

Overview

Listed futures contracts that replicate the economics of collateralized OTC interest rate swaps

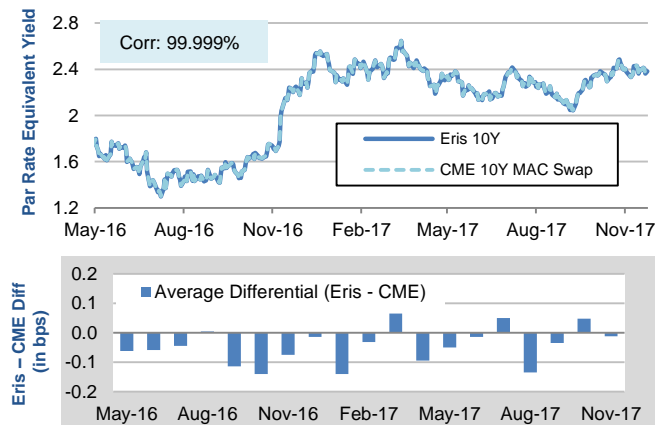
- Capital efficient product framework, providing a transparent, anonymous alternative to OTC swap trading
- Daily cash-settled variation margin, offsetting all the cash flows of an OTC swap: NPV changes, coupon payments and interest on collateral
- Non deliverable, optional quarterly roll - remains a CME cleared futures contract for the tenor of the underlying swap with the potential to be designated as eligible FASB hedges
- Eris on ICE (Intercontinental Exchange): EUR & GBP swap futures, Markit IG & HY CDS Index Futures

Contract Terms

Eris contracts mirror plain vanilla MAC swaps:

- Contract Size: \$100,000 notional
- Pre-determined fixed coupons vs. 3M LIBOR
- Underlying Tenors: 2Y, 3Y, 4Y, 5Y, 7Y, 10Y, 12Y, 15Y, 20Y, 30Y
- Effective Dates: Quarterly IMM start dates, going out 10 years. Standard OTC rolls/conventions
- Trading Hours: 7:00am – 5:00pm EST, contracts settle daily at 3pm EST

10Y Eris vs 10Y CME MAC Swap



Benefits of Eris Swap Futures

Eris vs. OTC Interest Rate Swaps

- **Lower Margins:** 2-Day VAR calculation for initial margin: 30-60% lower than cleared OTC easy offsets vs other futures
- **Order Book Liquidity:** Anonymous and transparent markets, order book execution
- **Lower All-In Costs:** Including FCM fees
- **Ease of Access:** Futures FCM agreements, no ISDA / CSA required
- **Tax Treatment:** IRS section 1256 contracts – annual MTM treatment, or tax hedge exemption

Eris vs. Other Futures

- **Yield Curve Granularity:** Trade multiple liquid tenors, and hundreds of off-the-run contracts
- **No Forced Roll or Mandatory Delivery:** contracts remain futures to underlying maturity
- **Hedge Accounting Treatment:** designate as a hedge and treat like OTC swaps
- **Benefits for 1940 Act funds:** No collateral segregation against physical delivery
- **Closest Match to LIBOR:** Mitigates convexity bias of other futures

Contact Eris to get started:

Call (888) 587-2699 option 2

for sales support or email sales@erisfutures.com

www.erisfutures.com

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Where to Find Eris Markets

- Live Eris markets can be viewed at www.erisfutures.com or on Bloomberg at ERIS1 <Go>, select contract, then MDM <Go>
- Live Eris Swap Curve data via Excel spreadsheet available on request
- Intra-day tick data & open APIs for direct market access available via Eris at no cost
- Market Data Providers: Bloomberg, Reuters, CME, Barchart

Price	Order	Dual	Center			
Total	Size	Bid	Ask	Size	Total	
500	500	-290.0000	-275.0000	20	20	
525	25	-290.0000	-275.0000	1000	1020	
775	250	-290.0000	-270.0000	20	1040	
795	20	-295.0000	-270.0000	3500	4540	
4295	3500	-295.0000	-270.0000	31	4571	
4326	31	-300.0000	-270.0000	25	4596	
4346	20	-300.0000	-270.0000	250	4846	
5346	1000	-300.0000	-265.0000	500	5346	
5446	100	-340.0000	-265.0000	100	5446	
5546	100	-370.0000	-235.0000	100	5546	
5646	100	-400.0000	-205.0000	100	5646	
			Over	118	5764	

Live Eris Orderbook on Bloomberg

How to Connect: Eris Clearing Firms



How to Trade: Execute & Monitor Risk

- Several execution and risk analytics platforms to choose from
- Eris futures can be traded electronically or by voice (above \$10mm block size)
- Brokers can facilitate agency execution, or firms can trade over a number of front office platforms
- With streaming liquidity in an actionable order book, Eris contracts are well suited to algo execution



Live Eris Swap Curve

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