

**NOTICE TO MEMBERS**

**TO:** NFX Members and Member Organizations  
**FROM:** NASDAQ OMX Futures Exchange  
**DATE:** April 19, 2010  
**RE:** SR-NFX-2010-02

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On April 15, 2010 the NASDAQ OMX Futures Exchange (“NFX” or the “Exchange”) filed with the Commodity Futures Trading Commission SR-NFX-2010-02 which sets forth rules for the following new NFX futures contracts (together, the “New IDEX Contracts”):

- IDEX USD 1 Month Interest Rate Swap Futures (Rules 1511 – 1514)
- IDEX USD 1 Month Forward Start Interest Rate Swap Futures (Rules 1611 – 1614)
- IDEX USD 3 Month Forward Rate Agreement Futures (Rules 1701 – 1704)
- IDEX USD 1 Month Forward Rate Agreement Futures (Rules 1711 – 1714)
- IDEX USD OIS Interest Rate Swap Futures (Rules 1801 – 1804)

Additionally, the Exchange is renumbering current Rule 1700, Options Clearing Corporation Rules, as Rule 301, renaming the existing IDEX USD Interest Rate Swap Futures Contract and the IDEX USD Forward Start Interest Rate Swap Futures Contracts by inserting the words “3 Month” for ease of reference, and adding captions. The new rules and amendments effective April 19, 2010, are attached.

Pursuant to the new rules, the Exchange at any given time may make available for trading any of the above New IDEX Contracts. The Exchange shall make known the availability for trading of any such contract on the International Derivatives Clearing Group website, [www.IDCG.com](http://www.IDCG.com), prior to the commencement of trading.

The new contracts will trade on the IDEX XT Electronic Trading System pursuant to NFX Rules F1 – F37, the IDEX XT Electronic Trading Rules. Trading Hours for the new contracts will be from 7:00 AM Eastern Time to 5:00 PM Eastern Time.

Questions concerning the new IDEX USD Forward Start Interest Rate Swap Futures Contracts should be directed to Daniel Carrigan, Senior Managing Director, at (215) 496-5017.

*New language underlined; deletions struck through*

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~~OPTIONS CLEARING CORPORATION RULES (Rule 1700)~~

**Rule ~~301~~ 1700. Options Clearing Corporation Rules.**

The rights and obligations of purchasers and sellers of futures, options thereon and commodity options cleared by the Options Clearing Corporation, including but not limited to rights and obligations in respect of clearing and settlement, variation payments and performance at maturity, and in the case of futures options and commodity options upon exercise thereof, shall be as set forth in the By-Laws and Rules of the Options Clearing Corporation.

Rules ~~302301~~-367. Reserved

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**IDEX USD 3 Month Interest Rate Swap Futures Contracts (Rule 1501-1505)**

**Rule 1501. Clearing Corporation Rules**

The Rules in this Section shall be applicable to the trading on the Exchange of IDEX USD 3 Month Interest Rate Swap Futures Contracts (~~"Swap Futures Contracts"~~) cleared by the International Derivatives Clearinghouse, LLC ("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD 3 Month Interest Rate Swap Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

**Rule 1502. Contract Specifications**

*(a) Description.*

Underlying. IDEX USD 3 Month Interest Rate Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000, requiring the exchange of periodic payments of semi-annual fixed rate payments based on the futures price in exchange for quarterly floating-rate payments based on the 3-month US Dollar London Interbank Offered Rate (the "USD LIBOR").

Payment Schedule. Periodic payments on the IDEX USD 3 Month Interest Rate Swap Futures Contract will be made on a quarterly basis for the floating rate payments, and on a semi-annual basis for the fixed rate payments. Each payment date in the IDEX USD 3 Month Interest Rate Swap Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Effective Date (start of first accrual period) shall be 2 Week Days after the execution date of any individual IDEX USD 3 Month Interest Rate Swap Futures Contract, adjusted by the Following Business Day convention for New York.

The Maturity Date shall be the final payment date unadjusted by any Business Day convention of the IDEX USD 3 Month Interest Rate Swap Futures Contract and shall be established by the Exchange on the listing date.

The Reset Date shall be 2 London Business Days preceding the start of the floating interest accrual period. The only exception to this is the first floating interest accrual period where the Reset Date will be the execution date unless this is not a good London Business Day in which case the Reset Date will be the first good London Business Day preceding the listing date.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The End Date of the nth interest accrual period is the Effective Date for the series plus n\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

For purposes of these rules, the following conventions determine how non-business days are treated:

- (i) "Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed;
- (ii) "Modified Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed;
- (iii) "Preceding" means the date will be adjusted to the first preceding day that is a Business Day in the locations listed;
- (iv) "Business Day" means a day in which the banking system is open to settle payments in the locations listed; and
- (v) "Week Day" means any calendar day which is not a Saturday or Sunday

Floating Rate Payment. The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the actual number of days in the accrual period, divided by 360.

