



**ICE DIRECT CLEAR, INC.**

**DERIVATIVES CLEARING ORGANIZATION  
RULEBOOK**

**VERSION 1.3 May 12, 2026**

## TABLE OF CONTENTS

|                                                                              |           |
|------------------------------------------------------------------------------|-----------|
| <b>CHAPTER 1 - GENERAL PROVISIONS .....</b>                                  | <b>4</b>  |
| Rule 1.1 Definitions .....                                                   | 4         |
| Rule 1.2 Extension or Waiver of Rules.....                                   | 7         |
| Rule 1.3 Action by the Corporation .....                                     | 8         |
| Rule 1.4 Headings .....                                                      | 8         |
| Rule 1.5 Rules of Construction .....                                         | 8         |
| Rule 1.6 Compliance with Rules and Orders, Consent to Jurisdiction .....     | 9         |
| Rule 1.7 The Rulebook .....                                                  | 9         |
| Rule 1.8 Notices .....                                                       | 9         |
| Rule 1.9 Emergency Action .....                                              | 10        |
| <b>CHAPTER 2 - CLEARING PARTICIPANTS .....</b>                               | <b>12</b> |
| Rule 2.1 Self-Clearing Participants.....                                     | 12        |
| Rule 2.2 Eligibility .....                                                   | 12        |
| Rule 2.3 Application for Self-Clearing Participant Privileges .....          | 13        |
| Rule 2.4 Approval and Rejection .....                                        | 13        |
| Rule 2.5 Obligations and Requirements .....                                  | 14        |
| Rule 2.6 Termination.....                                                    | 16        |
| Rule 2.7 Authorized Users of the Self- Clearing Participant .....            | 16        |
| <b>CHAPTER 3 - CLEARING ACCOUNTS AND COLLATERALIZATION .....</b>             | <b>19</b> |
| Rule 3.1 Accounts .....                                                      | 19        |
| Rule 3.2 Deposit Procedures.....                                             | 19        |
| Rule 3.3 Withdrawal Procedures.....                                          | 19        |
| Rule 3.4 Reconciliation .....                                                | 20        |
| Rule 3.5 Full Collateralization of Contracts Required.....                   | 20        |
| Rule 3.6 Collateral Requirements .....                                       | 20        |
| Rule 3.7 Segregation of Participant Funds .....                              | 21        |
| Rule 3.8 Investment and Use of Self-Clearing Participant Account Assets..... | 21        |
| <b>CHAPTER 4 -CLEARING AND RELATED RULES .....</b>                           | <b>22</b> |

|                                                                        |    |
|------------------------------------------------------------------------|----|
| Rule 4.1 Submission and Acceptance of Trades for Clearing .....        | 22 |
| Rule 4.2 Settlement of Contracts .....                                 | 23 |
| Rule 4.3 Finality of Settlement .....                                  | 24 |
| Rule 4.4 Risk Management Actions .....                                 | 24 |
| Rule 4.5 Bankruptcy of a Self-Clearing Participant.....                | 25 |
| Rule 4.7 Transfer of Positions .....                                   | 25 |
| CHAPTER 5 - REPORTING AND RECORDKEEPING.....                           | 27 |
| Rule 5.1 Recordkeeping .....                                           | 27 |
| Rule 5.2 Swap Data Reporting Requirements.....                         | 27 |
| CHAPTER 6 - DISCIPLINARY PROCEDURES .....                              | 28 |
| Rule 6.1 Rule Violations .....                                         | 28 |
| CHAPTER 7 - MISCELLANEOUS.....                                         | 29 |
| Rule 7.1 Trading Policy .....                                          | 29 |
| Rule 7.2 Disclosure of Information; Trade Data and Personal Data ..... | 29 |
| Rule 7.3 Signatures .....                                              | 29 |
| Rule 7.4 Governing Law .....                                           | 29 |
| Rule 7.5 Legal Proceedings .....                                       | 30 |
| Rule 7.6 Force Majeure .....                                           | 31 |
| Rule 7.7 Limitation of Liability .....                                 | 31 |

## CHAPTER 1 - GENERAL PROVISIONS

### Rule 1.1 Definitions

Unless the context otherwise clearly requires, the following terms shall have the following meanings when used in these Rules:

**“Account”** in relation to a Self-Clearing Participant shall have the meaning ascribed to it in Rule 3.1.

**“Affiliate”** means, with respect to a person, another person that directly or indirectly, Controls, is Controlled by, or is under common Control with, such Person.

**“Applicable Law”** means with respect to any Person, any statute, law, regulation, rule or ordinance of any government, governmental or self-regulatory authority applicable to such Person, including without limitation the CEA and CFTC Regulations.

**“As Soon As Technologically Practicable”** means as soon as possible, taking into consideration the prevalence, implementation, and use of technology by comparable market participants, as such term has been interpreted in rules or interpretive guidance provided by the CFTC.

**“Authorized User”** means any natural person who is employed and authorized by a Self-Clearing Participant to place Orders on the Self-Clearing Participant’s behalf, for the Participant’s Account, provided that if the Self-Clearing Participant is a natural person, the Self-Clearing Participant is also considered to be an Authorized User.

**“Banking Day”** means a day (other than a Saturday or Sunday) on which commercial banks in New York, New York are open for general business.

**“Board of Directors”** or **“Board”** means the Board of Directors of the Corporation.

**“Business Day”** means any day on which both the Exchange and Clearinghouse are open for business.

**“Buyer”** means the Self-Clearing Participant that is the buyer under a transaction in a Contract (which, in the case of an Event Contract, shall represent the “Yes” position in a relevant Event Question).

**“By-Laws”** means the by-laws of the Corporation, and the interpretations, resolutions, orders and directives of the Board thereunder, each as in effect from time to time.

**“CEA”** or the **“Act”** means the U.S. Commodity Exchange Act as in effect from time to time.

**“CFTC”** or the **“Commission”** means the U.S. Commodity Futures Trading Commission and includes any successor agency or authority.

**“Clearinghouse”** means the Corporation, in its capacity as a derivatives clearing organization registered with the CFTC under section 5b of the CEA.

**“Clearing Privileges”** means the right granted by the Clearinghouse to a Self-Clearing Participant to clear transactions in Contracts through the Clearinghouse and to otherwise use the Clearing Services.

**“Clearing Services”** means the provision by the Clearinghouse of fully collateralized clearing, settlement and ancillary services in respect of Contracts traded on an Exchange.

**“Collateral”** means the amount and type of assets required to be on deposit with the Clearinghouse pursuant to these Rules and the applicable Contract Specifications to establish and maintain a position in the relevant Contract.

**“Clearinghouse Platform”** or **“Platform”** means the ICE Direct Clear clearing systems through which it provides Clearing Services.

**“Contract”** means any contract for which the Clearinghouse provides Clearing Services subject to the Rules, which may include a contract relating to an Event Question, a spot contract for the delivery of a digital currency or other digital asset, or other type of contract accepted by the Clearinghouse.

**“Contract Specifications”** means the terms and conditions of a Contract as published in the Exchange Rules.

**“Corporation”** means ICE Direct Clear, Inc., a Delaware corporation.

**“Designated Contract Market or DCM”** means a board of trade designated by the CFTC as a contract market under Section 5 of the CEA and in accordance with the provisions of Part 38 of CFTC Regulations.

**“DGCL”** means the Delaware General Corporation Law, as in effect from time to time.

**“Disciplinary Action”** means any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.

**“Event Contract”** means a Contract relating to an Event Question.

**“Event Question”** means a binary question based on whether specified real world event will occur within a specific time period or by a specified deadline. The outcome of an Event Question is either “Yes” or “No”.

