Chapter 1106  
Coal (API 8) cfr South China (Argus/McCloskey) Swap

110601. **Description**
110601.1 The Coal (API 8) cfr South China (Argus/McCloskey) Swap is a financially settled swap referencing the (API 8) cfr South China Monthly Coal Price Index published in the Argus/McCloskey’s Coal Price Index Report.
110601.2 The CME Clearing Europe commodity code shall be ESSI.

110602. **Contract Size**
110602.1 The contract size shall be 1,000 metric tons.

110603. **Contract Months**
110603.1 Coal (API 8) cfr South China (Argus/McCloskey) Swap shall be available for consecutive calendar months for the balance of the current calendar year and one additional full calendar year.

110604. **Prices**
110604.1 Prices shall be quoted in U.S. dollars and cents per metric ton.
110604.2 The minimum price fluctuation in respect of traded prices and daily settlement prices shall be $0.05 per metric ton.
110604.3 The minimum price fluctuation in respect of the Floating Price shall be $0.01 per metric ton.
110604.4 There shall be no maximum price fluctuation.

110605. **Daily Settlement Prices**
110605.1 The Clearing House shall establish settlement prices in respect of open positions for the purposes of position valuation and variation margin calculation, as described in the Clearing Procedures.

110606. **Termination of Trading**
110606.1 Trade submission shall cease on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in
which case the contract shall terminate on the Exchange business day immediately prior.

110606.2 On the last trading day, as described in 110606.1, the final time for trade submission shall be 4:30pm London time.

110607. Floating Price

110607.1 The Floating Price for each contract month is equal to the (API 8) fob South China Monthly Coal Price Index published in the Argus/McCloskey’s Coal Price Index Report (i.e. being the average of weekly prices during the contract month).

110608. Final Settlement

110608.1 Final settlement for Coal (API 8) cfr South China (Argus/McCloskey) Swap shall be by financial settlement.

110608.2 Where the Floating Price exceeds the Trade Price, a buyer of Coal (API 8) cfr South China (Argus/McCloskey) Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a buyer of a Coal (API 8) cfr South China (Argus/McCloskey) Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

110608.3 Where the Floating Price exceeds the Trade Price, a seller of a Coal (API 8) cfr South China (Argus/McCloskey) Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a seller of Coal (API 8) cfr South China (Argus/McCloskey) Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

110609. Disclaimer

110609.1 The Coal (API 8) cfr South China (Argus/McCloskey) Swap (the “Product”) is not sponsored, endorsed, sold or promoted by Argus Media Inc. (“Argus”) or IHS Global Ltd. (“IHS”). Argus and IHS make no representation or warranty, express or implied, to the owners of the Product or any member of the public regarding the advisability of trading in the Product. Argus’ and IHS’ only relationship to Chicago Mercantile Exchange Inc., CME Clearing Europe Ltd. And New York Mercantile Exchange, Inc. (together, “CME”) is the licensing of certain trademarks and trade names of Argus and IHS, and of the API 8 index (which is determined, composed and calculated by Argus and IHS without regard to CME or the Product), and Argus and IHS have no obligation to take the needs of CME or the owners of the Product into consideration in determining, composing or calculating the API 8 index. Argus and IHS are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Product to be listed or in the determination or calculation of the equation by which the Product
is to be converted into cash. Argus and IHS have no obligation or liability in connection with the administration, marketing or trading of the Product.

ARGUS, IHS AND CME DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE API 8 INDEX OR ANY DATA RELATED THERETO AND NEITHER ARGUS, IHS, NOR CME SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. ARGUS, IHS AND CME MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CME, OWNERS OF THE PRODUCT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE API 8 INDEX OR ANY DATA RELATED THERETO. ARGUS, IHS, AND CME MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE API 8 INDEX OR ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ARGUS, IHS, OR CME HAVE ANY LIABILITY FOR ANY DAMAGES WHATSOEVER, WHETHER DIRECT OR INDIRECT, INCLUDING WITHOUT LIMITATION, LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN ARGUS, IHS, AND CME.

Without prejudice to any of the above provisions and in addition to them, each and every third party should and must note that, insofar as CME Clearing Europe Ltd. (“CMECE”) may list any index for trading in or in connection or by reference therewith, none of:

a. CMECE;
b. its directors or officers; or
c. any relevant party that CMECE may contract with for the supply of the index or information in relation thereto;

(each of the foregoing, a “Relevant Party”) assume any obligation or liability in connection with the trading of any contract based on such index. Accordingly, no Relevant Party shall be in any way responsible for any losses, expenses or damages (in all cases direct or indirect) arising in connection with or referable to the trading of any contract linked or referable to the said index, provided that nothing herein shall affect either the obligations of NYMEX or its Members as Parties trading in any contract so linked or referable. None of the Relevant Parties guarantee or warrant or undertake in any manner the accuracy or completeness of any such index or any information or data included in or referable to it.

NONE OF THE RELEVANT PARTIES MAKE ANY WARRANTY OR GIVES ANY GUARANTEE OR UNDERTAKING, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF, OR THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM THE USE OF ANY SUCH INDEX, AND PROXY RELATED OR REFERABLE THERETO OR ANY INFORMATION OR DATA INCLUDED IN OR REFERABLE TO IT IN CONNECTION WITH ANY TRADING OR ANY CONTRACTS OR FOR ANY OTHER USE. NONE OF THE RELEVANT PARTIES MAKE ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY