Swapnote® Options	Front Month	500	500	n/a	n/a
	All Other Months	500	1000	n/a	n/a
Five Year Euro Swapnote® Options	Front Month	200	200	n/a	n/a
	All Other Months	200	400	n/a	n/a
Ten Year Euro Swapnote® Options	Front Month	100	100	n/a	n/a
	All Other Months	100	200	n/a	n/a

Minimum Volume Threshold (lots)					
Contract	Contract Months	Standard Publication		Delayed Publication	
		Outright	Strategy	Outright	Strategy
Eris Euribor [®] 1 Year Interest Rate Future	All Other Months	250	500	5,000	10,000
Eris Euribor [®] 2 Year Interest Rate Future	All Other Months	250	500	2,500	5,000
Eris Euribor [®] 3 Year Interest Rate Future	All Other Months	250	500	1,750	3,500
Eris Euribor [®] 4 Year Interest Rate Future	All Other Months	250	500	1,250	2,500
Eris Euribor [®] 5 Year Interest Rate Future	All Other Months	250	500	1,000	2,000
Eris Euribor [®] 6 Year Interest Rate Future	All Other Months	250	500	850	1,700
Eris Euribor [®] 7 Year Interest Rate Future	All Other Months	250	500	725	1,450
Eris Euribor [®] 8 Year Interest Rate Future	All Other Months	250	500	650	1,300
Eris Euribor [®] 9 Year Interest Rate Future	All Other Months	250	500	550	1,100
Eris Euribor [®] 10 Year Interest Rate Future	All Other Months	250	500	500	1,000
Eris Euribor [®] 30 Year Interest Rate Future	All Other Months	50	100	150	300
Eris GBP LIBOR 1 Year Interest Rate Future	All Other Months	250	500	5,000	10,000
Eris GBP LIBOR 2 Year Interest Rate Future	All Other Months	250	500	2,500	5,000
Eris GBP LIBOR 3 Year Interest Rate Future	All Other Months	250	500	1,750	3,500
Eris GBP LIBOR 4 Year Interest Rate Future	All Other Months	250	500	1,250	2,500
Eris GBP LIBOR 5 Year Interest Rate Future	All Other Months	250	500	1,000	2,000
Eris GBP LIBOR 6 Year Interest Rate Future	All Other Months	250	500	850	1,700
Eris GBP LIBOR 7 Year Interest Rate Future	All Other Months	250	500	725	1,450
Eris GBP LIBOR 8 Year Interest Rate Future	All Other Months	250	500	650	1,300
Eris GBP LIBOR 9 Year Interest Rate Future	All Other Months	250	500	550	1,100
Eris GBP LIBOR 10 Year Interest Rate Future	All Other Months	250	500	500	1,000
Eris GBP LIBOR 30 Year Interest Rate Future	All Other Months	50	100	150	300

Please note: A "serial delivery month" is a delivery month other than a quarterly delivery month. i.e. January, February, April, May, etc.

Table 4: Minimum Volume Thresholds (Equity derivatives)