**“Exchange”** means a DCM or other trading facility for which the Clearinghouse provides Clearing Services from time to time in respect of Contracts, which shall initially include the ICE Futures U.S. Event Contract Division in respect of Event

Contracts.

**“Exchange Rules”** means the constituent documents, rules, regulations, resolutions, orders, directives and procedures of the Exchange and any interpretations thereof by the Exchange, as in effect from time to time and however described.

**“Fully-Collateralized Contract”** means a Contract cleared by the Clearinghouse for a Self-Clearing Participant for which the Clearinghouse will hold, at all times, funds in the form of the required payment sufficient to cover the maximum possible loss that the Self-Clearing Participant could incur upon liquidation or expiration of the Contract, in accordance with these Rules.

**“IDC Settlement Bank”** means a bank, trust company or other financial institution with which the Clearinghouse maintains one or more accounts for the receipt and/or holding of funds deposited or transferred by Self-Clearing Participants pursuant to these Rules (such accounts, **“IDC Settlement Accounts”**).

**“Listing Exchange”** means with respect to any Contract, the Exchange on or subject to the rules of which such Contract is traded.

**“Maximum Downside Exposure”** means, for Self-Clearing Participant, the aggregate maximum potential liability under all of its open positions in cleared Contracts.

**“Novation”** means the substitution of the Clearinghouse as the counterparty on a Self-Clearing Participant’s transaction in a Contract upon the Clearinghouse’s acceptance of the transaction for clearing, whereupon the Clearinghouse becomes the Contract’s buyer to the selling Self-Clearing Participant and the Contract’s seller to the buying Self-Clearing Participant.

**“Portal”** means an electronic service maintained by or for the Corporation pursuant to which funds may be transmitted by or to Self-Clearing Participant.

**“President”** means the person appointed by the Board from time to time to serve as President of the Corporation.

**“Regulatory Agency”** means any government body, including the CFTC, and any organization, whether domestic or foreign, granted authority under statutory or regulatory provisions to regulate its own activities and the activities of its members, and includes the Corporation, any SEF or DCM that clears through the Corporation, and NFA.

**“Regulatory Swap Data”** means (i) swap transaction and pricing data (as contemplated under Part 43 of the CFTC regulations), (ii) required swap creation data (as contemplated by Part 45 of the CFTC regulations) and (iii) required swap continuation data (as contemplated by Part 45 of the CFTC regulations), to the extent applicable to a Contract.

**“Rules” or “Rulebook”** means these ICE Direct Clear rules, and the interpretations, resolutions, orders and directives of the Board hereunder, each as in effect from time to time in accordance with the terms hereof.

**“Sanctioned Party”** means (i) any person that is listed on the List of Specially Designated Nationals and Blocked Persons issued by the U.S. Department of the Treasury’s Office of Foreign Asset Control (**“OFAC”**); or (ii) any other person whose use of the Clearing Services or entry into or maintenance of a position in a Contract is prohibited or restricted pursuant to an economic or trade sanctions program administered and enforced by OFAC or other applicable U.S., foreign or international governmental authority.

**“Self-Clearing Participant”** means a person that has been granted Clearing Privileges by the Clearinghouse.

**“Self-Clearing Participant Agreement”** means an agreement between a Self-Clearing Participant and the Clearinghouse that the Self-Clearing Participant must execute as a condition to obtain Clearing Privileges, in such form as the Clearinghouse may prescribe.

**“Seller”** means the Self-Clearing Participant that is the seller under a transaction in a Contract (which, in the case of an Event Contract, shall represent the “No” position in a relevant Event Question).

**“UCC”** means the Uniform Commercial Code as in effect in the State of New York.

**“Unique Swap Identifier” or “USI” or “Unique Transaction Identifier” or “UTI”** means the unique identifier for a swap transaction as created for each swap executed on a SEF or DCM that clears through the Corporation as provided in CFTC Regulation 45.5.<sup>1</sup>

**“USD”** means the United States Dollar.

## **Rule 1.2 Extension or Waiver of Rules**

- (a) The time fixed by these Rules for the doing of any act or acts may be extended, or the doing of any act or acts required by these Rules may be waived, by the Board whenever, in its judgment, such extension or waiver is necessary or in the best interests of the Corporation.
- (b) The time fixed by these Rules for filing any report or other document, for submitting any information or for making payments (other than payments to fully collateralize a contract) or making deliveries may be extended by the Board or the President whenever, in their respective judgment, such extension is necessary or in the best interests of the Corporation, subject to any requirements of Applicable Law. A written report of any such extension granted by the President, stating the pertinent facts and the reason such

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<sup>1</sup> Note: IDC contemplates that it will request no-action relief from the CFTC, similar to that granted to other event contract markets and clearing organizations (e.g. Letter No. 25-28), from certain swap data reporting obligations under Parts 43 and 45 of the CFTC regulations.

extension was deemed necessary or expedient, shall be presented to the Board at its next regular meeting. Any such extension may continue in effect after the event or events giving rise thereto; provided, however, that the time fixed for making deposits or payments or making deliveries shall not be extended beyond three Business Days after the time such deposit or payment is due, and no other extension shall continue in effect for more than sixty calendar days, unless in either case it is approved by the Board within such period, and in any event subject to the requirements of Applicable Law.

### **Rule 1.3 Action by the Corporation**

- (a) Except as otherwise specifically provided in the By-Laws or Rules, any action permitted or required by the Rules to be taken by the Corporation may be taken by the Board, the President or any other officer to whom authority has been delegated by the Board or the President.
- (b) Any action permitted or required by these Rules to be taken by the President may, in the absence or unavailability of the President, be taken by any other officer to whom authority has been delegated by the Board or the President.

### **Rule 1.4 Headings**

The headings of the various Rules appear for convenience only and shall not affect the meaning of the language contained in these Rules.

### **Rule 1.5 Rules of Construction**

For purposes of these Rules, the following rules of construction shall apply:

- 1. Words conveying a singular number include the plural number, where the context permits, and vice versa.
- 2. References to the words “including” or “includes” shall be deemed to be “without limitation”.
- 3. References to any Regulatory Agency include any successor Regulatory Agency.
- 4. If, for any reason, a Rule is found or determined to be invalid or unenforceable by a court of law or other applicable governmental authority, such Rule shall be considered severed from the Rules and all other Rules shall remain in full force and effect.
- 5. All references to time are to the local time in New York, New York unless expressly provided otherwise.
- 6. All terms defined in the UCC and not otherwise defined herein shall have the respective meanings accorded to them therein.
- 7. In the event of a conflict between these Rules and a non-disclosure agreement between the Corporation or an Affiliate of the Corporation and a Self-Clearing Participant, these Rules shall govern.
- 8. In the event of a conflict between these Rules and the CEA or CFTC Regulations, the applicable provision of the CEA and/or CFTC Regulation shall govern.
- 9. All cross-references to Rules are for convenience only. A Rule’s meaning is not altered because of an out-of-date or erroneous cross-reference.
- 10. All references to parts and sections of any law or regulation include successor

- parts and sections.
11. All ambiguities are to be resolved in favor of an interpretation that is consistent with Applicable Law.

