

**SECTION A - GENERAL**

- A.1 Definitions<sup>1</sup>
- A.2 Spirit of the Rules<sup>2</sup>
- A.3 Relations with other Regulatory Authorities<sup>3</sup>
- A.4 Confidentiality<sup>4</sup>
- A.5 General Powers of Directors<sup>5</sup>
- A.6 Financial Powers<sup>6</sup>
- A.7 Exclusion of Liability<sup>7</sup>
- A.8 Trading Hours and Days<sup>8</sup>
- A.9 Member Responsibility<sup>9</sup>
- A.10 Responsible Individual Responsibility<sup>10</sup>
- A.11 Systems and Controls<sup>11</sup>
- A.11.A Systems and Controls for Members that are Investment Firms Engaging in Algorithmic Trading<sup>12</sup>
- A.12 [Deleted 27 February 2009]<sup>13</sup>

<sup>1</sup> Amended 6 October 2003, 8 April 2005, 22 April 2005, 25 October 2005, 7 December 2005, 7 February 2006, 29 March 2006, 27 April 2006, 17 July 2006, 13 October 2006, 27 May 2007, 12 February 2008, 14 March 2008, 17 October 2008, Launch of ICE Clear 2008, 4 December 2008, 4 April 2011, 7 June 2012, 15 October 2012, 15 May 2013, 01 November 2013, 29 January 2014, 4 June 2014, 3 September 2014, 18 September 2014, 27 May 2015, 3 June 2016, 3 January 2018, 24 September 2018, 17 February 2020

<sup>2</sup> Amended IPE/ETS Implementation date 2002, Launch of ICE Clear 2008, 3 September 2014, 3 January 2018

<sup>3</sup> Amended IPE/ETS Implementation date 2002

<sup>4</sup> Amended IPE/ETS Implementation date 2002, 7 December 2005, 10 April 2008, Launch of ICE Clear 2008, 7 June 2012, 24 September 2012, 10 June 2015, 3 January 2018, 25 May 2018

<sup>5</sup> Amended 27 February 2003, 29 March 2006, Launch of ICE Clear 2008

<sup>6</sup> Amended 3 April 2000

<sup>7</sup> Amended 27 February 2003, 29 March 2006

<sup>8</sup> Amended 27 February 2003, 7 December 2005

<sup>9</sup> Inserted 27 April 2006, amended 3 September 2014, 3 January 2018

<sup>10</sup> Inserted 27 April 2006

<sup>11</sup> Inserted 27 April 2006, amended 4 April 2011, 3 September 2014, 3 January 2018

<sup>12</sup> Inserted 3 January 2018

<sup>13</sup> Deleted 27 February 2009

A.1 DEFINITIONS<sup>14</sup>

In these Regulations the words standing in the first column of the following table shall bear the meanings set opposite them in the second column thereof, if not inconsistent with the subject or context:-

| WORDS                                | MEANINGS   |
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| “Administrative Procedures”          | with regard to a product, administrative procedures for the time being adopted by the Directors under Rule I.1 in respect of Contracts for that product;   |
| “Algorithmic Trading”                | has the same meaning as given to the term “algorithmic trading” in Article 4(1)(39) of MiFID II;   |
| “API”                                | means the open application program interface and transport software;   |
| “Applicable Law” or “applicable law” | means any applicable national, federal, supranational, state, regional, provincial, local or other statute, law, enactment, by-law, decree, resolution, ordinance, regulation, rule, code, guidance, order, direction, notification, published practice or concession, regulatory requirement, judgment or decision of a Governmental Authority and any memorandum of understanding (or equivalent) between the Exchange and one or more Governmental Authorities or between Governmental Authorities and, for the avoidance of doubt, includes the Financial Services and Markets Act 2000, the FCA’s Handbook of rules and guidance and any rules, regulations, guidance and approach document of any other Regulatory Authority;  |
| “the Arbitration Rules”              | that part of the Regulations which provides for the settlement of disputes by arbitration;   |
| “the Articles”                       | the Articles of Association for the time being of the Exchange;  |
| “Asset Allocations”                  | the meaning set out in the Trading Procedures 16C.1;   |
| “Asset Allocation Facility”          | means the asset allocation facility set out at Trading Procedures 16C;   |
| “Authorisation”                      | <p>(a) with respect to a Member, means any authorisation, registration, licence, permission, non-objection, consent or approval required under Applicable Law by any Governmental Authority in any jurisdiction in order for such Member to conduct business in connection with the Exchange, and shall include any exemption(s) and/or exclusion(s) from the requirement to obtain any of the same under Applicable Law (including, without limitation, pursuant to the Financial Services and Markets Act 2000); and</p> <p>(b) with respect to a Member's Representative, means any authorisation, registration, licence, permission, non-objection, consent or approval required under Applicable Law by any Governmental Authority in any jurisdiction in order to act as a representative for the relevant Member's business in connection with the Exchange, and shall include any exemption(s) and/or exclusion(s) from the requirement to obtain any of the same under Applicable Law (including, without limitation, pursuant to the Financial Services and Markets Act 2000);</p> |

<sup>14</sup> Amended 28 April 1999, 3 April 2000, 4 September 2000, 1 February 2001, 3 August 2001, 13 August 2001, 11 October 2001, 4 January 2002, 27 May 2002, IPE/ETS Implementation date 2002, 30 September 2002, 27 February 2003, 17 July 2003, 6 October 2003, 25 October 2005, 7 December 2005, 7 February 2006, 29 March 2006, 27 April 2006, 17 July 2006, 13 October 2006, 27 May 2007, 12 February 2008, 14 March 2008, 17 October 2008, Launch of ICE Clear 2008, 4 December 2008, 4 April 2011, 7 June 2012, 15 October 2012, 15 May 2013, 01 November 2013, 29 January 2014, 4 June 2014, 3 September 2014, 18 September 2014, 17 March 2015, 27 May 2015, 3 June 2016, 3 January 2018, 25 May 2018, 17 February 2020

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| “the Authorisation, Rules and Conduct Committee” | the committee for the time being holding office under Rule C.10.1;  |
| "Basis Trading Facility"                         | means the basis trading facility set out at Trading Procedures 16A;   |
| "Basis Trades"                                   | the meaning set out in the Trading Procedures 16A.1;  |
| “Block Trade”                                    | means a proposed transaction between submitting parties (or the Exchange Members through whom they have access) that is submitted for registration as a Block Trade Contract pursuant to the Rules;   |
| “Block Trade Contracts”                          | means those contracts designated by the Exchange as contracts that may be registered as a Block Trade pursuant to the Rules (but excluding, for the avoidance of doubt, EFPs, EFSs, EFM, Basis Trades, Asset Allocations and Soft Commodity EFRPs, notwithstanding that EFPs, EFSs, EFM, Basis Trades, Asset Allocations and Soft Commodity EFRPs may be entered using ICE Block);  |
| “Block Trade Facility”                           | means the facility established by the Exchange which permits Members to submit transactions or proposed transactions that have been agreed off-exchange (the cleared part of which being subject to a Contingent Agreement to Trade) with a view to registration for clearing of the leg or legs representing a Contract in relation to Block Trade Contracts, EFPs, EFSs, Basis Trades, Asset Allocations, Soft Commodity EFRPs and EFM pursuant to the Rules;   |
| “Business Day”                                   | a Trading Day which is not a public holiday in England;   |
| “Buyer”  | except to the extent that a definition of "Buyer" is provided in a relevant Contract Rule which amends, replaces or supplements this definition (excluding in respect of an Options Contract), means the Person or Persons determined in accordance with Rule F.1 and I.24, who is or are party to such Contract as buyer. In respect of an Options Contract, the "Buyer" means the Person or Persons entitled to exercise the option. Where a Contract Rule provides a definition of "Buyer", such definition shall apply only to the relevant Contract governed by that Contract Rule and to corresponding Administrative Procedures; |
| “CFTC”   | means the Commodity Futures Trading Commission of the United States of America, or any successor thereto;   |
| “Circular” or “circular”                         | means a publication issued by the Exchange for the attention of all Members and posted on the Exchange's website;   |
| “clearing agreement”                             | an Agreement under which a Clearing Member of the Clearing House undertakes on the terms of the Regulations to clear and accept liability for any Contract made on the Market pursuant to Rule B.10 by another Member;  |
| “Clearing Counterparty”                          | a Clearing Member (or in respect of an Individually Segregated Sponsored Account, a Sponsor and a Sponsored Principal, acting jointly as provided in the Clearing House Rules);   |
| “the Clearing House”                             | any clearing house which is for the time being appointed by the Directors as clearing house to the Exchange;  |
| “Clearing Member”                                | means a Member that has been authorised as a clearing member by the Clearing House under the Clearing House Rules;  |
| “Clearing House Rules”                           | the rules of the Clearing House, together with the procedures made thereunder, as interpreted in accordance with guidance and circulars of the Clearing House and as the same are amended in accordance with the Clearing House Rules from time to time;  |

