Chapter 505

LNG East Asia Index (ICIS Heren) Swap

50501. Description
50501.1 The LNG East Asia Index (ICIS Heren) Swap is a financially settled swap referencing the ICIS Heren spot liquefied natural gas (‘LNG’) index for the East Asia region.
50501.2 The CME Clearing Europe commodity code shall be LAIE.

50502. Contract Size
50502.1 The contract size shall be 10,000 mmBtu (million British thermal units).

50503. Contract Months
50503.1 LNG East Asia Index (ICIS Heren) Swaps shall be available for 12 consecutive calendar months.

50504. Settlement Period
50504.1 The Settlement Period for a specified contract month shall be the one month period that starts on, and includes, the 16th calendar day of the month that is two months prior to the contract month, and ends on, and includes the 15th calendar day of the month prior to the contract month.

50505. Prices
50505.1 Prices shall be quoted in U.S. dollars and cents per mmBtu.
50505.2 The minimum price fluctuation shall be $0.005 per mmBtu.
50505.3 There shall be no maximum price fluctuation.
50506. **Daily Settlement Prices**

50506.1 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.

50507. **Termination of Trading**

50507.1 Trade submission shall cease on the last weekday (i.e. Monday to Friday inclusive) in the Settlement Period. If such day is not a CME Clearing Europe business day, the trade submission shall cease on the preceding CME Clearing Europe business day.

50507.2 On the last trading day, as described in 50507.1, the final time for trade submission shall be 4:30pm Singapore time.

50508. **Floating Price**

50508.1 The Floating Price shall be determined following the publication of the Spot LNG East Asia Index (EAX) by ICIS Heren on the last weekday (i.e. Monday to Friday inclusive) in the Settlement Period. If such day is not a CME Clearing Europe business day, the Floating Price shall be determined on the following CME Clearing Europe business day.

50508.2 The Floating Price for each contract month is equal to the arithmetic average of the Spot LNG East Asia Index (EAX) published daily by ICIS Heren in LNG Markets Daily for each day that it is published during the Settlement Period, as described in 50504.1.

50509. **Final Settlement**

50509.1 Final settlement for the LNG East Asia Index (ICIS Heren) Swap shall be by financial settlement.

50509.2 Where the Floating Price exceeds the Trade Price, a buyer of a LNG East Asia Index (ICIS Heren) 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 LNG East Asia Index (ICIS Heren) Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

50509.3 Where the Floating Price exceeds the Trade Price, a seller of a LNG East Asia Index (ICIS Heren) 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 LNG East Asia Index (ICIS Heren) Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.
50510. **Disclaimer**

50510.1 Neither CME Clearing Europe Ltd. ("CMECE") nor Reed Business Information Ltd ("ICIS Heren") guarantee the accuracy and/or completeness of the index or any of the data included therein.

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Last Updated: 5 April 2012