



INVESTORS

# INTERCONTINENTAL EXCHANGE AND ERIS EXCHANGE ANNOUNCE GLOBAL SWAP FUTURES LICENSING AGREEMENT

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## ICE Exchanges to Launch CDS Index and European Interest Rate Swap Futures Based on the Eris Methodology

ATLANTA & CHICAGO--(BUSINESS WIRE)-- **Intercontinental Exchange** (NYSE:ICE), the leading global network of exchanges and clearing houses, and **Eris Exchange** (Eris), a US-based futures exchange group, today announced a multi-year license agreement for ICE exchanges to list futures and options based on the Eris Methodology™, Eris' patent-pending product design for constructing swap futures in a capital-efficient manner.

"By facilitating the unique contract design that has been developed by Eris, we will be able to bring our customers unparalleled access to the European and U.S. CDS markets and European interest rate markets through a regulated futures contract that can be cross-margined with ICE's broad fixed income offering," said Intercontinental Exchange Chief Strategy Officer David Goone.

Under the agreement ICE is licensing the rights to list European and U.S. credit default swap (CDS) futures and European interest rate futures based on the Eris Methodology.

The first product launch under the license agreement will be CDS futures based on the Markit® CDX® North American Investment Grade and High Yield indices, listed on ICE Futures U.S. and cleared at ICE Clear U.S., subject to regulatory approval. These CDS futures contracts, to be launched in the first half of next year, will offer clients the regulatory certainty of futures without compromising traditional OTC characteristics, such as five-year tenor, spread and price-based quoting conventions, recognition of credit events and the inclusion of Price Alignment Interest.

The agreement also includes plans for ICE exchanges to list multiple other swap futures based on the Eris Methodology in 2015. ICE Futures Europe will list interest rate swap futures denominated in EUR (Euro) and GBP (Pound Sterling), based on the product design of Eris' US dollar-denominated Eris Standard Swap Futures and Eris Flex Swap Futures. All ICE swap futures products based on the Eris Methodology will be available to clients via the ICE trading platform.

"ICE is a truly global exchange partner, with leadership positions in OTC CDS clearing and European interest rate futures trading," said Neal Brady, CEO of Eris Exchange. "ICE's decision to partner with Eris and offer their global client base access to these products is further validation of the market's adoption of the Eris Swap Futures product design. We look forward to the launch of swap futures for the CDS Index market, where trading already occurs in standardized coupons well suited to benefit from the capital and operational efficiencies of futures."

The patent-pending Eris Methodology replicates the economics of OTC swaps through capital-efficient futures products by combining the component cash flows of swaps into a single futures price, allowing payments to flow through variation margin. Swap futures based on the Eris Methodology remain futures throughout the full lifecycle of the position, allowing market participants to operate within the familiar eco-system of futures market regulations, back-office processes, agency execution and software tools.

## About Intercontinental Exchange

Intercontinental Exchange (NYSE: ICE) is the leading network of regulated exchanges and clearing houses for financial and commodity markets. ICE delivers transparent, reliable and accessible data, technology and risk management services to markets around the world through its portfolio of exchanges, including the New York Stock Exchange and ICE Futures.

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## About Eris Exchange

The Eris Exchange group includes a futures exchange registered as a Designated Contract Market with the CFTC. The Exchange lists cash-settled interest rate swap futures with current open interest exceeding 142,000 contracts. Contracts traded on the Exchange are cleared by clearing firms through CME Clearing. For more information, visit Eris Exchange online at [www.erisfutures.com](http://www.erisfutures.com) or follow us on Twitter [@erisfutures](https://twitter.com/erisfutures).

Trademarks of Eris Exchange and/or its affiliates include Eris Exchange<sup>®</sup>, Eris SwapBook<sup>™</sup>, Eris BlockBox<sup>™</sup>, and Eris Methodology<sup>™</sup>.

SOURCE: Intercontinental Exchange

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