Contract	Contract Months	Minimum Volume Thresholds (lots)					
		Standard Publication		Non-publication		Delayed publication	
		Outright	Strategy	Outright	Strategy	Outright	Strategy
Single Stock Futures							
Order book listed	All Months	25	50	N/A	N/A	25	50
Block only Contracts	All Months	1	2	1	2	N/A	N/A
Individual Equity Options							
Target Group Top 30 UK names (Order book listed) with the exception of contracts in the High value underlying stock group**	All Months	250	500	N/A	N/A	250	500
Non-Target Group (outside of top 30 UK names) (Order book listed) with the exception of contracts in the High value underlying stock group**	All Months	250	500	N/A	N/A	250	500
High value underlying stocks (Order book listed)**	All Months	100	200	N/A	N/A	100	200
Block only Contracts	All Months	1	2	1	2	N/A	N/A
** Contracts in the High value underlying stocks group are contained in Appendix 1. This may be updated by the Exchange from time to time.							
Dividend Adjusted Stock Futures							
Block Only Contracts	All months	1	2	1	2	N/A	N/A
Index Futures							
FTSE 100 Index Futures	Nearest 4 from Mar/Jun/Sep/Dec	500	1000	N/A	N/A	500	1000
FTSE 100 Dividend Index - RDSA Withholding Futures	Nearest 7 annual December cycle	500	1000	N/A	N/A	500	1000
FTSE 100 Declared Dividend Index Futures	Nearest 7 annual December cycle	500	1000	N/A	N/A	500	1000
FTSE 250 Index	Nearest 2 from Mar/Jun/Sep/Dec	50	100	N/A	N/A	50	100
MSCI Europe Index NTR Futures	Nearest 5 quarterlies from Mar/Jun/Sep/Dec	100	200	N/A	N/A	100	200

Contract	Contract Months	Minimum Volume Thresholds (lots)					
		Standard Publication		Non-publication		Delayed publication	
		Outright	Strategy	Outright	Strategy	Outright	Strategy
MSCI World Index NTR Futures	Nearest 5 quarterlies from Mar/Jun/Sep/Dec	50	100	N/A	N/A	50	100
All other MSCI Index Futures including: MSCI Geographical and Country Indices, MSCI Sector Indices, MSCI Minimum Volatility Indices and MSCI Equal Weighted Indices	Nearest 5 quarterlies from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
FTSE 100 Equally Weighted Net Total Return Index	Nearest 5 quarterlies from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
FTSE 100 Total Return (Declared Dividend) Future	Nearest 4 from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
FTSEurofirst 80 and FTSEurofirst 100 Futures	Nearest 3 quarterlies from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
Russell Europe SMID 300 Net Return Index Futures	Nearest 5 quarterlies from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
Russell UK Mid 150 Net Total Return Index Futures	Nearest 5 quarterlies from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
AEX and CAC 40 Index	Nearest 3 serial months and 3 quarterly months from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A
BEL20 and PSI 20 Index	3 quarterly months from Mar/Jun/Sep/Dec	1	2	1	2	N/A	N/A

Minimum Volume Thresholds							
Contract	Contract Month	Standard Publication		Non-Publication		Delayed Publication	
		Outright	Strategy	Outright	Strategy	Outright	Strategy
Index Options							
FTSE 100 Index Standard Options (order book listed)	All Months	500	1000	N/A	N/A	750	1500
FTSE 100 Index Standard Options (Block Only)	Months 25-126	1	2	1	2	N/A	N/A
FTSE 100 Index Flex Options	All contract months	1	2	1	2	N/A	N/A
FTSE 250 Index Options	All contract months	1	2	1	2	N/A	N/A
MSCI Europe Net Total Return Index Options	All contract months	1	2	1	2	N/A	N/A
FTSEurofirst 80 and FTSEurofirst 100 Index Options	All contract months	1	2	1	2	N/A	N/A
AEX, BEL20 and CAC 40 and PSI 20 Index Options	All contract months	1	2	1	2	N/A	N/A

Please note: A "serial delivery month" is a delivery month other than a quarterly delivery month. i.e. January, February, April, May, etc.

Table 5 – Block Trading Requirements (for Fixed Income and Equity Derivatives)

Block trade type	Description	Block Minimum Volume Threshold	Reporting time
1. Outright	One maturity of any IFEU Futures or Options Contract	Minimum threshold applicable to the Contract being traded as stated in the “outright” column	Equity derivatives (Non-published, delayed publication and Block only Contracts): 1 hour; Other Futures: 5 minutes; Other Options: 15 minutes
2. Strategy	Two or more contract months and/or strike prices of the <u>same</u> IFEU Futures or Options Contracts	<u>Sum of the legs</u> of the Block Trade must meet the minimum volume threshold	Equity derivatives (Non-published, delayed publication and Block only Contracts): 1 hour; Other Futures and Options: 15 minutes
	Two or more contract months and/or strike prices of two or more <u>different</u> IFEU Futures or Options Contracts;	<u>Sum of the legs</u> of the Block Trade must meet the <u>larger</u> of the minimum volume thresholds applicable to the Contracts being traded	