### **Rule 1.6 Compliance with Rules and Orders, Consent to Jurisdiction**

- (a) Any person clearing a Contract through the Clearinghouse or otherwise obtaining or receiving Clearing Services expressly consents to the jurisdiction of the Corporation and agrees to be bound by and comply with the Rules in relation to such transactions, including, but not limited to, rules requiring cooperation and participation in investigatory and disciplinary processes.
- (b) Any amendments to or the repeal of a Rule, or the adoption of a new Rule, shall, upon the effective date of such amendment, repeal or adoption, as applicable, be binding on all Persons subject to the jurisdiction of the Corporation, regardless of when such person became subject to the Corporation's jurisdiction, and on all Contracts as applicable.
- (c) It shall be a violation of the Rules for any Person to furnish false information, or fail to furnish information when requested, to the Board or to any committee, subcommittee, officer or employee of the Corporation in the course of its, their, or his duties.
- (d) It shall be a violation of the Rules for any Person to violate, or fail to comply with, the terms of any agreement with the Corporation or any order or decision of, or any suspension imposed by, the Corporation, the Board or any committee or subcommittee of the Corporation.

### **Rule 1.7 The Rulebook**

This Rulebook, all amendments hereto and notices hereunder, as well as the specifications for the Contracts from time to time traded on the Listing Exchange and cleared on the Corporation, will be publicly available on the Corporation website (and may, in Corporation's discretion, be made available through other reasonable means of communication). Each Person subject to Rule 1.6(a) will be automatically bound by any notices, interpretations, guidance, Rule changes or other material posted by Corporation on its website, without any further action by such Person. Each such Person is required to review the "Notices" section and "Rule Filings" section of the Corporation website to make itself aware of material changes to these Rules or other notices that may affect the Person's rights and obligations. The Corporation will publish notice with respect to each substantive addition to or modification or clarification of the Rules, any action to implement any Rules, or any notices, interpretations or guidance with respect to the Rules; provided that any failure of Corporation to so publish a notice shall not affect the effectiveness of the material in question.

### **Rule 1.8 Notices**

Each Self-Clearing Participant must provide the Corporation with the current electronic mail address for itself and each of its Authorized Users and immediately (and in any event within 24 hours) update each such address whenever it changes. All communications between Corporation and Self-Clearing Participants (and their Authorized Users) will be transmitted by email and/or posted on the Corporation website.

## **Rule 1.9 Emergency Action**

- (a) If the Exchange determines that there is an Emergency, the Corporation shall take such action as may be ordered by, or as may be necessary or appropriate to implement emergency action ordered by, that Exchange with respect to Contracts traded on or subject to the rules of the Exchange and cleared by the Corporation.
- (b) If the Board, by a two-thirds vote of the members of the Board present and voting at any meeting, at which there is a quorum, determines that there is an Emergency, it may place into immediate effect a rule, or authorize other action to be taken by the Corporation as it deems necessary or appropriate to meet the Emergency.
- (c) In the extraordinary event that the Board cannot be convened under the circumstances then existing, the President may determine whether there is an Emergency and may place into effect a rule, or order such other actions to be taken, as the President deems necessary or appropriate to meet the Emergency. Any such determination and action ordered by the President shall be reported to, and reviewed by, the Board as soon as practicable thereafter. Any actions taken pursuant to this Rule shall be reported to the CFTC no later than twenty-four (24) hours after the action is taken.
- (d) In the event of an inconsistency between a determination made by an Exchange as referred to in Rule 1.9 (a) and a determination made by the Corporation pursuant to Rule 1.9(b), the determination so made by the Exchange shall govern.
- (e) If, in the judgment of the persons specified below, the physical functioning of the Corporation is, or is threatened to be, severely and adversely affected by a Physical Emergency, such persons are authorized to take such action as they deem necessary or appropriate to deal with such Physical Emergency. The persons authorized to take action pursuant to this Rule are any one of the following, in the order of their availability to take such action: (i) the President; (ii) any Vice President; and (iii) any other officer of the Corporation.
- (f) For purposes of this Rule, the following terms shall have the following meanings:
  - a. The term "Emergency" means (A) any occurrence or circumstance which the Exchange determines constitutes an emergency or physical emergency in accordance with the by-laws or rules of the Exchange, or (B) any occurrence or circumstance which the Board or President, pursuant to this Rule, determines requires immediate action and threatens or may threaten such things as the fair and orderly trading in, the clearing of, or the liquidation of, or settlement of, any Contracts or other agreements, contracts or transactions cleared by the Corporation, including manipulative or attempted manipulative activity or undue concentration of positions; any circumstances which may materially affect the performance of Contracts or other agreements, contracts or transactions cleared by the Corporation or Clearing Services, including failure of the payment system, any banking moratorium declared by applicable governmental authorities, or the bankruptcy or insolvency of any Clearing Member; any action taken by any governmental body or any other board of trade, market or facility which may have

a direct impact on trading on the Exchange or clearing by the Corporation; any outbreak or escalation of hostilities, declaration of a national emergency or war, cyberattack or similar systems intrusion or disruption, pandemic, or other calamity or crisis, national or international, the effect of which on financial markets makes it impractical, in the judgment of the Board or President for the Corporation to continue normal operations, and any other circumstances which may have a severe, adverse effect upon the functioning of the Corporation.

- b. The term “Physical Emergency” means any circumstance which has, or threatens to have, a severe, adverse effect upon the physical functions of the Corporation including, but not limited to, fire or other casualty, flood, bomb threats, substantial inclement weather, power failures, communication breakdowns, transportation breakdowns and computer malfunctions, backlog or delay in clearing or in the processing of data related to clearing, trading system breakdown or any other similar events.

## **CHAPTER 2 - CLEARING PARTICIPANTS**

### **Rule 2.1 Self-Clearing Participants**

- (a) The Corporation hereby establishes a single class of participants that will have Clearing Privileges, which shall be known as “Self-Clearing Participants” and shall have the rights, privileges and obligations set forth herein.
- (b) Notwithstanding anything to the contrary in the Rules, status as a Self-Clearing Participant shall not be transferred or sold by or to another Person at any time.

### **Rule 2.2 Eligibility**

- (a) To be eligible to become and remain a Self-Clearing Participant, a Person must:
  - i. if a natural person, be at least eighteen (18) years of age;
  - ii. if not a natural person:
    - 1. be duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized and has all licenses necessary to carry on its business as now being conducted;
    - 2. have the legal authority and be duly authorized and empowered to become a Self-Clearing Participant and to effect transactions in Contracts on the Exchange and clear Contracts through the Clearinghouse; and
    - 3. have appointed one or more Authorized Users to act on its behalf;
  - iii. not be subject to a statutory disqualification under sections 8a(2) or 8a(3) of the CEA;
  - iv. have a mechanism that is acceptable to the Clearinghouse for transferring funds to and receiving funds from the IDC Settlement Account to fulfill its obligations as a Self-Clearing Participant;
  - v. reside or be domiciled in a jurisdiction acceptable to the Corporation (including as to regulatory, legal and insolvency matters);
  - vi. be an authorized trading participant (however defined) of the relevant Listing Exchange (including the ICE Futures U.S. Event Contract Division); and
  - vii. satisfy such other requirements or criteria as may from time to time be adopted by the Corporation.
- (b) Notwithstanding the foregoing, a Person is ineligible to be a Self-Clearing Participant if such Person is a Sanctioned Party. An application submitted by a Sanctioned Party will not be reviewed by the Corporation. Furthermore, any Sanctioned Party is automatically ineligible to maintain the status of a Self-Clearing Participant and such status may be terminated by the Corporation immediately upon such Person becoming a Sanctioned Party. A Self-Clearing Participant shall immediately notify the Corporation if it becomes at any time a Sanctioned Party.

