Chapter 804

Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified Calendar Swap

80401. Description
80401.1 The Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified Calendar Swap is a financially settled swap referencing the spread differential between the CBOT Soybean Oil Futures contract and the ICE Gasoil Futures contract for months up to December 2014 and ICE Low Sulphur Gasoil for contract months from January 2015 onwards.

80401.2 The reference period for the Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified Calendar Swap begins on the first calendar day of the Contract Month, second last the CBOT business day of the calendar month.

80401.3 The CME Clearing Europe commodity code shall be BOGE.

80402. Contract Size
80402.1 The contract size shall be 100 metric tons.

80403. Contract Months
80403.1 The Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified Calendar Swap shall be available in monthly contracts for the current calendar year and a further consecutive calendar year.

80404. Settlement Period
80404.1 The settlement period shall be the period in the contract month calendar from and including the first calendar day of the month, to and including the second last CBOT business day in the contract month.

80405. Prices
80405.1 Prices shall be quoted in U.S. dollars and cents per metric ton.
80405.2 The minimum price fluctuation shall be $0.001 per metric ton.
80405.3 There shall be no maximum price fluctuation.

80406. Daily Settlement Prices
80406.1 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.
80407. **Termination of Trading**

80407.1 Trade submission shall cease on the second last CBOT business day of the contract month.

80407.2 On the last trading day, as described in 80407.1, the final time for trade submission shall be 4:30pm London time.

80408. **Floating Price**

80408.1 The Floating Price for each contract month up to and including December 2014 is equal to the arithmetic average of the settlement price for the CBOT Soybean Oil Futures contract delivery month which is the first delivery month available immediately following the contract month for each business day that it is determined during the settlement period minus the ICE Gasoil Futures first nearby contract settlement price for each business day that it is determined during the settlement period (using non-common pricing), except as noted in 80408.2 below.

The Floating Price for each contract month from January 2015 onwards is equal to the arithmetic average of the settlement price for the CBOT Soybean Oil Futures contract delivery month which is the first delivery month available immediately following the contract month for each business day that it is determined during the settlement period minus the ICE Low Sulphur Gasoil Futures first nearby contract settlement price for each business day that it is determined during the settlement period (using non-common pricing), except as noted in 80408.2 below.

80408.2 The settlement prices of the first nearby ICE Gasoil or Low Sulphur Gasoil Futures contract month will be used except on the last day of trading for the expiring Gasoil or Low Sulphur Gasoil Futures contract when the settlement prices of the second nearby ICE Gasoil or Low Sulphur Gasoil Futures contract will be used.

80408.3 For purposes of determining the Floating Price, the CBOT Soybean Oil Futures settlement price will be converted each day to U.S. dollars and cents per metric ton. The conversion factor will be 2,204.622 pounds per metric ton.

80409. **Final Settlement**

80409.1 Final settlement for the Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified Calendar Swap shall be by financial settlement.

80409.2 Where the Floating Price exceeds the Trade Price, a buyer of a Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified 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 Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified 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 Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified 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 Soybean Oil (CBOT) vs. European Gasoil (ICE) Modified 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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