Fixed Rate Payment. The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

$$\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}/360$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls

Y2 is the year, expressed as a number, in which the end date of the interest period falls

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

(b) *Schedule.* The Exchange at any given time may list for trading IDEX USD 3 Month Interest Rate Swap Futures Contracts having maturities from one day to thirty years (with one year comprising 365 days, or 366 days for leap years), with one maturity of IDEX USD 3 Month Interest Rate Swap Futures Contract maturing on every calendar day. The maturity of each individual IDEX USD 3 Month Interest Rate Swap Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange

(c) *Minimum Increments.* The price of the IDEX USD 3 Month Interest Rate Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD 3 Month Interest Rate Swap Futures Contracts. The minimum price interval is .001 for Contracts traded on the IDEX XT trading system and .00001 for Contracts established by means of EFS through the SwapDrop Portal.

(d) *Last Trading Day.* Trading of any individual IDEX USD 3 Month Interest Rate Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD 3 Month Interest Rate Swap Futures Contracts.

(e) *Contract Modifications.* Specifications are fixed as of the first day of trading of a contract. If any U.S. government agency or body with authority issues an order, ruling,

directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

(f) *No-Break Range.* Pursuant to Rule F26, the "No Break Range" for any Contract shall be any price within a range bounded by the "fair market value" of such Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

(g) *Reportable Position.* Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD 3 Month Interest Rate Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market

(i) *Position Accountability.* A person owning or controlling more than 3,000 contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

#### **Rule 1503. Settlement**

(a) *Daily Settlement Price.* Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

(b) *Final Settlement Date.* The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD 3 Month Interest Rate Swap Futures Contract. Clearing Members holding open positions in a IDEX USD 3 Month Interest Rate Swap Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

#### **Rule 1504. Margin Requirements**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD 3 Month Interest Rate Swap Futures Contract to Members or other appropriate means.

#### **Rule 1505. Transfer of Contracts to New Exchange**

IDEX USD 3 Month Interest Rate Swap Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New Exchange"). IDEX USD 3 Month Interest Rate Swap Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

## **IDEX USD 1 Month Interest Rate Swap Futures Contracts (Rule 1511-1515)**

### **Rule 1511. Clearing Corporation Rules**

The Rules in this Section shall be applicable to the trading on the Exchange of IDEX USD 1 Month Interest Rate Swap Futures Contracts cleared by the International Derivatives Clearinghouse, LLC ("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD 1 Month Interest Rate Swap Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

### **Rule 1512. Contract Specifications**

Description: IDEX USD 1 Month Interest Rate Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000, requiring the exchange of periodic payments of semi-annual fixed rate payments based on the futures price in exchange for monthly floating-rate payments based on the 1-month US Dollar London Interbank Offered Rate ("USD LIBOR").

Ticker Symbols: Base Example = IR1MYYYYMMDD. YYYYMMDD refers to the unadjusted Maturity Date of the series.

Contract Listings: The Exchange at any given time may list for trading IDEX USD 1 Month Interest Rate Swap Futures Contracts having maturities from one day to thirty years, with a contract maturing on every calendar day. The Maturity Date of each individual IDEX USD 1 Month Interest Rate Swap Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange.

Trading Hours: 7:00 AM to 5:00 PM Eastern Time ("ET") Monday – Friday

Trading Platform: IDEX XT Trade Match Engine

Minimum Price Intervals: The price of the IDEX USD 1 Month Interest Rate Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD 1 Month Interest Rate Swap Futures Contracts. The minimum price interval is .001 for IDEX USD 1 Month Interest Rate Swap Futures Contracts traded on the IDEX XT trading system and .00001 for IDEX USD 1 Month Interest Rate Swap Futures Contracts established by means of EFS through the SwapDrop Portal.

Daily Settlement Price: Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

Last Trading Day: Trading of any individual IDEX USD 1 Month Interest Rate Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD 1 Month Interest Rate Swap Futures Contracts.

Floating Rate Setting: The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the actual number of days in the accrual period, divided by 360.

Final Settlement Date: The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD 1 Month Interest Rate Swap Futures Contract. Clearing Members holding open positions in a IDEX USD 1 Month Interest Rate Swap Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Periodic Payments: Periodic payments on the IDEX USD 1 Month Interest Rate Swap Futures Contract will be made on a monthly basis for the floating rate payments, and on a semi-annual basis for the fixed rate payments. Each payment date in the IDEX USD 1 Month Interest Rate Swap Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Effective Date (start of first accrual period) shall be 2 Week Days after the execution date of any individual IDEX USD 1 Month Interest Rate Swap Futures Contract, adjusted by the Following Business Day Convention for New York.

The Maturity Date shall be the final payment date unadjusted by any Business Day convention of the IDEX USD 1 Month Interest Rate Swap Futures Contract and shall be established by the Exchange on the listing date.

