



**ICE CLEAR US, INC.
RULES**

TABLE OF CONTENTS

Part 1 General Provisions 1
Part 2 Clearing Membership..... 5
Part 3 Guaranty Fund.....16
Part 4 Clearing Mechanism26
Part 5 Margins and Premiums.....30
Part 6 Deliveries.....39
Part 7 Miscellaneous.....44
Part 8 Defaults52
Part 9 Disciplinary Proceedings57

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Part 6 Deliveries

Rule 601. Delivery Rules

Any delivery of commodities under any Contract shall be made in accordance with these Rules and the rules of the Listing Exchange for such Contract. Each Clearing Member which is, or which carries an account which is required to make or accept physical delivery of a commodity pursuant to a futures contract shall notify the Corporation if and when delivery or payment has been made, as applicable, at such time and as otherwise required by the rules of the Listing Exchange.

Rule 602. Responsibility for Delivery; Margin.

(a) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE RULES OR BY-LAWS OR THE RULES OF ANY LISTING EXCHANGE, EXCEPT AS EXPRESSLY SET FORTH IN THIS CHAPTER 6 OF THE RULES, 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 CLEARING MEMBER OR ANY OTHER PERSON TO MAKE OR ACCEPT SUCH DELIVERY.

(b) Each Clearing Member which issues or receives a delivery notice for a commodity under any Contract (i) shall maintain initial margin on each such Contract and (ii) deposit with the Corporation variation margin amounts in the form of initial margin for each such Contract in accordance with Rule 602(c).

(c) When a delivery notice or multiple delivery notices with respect to a futures contract of a Deliverer to sell a commodity is issued by the Corporation to a Receiver holding a futures contract to buy such commodity:

(i) such futures contracts shall be combined into a single contract between the Deliverer and the Receiver, whereby the Deliverer agrees to sell such commodity to the Receiver and the Receiver agrees to buy such commodity from the Deliverer, all on the terms and conditions specified in the futures contract being combined in the applicable rules of the Listing Exchange; and

(ii) the Corporation shall have no further rights or obligations under any such contracts.

Notwithstanding the foregoing, the Corporation shall, as a convenience to the parties, continue to ~~adjust initial~~collect and pay variation margin from and to the Receiver and the Deliverer with respect to the combined contract in the same ~~amount~~manner as ~~if~~ it ~~collected~~eds and ~~paid~~ys variation margin on ~~the~~ open futures contracts, and the Corporation shall continue to hold initial margin with respect to such combined contract, all subject to and as provided in the ~~se~~ Rules and, if specified therein, the rules of the Listing Exchange. In the event that either the Deliverer or the Receiver shall default in paying any such ~~initial~~variation margin when and as due with respect to such combined contract:

~~(A) the Corporation may apply the amount of initial margin on deposit with the Corporation from such Clearing Member with respect to such contract against such payment, it being expressly understood that the Corporation shall have no obligation to collect and pay variation margin in such circumstances to the extent that the amount of initial margin on deposit with the Corporation is insufficient for such purpose;~~

~~(AB)~~ the Corporation shall thereafter have no further obligation to ~~adjust~~collect or pay variation initial margin with respect to such contract; and

(~~BC~~) the Corporation shall not have any other obligation or liability with respect to such default, including, without limitation, any obligation to make any payments from the Guaranty Funds or any other asset it holds on behalf of the defaulting party, or to make any assessments on Clearing Members with respect to such default.

Any default by the Deliverer or Receiver with respect to such combined contract shall be subject to any applicable rules of the Listing Exchange, but shall not be the responsibility of the Corporation. Determinations as to whether delivery has been properly and timely made (including as to the adequacy or conformance of any delivered commodities) will be made in accordance with the rules of the Listing Exchange, and will not be the responsibility of the Corporation.

(d) If any Clearing Member shall not have deposited or paid any initial margin, variation margin or option premiums due from it at the time it tenders a delivery notice to the Corporation, the Corporation may decline to accept such delivery notice.

Rule 603. Deliveries in Bankruptcy Situations

(a) For the purposes of this Rule 603:

(i) Notwithstanding Rule 101, the term "Customer" shall mean any person for whom a Clearing Member carries a Contract, except a non-public customer as that term is defined in Commission Regulation 190.01(b).

(ii) The term "Debtor" shall mean any Clearing Member with respect to which an Order for Relief is entered.

(b) This Rule 603 shall apply if a Clearing Member carrying a Contract traded on or subject to the rules of any Exchange for any Customer becomes a Debtor, and if the rules of any such Exchange provide for physical delivery of a commodity to be made directly between such a Customer and an opposite Clearing Member which either issued a delivery notice that was assigned to such Customer or received a delivery notice that was issued by or on behalf of such Customer.

(c) By not later than 12:00 Noon on the second Business Day following the date of the entry of the Order for Relief with respect to the Debtor, or on the date payment and delivery are required under the rules of the Listing Exchange for any Contract, whichever is sooner, each Customer of the Debtor shall notify the Corporation in writing if such Customer is seeking to make or take delivery pursuant to the applicable rules of such Exchange, giving the name and address of such Customer. Upon the giving of such notice, such Customer shall assume all the obligations of the Debtor to the Corporation and the opposite Clearing Member with respect to such Contract (but not including the obligation to deposit with or pay to the Corporation any initial margin or variation margin with respect thereto, unless required by the rules of such Exchange). If, pursuant to the preceding sentence, any such Customer is not obligated to make payments of variation margin with respect to such Contract, the opposite Clearing Member shall likewise not be obligated to make payments of variation margin with respect thereto.

(i) If the Customer is seeking to make delivery, such notice shall be accompanied by

(A) evidence, satisfactory to the Corporation, that the Debtor presented delivery notice to the Corporation on behalf of the customer;

(B) a document of title as required by the rules of such Exchange for delivery of the commodity which is the subject of the delivery notice, duly endorsed, for such commodity; and

(C) such other documents as are required pursuant to these Rules and the rules of such Exchange to make delivery in fulfillment of a Contract for such commodity.