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| “Clearing Organisation”                      | means any clearing house duly authorised, regulated, recognised or licensed under Applicable Laws in any jurisdiction, including any recognised clearing house, remote clearing house, recognised overseas clearing house, derivatives clearing organisation, securities clearing agency or similar entity;   |
| “Coal Contract”                              | a contract containing the terms set out in Sections U, KK, WW, EEE and GGG of the Contract Rules and/or any other contract determined to be a Coal Contract by the Directors from time to time;   |
| “Complaints Resolution Procedure”            | the procedure issued by the Exchange from time to time setting out the procedures for the making of a complaint against the Exchange or its personnel by a complainant, and the investigation of such complaint;  |
| “Cross Trade”                                | the meaning set out in Rule G.6A.1;   |
| “the compliance officer”                     | the person or (if more than one) any of the persons for the time being holding office as compliance officer under Rule C.11.1;  |
| “Conformance criteria”                       | means the criteria determined by the Exchange from time to time to which a front end application must conform;  |
| "Contingent Agreement to Trade"              | means an agreement between two parties to submit details to the Exchange of a proposed transaction with a view to registration for clearing of one or more ICE Futures Europe Block Contracts pursuant to Section F;  |
| “Contract”                                   | a contract containing the terms set out in the Contract Rules and the Clearing House Rules and, for the avoidance of doubt, a contract shall not be regarded as falling outside this definition solely by virtue of the fact that it contains additional terms which apply on the default of a party to such contract provided that such terms do not conflict with the terms of the default rules, where such rules apply, or contains terms which modify the terms of the Contract Rules to take account of the fact that the Clearing House is not a party to such contract; |
| “contract date”                              | the meaning given in Rule I.3;  |
| “contract month”                             | the meaning given in Rule I.3;  |
| “the Contract Rules”                         | with regard to a product, the contract rules for the time being applicable under the Regulations to Contracts for that product; and with regard to an option, the contract rules for the time being applicable under the Regulations to Contracts for options of that kind;   |
| “Corresponding Contract”                     | a contract arising between the parties other than the Clearing House as set out in Rule F.1.4, F.1.7, F.1.10 and F.1.12 subject to Rule C.6 and Rule F.2;   |
| “Credit Institution”                         | has the same meaning as given to the term “credit institution” in Article 4(1)(27) of MiFID II;   |
| "Crossing Order method"                      | the meaning set out in Rule G.6A.2A(iii);   |
| "Customer-CM F&O Transaction Standard Terms" | means the "F&O Standard Terms" as defined in the Clearing House Rules;  |
| “Data Provider”                              | means an approved publication arrangement, a consolidated tape provider or an approved reporting mechanism (each as defined in MiFID II) used by the Exchange, a Member or a non-Member Sponsored Principal for the disclosure or reporting of trades in Contracts as required under MiFID II or MiFIR;   |

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| “Default Notice”                               | means a notice issued by the Exchange under Rule D.4.1;   |
| “Default Proceedings” or “default proceedings” | means proceedings taken by the Exchange under Section D   |
| “default rules”                                | the rules set out in Section D of the Regulations as from time to time in force;  |
| “Defaulter” or “defaulter”                     | means a Member or non-Sponsored Principal in respect of whom an Event of Default has occurred   |
| “Delivery Committee”                           | means the committee for the time being appointed under Rule C.13.2;   |
| “Delivery Contract” or “delivery contract”     | has the meaning given to the term in Rule D.5.3(c);   |
| “Designated Products”                          | means, in relation to a Liquidity Provider Program, a Contract notified to the Liquidity Provider, by the publication of a circular or otherwise, from time to time, as being subject to the Liquidity Provider Program;        |
| <u>“Directed Request For Quote”</u>            | <u>has the meaning given under Rule F.7.8(a);</u>   |
| “Direct Electronic Access” or “DEA”            | has the same meaning as given to the term “direct electronic access” in Article 4(1)(41) of MiFID II;   |
| “Direct Market Access”                         | has the same meaning as given to the term “direct market access” in Article 4(1)(41) of MiFID II;   |
| “DEA Provider”                                 | means a Member (or other person) providing Direct Electronic Access;  |
| “the Directors”                                | the directors of the Exchange;  |
| “EFMs”   | the meaning given in Rule F.5.B;  |
| “EFPs”   | the meaning given in Rule F.5;  |
| “Electricity Contract”                         | a contract containing the terms set out in Section W of the Contract Rules and/or any other contract determined to be an Electricity Contract by the Directors from time to time;   |
| “Electronic User Agreement”                    | an agreement between a Member and the Exchange in a form prescribed by the Directors from time to time for the use of the ICE Platform by the Member;   |
| “EFSs”   | the meaning given in Rule F.5;  |
| “Emission Contract”                            | means a contract containing the terms set out in Sections Y, EE, II, MM, OO and YY of the Contract Rules and/or any other contract determined to be an Emission Contract by the Directors from time to time;                    |
| “Emissions Trading Privilege”                  | means the status for which a Member, or applicant for membership may apply in accordance with Section B, which is a condition to the availability of the permissions described in Rule B.6 in relation to an Emission Contract; |
| “Energy Contract”                              | a Futures Contract or Options Contract containing the terms set out in any of Sections J to WWW of the Contract Rules, and/or any other contract determined to be an Energy Contract by the Directors from time to time;        |
| “Equity Contract”                              | a contract containing the terms set out in any of Sections IIII to OOOOOO of the Contract Rules and/or any other contract determined to be an Equity Contract by the Directors from time to time;                               |

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| “European Market Infrastructure Regulation” or “EMIR” | means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;  |
| “Event of Default” or “event of default”              | has the meaning given to the term in Rule D.3.1;   |
| “the Exchange”, “ICE” or “ICE Futures”                | means ICE Futures Europe;  |
| “Exchange Body”                                       | means any exchange or similar body duly authorised, regulated, recognised or licensed (to the extent necessary) under Applicable Laws in any jurisdiction, including, but not limited to, any recognised investment exchange, remote investment exchange, recognised overseas investment exchange, designated investment exchange, designated contract market, national securities exchange, swap execution facility, security-based swap execution facility, exempt commercial market, regulated market, alternative trading system, multilateral trading facility, swap execution facility, organised trading facility, systematic internaliser, trade affirmation or confirmation platform or similar entity; |
| “Exchange Messaging Policy”                           | means the electronic messaging usage structure established by circular or otherwise;   |
| “fair market value”                                   | means in relation to any Block Trade price quoted by a Member to another Member or to a client or in respect of a Block Trade entered into by a Member, a price which is considered by the Member, to be the best available for a trade of that kind and size;   |
| “FCA”   | means the Financial Conduct Authority of the United Kingdom, or any successor thereto;   |
| “FCM/BD”  | means a Person registered as a futures commission merchant with the CFTC and/or as a broker-dealer with the SEC, as applicable;  |
| “FCM/BD Clearing Member”                              | means a Clearing Member that is an FCM/BD;   |
| “Financial Instrument”                                | has the same meaning as given to the term “financial instrument” in Article 4(1)(15) of MiFID II;  |
| “Financials and Softs Contract”                       | means Securities Contracts, Soft Commodity Contracts, Interest Rate Contracts and Swapnote® Contracts;   |
| “Financials and Softs Trading Privilege”              | means the status for which a Member or applicant for membership may apply in accordance with Section B, which is a condition to the availability of the permissions described in Rule B.6 in relation to a Financials and Softs Contract;  |
| “front end application”                               | means a graphical user interface developed by a Member, or provided by an ISV to a Member, or the graphical user interface provided to a Member by the Exchange as part of the ICE Platform. A front end application must at all times meet the Exchange conformance criteria;   |
| “Futures Contract”                                    | a Contract whereby one Member purchases or sells any product for delivery in the future to another Member: (i) at a price that is determined at the initiation of the contract; (ii) that obligates each party to the contract to fulfil the contract at the specified price; (iii) that is used to assume or shift price risk; and (iv) that may be satisfied by delivery, cash settlement or offset, including for the avoidance of doubt, any “future” under article 84 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 or any similar Contract of a shorter duration or for commercial purposes;  |