The Reset Date shall be 2 London Business Days preceding the start of the floating interest accrual period. The only exception to this is the first floating interest accrual period where the Reset Date will be the execution date unless this is not a good London Business Day in which case the Reset Date will be the first good London Business Day preceding the listing date.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The End Date of the nth interest accrual period is the Effective Date for the series plus n\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

For purposes of these rules, the following conventions determine how non-business days are treated:

(i) “Following” means the date will be adjusted to be the first following day that is a Business Day in the locations listed;

(ii) “Modified Following” means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed;

(iii) “Preceding” means the date will be adjusted to the first preceding day that is a Business Day in the locations listed;

(iv) “Business Day” means a day in which the banking system is open to settle payments in the locations listed; and

(v) “Week Day” means any calendar day which is not a Saturday or Sunday

*Floating Rate Periodic Payment Calculation:* The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the actual number of days in the accrual period, divided by 360.

*Fixed Rate Periodic Payment Calculation:* The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

$$\frac{\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}}{360}$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls Y2 is the year, expressed as a number, in which the end date of the interest period falls M1 is the calendar month, expressed as a number, in which the start date of the interest period falls M2 is the calendar month, expressed as a number, in which the end date of the interest period falls D1 is the first calendar day expressed as a number, of the interest period, unless



such a number would be 31, in which case D1 will be 30. D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

No-Break Range: Pursuant to Rule F26, the "No Break Range" for any IDEX USD 1 Month Interest Rate Swap Futures Contract shall be any price within a range bounded by the "fair market value" of such IDEX USD 1 Month Interest Rate Swap Futures Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such IDEX USD 1 Month Interest Rate Swap Futures Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

Position Accountability: A person owning or controlling more than 3,000 IDEX USD 1 Month Interest Rate Swap Futures Contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

Large Trader Reporting: Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD 1 Month Interest Rate Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

Designated Contract Market: The NASDAQ OMX Futures Exchange (NFX).

Clearinghouse: International Derivatives Clearinghouse, LLC

**Rule 1513. Margin Requirements.**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD 1 Month Interest Rate Swap Futures Contracts through Notices to Members or other appropriate means.

**Rule 1514. Transfer of Contracts to New Exchange.**

IDEX USD 1 Month Interest Rate Swap Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New Exchange"). IDEX USD 1 Month Interest Rate Swap Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

**IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts (Rules 1601 – 1604)**

**Rule 1601. Clearing Corporation Rules**

The Rules in this Section shall be applicable to the trading on the Exchange of 3 Month IDEX USD Forward Start Interest Rate Swap Futures Contracts (~~"Forward Start Swap Futures Contracts"~~) cleared by the International Derivatives Clearinghouse, LLC

("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

**Rule 1602. Contract Specifications**

*Description:* IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000 and a deferred Effective Date, requiring the exchange of periodic payments of semi-annual fixed rate payments based on the futures price in exchange for quarterly floating-rate payments based on the 3-month US Dollar London Interbank Offered Rate (the "USD LIBOR").

*Ticker Symbols:* Base Example = IRD20121210-FS-3Y refers to a forward starting swap contract with an unadjusted Maturity Date of 10-Dec-2012 and a Term of 3 Years.

*Contract Listings:* The Exchange at any given time may list for trading IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts having terms from one to twenty nine years and a Maturity Date no longer than thirty years (with one year comprising 365 days, or 366 days for leap years), with one maturity of IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract maturing on every calendar day. The Effective Date and Maturity Date of each individual IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange. The Exchange shall make known the listing of any contract on its website prior to the commencement of trading.

*Trading Hours:* 7:00 AM to 5:00 PM Eastern Time ("ET") Monday - Friday

*Trading Platform:* IDEX XT Trade Match Engine

*Effective Date:* Will be established by the Exchange on the listing date of any individual IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract.

*Start Date:* Means the date on which an interest rate accrual period begins.

*End Date:* Means the date on which an interest rate accrual period ends.

*Maturity Date:* Will be the final payment date, unadjusted by any Business Day Convention, of the IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract it will be a whole number of years after the Effective Date and shall be established by the Exchange on the listing date.

*Reset Date:* Will be 2 London Business Days preceding the start of the floating interest accrual period.

*Periodic Payments:* Periodic payments on the IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract will be made on a semi-annual basis for the fixed rate

payments, and on a quarterly basis for the floating rate payments. Each payment date in the IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London. The only exception to this is the Start Date of the first interest accrual period which will be the Effective Date

The End Date of the nth interest accrual period is the Effective Date for the series plus n\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

*Floating Rate Payment:* The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction.

*Fixed Rate Payment:* The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the 30/360 Accrual Year Fraction.

*Minimum Price Increments:* The price of the IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts. The minimum price interval is .001 for Contracts traded on the IDEX XT trading system and .00001 for Contracts established by means of EFS through the SwapDrop Portal.

*Daily Settlement Price:* Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

*Last Trading Day:* Trading of any individual IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts.

*Position Accountability:* A person owning or controlling more than 3,000 IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

*Large Trader Reporting:* Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

*Clearinghouse:* International Derivatives Clearinghouse, LLC

### *Glossary*

*Term* means the difference between the Effective Date and the Maturity Date.

*Following Business Day Convention* means the date will be adjusted to be the first following day that is a Business Day in the locations listed.