Notes to Tables 3, 4 and 5

- i) These notes provide illustrative examples in order to assist with the interpretation of Tables 3, 4 and 5 (fixed income and equity derivative contracts).
- ii) Examples of a "Type 1" block where outright thresholds are applicable and the Block Trade involves no more than one contract month or options series.

Fixed income

- For a Red Month outright Euribor[®] Futures contract the size must meet at least the outright minimum volume threshold of 1,500 lots.
 - For the trade to be eligible for delayed publication the minimum strategy threshold to meet would be 8,000 lots.
- For a Green Month outright Euribor[®] Futures contract the size must meet at least the outright minimum volume of 500 lots.
 - For the trade to be eligible for delayed publication the minimum strategy threshold to meet would be 4,000 lots.
- For an outright in the front month of the Long Gilt contract the size must meet at least 500 lots.
 - For the trade to be eligible for delayed publication the minimum strategy threshold to meet would be 1,500 lots.

Equity derivatives

- For a FTSE 100 Index Futures trade, the trade size must meet the minimum volume threshold of 500 lots.
 - For the trade to be eligible for delayed publication the minimum trade size is also 500 lots.
 - For a standard FTSE 100 Index Options trade, order book listed, the trade size must meet the minimum volume threshold of 500 lots.
 - For the trade to be eligible for delayed publication the minimum trade size must be equal to or greater than 750 lots.
- iii) Examples of a "Type 2" block where strategy thresholds apply and the Block Trade involves more than one contract month of the same or different IFEU Futures or Options contracts.

Fixed income

- For a green pack (i.e. all four green quarterly contracts) in Short Sterling the legs must sum to a minimum of 1,000 lots.
 - For the trade to be eligible for delayed publication the minimum strategy threshold to meet would be 6,000 lots.
- For a 2 year bundle (i.e. first 8 quarterly contracts) in Euribor[®] Futures, the legs must sum to a minimum of 5,000 lots (the white months strategy minimum size), as a 2 year bundle involves white and red months and the white months' minimum strategy size is higher than that for the red months.
 - For the trade to be eligible for delayed publication the minimum strategy threshold to meet would be 15,000 lots.
- For a calendar spread in the Long Gilt contract (i.e. long front month short second month) the legs must sum to minimum of 1,000 lots (the larger of the minimum volume thresholds involving months other than the front month).
 - For the trade to be eligible for delayed publication the minimum strategy threshold to meet would be 3,000 lots.
- For a white month outright Euribor[®] option volatility trade, the options leg must be at least 3,000, i.e. the minimum threshold for outright white months; and there is no minimum applied to the futures leg.

- For a butterfly in Short Sterling options involving red and green months, the legs must sum to a minimum of 2,000 lots, as the red months' minimum strategy size is higher than that for the green months.

Equity derivatives

- For a calendar spread in the FTSE 100 Index Futures contract (i.e. long December expiry and short the March expiry), each individual leg must meet the minimum volume threshold of 500 lots, giving an aggregate total of 1000 lots.
 - For the trade to be eligible for delayed publication the minimum aggregate (both legs combined) trade size should also total 1000 lots.
- For a calendar spread in the FTSE 100 Index Standard Option contract (i.e. a put in the December expiry and a call in the March expiry) involving the nearest 8 quarterlies, each individual leg must meet the minimum volume threshold of 500 lots, giving an aggregate total of 1000 lots.

For the trade to be eligible for delayed publication the minimum aggregate (both legs combined of 750 lots each) trade size is 1500 lots.

