70601. **Description**

70601.1 The Freight Route TD5 (Baltic) Calendar Swap is a financially settled swap referencing the Baltic Exchange Freight Route TD5 (130,000mt Off Shore Bonny to Philadelphia) price assessment.

70601.2 The CME Clearing Europe commodity code shall be ETI.

70602. **Contract Size**

70602.1 The contract size shall be 1,000 metric tons.

70603. **Contract Months**

70603.1 Freight Route TD5 (Baltic) Calendar Swaps shall be available for 36 consecutive calendar months.

70604. **Settlement Period**

70604.1 The Settlement Period shall be the period in the calendar month during which the TD5 price assessment is published by the Baltic Exchange.

70605. **Prices**

70605.1 Prices shall be quoted in U.S. dollars and cents per metric ton.

70605.2 The minimum price fluctuation shall be $0.0001 per metric ton.

70605.3 There shall be no maximum price fluctuation.

70606. **Daily Settlement Prices**

70606.1 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.

70607. **Termination of Trading**

70607.1 Trade submission shall cease on the last business day of the settlement period, as described in 70604.1.

70607.2 On the last trading day, as described in 70607.1, the final time for trade submission shall be 4:00pm London time.
Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the rates for the TD5 (130,000mt Off Shore Bonny to Philadelphia) route published by the Baltic Exchange for each business day that it is published during the contract settlement period, as described in 70604.1.

Final Settlement

Final settlement for the Freight Route TD5 (Baltic) Calendar Swap shall be by financial settlement.

Where the Floating Price exceeds the Trade Price, a buyer of a Freight Route TD5 (Baltic) 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 Freight Route TD5 (Baltic) 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 Freight Route TD5 (Baltic) 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 Freight Route TD5 (Baltic) Calendar 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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