*Modified Following Business Day Convention* means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed.

*Preceding Business Day Convention* means the date will be adjusted to the first preceding day that is a Business Day in the locations listed.

*Business Day* means a day in which the banking system is open to settle payments in the locations listed.

*Week Day* means any calendar day which is not a Saturday or Sunday.

*Actual/360 Accrual Year Fraction* means the actual number of days in the interest period in respect of which payment is being made divided by 360.

*30/360 Accrual Year Fraction* means the number of days in the interest period in respect of which payment is being made (assuming 30 day months) divided by 360, calculated on a formula basis as follows;

$$\{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)\} / 360$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls.

Y2 is the year, expressed as a number, in which the end date of the interest period falls.

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls.

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls.

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

(b) *Contract Modifications.* Specifications are fixed as of the first day of trading of a contract. If any U.S. government agency or body with authority issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

(c) *No-Break Range.* Pursuant to Rule F26, The "No Break Range" for any IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract shall be any price within a range bounded by the "fair market value" of such IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

(d) *Final Settlement Date.* The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract. Clearing Members holding open positions in a IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract at the termination of trading in that IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

#### **Rule 1603. Margin Requirements**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts through Notices to Members or other appropriate means.

#### **Rule 1604. Transfer of Contracts to New Exchange**

IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New

Exchange"). IDEX USD 3 Month Forward Start Interest Rate Swap Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

### **IDEX USD 1 Month Forward Start Interest Rate Swap Futures (Rules 1611 – 1614)**

#### **Rule 1611. Clearing Corporation Rules**

The Rules in this Section shall be applicable to the trading on the Exchange of IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts cleared by the International Derivatives Clearinghouse, LLC ("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

#### **Rule 1612. Contract Specifications**

Description: IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000 and a deferred Effective Date, requiring the exchange of periodic payments of semi-annual fixed rate payments based on the futures price in exchange for quarterly floating-rate payments based on the 1-month US Dollar London Interbank Offered Rate (the "USD LIBOR").

Ticker Symbols: Base Example = 1FSYYYYMMDDYNN. YYYYYMMDD refers to the unadjusted Maturity Date of the series and YNN refers to contract duration in years.

Contract Listings: The Exchange at any given time may list for trading IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts having terms from one to twenty nine years and a Maturity Date no longer than thirty years (with one year comprising 365 days, or 366 days for leap years), with one maturity of IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract maturing on every calendar day. The Effective Date and Maturity Date of each individual IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange. The Exchange shall make known the listing of any contract on its website prior to the commencement of trading.

Trading Hours: 7:00 AM to 5:00 PM Eastern Time ("ET") Monday – Friday

Trading Platform: IDEX XT Trade Match Engine

Effective Date: Will be established by the Exchange on the listing date of any individual IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract.

Start Date: Means the date on which an interest rate accrual period begins.

End Date: Means the date on which an interest rate accrual period ends.

Maturity Date: Will be the final payment date, unadjusted by any Business Day Convention, of the IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract it will be a whole number of years after the Effective Date and shall be established by the Exchange on the listing date.

Reset Date: Will be 2 London Business Days preceding the start of the floating interest accrual period.

Periodic Payments: Periodic payments on the IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract will be made on a semi-annual basis for the fixed rate payments, and on a monthly basis for the floating rate payments. Each payment date in the IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London. The only exception to this is the Start Date of the first interest accrual period which will be the Effective Date.

The End Date of the nth interest accrual period is the Effective Date for the series plus n\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

Floating Rate Payment: The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction.

Fixed Rate Payment: The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the 30/360 Accrual Year Fraction.

Minimum Price Increments: The price of the IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts. The minimum price interval is .001 for Contracts traded on the IDEX XT trading system and .00001 for IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts established by means of EFS through the SwapDrop Portal.

Daily Settlement Price: Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be

determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

Last Trading Day: Trading of any individual IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts.

Final Settlement Date: The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract. Clearing Members holding open positions in a IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Glossary:

Term means the difference between the Effective Date and the Maturity Date.

Following Business Day Convention means the date will be adjusted to be the first following day that is a Business Day in the locations listed.

Modified Following Business Day Convention means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed.

Preceding Business Day Convention means the date will be adjusted to the first preceding day that is a Business Day in the locations listed.

Business Day means a day in which the banking system is open to settle payments in the locations listed.

Week Day means any calendar day which is not a Saturday or Sunday.

Actual/360 Accrual Year Fraction means the actual number of days in the interest period in respect of which payment is being made divided by 360.

30/360 Accrual Year Fraction means the number of days in the interest period in respect of which payment is being made (assuming 30 day months) divided by 360, calculated on a formula basis as follows:.

$$\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}/360$$



Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls.

Y2 is the year, expressed as a number, in which the end date of the interest period falls.

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls.

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls.