### **Rule 2.3 Application for Self-Clearing Participant Privileges**

- (a) A natural person applying to be a Self-Clearing Participant must file with the Exchange and Corporation an application to be a Self-Clearing Participant in the form supplied by the Exchange and Corporation, a non-refundable application fee in the amount specified by the Board, and such other documents as the Corporation may deem necessary or appropriate.
- (b) An entity applying to be a Self-Clearing Participant shall file with the Exchange and Corporation an application to be a Self-Clearing Participant in the form specified by the Exchange/Corporation, accompanied by a non-refundable application fee in the amount specified by the Exchange/Corporation, and such other documents as the Corporation may deem necessary or appropriate, including the applicant's organizational documents.
- (c) The Corporation may direct the applicant to supplement, or the Corporation may investigate any information supplied by the applicant, or which the Corporation believes is appropriate.
- (d) The Corporation shall review the application and may ask for and review any additional information it deems relevant.
- (e) The Corporation may delegate to the relevant Exchange the review of any application, or otherwise coordinate the review of the application with the Exchange.

### **Rule 2.4 Approval and Rejection**

- (a) The Corporation shall, when it deems the application to be complete, either approve the application or if the applicant fails to satisfy the eligibility requirements or if the Corporation determines that admitting the applicant is not in the best interests of the Corporation, deny the application. The Corporation may delegate to the relevant Listing Exchange the decision to approve or deny any application.
- (b) If the Corporation denies an application, the applicant may appeal the decision by filing with the Exchange's Compliance Department a request for review of such application denial. The request should describe in detail the reasons why the application should be granted and should be filed within one week from the date upon which notice of the denial of the applicant's application was provided. Notwithstanding the foregoing, persons that are denied because they are Sanctioned Parties may not appeal such denial.
- (c) Any appeal of the denial of an application shall be heard by the Exchange's Business Conduct Committee (or another committee designated by the Corporation). The Business Conduct Committee may act through a subcommittee appointed by the Chairperson of the Business Conduct Committee. After review of the evidence presented by the Applicant, the subcommittee shall vote for or against election of the applicant. An applicant receiving affirmative votes of a majority of the subcommittee of the Business Conduct Committee shall be approved as a Self-Clearing Participant. Notwithstanding the above, the Business Conduct Committee may place such conditions or restrictions on the execution of

transactions by an applicant approved to be a Self-Clearing Participant as the Business Conduct Committee (or the applicable subcommittee) deems appropriate.

- (d) The decision of the Business Conduct Committee will be final. Any application rejected by the Business Conduct Committee shall not be reconsidered for one (1) year.

## **Rule 2.5 Obligations and Requirements**

- (a) Each Self-Clearing Participant must immediately notify the Corporation in writing upon becoming aware:

1. that the Self-Clearing Participant and, if applicable, any of the Self-Clearing Participant's officers or Authorized Users has:
  - a. had trading or clearing privileges or other access suspended, revoked or otherwise limited by any trading facility or clearing organization or participation in any Regulatory Agency that is a self-regulatory organization;
  - b. has been convicted of, pled guilty or no contest to, or entered a plea agreement to any felony in any domestic, foreign or military court, as applicable;
  - c. has been convicted of, plead guilty or no contest to, or entered a plea agreement to a misdemeanor in any domestic, foreign or military court relating to, or has been found by any court of competent jurisdiction or any Regulatory Authority or by agreement of settlement to which any Regulatory Authority is a party to have violated, any statute or rule relating to, as applicable:
    - embezzlement, theft, extortion, fraud, fraudulent conversion, forgery, counterfeiting, false pretenses, bribery, gambling, racketeering, or misappropriation of funds, securities or properties, or money laundering; or
    - any transaction in or advice concerning swaps, futures, options on futures or securities; or
  - d. has been subject to, or associated with a firm that was subject to, regulatory proceedings before any Regulatory Agency;
2. of any other material change in any information contained in the Self-Clearing Participant's application, including any failure to meet the eligibility criteria in Rule 2.2;
3. of becoming the subject of a bankruptcy petition, receivership proceeding, or the equivalent, or being unable to meet any financial obligation as it becomes due.; or

4. of information that concerns any financial or business developments that may materially affect the Self-Clearing Participant's ability to continue to comply with applicable participation requirements.
- (b) Each Self-Clearing Participant must diligently supervise all activities of its employees and/or agents, including all Authorized Users, relating to Contracts and communications with the Corporation. Any violation of these Rules by any employee, agent or Authorized User of a Self-Clearing Participant may constitute a violation of the Rules by such Self-Clearing Participant.
- (c) Each Self-Clearing Participant must provide to the Corporation such periodic financial reports as the Corporation may specify or request from time to time. Such reports must be made available by the Self-Clearing Participant to the CFTC when so required, and the Corporation will also make such reports available to the CFTC when so required.
- (d) All communications of a Self-Clearing Participant, or an Authorized User thereof with the Corporation, including keystrokes entered by such Person on Corporation, emails and telephone calls, may be recorded without further notice, and such recordings may be provided to regulatory authorities (subject to and in compliance with Applicable Laws) and used as evidence in the event of any dispute. Such recordings will be and remain the sole property of the Corporation and will, in the absence of manifest error, be accepted by such person as evidence of the communications so recorded. The recordings shall be retained in accordance with Applicable Law or any such longer period as may be determined by the Corporation in its sole discretion. Further, such recordings may be used for Corporation's own purposes (including, without limitation, for the purpose of monitoring levels of activities in categories of transactions) and not for the person's benefit.
- (e) Each Self-Clearing Participant and Authorized User thereof must cooperate promptly and fully with the Corporation, the relevant Exchange, their respective agents, and/or the CFTC in any investigation, call for information, inquiry, audit, examination, or proceeding. Such cooperation shall include providing the Corporation with access to information on the activities of such person in any referenced or related market that provides the underlying prices for any Contract or that is otherwise related to the pricing or trading of any Contract. Without limiting the foregoing, the Corporation and its officers, directors and agents engaged in any investigation of or examination of any matter pursuant to the Rules shall have the power to summon any person subject to the jurisdiction of the Corporation to give testimony under oath or in any other manner required by them and to produce any documents, books or records. If any such person fails to obey any such summons or to give any such testimony or to produce, in part or in full, any such documents, books or records, such failure shall constitute a violation of the Rules.
- (f) Each Self-Clearing Participant, or Authorized User thereof, consents to allow the Corporation to provide all information the Corporation has in its possession or control to the CFTC or any other regulatory agency, law enforcement authority, or judicial tribunal, including (as may be required by information sharing agreements or other contractual, regulatory, or legal provisions) foreign regulatory or self-regulatory bodies, law enforcement authorities, or judicial tribunals.