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| “General Participant”                                | a Member of the category mentioned in Rule B.2.1(a);   |
| “Governmental Authority” or “governmental authority” | means any Regulatory Authority and any national, federal, supranational, state, regional, provincial, local or other government, government department, ministry, governmental or administrative authority, regulator, committee, council, agency, board, bureau, unit, commission, secretary of state, minister, court, tribunal, judicial body or arbitral body or any other Person exercising judicial, executive, interpretative, enforcement, regulatory, investigative, fiscal, taxing or legislative powers or authority anywhere in the world with competent jurisdiction; |
| “graphical user interface”                           | means the software which interfaces with the ICE Platform API and both determines the requirement for sending, and sends, order handling messages to the Trading Server without necessarily requiring the intervention of an individual;   |
| "Grainstorekeeper"                                   | means a grainstorekeeper who appears on the list of Registered Grainstorekeepers published from time to time by the Exchange by notice posted on the Market;   |
| “ICE Block Member”                                   | means an entity or individual which has been admitted to a category of membership for the purpose of (i) accessing the ICE Block facility to enter Block Trades and EFPs, EFSs, Basis Trades, Asset Allocations and/or Soft Commodity EFRPs (as the case may be), and/or (ii) accessing the ICE Platform for the purpose of entering Cross Trades, for own business purposes or on behalf of Members;  |
| “ICE Block Facility” or “ICE Block”                  | means the facility for the entry of Block Trades, EFPs, EFSs, EFPs, Basis Trades, Asset Allocations and/or Soft Commodity EFRPs by Members. This shall include the facilities used by Members connected to the Trade Registration API;   |
| "ICE Futures Europe Block Contracts"                 | means Contracts arising as a result of submission of a Block Trade, EFP, EFS, EFM, Soft Commodity EFRP, Basis Trade or Asset Allocation;   |
| "ICE Futures Europe Matched Contracts"               | the meaning given in F.1.2;  |
| “the ICE Platform”                                   | means the electronic trading system for the trading of such contracts as determined by the Directors from time to time and administered by the Exchange and, in the case of an ICE Block Member, the term “the ICE Platform” shall, where applicable, mean the ICE Block Facility and any other implied or explicit terms relating to the ICE Platform shall be construed accordingly;   |
| “the ICE Platform central processing system”         | means that part of the ICE Platform operated by or on behalf of the Exchange which performs the functions set out in documents from time to time published by the Exchange including controlling, monitoring and recording trading by Members and concluding transactions between Members;   |
| “ICE Platform trading hours”                         | the hours during which Responsible Individuals may conduct Exchange business on the ICE Platform, such hours to be determined by the Directors in accordance with A.8;   |
| “ICE Platform workstation”                           | a computer workstation connected to the ICE Platform for the purposes of conducting Exchange business by means of the ICE Platform;  |
| "Indirect Clearing Arrangements"                     | the set of contractual relationships between providers and recipients of indirect clearing services provided by a client (as defined in Article 2(15) of EMIR), an Indirect Client or a Second Indirect Client;  |

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| "Indirect Clearing Corresponding Contract"             | a contract arising at the same time as a Contract arises pursuant to Rules F.1.4 or F.1.7 and an Indirect Clearing Arrangement and to which neither the Clearing House nor any Clearing Member is a party;  |
| "Indirect Clearing Provider"                           | a Member that: (i) is a client as defined in Article 2(15) of EMIR; and (ii) provides indirect clearing services;   |
| "Indirect Client"                                      | a client of a client as defined in Article 2(15) of EMIR;   |
| "Individually Segregated Sponsored Account"            | means an Individually Segregated Sponsored Account as defined in the Clearing House Rules;  |
| "Individual Participant"                               | a Member of the category mentioned in Rule B.2.1(c);  |
| "Insolvency" or "insolvency"                           | means, in relation to any Person: a bankruptcy or winding-up petition being presented; a bankruptcy order being made; a suspension of payments or moratorium being granted; a voluntary arrangement being approved; an Insolvency Practitioner being appointed or petition or order being made for such an appointment; a composition or scheme of arrangement being approved by a court or other Governmental Authority; an assignment, compromise or composition being made or approved for the benefit of any creditors or significant creditor; an order being made or resolution being passed for winding up; dissolution; the striking off of that Person's name from a register of companies or other corporate bodies; a distress or execution process being levied or enforced or served upon or against property of that Person; a Governmental Authority making an order, instrument or other measure pursuant to which any of that Person's securities, property, rights or liabilities are transferred; a trust deed granted by it becoming a protected trust deed (where the terms "trust deed" and "protected trust deed" are construed in accordance with section 73(1) of the Bankruptcy (Scotland) Act 1985); a Governmental Authority exercising one or more of the powers prescribed under any Applicable Law in respect of that Person; or any event analogous to any of the foregoing in any jurisdiction (always excluding any frivolous or vexatious petition or solvent reorganisation, change of control or merger notified to the Exchange); |
| "Insolvency Practitioner" or "insolvency practitioner" | means a receiver, administrator, temporary administrator, bank administrator, manager, administrative receiver, liquidator, conservator, examiner, trustee in bankruptcy, Relevant Office-Holder or any other Person appointed or with powers in relation to an Insolvency in any jurisdiction;   |
| "Interest Rate Contracts"                              | a Futures Contract or Options Contract containing the terms set out in any of Sections AAAA, BBBB, CCCC, DDDD, NNNN, PPPP, FFFFF (as it relates to short term interest rate contracts), GGGGG, QQQQQQ or SSSSSS of the Contract Rules, and/or any other contract determined to be an Interest Rate Contract by the Directors from time to time;   |
| "Investment Firm"                                      | has the same meaning as given to the term "investment firm" in Article 4(1)(1) of MiFID II, and shall include, where applicable in accordance with Article 1(3) of MiFID II, credit institutions authorised under Directive 2013/36/EU when providing and/or performing one or more Investment Services and Investment Activities;  |
| "Investment Services and Activities"                   | has the same meaning as given to the term "investment services and activities" in Article 4(1)(2) of MiFID II;  |
| "in writing"   | written, printed or lithographed or partly one and partly another and any other mode of representing or reproducing words in a visible form;  |
| "IPEH"   | ICE Futures Holdings plc;   |



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| “ISV, Independent Software Vendor”                         | means the provider of graphical user interface software which interfaces with the ICE Platform API and both determines the requirement for sending, and sends, order handling messages to the Trading Server without necessarily requiring the intervention of an individual. Such ISV shall meet such conformance criteria as determined by the Exchange from time to time;  |
| “ITM”  | a unique individual trader mnemonic assigned by the Exchange to a Responsible Individual;   |
| “Limit Order”  | a Limit Order is an order to buy or sell a specified Contract at a specific price or a price higher or lower than the specific price, as appropriate. A buy Limit Order can only be executed at the limit price or lower, and a sell Limit Order can only be executed at the limit price or higher. A Limit Order is not guaranteed to execute. A Limit Order can only be filled if the market price of the specified Contract reaches the limit price; |
| “Liquidity Provider”                                       | means a person who meets the criteria under Rule B.6D.2 and, in relation to a Liquidity Provider Program, is authorised to act as such by the Exchange;   |
| "Liquidity Provider Benefits"                              | the meaning set out in Rule B.6D.8.   |
| “Liquidity Provider Commitments”                           | means the commitments of any Liquidity Provider in relation to a Liquidity Provider Program, as notified to the Liquidity Provider by the Exchange;   |
| “Liquidity Provider Program”                               | means a liquidity provider program (including liquidity provision schemes, rebates, fee discounts and similar incentive scheme arrangements designed to benefit the market) in relation to Designated Products, as published by the Exchange, from time to time, in a circular or otherwise;  |
| “Lot” or “lot”   | in respect of a Contract, has the meaning given to the term in the relevant Contract Rules and Administrative Procedures;   |
| “Market Abuse Regulation” or “MAR”                         | means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;   |
| “the Market”   | the ICE Platform or any other means of trading determined by the Exchange from time to time;  |
| “Markets in Financial Instruments Directive” or “MiFID II” | means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EC (recast);  |
| “Markets in Financial Instruments Regulation” or “MiFIR”   | means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012;  |
| “Matched Transaction”                                      | a Platform Trade, a Block Trade or an EFP, EFS, EFM, Basis Trade, Asset Allocation or Soft Commodity EFRP.  |
| “Member”   | an entity or a person who has been admitted to a category of membership referred to under Section B;  |
| “the Membership Department”                                | the membership department of the Exchange;  |
| “Member’s Representative”                                  | any employee director, officer, partner, agent or representative of a Member (whether a natural person or corporation, including any  |