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

No-Break Range: Pursuant to Rule F26, the "No Break Range" for any IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract shall be any price within a range bounded by the "fair market value" of such IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

Position Accountability: A person owning or controlling more than 3,000 IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

Large Trader Reporting: Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

Clearinghouse: International Derivatives Clearinghouse, LLC

**Rule 1613. Margin Requirements**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts through Notices to Members or other appropriate means.

**Rule 1614. Transfer of Contracts to New Exchange.**

IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New Exchange"). IDEX USD 1 Month Forward Start Interest Rate Swap Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

**IDEX USD 3 Month Forward Rate Agreement Futures (Rules 1701 – 1704)**

**Rule 1701. Clearing Corporation Rules.**

The Rules in this Section shall be applicable to the trading on the Exchange of IDEX USD 3 Month Forward Rate Agreement Futures Contracts cleared by the International Derivatives Clearinghouse, LLC ("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD 3 Month Forward Rate Agreement Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

**Rule 1702. Contract Specifications.**

Description: IDEX USD 3 Month Forward Rate Agreement Futures Contracts are futures on United States dollar-denominated Forward Rate Agreements with a notional value of \$100,000 and a deferred Effective Date, requiring the exchange of a quarterly fixed rate payment based on the futures price in exchange for a quarterly floating-rate payment based on the 3-month US Dollar London Interbank Offered Rate ("USD LIBOR").

Ticker Symbols: Base Example = FRA3YYYYMMDD. YYYYMMDD refers to the unadjusted Maturity Date of the series.

Contract Listings: The Exchange at any given time may list for trading IDEX USD 3 Month Forward Rate Agreement Futures Contracts having maturities from one day to twenty one months, with a contract maturing on every calendar day. The Maturity Date of each individual IDEX USD 3 Month Forward Rate Agreement Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange.

Trading Hours: 7:00 AM to 5:00 PM Eastern Time ("ET") Monday – Friday

Trading Platform: IDEX XT Trade Match Engine

Minimum Price Intervals: The price of the IDEX USD 3 Month Forward Rate Agreement Futures Contract is the price of the fixed leg portion of the IDEX USD 3 Month Forward Rate Agreement Futures Contract. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD 3 Month Forward Rate Agreement Futures Contracts. The minimum price interval is .001 for IDEX USD 3 Month Forward Rate Agreement Futures Contracts traded on the IDEX XT trading system and .00001 for IDEX USD 3 Month Forward Rate Agreement Futures Contracts established by means of EFS through the SwapDrop Portal.

Daily Settlement Price: Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the IDEX USD 3 Month Forward Rate Agreement Futures Contract. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

Last Trading Day: Trading of any individual Forward Rate Agreement Futures Contract terminates at the close of trading on the Business Day preceding that contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD 3 Month Forward Rate Agreement Futures Contracts.

Floating Rate Setting: The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the actual number of days in the accrual period, divided by 360.

Final Settlement Date: The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD 3 Month Forward Rate Agreement Futures Contract. Clearing Members holding open positions in a IDEX USD 3 Month Forward Rate Agreement Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Payment Schedule: The Start Date of the interest accrual period and the Interest Payment Date is the Maturity Date for the series. The End Date of the interest accrual period shall be three months after the Maturity Date, adjusted by the Modified Following Business Day Convention for New York and London. The only exception to this is if the Maturity Date for the series falls on the last business day of the month in which case the End Date of the interest accrual period will fall on the last business day of the month three months after the maturity date.

Final Payment: The Final Payment shall be an amount equal to the Notional Value multiplied by the difference between the fixed rate and the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction divided by the Accrual Factor. When the USD LIBOR setting is greater than the fixed rate, the final payment will be made to the buyer, and from the seller, of the contract. Conversely when the USD LIBOR setting is less than the fixed rate, the final payment will be made to the seller, and from the buyer, of the contract.

Maturity Date: Will be the final payment date, unadjusted by any Business Day Convention, of the IDEX USD 3 Month Forward Rate Agreement Futures Contract, it shall be established by the Exchange on the listing date.

Reset Date: Will be 2 London Business Days preceding the Maturity Date.

For purposes of these rules, the following conventions determine how non-business days are treated:

(i) "Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed;

(ii) "Modified Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed;

(iii) "Preceding" means the date will be adjusted to the first preceding day that is a Business Day in the locations listed;

(iv) "Business Day" means a day in which the banking system is open to settle payments in the locations listed; and

(v) "Week Day" means any calendar day which is not a Saturday or Sunday

(vi) "Accrual Factor" means the accrual shall be equal to one plus the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction.

No-Break Range: Pursuant to Rule F26, the "No Break Range" for any IDEX USD 3 Month Forward Rate Agreement Futures Contract shall be any price within a range bounded by the "fair market value" of such IDEX USD 3 Month Forward Rate Agreement Futures Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such IDEX USD 3 Month Forward Rate Agreement Futures Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

Position Accountability: A person owning or controlling more than 3,000 IDEX USD 3 Month Forward Rate Agreement Futures Contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

Large Trader Reporting: Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD 3 Month Forward Rate Agreement Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

Designated Contract Market: The NASDAQ OMX Futures Exchange (NFX).

