Chapter 112

Brent Crude Oil (ICE) Penultimate Swap

11201. Description
11201.1 The Brent Crude Oil (ICE) Penultimate Swap is a financially settled swap referencing the ICE Brent Crude Oil Futures contract.
11201.2 The CME Clearing Europe commodity code shall be EBB.

11202. Contract Size
11202.1 The contract size shall be 1,000 barrels.

11203. Contract Months
11203.1 Brent Crude Oil (ICE) Penultimate Swaps shall be available for consecutive calendar months for the balance of the current calendar year and monthly for a further 7 consecutive calendar years.

11204. Prices
11204.1 Prices shall be quoted in U.S. dollars and cents per barrel.
11204.2 The minimum price fluctuation shall be $0.01 per barrel.
11204.3 There shall be no maximum price fluctuation.

11205. Daily Settlement Prices
11205.1 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.

11206. Termination of Trading
11206.1 Trade submission shall cease one business day prior to the termination of the ICE Brent Crude Oil Futures contract for the delivery month.

Therefore, for Contract Months up to and including February 2016, trading shall cease two business days immediately preceding the 15th day prior to the first day of the delivery month, if such 15th day is a banking day in London. If the 15th day is a non-banking day in London (including Saturday), trading shall cease two business days immediately preceding the first business day prior to the 15th day).
For Contract Months March 2016 and onwards, trading shall cease on the UK business day preceding the last UK business day of the second month preceding the contract month, except for the UK business day preceding New Year’s Day, where trading shall cease on the third UK business day preceding New Year’s Day.

11206.2 On the last trading day, as described in 11206.1, the final time for trade submission shall be 7:30pm London time.

11207. **Floating Price**

11207.1 The Floating Price for each contract month is equal to the ICE settlement price for the ICE Brent Crude Oil Futures first nearby contract on the last trading day.

11208. **Final Settlement**

11208.1 Final settlement for the Brent Crude Oil (ICE) Penultimate Swap shall be by financial settlement.

11208.2 Where the Floating Price exceeds the Trade Price, a buyer of a Brent Crude Oil (ICE) Penultimate 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 Brent Crude Oil (ICE) Penultimate Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

11208.3 Where the Floating Price exceeds the Trade Price, a seller of a Brent Crude Oil (ICE) Penultimate 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 a Brent Crude Oil (ICE) Penultimate Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

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