Chapter 510
UK Natural Gas Calendar Month Forwards

51001. Description
51001.1 A UK Natural Gas Calendar Month Forward is a physically delivered natural gas forward contract. Prior to the start of the contract month, UK Natural Gas Calendar Month Forwards contracts are split into UK Natural Gas Daily Forwards contracts (as described in Chapter 511 of this Commodity Contract Module) for each calendar day in the contract month. Ultimate delivery is effected under the terms applying to UK Natural Gas Daily Forwards (as set out in Chapter 511 of this Commodity Contract Module) by transferring natural gas through the process of making Trade Nominations to the Gemini system operated by National Grid, as set out in the Uniform Network Code. Delivery takes place at the original agreed transaction price.
51001.2 The CME Clearing Europe commodity code shall be NBME.

51002. Contract Size
51002.1 The contract size shall be 1,000 therms per day for each Gas Flow Day in the contract month. One therm shall equal 29.3071 kWh.

51003. Listed Contracts
51003.1 Contracts shall be listed in calendar months. Contracts shall be listed for the current year and next five calendar years. Quarters, seasons and calendars can be traded by combining monthly contracts into a strip.
51003.2 Each contract shall have a delivery period commencing on the first calendar day of the contract month, and ending (and including) the last calendar day of the contract month.

51004. Prices
51004.1 Prices shall be quoted in pence per therm. Prices shall be quoted exclusive of any Valued Added Tax or any charges payable by the buyer or seller to the National Grid or related persons that may be applicable.
51004.2 The minimum price fluctuation shall be 0.005 pence per therm (i.e. £0.00005 per therm).
51004.3 There shall be no maximum price fluctuation.

51005. Daily Settlement Prices
51005.1 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.

51006. Termination of Trading
51006.1 Trade submission shall cease two Business Days prior to the first day of the contract month.
On the last trading day, as described in 51006.1, the final time for trade submission shall be 16:30 hours (London time).

Liquidation Prior to Delivery

Prior to delivery, offsetting long and short positions may only be closed out upon the request of the Clearing Member to the Clearing House, and in the manner prescribed by the Clearing House in the Delivery Procedures.

Delivery

Each contract remaining open at the close of business on the last trading day in respect of a contract month shall be transformed into a strip of contracts in the UK Natural Gas Daily Forward contract, CME Clearing Europe Commodity Code NBDE. The strip of daily contracts shall represent all calendar days in the UK Natural Gas Calendar Month Forward contract month, commencing with and including the first calendar day of the contract month, and ending with and including the last calendar day of the contract month.

Each UK Natural Gas Daily Forward contract created under the operation of 51008.1 shall be created at the agreed transaction price of the original UK Natural Gas Calendar Month Forward contract.

Liability

Without prejudice to the generality of the Rules and Chapter 2 of the Rules in particular, neither the Clearing House nor any of its Affiliates or Representatives shall be liable for any losses, liabilities, damages, claims, costs or expenses arising from or in connection with the availability or unavailability or performance or failure to perform of National Grid, UK Link, the Gemini System or the National Transmission System or any other part of the infrastructure for delivery of UK natural gas under the Uniform Network Code.

Notwithstanding the appointment of a Gas Transferor / Gas Transferee by a Clearing Member, the relevant Clearing Member shall continue to be liable and responsible for discharging its obligations and liabilities under the Rules.

The Clearing House has no obligations or liabilities under the Rules to any person other than a Clearing Member. The Clearing House is not liable to or for any person appointed by a Clearing Member to act as Gas Transferor / Gas Transferee. As set out in the Rules, no person who is not a Clearing Member shall have any rights pursuant to the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of the Rules or to enforce any provision of a Contract.

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