Clearinghouse: International Derivatives Clearinghouse, LLC

Glossary:

Actual/360 Accrual Year Fraction means the actual number of days in the interest period in respect of which payment is being made divided by 360.

30/360 Accrual Year Fraction means the number of days in the interest period in respect of which payment is being made (assuming 30 day months) divided by 360, calculated on a formula basis as follows:

$$\frac{\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}}{360}$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls.

Y2 is the year, expressed as a number, in which the end date of the interest period falls.

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls.

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls.

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

**Rule 1703. Margin Requirements**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD 3 Month Forward Rate Agreement Futures Contracts through Notices to Members or other appropriate means.

**Rule 1704. Transfer of Contracts to New Exchange.**

IDEX USD 3 Month Forward Rate Agreement Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New Exchange"). IDEX USD 3 Month Forward Rate Agreement Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

**IDEX USD 1 Month Forward Rate Agreement Futures (Rules 1711 – 1714)**

**Rule 1711. Clearing Corporation Rules.**

The Rules in this Section shall be applicable to the trading on the Exchange of IDEX USD 1 Month Forward Rate Agreement Futures Contracts cleared by the International Derivatives

Clearinghouse, LLC ("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD 1 Month Forward Rate Agreement Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

**Rule 1712. Contract Specifications**

Description: IDEX USD 1 Month Forward Rate Agreement Futures Contracts are futures on United States dollar-denominated Forward Rate Agreements with a notional value of \$100,000 and a deferred Effective Date, requiring the exchange of a monthly fixed rate payment based on the futures price in exchange for a monthly floating-rate payment based on the 3-month US Dollar London Interbank Offered Rate ("USD LIBOR").

Ticker Symbols: Base Example = FRA1YYYYMMDD. YYYYMMDD refers to the unadjusted Maturity Date of the series.

Contract Listings: The Exchange at any given time may list for trading IDEX USD 1 Month Forward Rate Agreement Futures Contracts having maturities from one day to twenty three months, with a contract maturing on every calendar day. The Maturity Date of each individual IDEX USD 1 Month Forward Rate Agreement Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange.

Trading Hours: 7:00 AM to 5:00 PM Eastern Time ("ET") Monday – Friday

Trading Platform: IDEX XT Trade Match Engine

Minimum Price Intervals: The price of the IDEX USD 1 Month Forward Rate Agreement Futures Contract is the price of the fixed leg portion of the IDEX USD 1 Month Forward Rate Agreement. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD 1 Month Forward Rate Agreement Futures Contracts. The minimum price interval is .001 for IDEX USD 1 Month Forward Rate Agreement Futures Contracts traded on the IDEX XT trading system and .00001 for IDEX USD 1 Month Forward Rate Agreement Futures Contracts established by means of EFS through the SwapDrop Portal.

Daily Settlement Price: Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the IDEX USD 1 Month Forward Rate Agreement Future Futures Contract. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

Last Trading Day: Trading of any individual IDEX USD 1 Month Forward Rate Agreement Futures Contract terminates at the close of trading on the Business Day preceding that

contract's Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD 1 Month Forward Rate Agreement Futures Contracts.

Floating Rate Setting: The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the USD LIBOR setting multiplied by the actual number of days in the accrual period, divided by 360.

Final Settlement Date: The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD 1 Month Forward Rate Agreement Futures Contract. Clearing Members holding open positions in a IDEX USD 1 Month Forward Rate Agreement Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Payment Schedule: The Start Date of the interest accrual period and the Interest Payment Date is the Maturity Date for the series. The End Date of the interest accrual period shall be three months after the Maturity Date, adjusted by the Modified Following Business Day Convention for New York and London. The only exception to this is if the Maturity Date for the series falls on the last business day of the month in which case the End Date of the interest accrual period will fall on the last business day of the month three months after the maturity date.

Final Payment: The Final Payment shall be an amount equal to the Notional Value multiplied by the difference between the fixed rate and the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction divided by the Accrual Factor. When the USD LIBOR setting is greater than the fixed rate, the final payment will be made to the buyer, and from the seller, of the contract. Conversely when the USD LIBOR setting is less than the fixed rate, the final payment will be made to the seller, and from the buyer, of the contract.

Maturity Date: Will be the final payment date, unadjusted by any Business Day Convention, of the IDEX USD 1 Month Forward Rate Agreement Futures Contract, it shall be established by the Exchange on the listing date.

Reset Date: Will be 2 London Business Days preceding the Maturity Date.

For purposes of these rules, the following conventions determine how non-business days are treated:

(i) "Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed;

(ii) "Modified Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed;

(iii) "Preceding" means the date will be adjusted to the first preceding day that is a Business Day in the locations listed;

(iv) "Business Day" means a day in which the banking system is open to settle payments in the locations listed; and

(v) "Week Day" means any calendar day which is not a Saturday or Sunday

(vi) "Accrual Factor" means the accrual shall be equal to one plus the USD LIBOR setting multiplied by the Actual/360 Accrual Year Fraction.