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|  | employee, director, officer, partner, agent or representative of such a corporation);   |
| “MiFID II Designated Products”                 | the classes of financial instruments set out in Article 5(1) of Commission Delegated Regulation (EU) 2017/578 with regard to regulatory technical standards specifying the requirements on market making agreements and schemes;  |
| “MiFID II Market Maker”                        | an investment firm (as defined in Article 4(1) of MiFID II) that engages in algorithmic trading (as defined in Article 4(1) of MiFID II) to pursue a market making strategy as described in Article 17(4) of MiFID II;  |
| “MiFID II Market Making Agreement”             | an agreement between a MiFID II Market Maker and the Exchange that complies with the requirements set out in Article 2(1) of Commission Delegated Regulation (EU) 2017/578 with regard to regulatory technical standards specifying the requirements on market making agreements and schemes;                                   |
| “MiFID II Market Making Scheme”                | a scheme created by the Exchange that meets the requirements set out in Article 48(2) of MiFID II;  |
| “the Memorandum”                               | the Memorandum of Association of the Exchange;  |
| “minimum volume thresholds”                    | means the thresholds as determined by the Exchange and published from time to time being the minimum number of lots in respect of each Block Trade Contract that can be registered as a Block Trade;  |
| “Natural Gas Contract”                         | a contract containing the terms set out in Sections S, UU, AAA, CCC, III and KKK of the Contract Rules and/or any other contract determined to be a Natural Gas Contract by the Directors from time to time;  |
| “Non-Business Day”                             | a Trading Day which is a public holiday in England;   |
| “non-Clearing Member” or “non-clearing Member” | means a Member that is not a Clearing Member;   |
| “non-Member Sponsored Principal”               | a Sponsored Principal, for the purpose of clearing own business in accordance with Rule B.10.1(d), that is a client of a General Participant but is not a General Participant, a Trade Participant or an Individual Participant;  |
| “notice posted on the Market”                  | a notice in writing sent by post to Members, or a notice sent electronically to Members by e-mail (and/or if the context requires a notice sent via the ICE Platform) and having effect at the time;  |
| "Oil and Utility Trading Privilege"            | means the status for which a Member or applicant for membership may apply in accordance with Section B, which is a condition to the availability of the permissions described in Rule B.6 in relation to an Oil Contract or a Utility Contract;   |
| “Oil Contract”                                 | means a contract containing the terms set out in Sections J, J1, L, L1, N, Q, AA, CC, GG and RR of the Contract Rules and/or any other contract determined to be an Oil Contract by the Directors from time to time;  |
| “Options Contract”                             | a Contract whereby one Member grants to another the right, but not the obligation, to buy, sell or enter into a Contract;   |
| “Order Book method”                            | the meaning set out in Rule G.6A.2A(i);   |
| "Permitted Cover"                              | means "Permitted Cover" as defined in the Clearing House Rules;   |
| "Person" or “person”                           | means any individual, partnership, firm, body corporate, association, trust, unincorporated organisation or other entity, including: <ul style="list-style-type: none"> <li>(a) an investment fund (<i>Sondervermögen</i>) within the meaning of the German Investment Act (<i>Investmentgesetz</i> – “InvG”) or the</li> </ul> |

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|  | German Investment Capital Act ( <i>Kapitalanlagegesetzbuch</i> – “KAGB”), including a sub-fund ( <i>Teilfonds</i> ) within the meaning of section 34 para. (2) InvG or a sub-fund ( <i>Teilsondervermögen</i> ) within the meaning of section 96 para (2) KAGB; or  |
|  | (b) a fund segment of such investment fund;   |
|  | (in each case under (a) and (b)) managed by a German investment company ( <i>Kapitalanlagegesellschaft</i> ) (“KAG”) within the meaning of the InvG or by a German management company ( <i>Kapitalverwaltungsgesellschaft</i> ) (“KVG”) within the meaning of the KAGB; or  |
|  | (c) any similar structures in any other jurisdiction;   |
| “person subject to the Regulations”              | is each and all of the following: <ul style="list-style-type: none"> <li>(a) a Member;</li> <li>(b) the Responsible Individuals and other staff of the Member registered with the Exchange (or who should have been registered with the Exchange), who have access to the premises or trading facilities of the Exchange;</li> <li>(c) a Liquidity Provider or MiFID II Market Maker;</li> <li>(d) persons participating in a Liquidity Provider Program or MiFID II Market Maker Program;</li> <li>(e) a Grainstorekeeper;</li> <li>(f) a Warehousekeeper; and</li> <li>(g) a non-Member Sponsored Principal.</li> </ul> |
| “Platform Trade”                                 | a trade arising from an order, which is not in relation to a Block Trade, EFP, EFS, EFM, Basis Trade, Asset Allocation or Soft Commodity EFRP made by one Member being matched with an order of the same Member or another Member on the ICE Platform in respect of a product;  |
| “product”  | the commodity in respect of which a Contract is made; but this definition does not detract from Rule J.3(a);  |
| “Recognition Requirements”                       | means any of the requirements applicable to the Exchange under the Financial Services and Markets Act 2000 (Recognition Requirements for Investments Exchanges and Clearing Houses) Regulations 2001 (SI 2001/1995);  |
| “the Regulations”                                | these regulations, rules and the Contract Rules as from time to time in force or any arrangements, directions and provisions made thereunder as the context may require;  |
| “Regulatory Authority” or “regulatory authority” | means any Governmental Authority which exercises a regulatory or supervisory function under the laws of any jurisdiction in relation to financial services, the financial markets, Exchange Bodies or Clearing Organisations, including for the avoidance of doubt the FCA;   |
| “Relevant Office-Holder”                         | has the meaning given to the term in section 189 of the Companies Act 1989;   |
| “Repository”                                     | a trade repository (as defined in Regulation (EU) No, 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories) used by the Clearing House for the reporting of Contracts (which may also be used for the recording of Matched Transactions submitted for Clearing), or to which delegated reporting is provided by the Exchange or the Clearing House;  |

|                                |  |
|--------------------------------|--|
| “Responsible Individual”       | an individual registered by a Member with the Exchange to conduct Exchange business on the ICE Platform for that Member;   |
| "RFQ"                          | means request for quote;   |
| “SEC”                          | means the Securities and Exchange Commission of the United States of America, or any successor thereto;  |
| "Second Indirect Client"       | a client of an Indirect Client;  |
| "Securities Contract"          | a Futures Contract or Options Contract containing the terms set out in any of Sections RRRR, TTTT, VVVV or FFFFF (as it relates to long gilts) of the Contract Rules, Equity Contracts, and/or any other contract determined to be a Securities Contract by the Directors from time to time;   |
| “Seller”                       | except to the extent that a definition of "Seller" is provided in a relevant Contract Rule which amends, replaces or supplements this definition (excluding in respect of an Options Contract), means the Person or Persons determined in accordance with Rule F.1 and I.24, who is or are party to such Contract as seller. In respect of an Options Contract, the "Seller" means the Person or Persons against whom the option is exercised. Where a Contract Rule provides a definition of "Seller", such definition shall apply only to the relevant Contract governed by that Contract Rule and to corresponding Administrative Procedures; |
| "Soft Commodity Contract"      | a Futures Contract or Options Contract containing the terms set out in any of Sections EEEE, EEEE1, GGGG, IIII, KKKK or MMMM of the Contract Rules and/or any other contract determined to be a Soft Commodity Contract by the Directors from time to time;  |
| “Soft Commodity EFRPs          | has the meaning given in the Trading Procedures;   |
| “Soft Commodity EFRP Facility” | has the meaning given in the Trading Procedures;   |
| "Soft Commodity EOO"           | has the meaning given in the Trading Procedures;   |
| “Sponsor”                      | means a Clearing Member that has been authorised to act as such by the Clearing House under the Clearing House Rules;  |
| “Sponsored Access”             | has the same meaning as given to the term “sponsored access” in Article 4(1)(41) of MiFID II;  |
| “Sponsored Principal”          | means a person that has been authorised to act as such by the Clearing House under the Clearing House Rules;   |
| “Stop Order”                   | a Stop Order, also referred to as a stop-loss order, is an order to buy or sell a specified Contract once the price of the specified Contract reaches a specified price, known as the stop price. When the stop price is reached, a Stop Order becomes a market order. A buy Stop Order is entered at a stop price above the current market price. A sell Stop Order is entered at a stop price below the current market price;  |
| “swap” and “swap transaction”  | a contract of the kind described in clause 19 part II of Schedule 2 to the Financial Services and Markets Act 2000, in respect of any product (other than a Contract as defined in this Rule);   |
| "Swapnote® Contract"           | a Futures Contract or Options Contract containing the terms set out in any of Sections XXXX, ZZZZ, BBBB, DDDDD or FFFFF (as it relates to a Swapnote®), and/or any other contract determined to be a Swapnote® Contract by the Directors from time to time;  |