5. REPORTING TIME REQUIREMENTS

- Details of a Block Trade must be entered into ICE Block within the specified time limit after verbal agreement on the terms of the Block Trade was reached between the parties, or by such reporting deadline as may be set out by the Exchange. In the case of Non-crossed Trades, the details of the Block Trade must be both entered into ICE Block and accepted by the other Member within the specified time limit and by the reporting deadline prescribed by the Exchange as the case may be.
- On the day of expiry of a contract, a Block Trade must be reported within the specified reporting time requirements or at any rate before the contract expires.
- The time of the arrangement of the Block Trade must be recorded by the arranging Members on the order slip.
- If technical difficulties prevent prompt entry, Members should contact ICE Futures Europe Compliance or the ICE Help Desk to ensure the fact and time of the trade are recorded while the technical issue is resolved.
- For those contracts listed in Table 1 see the reporting time requirements outlined in Table 2.
- For those contracts listed in Table 3 and 4, see the reporting time requirements outlined in Table 5.
- No Block Trade can be reported, or accepted, later than 5 minutes after the close of trading of the contract concerned ("the reporting deadline").

6. MINI CONTRACTS

- Mini Contracts are intended to be used where a hedge, delta-hedge, or other valid commercial requirement calls for the splitting of a full-size lot into tranches smaller than one such lot. For example, a physical position of 8000 bbls, to be priced over 5 days, would require a hedge trade of 1600 bbls per day. It is then a valid strategy to execute a 1 lot screen trade of the standard Contract and 6 lot Block Trade of the mini Contract daily to achieve the required daily hedge. It is also valid to stand as the counterparty to such a trade.
- It is not a valid use of the block facility to use it to bypass or evade the minimum threshold of the standard size contract by trading a larger number of mini Contracts instead i.e. a 4000 bbls exposure on one day cannot be blocked by a single trade of 40 lots of the equivalent mini, but should be hedged via 4 lots traded on screen in the usual way. Standard size and mini contracts may be combined in the same Block Trade for hedging purposes, provided the Block size rules are met and that the standard size contracts are used so far as is possible.
- The Exchange will make routine inquiries where minis are used and will expect to see a commercial purpose in each case, which may include executing such a hedge, or providing it to

another participant, or other commercial purpose. As evidence of hedging intent or valid commercial purpose, the Exchange will accept:

- From hedgers, extracts from the trade capture system or other documentation that shows the trade was against a physical exposure (recognising that each such individual trade will not necessarily be against one specific physical transaction, but may be against aggregate exposure across a book).
- From those standing as counterparties to such trades but who are not themselves hedging, evidence (emails, IMs, call records) that show the existence of a valid hedge was established in the course of agreeing the trade.

7. AGGREGATION OF ORDERS IN CONNECTION WITH MINIMUM VOLUME THRESHOLDS

- i) Members must not aggregate separate client orders in order to meet the minimum volume thresholds, except in the following circumstances:
 - (a) The separate orders have the same beneficial owner;
 - (b) The separate orders have different beneficial owners provided that each such order individually meets or exceeds the applicable minimum volume;
 - (c) The orders are for funds which are operated by the same Fund Manager and traded by the same Fund Manager, pursuant to the same strategy.
 - (d) In respect of Options Contracts, where a Member receives a Block Trade order which meets or exceeds the relevant minimum volume threshold, he may aggregate orders on the matching side only in order to facilitate execution of the Block Trade order (Rule F.7.3 refers).
- ii) Block Trade orders (for Futures contracts only) for outright contract months or intra-commodity spreads may be combined to facilitate Block Trade orders for combination trades, so long as the volume of the order for the combination trade meets the minimum volume threshold of the relevant outright contract month or intra-commodity spread.
- iii) For example:
 - (a) Block Trade orders for individual contract months Jan 2014, Feb 2014 and Mar 2014 may be combined to facilitate a Block Trade order for the combination trade Q1 2014 in the ICE UK Natural Gas Contract provided that the Q1 2014 order meets the Minimum Volume Threshold for an outright Natural Gas contract month of 50 lots.
- iv) Block Trade orders for intra-commodity spreads Aug'13/Sep'13 and Sep'13/Oct '13 may be combined to facilitate a Block Trade order for the combination 'Butterfly' spread in Aug'13/Sep'13/Oct'13 in the ICE Brent Crude Futures Contract provided that the Butterfly spread order meets the Minimum Volume Threshold for an intra-commodity spread in Brent Futures of 50 lots. Members must ensure that combining orders in this way is not to the detriment of any client order.