No-Break Range: Pursuant to Rule F26, the "No Break Range" for any IDEX USD 1 Month Forward Rate Agreement Futures Contract shall be any price within a range bounded by the "fair market value" of such IDEX USD 1 Month Forward Rate Agreement Futures Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such IDEX USD 1 Month Forward Rate Agreement Futures Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

Position Accountability: A person owning or controlling more than 3,000 contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

Large Trader Reporting: Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD 1 Month Forward Rate Agreement Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

Designated Contract Market: The NASDAQ OMX Futures Exchange (NFX).

Clearinghouse: International Derivatives Clearinghouse, LLC

Glossary:

Actual/360 Accrual Year Fraction means the actual number of days in the interest period in respect of which payment is being made divided by 360.

30/360 Accrual Year Fraction means the number of days in the interest period in respect of which payment is being made (assuming 30 day months) divided by 360, calculated on a formula basis as follows:

$$\frac{\{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)\}}{360}$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls.



Y2 is the year, expressed as a number, in which the end date of the interest period falls.

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls.

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls.

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

**Rule 1713. Margin Requirements.**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD 1 Month Forward Rate Agreement Futures Contracts through Notices to Members or other appropriate means.

**Rule 1714. Transfer of Contracts to New Exchange.**

IDEX USD 1 Month Forward Rate Agreement Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New Exchange"). IDEX USD 1 Month Forward Rate Agreement Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

**IDEX USD OIS Interest Rate Swap Futures (Rules 1801 – 1804)**

**Rule 1801. Clearing Corporation Rules.** The Rules in this Section shall be applicable to the trading on the Exchange of IDEX USD OIS Interest Rate Swap Futures Contracts cleared by the International Derivatives Clearinghouse, LLC ("Clearinghouse"), the terms and conditions of such contracts and settlement thereof, and other matters relating to such contracts. The IDEX USD OIS Interest Rate Swap Futures Contracts shall trade on the IDEX XT Trading System including EFS transactions executed by means of the IDEX SwapDrop Portal pursuant to the rules applicable to that system.

**Rule 1802. Contract Specifications.**

*Description:* IDEX USD OIS Interest Rate Swap Futures Contracts are futures on United States dollar-denominated interest rate swaps with a notional value of \$100,000, requiring the exchange of periodic payments of annual fixed rate payments based on the futures price in exchange for annual floating-rate payments based on the United States Federal Funds ("Fed Funds") Effective Rate compounded over the life of the contract.

*Ticker Symbols:* Base Example = OISYYYYMMDD. YYYYMMDD refers to the unadjusted Maturity Date of the series.

Contract Listings: The Exchange at any given time may list for trading IDEX USD OIS Interest Rate Swap Futures Contracts having maturities from one day to thirty years, with a contract maturing on every calendar day. The Maturity Date of each individual IDEX USD OIS Interest Rate Swap Futures Contract shall be established by the Exchange on the date each such contract is listed by the Exchange.

Trading Hours: 7:00 AM to 5:00 PM Eastern Time (“ET”) Monday – Friday

Trading Platform: IDEX XT Trade Match Engine

Minimum Price Intervals: The price of the IDEX USD OIS Interest Rate Swap Futures Contract is the price of the fixed leg portion of the swap. Minimum price intervals are expressed in terms of the interest rate on the fixed rate portion of the IDEX USD OIS Interest Rate Swap Futures Contracts. The minimum price interval is .001 for IDEX USD OIS Interest Rate Swap Futures Contracts traded on the IDEX XT trading system and .00001 for IDEX USD OIS Interest Rate Swap Futures Contracts established by means of EFS through the SwapDrop Portal.

Daily Settlement Price: Each open position is valued by the Clearinghouse at the end of each trading day by valuing each leg of the cash flows of the contract (fixed and floating) according to discount factors generated by the IDEX Curve. Each Trading Day, the Daily Settlement Price shall be established by the Clearinghouse based upon the IDEX Curve that corresponds to the fixed rate portion of the swap. A net present value of the position will be determined and set as the Daily Settlement Price. Notwithstanding the preceding sentence, the Clearinghouse may, in its sole discretion, establish a Daily Settlement Price that is a fair and appropriate reflection of the market. The Final Settlement Price shall be the Daily Settlement Price on the Last Trading Day.

Last Trading Day: Trading of any individual IDEX USD OIS Interest Rate Swap Futures Contract terminates at the close of trading on the Business Day preceding that contract’s Maturity Date. For purposes of this rule, a Business Day is any day on which the Exchange is open for the trading of IDEX USD OIS Interest Rate Swap Futures Contracts.

Floating Rate Setting: The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the Fed Funds Effective Rate setting multiplied by the actual number of days in the accrual period, divided by 360.

Final Settlement Date: The Final Settlement Date shall be the Final Payment Date of each individual IDEX USD OIS Interest Rate Swap Futures Contract. Clearing Members holding open positions in an IDEX USD OIS Interest Rate Swap Futures Contract at the termination of trading in that Contract shall make payment to or receive payment from the Clearinghouse in accordance with normal variation and performance bond procedures based on the net of the Fixed and Floating Rate Interest payment of the last interest accrual period.