|  |   |
|--|---|
| “the ICE Post Trade and Clearing Systems” or “the ICE Systems” | the post trade registration and clearing processing hardware and software used by the Exchange, Clearing House and Members from time to time, as further described in these Regulations or Clearing House Rules, as appropriate;  |
| “Termination Fee Amount”                                       | means, in the event that a Liquidity Provider ceases to participate in a Liquidity Provider Program under Rule B.6D.7, a percentage of the Transaction Fees in respect of Transactions executed on those Business Days in the relevant calendar month prior to the date on which such termination is effective;   |
| “Third Country Firm”   | has the same meaning as given to the term “third country firm” in Article 4(1)(57) of MiFID II;   |
| "Third Indirect Client"  | a client of a Second Indirect Client;   |
| “Trade Participant”  | a Member of the category mentioned in Rule B.2.1 (b);   |
| “trader”   | a Responsible Individual registered with the Exchange;  |
| "Trade Registration API"                                       | means the open application program interface and transport software available allowing details of certain designated trades in eligible contracts (the cleared part of which being subject to a Contingent Agreement to Trade) to be electronically submitted to the Exchange with a view to registration for clearing;   |
| “Trading Day”  | a day on which the Market is open to trade determined by the Exchange from time to time. A Trading Day may be a Business Day or a Non-Business Day;   |
| “trading facilities”   | the ICE Platform or such other facilities for the trading of Contracts as the Directors may determine from time to time;  |
| "Trading Privilege"  | means the Emissions Trading Privilege, Oil and Utility Trading Privilege and Financials and Softs Trading Privilege;  |
| “Trading Server”   | means the ICE Platform central processing system;   |
| “Transaction”  | means the electronic execution of a buy or sell order in a Designated Product or a MiFID II Designated Product on the ICE Platform by a Liquidity Provider or MiFID II Market Maker (excluding EFPs, EFSs, EFM, Block Trades, Basis Trades, Asset Allocations, Soft Commodity EFRPs, contras or Transactions undertaken by the Liquidity Provider or MiFID II Market Maker with itself);    |
| “Transaction Fees”   | means the fees payable to the Exchange in respect of the execution of Transactions (excluding, for the avoidance of doubt, fees and charges payable to entities other than the Exchange) in respect of a particular Liquidity Provider Program or MiFID II Market Making Scheme, as notified to the Liquidity Provider or MiFID II Market Maker (as applicable) by a circular or otherwise; |
| “Transaction Fee Amount”                                       | means a percentage of the Transaction Fees;   |
| “Transferee Member”  | has the meaning given to the term in Rule D.5.3;  |
| “Utility Contract”   | an Electricity, Coal or Natural Gas Contract containing the terms as set out in the Contract Rules and/or any other contract determined to be a Utility Contract by the Directors from time to time; and  |
| "Warehousekeeper"  | means a warehousekeeper who appears on the list of nominated warehouses and warehousekeepers published by the Exchange from time to time by notice posted on the Market.  |

Any words importing the singular number only shall include the plural number and vice versa. Words importing persons (except the word 'individual') shall include corporations and firms. The masculine shall include the feminine and the neuter and the singular shall include the plural and vice-versa as the context shall admit or require. Words and expressions defined in the Memorandum or in the Articles shall bear the same meanings herein.

References to a time of day are references to that time in London.

References to a statutory provision include a reference to the statutory provision as modified or re-enacted from time to time and to any subordinate legislation made under such statutory provision and shall include references to any repeated statutory provisions which have been so re-enacted (whether with or without modification).

References to "**declared a Defaulter**" shall mean, in relation to a Member or non-Member Sponsored Principal, being declared by the Exchange under Rule D.3.1 that the Member or non-Member Sponsored Principal is subject to an Event of Default.

The invalidity, illegality or unenforceability of any Rule does not affect or impair the continuation in force of the remaining Rules.

## A.2 SPIRIT OF THE RULES<sup>15</sup>

A.2.1 The Articles and the Regulations shall at all times be observed, interpreted and given effect in the manner most conducive to the promotion and maintenance of:-

- (a) recognition of the Exchange as a recognised investment exchange under the Financial Services and Markets Act 2000 and the good reputation of the Exchange (and Members);
- (b) an orderly market, free of undesirable situations or practices;
- (c) high standards of integrity and fair dealing in accordance with the Principles for Businesses issued by the FCA or any successor thereto; and,
- (d) proper protection for all persons interested in the performance of transactions entered into under the auspices of the Exchange.

A.2.2 Each of the Regulations shall, unless the context otherwise requires, be construed as an independent provision and shall be in addition and without prejudice to any other provision of the Regulations.

A.2.3 Where there is a provision that the Directors (or a committee appointed for the purpose) may make further directions upon or in relation to the operation of a Rule (or may make or authorise any arrangement, direction or procedure thereunder) then the Directors or such committee may make such direction or make or authorise such arrangement or procedure in relation to or under the whole or any part of the Rule and may make or authorise different directions, arrangements or procedures in relation to different categories of Member, or as between Members and traders and others and may make or authorise such directions, arrangements or procedures generally or in relation to a particular Member or particular occasion and in all cases subject to such conditions as they may think fit.

A.2.4 Where there is a provision to the effect that an action may be taken or power exercised by the Directors or a committee appointed by them for this purpose, the appointment by the Directors of, and any action taken or power exercised by, such committee shall be without prejudice to the right of the Directors themselves to exercise such powers and take such steps (or not as the case may be) as they may think fit upon that or any other occasion.

A.2.5 Where there is no express provision made in the Regulations, the Directors (or any committee with appropriate powers) may from time to time implement such procedures as they think fit in relation to any aspect of the management of the Exchange and the conduct of business on the Exchange.

A.2.6 The Directors, the Authorisation, Rules and Conduct Committee or the Compliance Officer may agree with a Member or a concerned person to waive or vary particular requirements of these Regulations in such circumstances and subject to such conditions as the Exchange thinks fit providing that the Directors, the Committee or the Compliance Officer are satisfied that compliance with the relevant requirements would be

<sup>15</sup> Amended 28 April 1999, 1 February 2001, IPE/ETS Implementation date 2002, 27 April 2006, Launch of ICE Clear 2008, 3 September 2014, 3 January 2018

unduly burdensome to the Member or person concerned or that compliance with the relevant requirement would not be in the interests of the Exchange, and waiver or variation of the requirements does not disadvantage other Members or create unacceptable risks for the Exchange. Waivers or variations of requirements may be publicised at the discretion of the Exchange.

- A.2.7 The Regulations shall, unless the context otherwise requires, be construed in such a way as to impose responsibility on Members for all acts, omissions, conduct or behaviour of the Member's Representatives in accordance with Rule A.9.
- A.2.8 Where a provision in the Regulations purports to apply only to a particular category of Members or persons, a failure by a Member or person falling outside that category to comply with the requirements of such provision may nevertheless be considered a breach of other general requirements imposed on that Member or person under the Regulations.

### **A.3 RELATIONS WITH OTHER REGULATORY AUTHORITIES<sup>16</sup>**

- A.3.1 With a view to maintaining recognition as an investment exchange under the Financial Services and Markets Act 2000 or complying with any other applicable law, the Exchange may:-

- (a) make arrangements with any person for monitoring compliance with and investigating alleged breaches of the Regulations (and arrangements, procedures and directions made, authorised or given thereunder); and
- (b) co-operate generally with any other person, agency or authority having responsibility for the regulation of investment, trading venues or any other financial business or the enforcement of law and take any action required by such person, agency or authority.