## **Rule 2.6 Termination**

- (a) To terminate its status as a Self-Clearing Participant, a Self-Clearing Participant must make written request to the Corporation. If accepted by the Corporation, such termination shall be effective upon such Self-Clearing Participant's fulfillment of its obligations under paragraph (c) below, or at such other time as the Corporation may determine in its reasonable discretion is desirable for the efficient operation of the Corporation.
- (b) When the Corporation accepts the request to terminate Self-Clearing Participant status, all rights and privileges of such Self-Clearing Participant under these Rules shall terminate (including, without limitation, Clearing Privileges) except as set forth in paragraph (c) below. The accepted request to terminate Self-Clearing Participant status shall not affect the rights of the Corporation under these Rules or relieve the former Self-Clearing Participant of such Self-Clearing Participant's obligations under the Rules arising before such withdrawal. Notwithstanding the accepted request to terminate Self-Clearing Participant status, the terminated Self-Clearing Participant remains subject to the Rules, its obligations thereunder and the jurisdiction of the Corporation for acts done and omissions made while a Self-Clearing Participant, must comply with paragraphs (c) and (d) below, must cooperate in any investigation or disciplinary action by the Exchange or Clearinghouse as if the terminated Self-Clearing Participant were still a Self-Clearing Participant, and must comply with requests for information from the Corporation regarding activities and obligations while a Self-Clearing Participant for at least five years following its withdrawal.
- (c) A Self-Clearing Participant that has requested termination of Self-Clearing Participant status pursuant to paragraph above shall be subject to the following requirements, obligations and provisions:
  - (i) it must use all reasonable endeavors to close out all open positions in its Self-Clearing Participant Account within 30 days after the Self-Clearing Participant has made the request pursuant to paragraph (A) (the "wind-down period");
  - (ii) after requesting termination of Self-Clearing Participant status pursuant to paragraph (a), the Self-Clearing Participant may only be entitled to submit transactions for clearing which it can demonstrate have the overall effect of reducing open positions; and
  - (iii) if the Self-Clearing Participant has any open positions with the Corporation after the wind-down period, the Self-Clearing Participant shall be subject to the Corporation exercising rights under Rule 4.5 to liquidate the open positions of the Self-Clearing Participant (as though the Self-Clearing Participant were in default).
- (d) Any request to terminate Self-Clearing Participant status pursuant to paragraph (a) above shall be irrevocable by the Self-Clearing Participant and Self-Clearing Participant may only be reinstated pursuant to a new application for Self-Clearing Participant following the close-out of all open Contracts in Self-Clearing Participant's Self-Clearing Participant Account.

## **Rule 2.7 Authorized Users of the Self-Clearing Participant**

- (a) Each Self-Clearing Participant shall be required to appoint one or more individuals to act as its Authorized Users, provided, however, that a Self-Clearing Participant that is a natural person is deemed to be and may act as their own Authorized User. Each Authorized User must consent, in a form satisfactory to the Corporation, to abide by the Rules and Applicable Law prior to accessing the Clearing Services, and each Self-Clearing Participant, as applicable, will ensure on an ongoing basis that (i) none of its Authorized Users is subject to a disqualification pursuant to any Applicable Law (unless an appropriate exemption or waiver has been obtained with respect thereto), (ii) each of its Authorized Users will be technically proficient, (iii) each of its Authorized Users will conduct its business in a fair and equitable manner, and (iv) each of its Authorized Users will conduct its business in accordance with the Rules. Each Authorized User shall also comply with all applicable rules and requirements of the Exchange.
- (b) The Corporation may withdraw or suspend the authorization of any Authorized User if it determines that: (i) an Authorized User has failed, or has caused the Self-Clearing Participant to fail, to comply with the Rules or is notified by the Exchange that such user has failed to comply with the Exchange Rules; (ii) an Authorized User is not properly performing the responsibilities of an authorized representative of a Self-Clearing Participant; (iii) an Authorized User has failed to comply with the conditions set forth in paragraph (c) of this Rule; or (iv) it is in the best interests of the Corporation to do so. If the Corporation withdraws or suspends the authorization of an Authorized User, the Self-Clearing Participant for which the Authorized User is registered, as applicable, must ensure that the Authorized User does not access the Corporation or the Exchange.
- (c) Each Self-Clearing Participant that is an Entity shall at all times have at least one employee or agent (each, an "Administrator") designated as its administrator with respect to its use of its Clearing Privileges. Each Self-Clearing Participant that is a natural person shall serve as its own Administrator. The Corporation may prescribe such qualification standards for Administrators of Clearing Self-Clearing Participants that are entities as it may from time to time determine necessary or advisable. Each Administrator shall have access to the Clearing Services for the purposes of back office, audit, risk management and banking functions. The Administrator of any Self-Clearing Participant shall also be solely responsible for any and all communications between the Corporation and such Self-Clearing Participant, and any and all notices or other communications sent to such Administrator by the Corporation shall be binding on such Self-Clearing Participant. Each Self-Clearing Participant shall notify the Corporation promptly of any change regarding any of its Administrator.
- (d) Each Self-Clearing Participant for which another person is an Authorized User or Administrator shall (i) be solely responsible for controlling and monitoring the use of all User IDs and passwords to access the Clearing Services, (ii) provide such User IDs and passwords only to Authorized User(s) and Administrators, and (iii) shall notify Corporation promptly upon becoming aware of any unauthorized disclosure or use of the User IDs or passwords or access to the Clearing Services or of any other reason for deactivating User IDs or passwords. Each Self-Clearing Participant for which another person is an Authorized User or Administrator shall be bound by any actions taken by such person's use of its User IDs and passwords.

- (e) The authorization of an Authorized User or Administrator will be withdrawn upon the written request of either such person or the Self-Clearing Participant for which the Authorized User or Administrator is registered. Such written request shall be submitted in a manner prescribed by the Corporation. Until such written request is received and processed by the Corporation, or an Authorized User's or Administrator's authorization is suspended or withdrawn pursuant to this Rule, the Self-Clearing Participant will be responsible for all activity of such Authorized User or Administration related to the Corporation including any placement and clearing of Orders.

## CHAPTER 3 - CLEARING ACCOUNTS AND COLLATERALIZATION

### Rule 3.1 Accounts

- (a) The Corporation will establish one or more clearing accounts on its books and records in the name and for the benefit of each Self-Clearing Participant for recording Contracts cleared by the Self-Clearing Participant, amounts posted to the Clearinghouse by the Self-Clearing Participant as collateral in connection therewith under these Rules and amounts owed to or by the Clearinghouse in connection with Contracts (each such account and all such accounts of a Self-Clearing Participant collectively referred to herein as its “**Account**”). Multiple Accounts will be established for a Self-Clearing Participant at its request only with the consent of the Corporation.
- (b) The Self-Clearing Participant will be responsible for all transactions and other activity in or through its Account and for all amounts due with respect to any such transactions, or other activity, including but not limited to required amounts of collateral and fees.
- (c) In the event Corporation determines that a Self-Clearing Participant may maintain more than one Account, as described in subparagraph (a) of this Rule, the Self-Clearing Participant shall designate to the Corporation each Authorized User (which includes itself when the Clearing Self-Clearing Participant/Participant is a natural person) that is authorized to provide instructions or take actions for a specific Account, provided that the Self-Clearing Participant shall at all times be responsible for all of its Accounts as set forth under these Rules.

### Rule 3.2 Deposit Procedures

- (a) Self-Clearing Participants shall make deposits to the Corporation through the Portal or by wire transfers to the relevant IDC Settlement Account. Wire transfers must be executed pursuant to the Corporation's wire transfer instructions.
- (b) In addition, Self-Clearing Participant are required to maintain an account with the designated service provider that provides the ability to promptly and irrevocably transfer funds to the Corporation for credit to the IDC Settlement Account.
- (c) Funds shall be available for use by a Self-Clearing Participant with respect to its Clearing Privileges no later than the next Business Day after the funds are irrevocably received in or credited to the Clearinghouse's IDC Settlement Account at the IDC Settlement Bank.
- (d) The Corporation may apply a Self-Clearing Participant's collateral against the Self-Clearing Participant's Obligations.

### Rule 3.3 Withdrawal Procedures

- (a) Self-Clearing Participants (acting only through an Authorized User or Administrator) may request withdrawals of excess collateral in their Accounts through the Portal.

- (b) Self-Clearing Participants are responsible for providing accurate account numbers or equivalent to allow the Corporation to effect transfers.
- (c) Withdrawals will occur on the third Banking Day after a Self-Clearing Participant has submitted a withdrawal request via the Portal during Trading Hours (and on the fourth Banking Day following the submission of the withdrawal request via the Portal if made outside of Trading Hours).
- (d) The Corporation shall not be obligated to effect a withdrawal for a Self-Clearing Participant unless the Self-Clearing Participant complies with the withdrawal procedures set forth herein.

