Chapter 129
Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swap

12901. Description
12901.1 The Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swap is a financially settled swap referencing the spread differential between the DME Oman Crude Oil Futures contract and the ICE Brent Crude Oil Futures contract.
12901.2 The CME Clearing Europe commodity code shall be EDBO.

12902. Contract Size
12902.1 The contract size shall be 1,000 barrels.

12903. Contract Months
12903.1 Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swap shall be available for 36 consecutive calendar months.

12904. Prices
12904.1 Prices shall be quoted in U.S. dollars and cents per barrel.
12904.2 The minimum price fluctuation shall be $0.001 per barrel.
12904.3 There shall be no maximum price fluctuation.

12905. Daily Settlement Prices
12905.1 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.

12906. Termination of Trading
12906.1 Trade submission shall cease on the last business day of the contract month.
12906.2 On the last trading day, as described in 12906.1, the final time for trade submission shall be 4:30pm Singapore time.

12907. Floating Price
12907.1 The Floating Price for each contract month is the arithmetic average of ICE Brent Crude Oil Futures first nearby contract settlement price for each business day that it is determined during the contract month minus the DME Oman Crude Oil Futures first
nearby contract settlement price (established at 4:30pm Singapore time) for each business day that it is determined during the contract month (using non-common pricing), except as noted in 12907.2 below.

12907.2 The settlement price of the Brent Crude Oil Futures first nearby contract month will be used except on the last day of trading for the expiring Brent Crude Oil Futures contract when the settlement price of the second nearby Brent Crude Oil Futures contract will be used.

12908. Final Settlement

12908.1 Final settlement for the Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swap shall be by financial settlement.

12908.2 Where the Floating Price exceeds the Trade Price, a buyer of a Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar 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) vs. Oman Crude Oil (DME) Spread Calendar Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

12908.3 Where the Floating Price exceeds the Trade Price, a seller of a Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar 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) vs. Oman Crude Oil (DME) Spread Calendar Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

12909. Disclaimer

12909.1 The Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps are not sponsored, endorsed, sold or promoted by Dubai Mercantile Exchange Ltd. (“DME”). DME makes no representation or warranty, express or implied, to the owners of the Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps or any member of the public regarding the advisability of trading in the Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps. DME licenses to CMECE certain rights to use certain trademarks and trade names of DME and DME’s settlement prices for its Oman Crude Oil futures contracts in connection with CMECE’s determination of the settlement prices for its Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps. DME creates its settlement prices without regard to CMECE or the Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps, and DME has no obligation to take the needs of CMECE or the owners of the Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps into consideration in creating DME’s settlement prices. DME has no obligation or liability in connection with the
administration, marketing, trading, or settlement of the Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps.

CMECE AND DME DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY SETTLEMENT PRICES OR ANY DATA RELATED THERETO AND NEITHER CMECE NOR DME SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. CMECE AND DME MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CMECE, OWNERS OF THE BRENT CRUDE OIL (ICE) VS. OMAN CRUDE OIL (DME) SPREAD CALENDAR SWAPS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF ANY SETTLEMENT PRICES OR ANY DATA RELATED THERETO. CMECE AND DME 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 SETTLEMENT PRICES USED IN CONNECTION WITH THE BRENT CRUDE OIL (ICE) VS. OMAN CRUDE OIL (DME) SPREAD CALENDAR SWAPS OR ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL CMECE OR DME HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN CMECE AND DME.

“DME” is a service mark of Dubai Mercantile Exchange Ltd. (“DME”) and has been licensed for use for certain purposes to CME Clearing Europe Ltd. in connection with its Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps which are not sponsored, endorsed, sold or promoted by DME, and DME makes no representation regarding the advisability of trading in Brent Crude Oil (ICE) vs. Oman Crude Oil (DME) Spread Calendar Swaps.

Last updated: 15 March 2011