8. BLOCK TRADE PARTICIPATION

- i) Block Trades may only be reported to the Exchange by ICE Futures Europe Members who have been permitted to enter Block Trades as appropriate by the Exchange or by their client's Clearing Member. Where more than one Exchange Member is involved in the arrangement, execution and subsequent clearing of a Block Trade, each Member must ensure that the business conducted by it or through it shall not cause it or the Exchange to be in breach of any applicable laws and Regulations.
- ii) Affiliate or group companies may be eligible to arrange, execute and report Block Trades on behalf of an Exchange Member, provided the specific written permission of the Member to that effect has first been lodged with the Exchange. In such cases, the affiliate or group company is a Representative of the Exchange Member and must comply with all applicable Exchange and regulatory requirements.
- iii) If a Member is authorised by the FCA, Block Trades may only be arranged on behalf of clients by a person on that Member's staff who is registered with the FCA as an Approved Person.

- iv) Where a Member is not authorised by the FCA e.g. because they are located outside the United Kingdom, they should conform to corresponding local statutes in respect of such approval.
- v) Members are reminded of their responsibility under Rule A.9. for the conduct of their Member Representatives.

9. PROHIBITIONS

- i) A Member must not disclose the identity of the party to a Block Trade order to potential counterparties unless the Member has previously received that party's permission to do so. Members may disclose the terms of Block Trade orders in furtherance of bilateral negotiations, which may include indicating that the negotiations have ended.
- ii) Members are reminded of Rule E.2.2A which states that any behaviour amounting to market abuse as set out in relevant market abuse legislation will constitute as a breach of Exchange Rules. This includes front-running or pre-positioning. Members are not permitted to enter into a transaction for their own benefit, which is transacted on the basis of and ahead of an order (including an order relating to a bid) which it, or an associate, is to carry out with or for another (in respect of which information concerning the order is *inside information*), which takes advantage of the anticipated impact of the order on the market.
- iii) Members must not share specific, material and non-public information with other Market participants, except in the normal course of business.

10. PRICE

- i) Members must ensure, when arranging Block Trades, that the price of any Block Trade (other than that for a Block TAS Trade) being quoted represents the fair market value for that trade. This is the price that the Member considers to be the best available for a trade of that kind and type at the time of arranging.
- ii) On each occasion of quoting a Block Trade price, the Member must, at the time, make it clear to the potential counterparty(ies), whether a Member or a client who is not a Member of the Exchange, that the price being quoted is a Block Trade price and is not the prevailing Market price.
- iii) When determining a Block Trade price (other than that for a Block TAS Trade), a Member should, in particular, take into account the prevailing price and volume currently available in the Market, the liquidity of the Market and general Market conditions. The Member is not obliged to obtain prices from other Members, unless this would be appropriate in the circumstances.
- iv) Block Trades are neither included in the determination or calculation of any settlement price, Index or marker published by the Exchange, nor do they affect the daily published high and low trades.

