

PART W: EURO-DENOMINATED GOVERNMENT BOND CONTRACTS

1. EURO-DENOMINATED GOVERNMENT BOND CONTRACTS

The following applies to each Euro-denominated government bond ("EDGB") Contract.

1.1 Delivery Mechanism

EDGB Contracts must be delivered through the Clearing House's account at Euroclear NV/SA, [Euroclear France](#) or Clearstream Banking AG (as applicable) (the "Relevant Settlement System").

1.2 Delivery Communication ~~and Guardian~~

Delivery documentation must be submitted using ECS (or any successor system). Clearing Members must always ensure they allow sufficient time to connect and transmit their delivery details within the deadlines prescribed in these Delivery Procedures. Failure to do so will result in late delivery and therefore may be subject to disciplinary action by ICE Futures Europe or the Clearing House.

1.3 Invoice Value Calculation

The amount due to Sellers and payable by Buyers is calculated in accordance with the relevant Contract Terms (all values in EUR):

Invoice value per lot = (1000 x EDSP x Price Factor) + Accrued Interest

The Clearing House establishes the invoicing amount by calculating the full value of 1 lot using the formula (*i.e.* up to 7 decimal places on the price factor and 5 on the EDSP) and rounding to the nearest whole eurocent (€0.005 rounded down). This per lot value is then multiplied by the number of lots to establish the total invoice value.

1.4 Deliverable Bonds

A Deliverable Bond is a bond which is listed on the final list of deliverable bonds for a delivery month as defined in the relevant Contract Terms. This list is published by ICE Futures Europe and is available to download from ECS (or any successor system).

1.5 Delivery Day Definition

The Delivery Day and Last Trading Day are defined in the relevant Contract Terms and the ICE Futures Europe Rules.

1.6 Last Trading Day

Clearing Members are obliged to deliver or take delivery in respect of their total gross EDGB Contract position remaining open after the close of trading in the EDGB Contract delivery month on the Last Trading Day and must ensure that their gross position (open buying and selling EDGB Contracts) registered with the Clearing House or submitted to the Clearing House for registration allows such delivery.

1.7 Effecting Delivery

The Clearing House may effect delivery under an EDGB Contract by dividing and/or amending the notional amount of the underlying bond and/or the EDSP, provided that the amount calculated as the aggregate notional amount multiplied by the EDSP for the affected EDGB Contract remains the same.

1.8 Delivery Timetable

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TIME	ACTION
Last Trading Day (Delivery Day – 2 <u>Business Days</u>)	
At 11:30	Trading for EDGB Contracts in the current delivery month shall cease.
As soon as reasonably practicable	ICE Futures Europe announces the EDSP and this is published on ECS (or any successor system).
By 13:00	<p>Sellers holding Open Contract Positions <u>must</u> submit a Seller's Delivery Notice via ECS (or any successor system). Clearing Members are not required to give notification via ECS (or any successor system). Clearing Members with Open Contract Positions in the Set of the expired delivery month are obliged to make or take delivery.</p> <p>Deliverable positions are based on Clearing Members' Open Contract Positions at the close of business the previous day. The Open Contract Positions may be transferred or settled to establish the deliverable position.</p> <p>In respect of EDGB Contracts remaining open at the close of trading on the Last Trading Day:</p> <p>(i) The input of a Seller's Delivery Notice without the corresponding delivery notification (or <i>vice versa</i>) will not constitute a valid notification.</p> <p>(ii)—Each Seller's Delivery Notice shall specify in respect of each lot :</p> <p>(iii)<u>(ii)</u> full details of the Deliverable Bond, the delivery amount of which is to be transferred in accordance with the Contract Terms on the Delivery Day ; <u>and</u></p> <p>(A) <u>the name of the Seller.</u></p> <p>Only one Deliverable Bond shall be nominated in respect of each lot referred to in the Seller's Delivery Notice.</p>
By 15:00	<p>Allocation of lots to Buyers.</p> <p>A MPFE report indicating the number of lots allocated to Buyers is made available on ECS (or any successor system). The Clearing House will allocate each lot to a Buyer for the purpose of delivery. The allocation of Deliverable EDGB Contracts to Buyers will be made on a random basis.</p>
By 18:00	<p>The following are made available via ECS (or any successor system):</p> <p>(i) Delivery Instructions for Sellers</p>

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TIME	ACTION
	<p>(ii) Delivery Instructions for Buyers</p> <p>The instructions as described must be utilised by Clearing Members in order to match the instructions. Clearing Members should endeavour to match at the earliest possible time.</p>
From 18:00	<p>Clearing Members to commence matching</p> <p>Details of the Contracts subject to delivery obligations must be submitted to and matched in the Relevant Settlement System on the Last Trading Day in order for settlement to occur on the Delivery Day</p> <p>All entries must be made with the necessary fields completed in order to match with the instruction</p> <p>Clearing Members update delivery status to "Matched" in the Relevant Settlement System.</p> <p>Failure to match contravenes the Clearing House Procedures and applicable Contract Terms.</p> <p>The Clearing House informs ICE Futures Europe of any outstanding matching problems.</p>

TIME	ACTION
Delivery Day	
By 8:00	<p>Bonds delivered by Seller against payment of invoice amount. Bonds received by Buyer against payment of invoice amount.</p> <p>The Clearing Member must ensure that their Relevant Settlement System priority settings and cap permit their trades to settle before the settlement deadline.</p> <p>Bonds will have passed from the Seller's Relevant Settlement System account to the Clearing House's Relevant Settlement System account and subsequently to the Buyer's Relevant Settlement System account on Delivery Day.</p> <p>Clearing Members who have failed to deliver (including those whose Customer or Transferor has failed to deliver) must contact the Clearing House to give reasons for the failure and confirm what measures have been taken to facilitate delivery.</p>

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TIME	ACTION
Delivery Day + 1	
	Original and Variation Margin is released.

1.9 Daily Payments for Failed Settlements

The Clearing House may debit cash penalties imposed or charged by the Relevant Settlement System from the account of the Clearing Member that is in delivery default and credit the cash penalties to the account of the Clearing Member that is affected by the settlement fail.