

## **PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

### **1. GENERAL PROVISIONS**

#### **21. GUARDIAN AND THE SOFTS DELIVERIES PLATFORM**

Guardian and the Softs Deliveries Platform are electronic grading and delivery systems which are used in the process of making and taking delivery of certain Deliverables as specified in these Delivery Procedures (including cocoa, coffee, wheat and white sugar).

## **PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

### **1. DELIVERY SPECIFICATION**

#### **1.1 Quality**

Cocoa shall be delivered of a growth and quality as specified in the ICE Futures Europe Rules.

#### **1.2 Price**

The price at which the Cocoa is delivered is the Exchange Delivery Settlement Price on the Business Day immediately preceding the day of tender, adjusted in accordance with the ICE Futures Europe Rules.

#### **1.3 Scope**

Cocoa shall be delivered from a nominated warehouse as defined in the ICE Futures Europe Rules.

#### **1.4 Cessation of Trading**

Cocoa delivery months cease trading on the last trading day, as specified in the Contract Terms, which unless specified otherwise in the Market Rules is at 12:00, eleven Business Days prior to the last Business Day of the delivery month. Sellers' Tenders must be submitted by 10:00 the following day (the "Notice Day").

**PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

**DELIVERY TIMETABLE FOR FINANCIALS & SOFTS COCOA CONTRACTS**

	TIME	ACTION
<b>Cessation of Trading</b>	<b>11 Business Days prior to the last Business Day of the delivery month</b>	
	By 12:00	The cocoa delivery month ceases trading.
<b>Notice Day</b>	<b>The day following cessation of trading (Notice Day)</b>	
	By 10:00	<p>All Clearing Members perform position maintenance.</p> <p>Remaining Open Contract Positions automatically become subject to delivery obligations.</p> <p>Clearing Members with a deliverable Short Open Contract Position must submit the details of the lots to be delivered via Softs Deliveries Platform (or any successor system).</p> <p>Clearing Members with an Open Contract Position as Buyer must submit a Buyer's Position Notice via Softs Deliveries Platform (or any successor system) which should give details of the 'shape' of the positions that are required for delivery.</p> <p>Sellers must input delivery notices via Softs Deliveries Platform (or any successor system). Sellers' delivery notices may be deleted by Clearing Members via Softs Deliveries Platform (or any successor system).</p> <p><b>Clearing Members must ensure that all settlements and transfers are completed in ECS (or any successor system) by the 10:00 deadline.</b></p>
<b>Allocation</b>	After 10:00	<p>MPFE report available on ECS and MFT (or any successor system), informing Buyers of the number of lots allocated.</p> <p>Allocation of cocoa to Buyers. The following are made available to Sellers via MFT(or any successor system):</p> <p align="center">Account sale report</p> <p>The following are made available to Buyers via MFT(or any successor system):</p> <p align="center">Buyers invoice report</p>
<b>Conversion of lots</b>	After 10:00	The Clearing House may direct Sellers to convert bulk ("BDU") or large ("LDU") delivery units into standard ("SDU") delivery units. ICE Futures Europe will be notified of these directions.
	After 10:00	Sellers can obtain details of the BDU and LDU to be converted via Softs Deliveries Platform (or any successor system).

**PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

	<b>TIME</b>	<b>ACTION</b>
<b>Conversion Notice</b>	<b>First Business Day after the Notice Day</b>	
	By 12:00	<p>Sellers who have been directed to convert must give notice that they will either:</p> <ul style="list-style-type: none"> <li>- comply with the conversion as instructed</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>- convert alternative delivery units, and provide details of those units</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>- provide substitute delivery units, and give details of those units.</li> </ul> <p>In the cases where different delivery units will be converted, the alternate units proposed for conversion must both match the Clearing House's requirements to fulfil delivery to Buyers and must be of an equivalent or better quality.</p> <p>In the cases where a Seller, in place of performing a conversion, substitutes a delivered unit via Softs Deliveries Platform (or any successor system), the substitution must meet the Clearing House's requirements to facilitate delivery.</p>
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<b>LDU Conversion Notice</b>	<b>First Business Day prior to the Settlement Day</b>	
	At or prior to 10:00	<p>Sellers who have been directed to convert LDU must give notice that:</p> <ul style="list-style-type: none"> <li>- they have complied with the conversion as instructed.</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>- arranged for the warehousekeeper/s to provide updated delivery details in respect of the converted delivery units.</li> </ul>
	By 16:00	<p><b>Where necessary</b> the following are made available to Sellers via MFT (or any successor system):</p> <ul style="list-style-type: none"> <li>- Account sale report.</li> </ul> <p><b>Where necessary</b> the following are made available to Buyers via MFT (or any successor system):</p> <ul style="list-style-type: none"> <li>- Buyers invoice report.</li> <li>-</li> </ul>
<b>Settlement Day</b>	<b>Last Business Day of delivery month (Settlement Day)</b>	
	By 09:00	The Clearing House debits Buyers, as detailed on the Invoices
	After 09:30	<p>The Clearing House credits Sellers, as detailed on the Account Sales.</p> <p>The Clearing House transfers the <del>warrants</del> to Buyers via Softs</p>

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**PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