11. REPORTING TO THE EXCHANGE AND REGISTRATION

- i) Once a Block Trade has been organised the Members must report the Block Trade details to the Exchange in accordance with ICE Futures Europe Trading Procedure 17.
- ii) Block Trades may be reported to the Exchange by the entry of the Block Trade details to ICE Block (or by any other means determined by the Exchange from time to time).
 - a. Members may post a Block Trade by entering into ICE Block both the buy and sell sides of the trade as a "cross trade" in accordance with Trading Procedure 17.
 - b. Where the Block Trade is agreed between two separate Members ("Non-crossed Trade") one of the Members party to a Non-crossed Trade inputs into ICE Block its own side of the deal (i.e. either the buy or sell side of the trade) alleging the counterparty Member to the deal. The counterparty Member to the deal is required to accept the alleged Non-crossed Trade in ICE Block within the specified time period. Once the Non-crossed Trade has been accepted by the counterparty it flows through to the ICE Systems in the normal manner.

- i. In order to facilitate the swift matching of Non-crossed Trades the submitting Member must complete mandatory Order Reference and Contact Number fields in ICE Block to assist any queries prior to acceptance by the counterparty Member.
- ii. Unless otherwise agreed by the relevant Members, Non-crossed Trades shall be entered by the buying Member in respect of Non-crossed Trades in single contract months. All legs pertaining to multi-legged combination trades should be entered into ICE Block by the Buyer of the front month.
- c. Members may also directly allocate trades executed on behalf of its clients into the clients' accounts at the relevant clearing Member(s) through ICE Block. Members must have the permission of the relevant clearing Member(s) to execute business on behalf of its client and been set up in the system before arranging the Block Trade.
- d. Members who do not have direct access to ICE Block may report the details of agreed Block Transactions to the ICE Help Desk for entry into ICE Block provided that the Member, or the client(s) on whose behalf the Member is acting, has a clearing account with a Clearing Member.
- iii) Participants who do not have the relevant permissions from the Exchange or from their client's Clearing Member to enter Block Trades on their behalf are prohibited from doing so. Parties arranging or seeking to enter Block Trades must ensure, prior to executing a transaction with a client that all appropriate permissions are in place to ensure the trade can be entered and that Exchange Regulations are complied with.
- iv) Block Trades involving IFEU White Sugar Futures trades and IFEU Containerised White Sugar Futures trades are permitted as part of an IFUS Sugar No. 11/IFEU White Sugar and IFUS Sugar No. 11/ IFEU Containerised White Sugar arbitrage transactions. Users will need to submit two separate block tickets (one on IFUS and the other on IFEU). The submitter must report the IFUS leg first and followed by the IFEU leg. The IFEU leg must contain the deal ID (of the IFUS Sugar No. 11 leg) in the "Transaction Details" text field on the Block Trade submission screen in ICE Block. Please contact ICE Futures US Compliance department for further details on what information is required to be submitted on the IFUS leg.
- v) For IFEU Cocoa Block Trades, users must submit all legs of the trade on one ICE Block ticket.

12. POST TRADE CONFIRMATION & PUBLICATION

- i) Subject to such details being within relevant clearing risk limits, the trade details will flow through to the ICE Systems and an ICE Futures Europe Contract shall arise. The process will not continue if there are any issues with limits; in such instance, the affected party should contact its Clearing Member to remedy the issue and inform the Exchange as per 9(iv) above.
- ii) In the event that the details of a Block Trade are reported to and entered into ICE Block by the ICE Help Desk, both parties to the Block Trade will receive a confirmatory email. For such trades, parties must respond to the email as soon as possible if they disagree with any of the details booked on the trade. Note that if no objection is received within the reporting time period, or by the reporting deadline as the case may be, both parties to the Block Trade will be deemed to have accepted the trade.
- iii) ICE Block assigns each new trade a unique deal ID and provides an audit of all actions undertaken on ICE Block for that particular day.
- iv) The Block Trade is registered under the Members' company mnemonic (for those crossed trades that are entered into a client's clearing account directly,
- v) The Exchange may check the validity of the Block Trade details submitted by the parties to the Block Trade. If the Exchange (following consultation, where necessary, with ICE Clear Europe and subject to their right to refuse registration) is not satisfied that all such details are valid, it will void the Block Trade. Any decision by the Exchange not to register a Block Trade is final.