Without prejudice to the generality of the foregoing:-

- (i) this may include making arrangements for the sharing of information in accordance with Rule A.4.3; and
  - (ii) the Exchange may, where appropriate, at any time refer a complaint or any other matter coming to its attention to one or more investment exchanges, clearing houses or other regulatory bodies, agencies or persons for its or their comment or investigation and may, pending the result of such reference, either suspend or continue with (in whole or in part) its own investigations, proceedings or other actions.
- A.3.2 (a) The Directors may at any time make additional Regulations, or amend or revoke the Regulations or part of them, to the extent they consider necessary or desirable for the continued recognition of the Exchange as an investment exchange under the Financial Services and Markets Act 2000. Any Rule so made, and any such amendment or revocation, shall be announced by circular to Members and shall take effect at such time and in such manner as the Directors may determine.
- (b) In a case considered by the Chairman to be one of urgency, the Directors' powers and authority under this Rule may be exercised by a committee consisting of the Chairman and the Chief Executive provided that such committee shall report the circumstances, and particulars of the Rules so made, amended or revoked, as soon as possible to the Directors.

### **A.4 CONFIDENTIALITY<sup>17</sup>**

- A.4.1 The Exchange shall be entitled to keep records in an electronic or durable medium of all data or information available to it under these Rules or otherwise concerning Members (including financial statements filed with the Exchange), Matched Transactions, Contracts, positions, accounts, customers and clients, deliveries and settlement and all other information concerning a Member's affairs (including information concerning its clients and Member's Representatives) acquired by the Exchange in the course of its operations or investigations, including information provided by a Member to the Exchange at the Exchange's request, or pursuant to the Rules or applicable laws.
- A.4.2 All information received or held by the Exchange pursuant to Rule A.4.1 above shall be held in confidence by the Exchange and shall not be made known to any other Person, subject to Rule A.4.3.

<sup>16</sup> IPE/ETS Implementation date 2002, amended 3 January 2018

<sup>17</sup> Amended 28 April 1999, IPE/ETS implementation date 2002, 8 April 2005, inserted 10 April 2008, Launch of ICE Clear 2008, 7 June 2012, 24 September 2012, 10 June 2015, 3 January 2018, 25 May 2018

- A.4.3 Members and clients are given notice that the Exchange is subject to section 348 (Restrictions on disclosure of confidential information by the FCA / PRA etc.) and regulations made under section 349 (Exemptions from section 348) of the Financial Services and Markets Act 2000 (FSMA). Subject, at all times, to such applicable laws, the Exchange may, notwithstanding Rule A.4.2, make the following disclosures of confidential information subject to such terms and conditions as the Exchange may from time to time deem appropriate:
- (a) to a regulatory authority or governmental authority where a request is formally made to the Exchange by or on behalf of the same or pursuant to applicable laws, where disclosure is required under applicable laws or is necessary for the making of a complaint or report under applicable laws for an offence alleged or suspected to have been committed under applicable laws;
  - (b) to a regulatory or supervisory authority, governmental authority, supranational authority, Data Provider, Repository, or the public, where disclosure is required under MiFID II, MiFIR or EMIR or is made in lieu of disclosure required of a Member under MiFID II, MiFIR or EMIR;
  - (c) in the case of a breach by a Member of: (i) any membership criteria established by the Exchange, whether as a breach of Rule B.3, the membership criteria or otherwise; or (ii) such Member's obligation to publicly disclose prices and fees associated with the services it provides and/or its obligation to provide clients with separate access to each specific service it provides; to the public;
  - (d) pursuant to an order of a competent court or other governmental authority or otherwise to such other persons, at such times and in such manner as may be required by applicable law;
  - (e) to any member of the ICE group, any other exchange or clearing organisation and any of their representatives, committees, experts, delivery facilities, auditors, advisers or lawyers including (without limitation) for audit, compliance, making or taking delivery, market surveillance or disciplinary purposes, for the purposes of an arbitration pursuant to Section H or any proceedings in support of such an arbitration, or in relation to any possible or actual Event of Default under and within the meaning of Rule D.3, in accordance with Rule D.10 or under the Clearing House Rules, or the termination or suspension of any membership;
  - (f) to any person in the business of providing data processing or similar services for the purposes of performing computations or analysis, or of preparing reports or records, for the Exchange;
  - (g) to any person who has provided or is considering entering into a loan, insurance policy, guarantee or other financial arrangement with the Exchange or any of its affiliates, provided that information identifying the positions or name of a Member or any of its accounts or the name of any of a Member's clients will not be so disclosed;
  - (h) to any insolvency practitioner and any other authority or body having responsibility for any matter rising out of or connected with an Event of Default under and within the meaning of Rule D.3 or under the Clearing House Rules;
  - (i) in the case of information relating to any Matched Transaction or Contract (including details of the parties thereto and related margin), to a Repository or governmental authority for purposes of transaction reporting;
  - (j) to any person or to the public as a result of its complaints procedure or disciplinary proceedings, including pursuant to Rule E.4.13;
  - (k) to any person if the information comes into the public domain, other than as a result of a breach of this Rule by the Exchange or its representatives;
  - (l) in the case of information concerning any client of a Member, to such Member with a relationship with such client in respect of trades entered into for such client, including, without limitation, information concerning the user ID and contact details of the Member's clients granted access to the ICE Platform by such Member through the front end application provided by the Exchange. In the event that the Exchange discloses client details to a Member, the Exchange may simultaneously notify relevant clients of such disclosure;
  - (m) with the specific written consent of the person or persons to whom the confidential information relates; or
  - (n) otherwise pursuant to any obligation on the Exchange, either existent or which may arise in the future.
- A.4.4 The Exchange is a Controller in relation to Personal Data provided to it by Members and their Member's Representatives and clients and may collect and use such Personal Data for the purposes of fulfilling the contractual obligations it owes to its Members and operating an approved exchange in accordance with these Rules. Each Member shall ensure that in respect of any Personal Data that it provides to the Exchange it has a lawful basis for processing the relevant Personal Data in this manner.



- (a) [Deleted 25 May 2018]
- (b) [Deleted 25 May 2018]
- (c) [Deleted 25 May 2018]
- A.4.5 [Deleted 25 May 2018]
- A.4.6 [Deleted 25 May 2018]
- A.4.7 In this Rule A.4 only, the terms "Process" (and derivations thereof), "Personal Data" and "Controller" each have the meaning given to such terms in Regulation (EU) 2016/679 (General Data Protection Regulation) (including any relevant implementing measure or successor legislation thereto).
- A.4.8 Each Member and the Exchange:
  - (d) acknowledges that the recording of telephone conversations between the trading, clearing and other relevant personnel of the Member and its affiliates and the Exchange and its affiliates in connection with the Rules and any Contract, potential Contract, or Matched Transaction will take place to the extent permitted or required under applicable laws;
  - (e) [Deleted 25 May 2018]
  - (f) acknowledges, to the extent permitted by applicable law, that recordings may be submitted as evidence in any dispute;
  - (g) acknowledges that the other provisions of this Rule A.4 shall apply to any such recordings made by the Exchange; and
  - (h) acknowledges such disclosures being made as are required under applicable laws including, without limitation, MiFID II, MiFIR and EMIR.

## A.5 GENERAL POWERS OF DIRECTORS<sup>18</sup>

- A.5.1 The Directors shall have the power to declare any day a non-Trading Day on giving notice thereof to Members.
- A.5.2 [Deleted 17 January 1994]
- A.5.3 A dispute between Members as to whether a Contract has been made (other than a dispute falling within Rule G.15) shall be referred to arbitration under the Arbitration Rules unless the parties consent to the dispute being referred to the Directors in accordance with this Rule. A dispute between Members arising from or in connection with market procedure or to matters of honour or etiquette, which do not come within the scope of the Arbitration Rules or the rules of any other association for dealing with ordinary trade disputes, shall be referred to the Directors. The Directors' decision concerning any dispute referred to them for resolution under this Rule shall be final, conclusive and binding on the Members party to such dispute, and the Directors may direct that a fee not exceeding £10,000 shall be paid to the Exchange by the Member against whom its decision is given.
- A.5.4 If any Member shall default in the performance of any Contract it shall be liable to be suspended from membership or expelled under Rule B.7.1, notwithstanding that it complied with any requirement as to the settlement of such default.
- A.5.5 The Regulations and all additions and amendments thereto may from time to time be printed and circulated amongst Members or others interested therein in such manner as the Directors shall think fit.
- A.5.6 The Directors may from time to time alter the Regulations by notice circulated to the Members. Any such alteration shall have immediate effect unless otherwise notified by the Directors.
- A.5.7 In respect of any automated trading system administered by the Exchange, the Directors may from time to time determine the rights and obligations to be conferred on any Member entitled to use and access such automated trading system, including without limitation, the ICE Platform.