	<b>TIME</b>	<b>ACTION</b>
		Deliveries Platform (or any successor system).
<b>BDU Notice</b>	<b>First Business Day prior to the Conversion Settlement Day</b>	
	At or prior to 10:00	<p>Sellers who have been directed to convert BDUs must give notice that:</p> <ul style="list-style-type: none"> <li>- they have complied with the conversion as instructed and</li> <li>- arranged for the warehousekeeper/s to provide updated delivery details to Softs Deliveries Platform (or any successor system) in respect of the converted delivery units</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>- they are unable to complete conversion in time and wish to apply for an extension to conversion.</li> </ul> <p>Where a Seller has applied for an extension to conversion, it must provide reasons for the conversion having not been completed and Buyers and ICE Futures Europe will be informed of such Seller's application.</p> <p>Where it is determined that an extension is to be granted, the Seller and Buyer will be informed accordingly.</p>
	By 16:00	<p><b>Where necessary</b> the following are made available via MFT (or any successor system) to Sellers:</p> <ul style="list-style-type: none"> <li>- Account sale report.</li> </ul> <p><b>Where necessary</b> the following are made available to Buyers:</p> <ul style="list-style-type: none"> <li>- Buyers invoice report.</li> </ul>
<b>BDU Notice</b>	<b>First Business Day prior to the Extended Conversion Settlement Day</b>	
	At or prior to 10:00	<p>Sellers who have been directed to convert BDUs must give notice that:</p> <ul style="list-style-type: none"> <li>- they have complied with the conversion as instructed and</li> <li>- arranged for the warehousekeeper/s to provide updated delivery details in respect of the converted delivery units</li> </ul>
	By 16:00	<p><b>Where necessary</b> the following are made available to Sellers via Softs Deliveries Platform (or any successor system):</p> <ul style="list-style-type: none"> <li>- Account sale report.</li> </ul> <p><b>Where necessary</b> the following are made available to Buyers:</p> <ul style="list-style-type: none"> <li>- Buyers invoice report.</li> <li>-</li> </ul>
<b>Settlement Day,</b>	<b>Last Business Day of delivery month/10 Business Days after Settlement Day/ 10</b>	

**PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

	TIME	ACTION
<b>Conversion Settlement Day and Extended Settlement Day</b>	<b>Business Days after Conversion Settlement Day</b>	
	By 09:00	The Clearing House debits Buyers, as detailed on the Invoices.
	After 09:30	The Clearing House credits Sellers, as detailed on the Account Sales.  The Clearing House transfers the <u>warrants</u> to Buyers via Softs Deliveries Platform (or any successor system).
<b>Substitution of Delivery Unit</b>	<b>10 Business Days after Settlement Day or 7 Business Days after either the Conversion Settlement Day or the Extended Conversion Settlement Day</b>	
	By 12:00	A Seller may substitute a delivery unit with the Buyer's prior consent (or in the case of dispute, if ordered to do so by ICE Futures Europe) via Softs Deliveries Platform (or any successor system) and in such case, Softs Deliveries Platform (or any successor system) will notify any changes in pricing resulting from the substitution. A Substitution Invoice or Account Sale will be made available to the Buyer and Seller respectively.  If the Buyer does not consent to such a substitution, then the Seller remains obliged to make delivery in accordance with the original Tender. If the Seller fails to make delivery against the original Tender then the Seller will be in default in performance.
<b>Deemed acceptance of delivery</b>	By 12:00	The Buyer will be deemed to have accepted each delivery unit that has been received.

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**PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

**2. DELIVERY DOCUMENTATION SUMMARY**

<i>Sellers and Buyers should ensure that relevant Delivery Documentation is completed in full.</i>		
<b>Name of Delivery Document</b>	<b>Explanation</b>	<b>Timing</b>
Financials & Softs Cocoa Contract: Seller's Delivery Notice	The Seller's Delivery Notice screen is completed via Softs Deliveries Platform (or any successor system) including details of:  (i) the port in which the cocoa is stored;  (ii) the warehouse in which the cocoa is stored; and  (iii) the shed in which the cocoa is stored.	On the Notice Day.
Financials & Softs Cocoa Contract: Buyer's Invoice	Buyers are provided with Invoices via MFT (or any successor system).	By 16:00 on the day that is (i) 10 Business Days prior to the last Business Day of the delivery month; (ii) First Business Day prior to the Conversion Settlement Day; (iii) First Business Day prior to the Extended Conversion Settlement Day.
Financials & Softs Cocoa Contract: Seller's Account Sales	Sellers are provided with Account Sales via MFT (or any successor system).	
Financials & Softs Cocoa Contract: Buyer's Position Notice	Clearing Members with buying positions must submit a Buyer's Position Notice via Softs Deliveries Platform (or any successor system) which should give details of the 'shape' of the positions that are required for delivery.	By 10:00 on the Notice Day.
Financials & Softs Cocoa Contract: Seller's Conversion Notice	Sellers who have been directed to convert must give notice that they will either: (i) comply with the conversion as instructed; (ii) convert alternative delivery units, and provide details of those units; or (iii) provide substitute delivery units, and give details of those units.	By 12:00 on the first Business Day after the Notice Day.
Financials & Softs Cocoa Contract: Seller's LDU Conversion Notice	Sellers who have been directed to convert LDUs must give notice that: (i) they have complied with the conversion as instructed; and (ii) arranged for the warehousekeeper/s to provide updated delivery details in respect of the converted delivery units.	At or prior to 10.00 on the first Business Day prior to Settlement Day.
Financials & Softs Cocoa	Sellers who have been directed to convert BDUs must give notice that: (i) they have	At or prior to 10.00 on the first

**PART O: FINANCIALS & SOFTS COCOA CONTRACTS**

<i>Sellers and Buyers should ensure that relevant Delivery Documentation is completed in full.</i>		
<b>Name of Delivery Document</b>	<b>Explanation</b>	<b>Timing</b>
Contract:  Seller's BDU Conversion Notice	complied with the conversion as instructed; and (ii) arranged for the warehousekeeper/s to provide updated delivery details to Softs Deliveries Platform (or any successor system) in respect of the converted delivery units; or (iii) they are unable to complete conversion in time and wish to apply for an extension to conversion	Business Day prior to Conversion Settlement Day or the Extended Conversion Settlement Day.