### **Rule 3.4 Reconciliation**

The Corporation shall reconcile the positions and cash and collateral balances of each Self-Clearing Participant's Account periodically, including at the end of each Business Day. The Corporation shall make available to each Self-Clearing Participant at all times a statement of the positions and cash and collateral balances of each such Self-Clearing Participant.

### **Rule 3.5 Full Collateralization of Contracts Required**

All cleared trades must, at all times, be fully collateralized and pre-funded by the Self-Clearing Participant that is party thereto. Self-Clearing Participants must maintain with the Corporation sufficient funds to fully collateralize their Maximum Downside Exposure. The Corporation will not accept for clearing a position that is not fully collateralized.

The Company does not maintain a financial resource package to be used in the event of a Member Default because it clears only fully collateralized positions.

### **Rule 3.6 Collateral Requirements**

- (a) United States dollars are the sole form of acceptable collateral, except as otherwise may be determined by the Corporation from time to time in respect of a particular Contract or category of Contracts.
- (b) Except as otherwise provided herein, collateral provided by Self-Clearing Participants must be and remain unencumbered, other than the encumbrance in favor of the Corporation described in this paragraph. Each Self-Clearing Participant posting collateral hereby grants to the Corporation a continuing first priority security interest in, lien on, right of setoff against and collateral assignment of all of such Self-Clearing Participant's right, title and interest in and to the Self-Clearing Participant's Accounts and any property transferred to or deposited with the Corporation by the Self-Clearing Participant or otherwise credited to the Self-Clearing Participant's Account, whether now owned or existing or hereafter acquired or arising, and all proceeds of the foregoing. A Self-Clearing Participant shall execute any documents required by the Corporation to create, perfect and enforce such security interest.
- (c) The collateral provided by Self-Clearing Participant's in the aggregate shall be held by the Clearinghouse in one or more accounts on an omnibus basis at one or more banks or other depositories located in the United States in accordance with the Corporation's treasury

policies and in a manner consistent with the CEA and CFTC Regulations. Any interest earned by the Corporation on such amounts may be retained by the Corporation.

- (d) The Corporation has the right to apply a Self-Clearing Participant's collateral to its obligations to the Corporation when due, including in settlement of any cleared Contract or amounts owed to the Corporation in connection with any default by such Self-Clearing Participant or termination of its Clearing Privileges.
- (e) Collateral transfers made by a Self-Clearing Participant to the Corporation shall be irrevocable and unconditional when effected.

### **Rule 3.7 Segregation of Participant Funds**

- (a) The collateral provided by Self-Clearing Participants shall be deposited in accounts with banks pursuant to Rule 3.6 in a manner segregated from the property of the Corporation.
- (b) The Corporation shall maintain a proprietary account that will be credited with fees or other payments owed to the Corporation that are debited from Self-Clearing Participant's Accounts as a result of Self-Clearing Participants' trades and settlements of Contracts cleared by the Corporation. The Corporation shall maintain a record of each Self-Clearing Participant's Account balances and each Contract traded.

### **Rule 3.8 Investment and Use of Self-Clearing Participant Account Assets**

The Clearinghouse may invest cash provided by Self-Clearing Participants and credited to their Accounts in accordance with the Clearinghouse's procedures in investments with minimal credit, market and liquidity risks, consistent with any applicable requirements of the CEA and CFTC regulations. The Corporation shall have no obligation to inform the Self-Clearing Participants of any such investments or of the results or performance of such investments and shall be entitled to retain any profits from or return on such investments.

## **CHAPTER 4 -CLEARING AND RELATED RULES**

### **Rule 4.1 Submission and Acceptance of Trades for Clearing**

- (a) A Self-Clearing Participant is required to have sufficient funds on deposit in its Account with the Corporation such that the Account will contain the required collateral for all Contracts resulting from any transactions cleared in the Account to be Fully-Collateralized Contracts.
- (b) For trades executed competitively on or subject to the rules of the Exchange's electronic trading system:
  - a. the Corporation will coordinate with the Exchange to establish automated systems that will accept or reject orders for trading, and any resulting position for clearing, all contracts that are listed for clearing by the Corporation and are executed competitively on or subject to the rules of the Exchange's electronic trading system;
  - b. upon submission of an order by a Self-Clearing Participant, a set of validation and collateral checks will be conducted via such automated system(s) by the Corporation. Upon confirmation that the order passes the validation checks to verify that the Self-Clearing Participant's Account has sufficient funds to fully collateralize the position resulting from the order if fully matched, the order will become eligible for matching at the Exchange. If the Account does not have the necessary funds and/or collateral for the order, the order will be rejected and will not be submitted to the Exchange for execution.
- (c) Upon the successful matching of orders in the Exchange's electronic trading system in accordance with Paragraph (b) of this Rule, the Corporation shall immediately, through the process of Novation, be substituted as and assume the position of Seller and Buyer. Upon such substitution, the Seller and Buyer shall have no obligations to each other, and in their capacity as Self-Clearing Participants shall be deemed to have bought the Contract from or sold the Contract to the Corporation, as the case may be, and the Corporation shall have all the rights and be subject to all the liabilities of such Self-Clearing Participants with respect to such transactions. Such substitution shall be effective in law for all purposes. The Self-Clearing Participants to the Contract are deemed to consent to the Novation upon the entering of the applicable orders on the Exchange or other submission of the relevant swap to the Corporation for clearing.
- (d) Without duplication of subsection (c), pursuant to the Novation of a Contract,
  - i. The original transaction is extinguished;
  - ii. The original Contract is replaced by an equal and opposite Contract between the Corporation and each Self-Clearing Participant;
  - iii. The Corporation is irrevocably authorized to transfer amounts owed in respect of the cleared Contracts to the appropriate Self-Clearing

Participants in accordance with the applicable Contract Specifications and this Rulebook.

- (e) THE LIABILITIES AND OBLIGATIONS OF THE CORPORATION ARISING PURSUANT TO PARAGRAPH (d) SHALL EXTEND ONLY TO SELF-CLEARING PARTICIPANTS AND NOT TO ANY OTHER PERSON.
- (f) Transactions for Contracts with the same terms and conditions, as defined by the Contract Specifications, submitted to the Corporation for clearing, are economically equivalent within the Clearinghouse and may be offset with each other within the Clearinghouse.
- (g) All terms of a cleared swap must conform to product specifications established under Exchange Rules. Upon acceptance of a cleared swap contract Transaction for clearing, the Corporation will provide a confirmation of the trade to the Self-Clearing Participants. That confirmation will serve as the definitive written record of the terms of the transaction which shall legally supersede any previous agreement and serve as a confirmation of the swap.
- (h) If a Contract is rejected for clearing by the Corporation at any time for any reason, such Contract shall be void ab initio.

#### **Rule 4.2 Settlement of Contracts**

- (a) The Corporation shall maintain, on its system, a record of each Self-Clearing Participant's Account balances and positions in Contracts.
- (b) Upon a Contract's expiration, the Corporation will notify all Self-Clearing Participants of the final settlement amount and close such Contract positions.
- (c) Upon the expiration of a cash-settled Contract, the Account of the Self-Clearing Participant obligated to make a settlement payment in respect of that Contract under the Contract Specifications will be debited.
- (d) Upon the expiration of a cash-settled Contract, the Account of the Self-Clearing Participant entitled to receive a settlement payment in respect of that Contract under the Contract Specifications will be credited.
- (e) This subsection (e) shall apply to any Contract that is to be settled by delivery of an underlying commodity.
  - (i) Any delivery of a commodity under any Contract shall be made in accordance with the rules of the Listing Exchange for such Contract and these Rules.
  - (ii) Notwithstanding anything to the contrary in these Rules or the rules of any Listing Exchange, the Corporation shall have no obligation to make or accept

delivery of any commodity in fulfillment of a Contract, and shall have no liability arising out of a failure of a Self-Clearing Participant or other person to make or accept delivery of any commodity in fulfillment of a Contract.