## A.6 FINANCIAL POWERS<sup>19</sup>

<sup>18</sup> Amended 28 April 1999, IPE/ETS implementation date 2002, 27 February 2003, 17 July 2003, 8 April 2005, 7 December 2005, 29 March 2006, Launch of ICE Clear 2008

<sup>19</sup> Amended 3 April 2000, 17 July 2003

- A.6.1 The Directors may impose contract levies of such amounts, and payable to the Exchange in such manner and on such occasions, as they shall from time to time determine. Unless otherwise provided such levies shall be payable on all Contracts registered with the Clearing House. Different rates of levy may be imposed in respect of different contracts and different categories of Member.

A.6.2 [Deleted 3 April 2000]

## **A.7 EXCLUSION OF LIABILITY<sup>20</sup>**

- A.7.1 The Exchange wishes to draw to the attention of Members and clients that business on the Market or through any other facility provided by the Exchange may from time to time be suspended or restricted or such facilities (including, without limit, the Market) may from time to time be closed for a temporary or longer period. Without limit, this may occur as a result of the occurrence of one or more events which require action to be taken by the Exchange under the Regulations in the interests of, inter alia, maintaining a fair and orderly market. Any such action may result in the inability of one or more Members and through such Member one or more clients to enter into contracts on the Market in accordance with the Regulations. Furthermore, a Member and through the Member one or more clients may from time to time be prevented from or hindered in entering into contracts on the Market as a result of failure or malfunction of communications equipment or trading facilities including but not limited to the ICE Platform, or front end application supplied to the Member by the Exchange or any other person. Unless otherwise expressly provided in the Regulations or in any other agreement to which the Exchange is party, neither the Exchange nor its officers, employees, agents or representatives shall be liable to any Member or client for any loss, damage, injury or delay (including any indirect or consequential loss, including without limitation, any loss of profit) arising from or in connection with the trading facilities including but not limited to the ICE Platform or the occurrence of a temporary or longer suspension, restriction or closure of business on the Market or the trading facilities including but not limited to the ICE Platform or any act or omission of the Exchange, its officers, employees, agents or representatives under the Regulations or pursuant to the Exchange's obligations under statute or from any breach of contract by or any negligence howsoever arising of the Exchange, its officers, employees, agents or representatives which may prevent or hinder a Member or, through a Member, a client from entering into or closing out a Contract or otherwise affect a Member or client.
- A.7.2 Rule A.7.1 shall be without prejudice to the provisions of the Electronic User Agreement regarding liability of the Exchange. Nothing in Rule A.7.1 shall operate to exclude the Exchange's liability for death or personal injury resulting from negligence or for fraud.

## **A.8 TRADING HOURS AND DAYS<sup>21</sup>**

- (a) The Market shall, subject to (b) below, be open from Monday to Friday of each week between the hours each day and for such Contracts as decided by the Exchange from time to time. The trading times for each Contract, subject to the closures required below, shall be determined by the Exchange from time to time.
- (b) The Market shall be open on such Saturdays, Sundays and public holidays in England for the trading of such Contracts on those Saturdays, Sundays and public holidays as the Exchange determines from time to time. The Exchange shall issue from time to time a list of the public holidays on which the Market shall be open, the Contracts which shall be open to trade on such public holidays and the public holidays on which the Market shall not be open.
- (c) The Market shall be closed on: Saturdays; Sundays; public holidays in England, subject to (b) above; any day on which trading is suspended under the Banking and Financial Dealings Act 1971; and on a temporary basis on any other day for such hours that the Exchange shall from time to time decide is necessary or appropriate in the circumstances.

## **A.9 MEMBER RESPONSIBILITY<sup>22</sup>**

- A.9.1 In this Rule A.9, "conduct" means any act, omission, conduct or behaviour in relation to the Regulations.
- A.9.2 For the purposes of determining a Member's liability to be sanctioned for any conduct (referred to in this Rule A.9 as a "disciplinary matter"), and to the extent permitted by applicable laws, a Member shall be responsible and fully liable for:

<sup>20</sup> Amended 28 April 1999, IPE/ETS implementation date 2002, 27 February 2003, 17 July 2003, 29 March 2006

<sup>21</sup> Inserted 28 April 1999; amended 3 April 2000, IPE ETS implementation date 2002, 27 February 2003, 8 April 2005, 7 December 2005

<sup>22</sup> Inserted 27 April 2006, amended 3 September 2014, 3 January 2018

- (a) all conduct of that Member's Representatives;
- (b) conduct by a Member's client when placing orders under the ITM of a Responsible Individual registered to that Member; and
- (c) the performance or non-performance in respect of any obligations outsourced to an affiliate or other person, notwithstanding the outsourcing or procurement arrangements that the Member may have in place with such affiliates or other parties,

as if that conduct, performance or non-performance were of the Member itself. For the avoidance of doubt, all conduct referred to in (a) to (c) shall, for the purposes of this Rule A.9, be attributed to that Member and be treated as the conduct of that Member. However, it is understood that, notwithstanding the attribution of such conduct to the Member, the identified Responsible Individual or Member's Representative responsible for such conduct might also be liable to be sanctioned for such conduct. Until a Contract is recorded in an Individually Segregated Sponsored Account, a non-Member Sponsored Principal will be deemed to be acting both for its own account and as a Member Representative.

A.9.3 Notwithstanding Rule A.9.2, no sanction may be imposed on a Member in respect of:

- (a) conduct by a trader registered to that Member;
- (b) conduct by a Member's Representative placing orders under the ITM of a Responsible Individual registered to that Member;
- (c) conduct by a Member's client placing orders under the ITM of a Responsible Individual registered to that Member, or
- (d) the performance or non-performance of its obligations which have been outsourced to an affiliate or a third party,

where it is established to the satisfaction of the Disciplinary Panel or other person or body determining the disciplinary matter that the Member had taken all reasonable steps to prevent any conduct of the kind in question.

A.9.4 The provisions of this Rule A.9 shall apply:

- (a) without prejudice to the liability of any other person subject to the Regulations for the same conduct;
- (b) in the case of inconsistency with any other provision of the Regulations, in priority to that other provision;
- (c) whether or not the Member's Representative, affiliates, personnel, end client or third party carrying out any outsourced or procured functions is a person subject to the Regulations;
- (d) whether or not the Member and/or Member's Representative is/are exercising rights to use the Exchange's facilities; and
- (e) whether or not the individual Member's Representative can be conclusively identified (provided that it is established that the relevant conduct was in fact carried out by a Member's Representative, albeit an unidentified Member's Representative).

## **A.10 RESPONSIBLE INDIVIDUAL RESPONSIBILITY**

- A.10.1 A Responsible Individual shall be responsible for trading activity conducted under his ITM(s).
- A.10.2 Where trading is also conducted, pursuant to Trading Procedure 1.2.2 by other individuals within the Member under the ITM(s) of a Responsible Individual registered to the Member, such trading shall be under the supervision of the relevant Responsible Individual.
- A.10.3 Where access is granted by the Member to clients (order routing) and, pursuant to Trading Procedure 1.2.3, the client orders are submitted under an ITM assigned to a Responsible Individual, the submission shall be under the relevant Responsible Individual's supervision.

A.10.4 Notwithstanding Rule A.9.2 or A.10.1, no sanction shall be imposed on a Responsible Individual in respect of:

- (a) conduct of, or trading activity conducted under his ITM(s), by an individual of the Member with whom that Responsible Individual is registered;
- (b) conduct by a Member's Representative placing orders under the ITM of that Responsible Individual; and
- (c) conduct by a Member's client placing orders under the ITM of that Responsible Individual, where it is established to the satisfaction of the Disciplinary Panel or other person or body determining the disciplinary matter (as referred to in Rule A.9) that the Responsible Individual had taken all reasonable steps to prevent any conduct of the kind in question.