- vi) Registration of a transaction does not preclude the Exchange from instigating disciplinary procedures in the event that the transaction is subsequently found to have been made other than in compliance with the Regulations.
- vii) Price and volume will be broadcast to the market immediately following acceptance by the Exchange, apart from where delayed or non-publication has been selected.
- viii) For delayed publication, price and volume will be broadcast:
 - a) in case of Block trades for Contracts listed in Table 3, 75 minutes after acceptance by the Exchange or at the daily close of trading in the Contract on the central order book, whichever is sooner;
 - b) in case of Block trades for Contracts listed in Table 4 for which such functionality is available, at the daily close of trading in the Contract on the central order book.”
- ix) Where non-publication has been selected no details about the specific trade will be broadcast to the market. However, at the end of day total volumes for the contract will be published and this will include volumes from trades that were subject to non-publication. Block Trades are identifiable as follows:

Type of Trade	Trade Type Code
Block Trades	K
Block TAS trades	Z

13. CANCELLATION AND AMENDMENT OF BLOCK TRADES

- i) A Member may cancel Block Trades reported to the Exchange through ICE Block. The self-cancellation of Block Trades will only be permitted for cross trades, or trades where both sides have been entered by the same Member, which were entered earlier on the same Trading Day (“Top Day Trades”). Members using this facility must ensure they enter a reason for the Block Trade cancellation when confirming the request for cancellation.
- ii) Members should contact ICE Futures Europe Market Supervision regarding cancellation requests for all other Non-crossed Trades.
- iii) Adjustment of Block Trades entered via ICE Block is also available at any time on the business day following the reporting of the Block Trade to the Exchange. This Next-Day adjustment establishes an offsetting trade and a new trade with the corrected details.
- iv) The amendment will only be implemented by an Exchange member or by the ICE Helpdesk on the instruction of an Exchange member. This facility will not apply to Block Trade at settlement trades (“Block TAS”) or Balmo Contracts. Member must provide a valid reason when amending a trade via ICE Block.
- v) The Exchange will monitor all requests for trade cancellations and may take disciplinary action against Members that make excessive requests compared to the level of business they undertake. Deliberate submission of inaccurate trades would be regarded as potentially manipulative and amounting to serious misconduct.

APPENDIX 1

Minimum Volume Thresholds (lots)						
Contract Code	Underlying Stock	Contract Months	Standard Publication		Delayed publication	
			Outright	Strategy	Outright	Strategy
ABR	Associated British Foods PLC	Order book listed	100	200	100	200
AZA	AstraZeneca PLC	Order book listed	100	200	100	200
TAB	British American Tobacco PLC	Order book listed	100	200	100	200
POC	Carnival PLC	Order book listed	100	200	100	200
IMP	Imperial Brands PLC	Order book listed	100	200	100	200
IHG	InterContinental Hotels Group PLC	Order book listed	100	200	100	200
ITR	Intertek Group PLC	Order book listed	100	200	100	200
JMA	Johnson Matthey PLC	Order book listed	100	200	100	200
LSE	London Stock Exchange Group PLC	Order book listed	100	200	100	200
NXT	Next PLC	Order book listed	100	200	100	200
RAR	Randgold Resources Ltd	Order book listed	100	200	100	200
RBE	Reckitt Benckiser Group PLC	Order book listed	100	200	100	200
RTZ	Rio Tinto PLC	Order book listed	100	200	100	200
SAB	SABMiller PLC	Order book listed	100	200	100	200
SDS	Schroders PLC	Order book listed	100	200	100	200
SVT	Severn Trent PLC	Order book listed	100	200	100	200
SHP	Shire PLC	Order book listed	100	200	100	200
ULV	Unilever PLC	Order book listed	100	200	100	200
WTB	Whitbread PLC	Order book listed	100	200	100	200
WSY	Wolseley PLC	Order book listed	100	200	100	200