(iii) Allocations of delivery and payment responsibility under Contracts in delivery to particular Sellers and Buyers (such allocated persons, “**Deliverers**” and “**Receivers**”) shall be made in accordance with the rules of the Listing Exchange and notified to the Clearinghouse.

(iv) Upon receipt by the Clearinghouse of such notice, the relevant cleared Contracts shall be replaced by a contract (the “**Delivery Contract**”) between the Deliverer and the Receiver, whereby the Deliverer agrees to sell the relevant commodity to the Receiver and the Receiver agrees to buy such commodity from the Deliverer, all on the terms and conditions specified in the Contract Specifications and Exchange Rules, and the Corporation shall have no further rights or obligations under such Contracts.

(v) Notwithstanding the foregoing, as a convenience to the parties, the Corporation shall continue to hold the Collateral posted by such parties in respect of the replaced Contracts until the settlement of the Delivery Contract and, at the direction of the Listing Exchange, shall apply the collateral provided by the Receiver to the Receiver’s payment obligation to the Deliverer under the Delivery Contract and apply or direct the application of the collateral provided by the Deliverer to the Deliverer’s delivery obligation to the Receiver under the Delivery Contract. The Corporation shall have no responsibility for any action or action of any platform or intermediary through which the relevant commodity is transferred or to be transferred in settlement of the Delivery Contract.

#### **Rule 4.3 Finality of Settlement**

All payments to Self-Clearing Participants and collections from Self-Clearing Participants including by way of credit to or debit from their Accounts in connection with the clearing and settlement of Contracts are final and irrevocable when made. Any and all amounts paid to the Corporation in satisfaction of the obligations of a Self-Clearing Participant in connection with Contracts shall be unconditionally deposited with the Corporation and shall be exclusively within the dominion and control of the Corporation.

#### **Rule 4.4 Risk Management Actions**

- (a) As provided in CFTC Regulation 39.13(h)(6), the Corporation may take the following actions with respect to a Self-Clearing Participant as appropriate, based on the application of objective and prudent risk management standards:
  - i. Imposing position limits;
  - ii. Prohibiting an increase in positions;
  - iii. Requiring a reduction of positions;
  - iv. Liquidating or transferring positions; and
  - v. Suspending or revoking Clearing Privileges.
- (b) The Corporation may take any other action it deems necessary based on the application of objective and prudent risk management standards.

#### **Rule 4.5 Bankruptcy or Default of a Self-Clearing Participant**

Without limiting the actions that the Corporation may take pursuant to these Rules, in the event that:

- (i) a Self-Clearing Participant becomes subject to any voluntary or involuntary bankruptcy, reorganization, insolvency or liquidation proceeding or any similar proceeding under U.S. federal or state bankruptcy laws or comparable non-U.S. laws;
- (ii) a Self-Clearing Participant fails to perform, as and when due, any of its obligations under these Rules, any Contract or its Self-Clearing Participant Agreement,
- (iii) a Self-Clearing Participant breaches any representation set forth in these Rules or its Self-Clearing Participant Agreement,
- (iv) a warrant of attachment, execution or similar process is issued against any substantial part of the property of a Self-Clearing Participant,
- (v) a Self-Clearing Participant fails to comply with any obligation under Exchange Rules to make or take delivery in respect of a Contract (or to provide any related delivery notice) when due, or
- (vi) a default, event of default or similar condition or event (however described) is declared with respect to such Self-Clearing Participant by another clearing organization or trading facility;

then in any such case the Corporation may, in its sole discretion, (i) liquidate any of the Self-Clearing Participant's open positions in Contracts and (ii) apply any of the Self-Clearing Participant's funds in its Account to satisfy and discharge the Self-Clearing Participant's obligations to the Corporation.

#### **Rule 4.7 Transfer of Positions**

- (a) Upon application of a Self-Clearing Participant, the Corporation may, in its sole discretion, transfer positions in Contracts between Accounts to:
  - i. correct errors in an existing position, provided that the original trade documentation confirms the error;
  - ii. transfer an existing position from one Account of the Self-Clearing Participant to another Account of the same Self-Clearing Participant;
  - iii. transfer an existing position through operation of law from death or bankruptcy;
  - iv. as a result of a merger, asset purchase, consolidation, or similar nonrecurring transaction for a person that is an organization;
  - v. transfer an existing position under other circumstances as permitted by Applicable Law.

- (b) Any positions transferred pursuant to this Rule will be at the original price and date that appears on the books of the Corporation.

## **CHAPTER 5 - REPORTING AND RECORDKEEPING**

### **Rule 5.1 Recordkeeping**

The Corporation will prepare and maintain books and records of all activities relating to the business of the Clearinghouse, respectively, as required and in accordance with applicable provisions of the CEA and Regulations of the CFTC.

The Corporation will provide information required to be maintained or provided pursuant to the CEA and CFTC Regulations to the Commission, the U.S. Department of Justice or any representative of a prudential regulator as authorized by the Commission, upon request or as otherwise required by law, in each case in the form and manner required under these Rules, and/or the CEA and CFTC Regulations.

### **Rule 5.2 Reporting Requirements**

- (a) The Corporation shall report to the CFTC or the relevant swap data repository, as applicable, with respect to cleared Contracts in accordance with the reporting requirements in the CEA, Commission Regulations, and the guidance, no-action or exemptive letters and interpretations provided by the CFTC with respect thereto, including with respect to any Regulatory Swap Data.

## **CHAPTER 6 - DISCIPLINARY PROCEDURES**

### **Rule 6.1 Rule Violations**

- (a) Except as provided in paragraph (b) of this Rule, the Corporation shall refer any suspected violation of the By-Laws or these Rules by any Self-Clearing Participant to the Designated Enforcement Staff of the Exchange for appropriate action, in accordance with the rules of the Exchange.
- (b) The President may summarily impose a fine against any Self-Clearing Participant for failing to make timely and accurate submissions to the Corporation of notices, reports, or other information required under any provision of the By-Laws or these Rules. The amounts of the fines for any category of violations which may be summarily imposed pursuant to this Rule shall not exceed \$10,000. The imposition of a fine pursuant to this Rule shall be the final action of the Corporation.

## **CHAPTER 7 - MISCELLANEOUS**

### **Rule 7.1 Trading Policy**

- (a) Definitions: For purposes of this Rule, the terms “employee”, “material information”, “non-public information” and “commodity interest” have the meanings ascribed to them in Commission regulation 1.59.
- (b) No governing Board member, committee member, employee or consultant of the Corporation shall (i) trade for such person’s own account, or for or on behalf of any other account, in any commodity interest, on the basis of any material, non-public information obtained through special access related to the performance of such person’s official duties as a governing Board member, committee member, employee or consultant of the Corporation, or (ii) disclose for any purpose inconsistent with the performance of such person’s official duties as a governing Board member, committee member, employee or consultant of the Corporation, any material, non-public information obtained through special access related to the performance of such duties.