## A.11 SYSTEMS AND CONTROLS<sup>23</sup>

A.11.1 Without prejudice and in addition to any other specific requirement in these Regulations regarding systems and controls, each Member and non-Member Sponsored Principal shall be responsible for making adequate arrangements, systems and controls to ensure that:

- (a) its internal affairs are organised and controlled in a responsible and effective manner with adequate risk management systems;
- (b) its internal record-keeping is complete, adequate and consistent and compliant with applicable laws, including MiFID II (where applicable);
- (c) all of its Responsible Individuals and Member's Representatives involved in the conduct of business on the Market are fit and proper, suitable, adequately trained and properly supervised;
- (d) all business conducted on the Market including individual transactions complies with the Member's and Responsible Individual's obligations under the Regulations;
- (e) any business conducted by it, or by or through any of its Member's Representatives shall not cause the Member, any Member's Representative or the Exchange to be in breach of any applicable laws and regulations;
- (f) a Responsible Individual does not enter orders into or make trades on the ICE Platform in or from a jurisdiction where the Exchange does not have the relevant regulatory status (if such regulatory status is required) if to do so would bring the Exchange into disrepute with the regulatory authority within such jurisdiction or put the Exchange in breach of any regulatory obligations to which it might be subject within that jurisdiction;
- (g) any hardware, information technology or any online services provided to it, or any of its Member Representatives, or made available to it, or any of its Member Representatives, pursuant to its membership of the Exchange is only used for the purposes of conducting its business and activities as a Member of the Exchange in accordance with these Regulations;
- (h) it carries out appropriate testing of algorithms to ensure that Algorithmic Trading cannot create or contribute to disorderly trading conditions on the market; and
- (i) it undertakes technical and functional conformance testing, through the Exchange's conformance testing facilities, prior to the deployment or a substantial update of the access to the Exchange's system or the Member's trading system, trading algorithm or trading strategy, in order to:
  - (i) verify whether the basic functioning of the Member's trading system, algorithm and strategy complies with the conditions set by the Exchange from time to time; and
  - (ii) verify:
    - (aa) the ability of the Member's system or algorithm to interact as expected with the Exchange's matching logic and the adequate processing of the data flows to and from the Exchange;
    - (bb) the basic functionality such as the submission, modification or cancellation of an order or an indication of interest, static and market data downloads and all business data flows; and
    - (cc) the connectivity, including the cancel on demand command, market data feed loss and throttles, and the recovery of trading and the handling of suspended instruments or non-updated market data.

<sup>23</sup> Amended 4 April 2011, 3 September 2014, 3 January 2018

- A.11.2 Each Member shall certify that the algorithms they deploy have been tested to avoid contributing to or creating disorderly trading conditions prior to the deployment or substantial update of a trading algorithm or trading strategy and explain the means used for that testing. Each Member will provide the Exchange with such information and documents as are necessary for such purposes.
- A.11.3 The Exchange may set additional conditions or standards and publish guidance from time to time on what arrangements, systems and controls it considers appropriate in the context of this Rule A.11.
- A.11.4 Each Member will be subject to risk-based assessments by the Exchange, taking into account the scale and potential impact of trading undertaken by each Member as well as the time elapsed since the Member's last risk based assessment, of its compliance with the Exchange's conditions for using the ICE Platform, including those conditions set out in Rule A.11.1 and, where applicable, Rules A.11A.1 and A.11A.2. Such assessment will take place on an annual basis and at any other time as deemed necessary by the Exchange pursuant to the annual risk-based assessment.

#### **A.11A SYSTEMS AND CONTROLS FOR MEMBERS THAT ARE INVESTMENT FIRMS ENGAGING IN ALGORITHMIC TRADING<sup>24</sup>**

- A.11A.1 Without prejudice and in addition to any other specific requirement in these Regulations regarding systems and controls, each Member that is an Investment Firm engaging in Algorithmic Trading shall, in compliance with MiFID II:
- (a) have in place effective systems and risk controls suitable to the business it operates to ensure that its trading systems:
    - (i) are resilient and have sufficient capacity;
    - (ii) are subject to appropriate trading thresholds and limits; and
    - (iii) prevent the sending of erroneous orders or the systems otherwise functioning in a way that may create or contribute to a disorderly market;
  - (b) have in place effective systems and risk controls to ensure the trading systems cannot be used for any purpose that is contrary to the Market Abuse Regulation or to these Regulations;
  - (c) have in place effective business continuity arrangements to deal with any failure of its trading systems; and
  - (d) ensure its systems are fully tested and properly monitored to ensure that they meet the requirements of (a) to (c) above.
- A.11A.2 For the purposes of Rule A.11A.1 above, each Member that is an Investment Firm shall, as a minimum and in compliance with MiFID II:
- (a) as part of its overall governance and decision making framework, establish and monitor its trading systems and trading algorithms through a clear and formalised governance arrangement, having regard to the nature, scale and complexity of its business;
  - (b) have sufficient knowledge and the necessary documentation to ensure compliance with Rule A.9.3 in relation to any procured or outsourced hardware or software used in Algorithmic Trading;
  - (c) in relation to an Algorithmic Trading system, trading algorithm or Algorithmic Trading strategy:
    - (i) establish clearly delineated methodologies to develop and test such systems, algorithms or strategies prior to their deployment or substantial update; and
    - (ii) with regards to trading algorithms leading to order execution, adapt its testing methodologies appropriately for usage on the Exchange and undertake further testing if there are substantial changes to the Algorithmic Trading system or to the access to the Exchange in which such systems, algorithms or strategies are to be used;
  - (d) before deployment of a trading algorithm, set predefined limits on:
    - (i) the number of financial instruments being traded;
    - (ii) the price, value and numbers of orders;
    - (iii) the strategy positions; and

<sup>24</sup> Inserted 3 January 2018

- (iv) the number of trading venues to which orders are sent;
- (e) ensure that it is able to cancel immediately, as an emergency measure, any or all of its unexecuted orders submitted to the Exchange, including those originating from individual traders, trading desks or clients (“kill functionality”); and for this purpose, the Member must be able to identify which trading algorithm and which trader, trading desk, or, where applicable, client was responsible for each order sent to the Exchange;
- (f) monitor all trading activity that takes place through its trading systems, including that of its clients, for signs of potential market manipulation as referred to in Article 12 of the Market Abuse Regulation; and for this purpose, each Member shall establish, review and maintain an automated surveillance system which effectively monitors orders and transactions, generates alerts and reports and, where appropriate, employs visualisation tools;
- (g) have business continuity arrangements in place for its Algorithmic Trading systems which are appropriate to the nature, scale and complexity of its business, which allow for the shutting down of its trading algorithm or trading system without creating disorderly trading conditions;
- (h) carry out pre-trade controls on order entry for all financial instruments;
- (i) have in place repeated automated execution throttles which control the number of times an Algorithmic Trading strategy has been applied;
- (j) automatically block or cancel orders from a trader if it becomes aware that that trader does not have permission to trade a particular financial instrument or which risk compromising the Member’s risk thresholds, including price collars, maximum order volumes and maximum message links;
- (k) during the hours it is sending orders to the Exchange, monitor in real time all Algorithmic Trading activity that takes place under its trading code, including that of its clients, for signs of disorderly trading, including trading across markets, asset classes, or products, in cases where the Member or its clients engage in such activities;
- (l) ensure that the Exchange at all times has access to staff members in charge of real-time monitoring; and for that purpose, the Member shall identify and periodically test its communication channels, including its contact procedures for out of trading hours, to ensure that in an emergency the staff members with the adequate level of authority may reach each other in time;
- (m) ensure that the systems for real-time monitoring have real-time alerts to assist staff in identifying unanticipated trading activities undertaken by means of an algorithm, and have a process in place to take remedial action as soon as possible after an alert has been generated, including, where necessary, an orderly withdrawal from the market;
- (n) establish and continuously operate post-trade controls, and when triggered, undertake appropriate action, which may include adjusting or shutting down the relevant trading algorithm or trading system or an orderly withdrawal from the market; and
- (o) implement an IT strategy with defined objectives and measures and set up and maintain appropriate arrangements for physical and electronic security that minimise the risks of attacks against its information systems and that includes effective identity and access management.

A.11A.3 The Exchange may set additional conditions or standards and publish guidance from time to time on what arrangements, systems and controls it considers appropriate in the context of this Rule A.11A.

## A.12 [DELETED 27 FEBRUARY 2009]<sup>25</sup>

<sup>25</sup> Deleted 27 February 2009