Chapter 608
Propane Argus Far East Index Calendar Swap

60801. Description
60801.1 The Propane Argus Far East Index Calendar Swap is a financially settled swap referencing the Argus Far East Index for propane.
60801.2 The CME Clearing Europe commodity code shall be E7E.

60802. Contract Size
60802.1 The contract size shall be 1,000 metric tons.

60803. Contract Months
60803.1 Propane Argus Far East Index Calendar Swaps shall be available for 48 consecutive calendar months.

60804. Prices
60804.1 Prices shall be quoted in U.S. dollars and cents per metric ton.
60804.2 The minimum price fluctuation shall be $0.001 per metric ton.
60804.3 There shall be no maximum price fluctuation.

60805. Daily Settlement Prices
60805.1 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.

60806. Termination of Trading
60806.1 Trade submission shall cease on the last business day of the contract month.
60806.2 On the last trading day, as described in 60806.1, the final time for trade submission shall be 5:30pm Singapore time.

60807. Floating Price
60807.1 The Floating Price for each contract month is equal to the arithmetic average of the Argus Far East Index for Propane for each business day that it is determined during the contract month.
Final Settlement

Final settlement for the Propane Argus Far East Index Calendar Swap shall be by financial settlement.

Where the Floating Price exceeds the Trade Price, a buyer of a Propane Argus Far East Index 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 Propane Argus Far East Index 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 Floating Price exceeds the Trade Price, a seller of a Propane Argus Far East Index 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 Propane Argus Far East Index Calendar Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

Disclaimer

The Propane Argus Far East Index Calendar Swaps are not sponsored, endorsed, sold or promoted by Argus. Argus makes no representation or warranty, express or implied, to the owners of the Propane Argus Far East Index Calendar Swaps or any member of the public regarding the advisability of trading in the Product(s). Argus’ only relationship to CME Clearing Europe Ltd. (“CMECE”) is the licensing of certain trademarks and trade names of Argus and of the Argus Far East Index for Propane which is determined, composed and calculated by Argus without regard to CMECE or the Propane Argus Far East Index Calendar Swap, Argus has no obligation to take the needs of CMECE or the owners of the Propane Argus Far East Index Calendar Swaps into consideration in determining, composing or calculating the Argus Far East Index for Propane. Argus is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Propane Argus Far East Index Calendar Swaps to be listed or in the determination or calculation of the equation by which the Propane Argus Far East Index Calendar Swaps are to be converted into cash. Argus has no obligation or liability in connection with the administration, marketing or trading of the Propane Argus Far East Index Calendar Swaps.

ARGUS AND CMECE DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE ARGUS FAR EAST INDEX FOR PROPANE OR ANY DATA RELATED THERETO AND NEITHER ARGUS NOR CMECE SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. ARGUS AND CMECE MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CMECE, OWNERS OF THE PROPA
EXPRESSLY DISCLAIM ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ARGUS FAR EAST INDEX FOR PROPANE OR ANY DATA RELATED THERETO, WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ARGUS OR CMECE HAVE ANY LIABILITY FOR ANY 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 AND CMECE.

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 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 CMECE (or its Clearing House) 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 PARTICULAR PURPOSE WITH RESPECT TO ANY SUCH INDEX, ANY RELATED OR REFERABLE THERETO OR ANY INFORMATION OR DATA INCLUDED IN OR REFERABLE TO ANY SUCH INDEX.

Last updated: 15 March 2011