Periodic Payments: Periodic payments on the IDEX USD OIS Interest Rate Swap Futures Contract will be made on a annual basis for the floating rate payments, and on a annual basis for the fixed rate payments. Each payment date in the IDEX USD OIS Interest Rate Swap

Futures Contract will be defined by the Effective Date, the Maturity Date, and the payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London.

The Effective Date (start of first accrual period) will be 2 Week Days after the execution date of any individual IDEX USD OIS Interest Rate Swap Futures Contract, adjusted by the Following Business Day Convention for New York.

The Maturity Date shall be the final payment date unadjusted by any Business Day convention of the IDEX USD OIS Interest Rate Swap Futures Contract and shall be established by the Exchange on the listing date.

The Reset Date shall be each New York Business Day of the floating interest accrual period.

The Start Date of the nth interest accrual period is the Effective Date for the series plus (n-1)\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following Business Day convention for New York and London. The only exception to this is the Start Date of the first interest accrual period which will be the Effective Date.

The End Date of the nth interest accrual period is the Effective Date for the series plus n\* payment frequency of the fixed or floating side as appropriate, adjusted by the Modified Following business day convention for New York and London.

The Interest Payment Date of the nth interest period is the End Date of the same interest accrual period.

For purposes of these rules, the following conventions determine how non-business days are treated:

(i) "Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed;

(ii) "Modified Following" means the date will be adjusted to be the first following day that is a Business Day in the locations listed unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day in the locations listed;

(iii) "Preceding" means the date will be adjusted to the first preceding day that is a Business Day in the locations listed;

(iv) "Business Day" means a day in which the banking system is open to settle payments in the locations listed; and

(v) "Week Day" means any calendar day which is not a Saturday or Sunday

*Floating Rate Periodic Payment Calculation:* The floating rate payment for a given accrual period shall be an amount equal to the Notional Value multiplied by the compounded Fed Funds Effective Rate multiplied by the Actual/360 Accrual Year Fraction.

Fixed Rate Periodic Payment Calculation: The fixed rate payment for a given accrual period shall be equal to the notional value multiplied by the fixed rate multiplied by the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

30/360 Accrual Year Fraction means the number of days in the interest period in respect of which payment is being made (assuming 30 day months) divided by 360, calculated on a formula basis as follows;

$$\frac{\{360 \times (Y2-Y1)\} + \{30 \times (M2-M1)\} + (D2-D1)}{360}$$

Where:

Y1 is the year, expressed as a number, in which the start date of the interest period falls.

Y2 is the year, expressed as a number, in which the end date of the interest period falls.

M1 is the calendar month, expressed as a number, in which the start date of the interest period falls.

M2 is the calendar month, expressed as a number, in which the end date of the interest period falls.

D1 is the first calendar day expressed as a number, of the interest period, unless such a number would be 31, in which case D1 will be 30.

D2 is the last calendar day, expressed as a number, of the interest period, unless such a number would be 31 and D1 is greater than 29, in which case D2 will be 30.

No-Break Range: Pursuant to Rule F26, the "No Break Range" for any IDEX USD OIS Interest Rate Swap Futures Contract shall be any price within a range bounded by the "fair market value" of such IDEX USD OIS Interest Rate Swap Futures Contract at the time the transaction occurred plus or minus the market movement covered by one-third of the initial margin required for such IDEX USD OIS Interest Rate Swap Futures Contract. For these purposes fair market value shall be determined by the Exchange based on trading activity in the contract at the time of the dispute or by surveying at least three market participants not involved in the transaction in question.

Position Accountability: A person owning or controlling more than 3,000 IDEX USD OIS Interest Rate Swap Futures Contracts net long or net short in all contract maturities combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information, if applicable.

Large Trader Reporting: Pursuant to Commission Regulation Section 15.03 and Part 17 of the Commission's Regulation, the position level that is required to be reported to the Exchange and Commission is any open position in a particular IDEX USD OIS Interest Rate

Swap Futures Contract at the close of trading on any trading day equal to or in excess of twenty-five on either side of the market.

Designated Contract Market: The NASDAQ OMX Futures Exchange (NFX).

Clearinghouse: International Derivatives Clearinghouse, LLC

**Rule 1803. Margin Requirements**

Pursuant to Rule F11, Customer Margin, the Exchange will publish the minimum initial and maintenance margin rates and other requirements for IDEX USD OIS Interest Rate Swap Futures Contracts through Notices to Members or other appropriate means.

**Rule 1804. Transfer of Contracts to New Exchange.**

IDEX USD OIS Interest Rate Swap Futures Contracts may be delisted by the Exchange and upon such delisting, be listed by another designated contract market, derivatives transaction execution facility, or exempt board of trade (each a "New Exchange"). IDEX USD OIS Interest Rate Swap Futures Contracts shall become subject to the rules of the New Exchange upon the transfer of the listing for trading of such contracts from the Exchange to the New Exchange.

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