### **Rule 7.2 Disclosure of Information; Trade Data and Personal Data**

The Corporation shall not disclose any information regarding the financial condition or any transaction, positions, or market operations of any Self-Clearing Participant, except:

- (i) to any committee, director, officer, employee or agent of the Corporation authorized to receive such information within the scope of its or his duties;
- (ii) to the Exchange;
- (iii) to any third party performing a service for the Corporation, provided that such party has executed a confidentiality and non-disclosure agreement in a form approved by the Corporation;
- (iv) to any duly authorized representative of the CFTC lawfully requesting the same;
- (v) as may be required by legal process or by law;
- (vi) as the Corporation may deem necessary or appropriate in connection with any litigation affecting it or the Exchange;
- (vii) in a manner in which the Self-Clearing Participant consents to such disclosure; and
- (viii) pursuant to the terms of an information sharing agreement with a regulatory or self-regulatory body which has been approved by the President.

### **Rule 7.3 Signatures**

Rather than rely on an original signature, the Corporation may elect to rely on a signature that is transmitted, recorded or stored by any electronic, optical, or similar means (including but not limited to telecopy, imaging, photocopying, electronic mail, electronic data interchange, telegram, or telex) as if it were (and the signature shall be considered and have the same effect as) a valid and binding original.

### **Rule 7.4 Governing Law**

The Rules, and the rights and obligations of the Corporation and Self-Clearing Participants under the Rules, and all matters arising out of or relating thereto, shall be governed by and construed in

accordance with the laws of the State of New York without regard to any provisions of New York law that would apply the substantive law of a different jurisdiction.

### **Rule 7.5 Arbitration and Proceedings**

- (a) Any action, suit or proceeding against the Corporation, its Officers, Directors, employees, agents, or any member of any committee arising out of or relating to these Rules or any cleared Contract must be brought within one year from the time that a cause of action has accrued.
- (b) Any action, suit or proceeding between the Corporation and any Self-Clearing Participant or other person subject to the jurisdiction of the Corporation arising out or relating to these Rules or any cleared Contract (a “**Covered Dispute**”) shall be referred to and finally resolved by binding arbitration.
- (c) Such arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the “**Arbitration Rules**”). Capitalized terms used in this Rule 7.5 that are not otherwise defined in these Rules shall have the meanings given to them in the Arbitration Rules.
- (d) The arbitration shall be conducted by a single arbitrator appointed in accordance with the Arbitration Rules. The arbitrator shall be a person with experience in the subject matter of the Covered Dispute and shall not be a current or former employee, officer, director or agent of any person that is a party to the Covered Dispute or any person with a material interest in or conflict of interest with respect to the outcome of the Covered Dispute.
- (e) The seat or legal place of the arbitration shall be New York, New York and the language used in the arbitral proceeding shall be English. Except as may be required by law, a party to the Covered Dispute may not disclose the existence, content or results of any arbitration in respect of a Covered Dispute or any confidential information disclosed within an arbitration proceeding without the prior written consent of all parties.
- (f) Each party to the arbitration shall bear its own costs and expenses and an equal share of the arbitrator’s and administrative fees of arbitration.
- (g) The arbitration shall be governed by the law of the State of New York and the Federal Arbitration Act.
- (h) The award of the arbitrator will be final and binding on the parties from the date it is made. Judgment on the award may be entered or the award enforced through any applicable procedure in any court of competent jurisdiction.
- (i) This Rule 7.5 shall be without prejudice to and shall not limit in any way the right of the Corporation to exercise any right or remedy or institute or conduct any proceeding (including a disciplinary proceeding) under the Rules.
- (j) To the extent that notwithstanding subsection (b), the Covered Dispute is not subject to or eligible for arbitration, such Covered Dispute shall be brought solely in the U.S. federal or New York State courts located in the Borough of Manhattan in New York, New York, and each of the Corporation and each Self-Clearing Participant and other person subject to the jurisdiction of the Corporation hereby expressly consents to the exclusive jurisdiction of such courts and waives any objection to venue therein. The foregoing shall not preclude the enforcement of a judgment from such courts in any other jurisdiction.

- (k) The Corporation and each Self-Clearing Participant and other person subject to the jurisdiction of the Corporation hereby waives any right it may have to a trial by jury in connection with any Covered Dispute.

#### **Rule 7.6 Force Majeure**

Notwithstanding any other provision of these Rules, the Corporation shall not be obligated to perform its obligations under these Rules or any agreement with a Self-Clearing Participant, or to compensate any person for losses occasioned by any delay or failure of performance, to the extent such delay or failure is the result of acts of God, lightning, earthquake, fire, epidemic, landslide, drought, hurricane, tornado, storm, explosion, flood, nuclear radiation, act of a public enemy or blockade, insurrection, riot or civil disturbance, strike or labor disturbance, cyberattack or similar systems intrusion or disruption, or any other cause beyond the Corporation's reasonable control (whether or not similar to any of the foregoing). If the Corporation shall, as a result of any of the above-described events, fail to perform any of its obligations, such failure shall be excused for a period equal to the period of delay caused by such event. In such an event, the Corporation shall give written notice thereof to the affected market or such Self-Clearing Participant, as the case may be, as soon as it is reasonably practicable and attempt diligently to remove such condition.

#### **Rule 7.7 Limitation of Liability**

- (a) NONE OF THE CORPORATION AND THE EXCHANGE, INTERCONTINENTAL EXCHANGE, INC. ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AFFILIATES, AGENTS OR LICENSORS, OR ANY MEMBER OF ANY COMMITTEE OF THE CORPORATION, EXCHANGE OR ANY SUCH AFFILIATE (THE "DISCLAIMING PARTIES") SHALL BE LIABLE TO ANY PERSON OR ENTITY FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, GOODWILL, LOSS OF USE, DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, EVEN IF THEY WERE FORESEEN, FORESEEABLE, KNOWN OR OTHERWISE) ARISING OUT OF OR IN CONNECTION WITH ANY ERROR, ACT OR OMISSION ON THE PART OF A DISCLAIMING PARTY, OR ON THE PART OF ANY PERSON IN THE CAPACITY OF A DIRECTOR, COMMITTEE MEMBER, OFFICER, AGENT, EMPLOYEE OR SHAREHOLDER OF A DISCLAIMING PARTY, WHETHER OR NOT SUCH LOSSES, DAMAGES, COSTS OR EXPENSES ARE DUE TO NEGLIGENCE, UNLESS SUCH ERROR, ACT OR OMISSION WAS THE RESULT OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR WAS IN BAD FAITH.
- (b) WITHOUT LIMITING THE GENERALITY OF PARAGRAPH (a) HEREOF, EXCEPT IN INSTANCES WHERE THERE HAS BEEN A FINDING OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR BAD FAITH, IN WHICH CASE THE PARTY FOUND TO HAVE ENGAGED IN SUCH CONDUCT CANNOT AVAIL ITSELF OF THE PROTECTIONS IN THIS PARAGRAPH (b), NONE OF THE DISCLAIMING PARTIES SHALL BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE,

DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF THEY WERE FORESEEN, FORESEEABLE, KNOWN OR OTHERWISE), ARISING FROM:

- i. ANY FAULTS, FAILURES, OR MALFUNCTIONS WITH RESPECT TO THE PLATFORM OR PLATFORM SOFTWARE OR OTHER SYSTEM OFFERED OR UTILIZED BY A DISCLAIMING PARTY OR ANY SERVICES OR FACILITIES OF A DISCLAIMING PARTY USED TO SUPPORT ANY SUCH SYSTEM(S), HOWEVER, THOSE FAULTS, FAILURES, OR MALFUNCTIONS MAY ARISE;
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