

To: CME Europe Limited Members
From: CME Europe Limited
Notice Date: 9 June 2016
Notice No: 16-019

CME Europe is pleased to confirm the introduction of a new cash-settled contract, the **Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future**, to be cleared by CME Clearing Europe Limited. The launch date of the contract will be Sunday 26 June 2016 with the first trade date of Monday 27 June 2016. The first contract that will be available for trading on this date is the October 2016 contract. Details of the contract are set out below.

Product Code	Product Name	Settlement Type
TUE	Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future	Cash Settlement

The Exchange Contract Specifications for the product are set out in the Annex below, and will be updated into the CME Europe Energy Contract Module (<http://www.cmegroup.com/europe/files/cme-europe-contract-module-energy.pdf>) prior to launch.

Any queries relating to the contents of this Notice should be directed to:

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Annex**Chapter BD15****Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future****BD15.1 Description**

BD15.1.1 The Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future is Cash Settled referencing the ICIS Heren monthly price assessment for Dutch TTF Gas settled in USD/MMBtu.

BD15.1.2 The Exchange Product code shall be TUE.

BD15.1.3 Transactions shall be construed within the terms of this Chapter BD15, this Contract Module and the Clearing House Rules.

BD15.2 Contract Size

BD15.2.1 The Contract size shall be 2,500 million British Thermal Units (**MMBTu**).

BD15.3 Contract Months

BD15.3.1 The Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future shall be listed in calendar months. Contract Months shall be available in such months as determined by the Exchange.

BD15.4 Trading Hours

BD15.4.1 The Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future shall be available for trading during such hours as determined by the Exchange and as published on the Website from time to time.

BD15.5 Prices

BD15.5.1 Prices shall be quoted in US dollars and cents per MMBTu.

BD15.5.2 The minimum price fluctuation shall be \$0.001 per MMBTu (equivalent to \$2.50 per lot) in respect of Bids, Offers and Transactions for individual Contract Months on CME Globex.

BD15.5.3 The minimum price fluctuation shall be \$0.001 per MMBTu (equivalent to \$2.50 per lot) in respect of Bids, Offers and Transactions for individual Contract Months submitted through CME ClearPort, Daily Settlement Prices, and the Final Settlement Price.

BD15.5.4 There shall be no maximum price fluctuation.

BD15.6 Daily Settlement Prices

BD15.6.1 The Exchange shall establish Daily Settlement Prices in respect of open positions for the purposes of position valuation and variation margin calculation, as described in the Trading Procedure.

BD15.7 Termination of Trading

BD15.7.1 In respect of a Contract Month, trading shall cease on the third New York Mercantile Exchange ("NYMEX") business day (being, in relation to a given commodity, any day on which a settlement price is determined by NYMEX) immediately preceding the first calendar day of the Contract Month. If such day is not an Exchange Business Day, trading shall cease on the immediately preceding Exchange Business Day.

BD15.7.2 On the last trading day, as described in BD15.7.1, the trading shall terminate at 17:00 hours London time.

BD15.8 Floating Price

BD15.8.1 The Floating Price for each Contract Month will be determined with reference to the midpoint between the bid and offer quotations for the TTF price assessment for the Contract Month published by ICIS Heren in the European Spot Gas Market report on the last trading day, as described in BD15.7.1. Should no report be published on that day, the report published on the immediately preceding day on which such report is published shall be used.

BD15.8.2 The midpoint will be converted from EUR/MWh into USD/MMBtu according to the following formula:

$$\text{Floating Price} = \text{ICISHERENPrice} * \text{FXCONV} * \text{UNITCONV}$$

Whereas:

ICISHERENPrice = midpoint between bid and offer quotations published by ICIS Heren as described under BD15.8.1.

FXCONV = the EURUSD (amount of US Dollars that one Euro buys) FX reference rate published by the World Markets Company PLC / Reuters on the last trading day. Should no FX reference rate be published on the last trading day, the reference rate published on the immediately preceding day on which such reference rate is published shall be used.

UNITCONV = 0.293071 MWh shall equal one MMBtu.

BD15.8.3 For the avoidance of doubt, the calculated Floating Price will be rounded to three decimal places.

BD15.9 Delivery

BD15.9.1 Open positions outstanding at the close of trading on the last trading day shall be performed by Cash Settlement.

BD15.9.2 The Final Settlement Price shall be equal to the Floating Price.

- BD15.9.3 Where the Final Settlement Price exceeds the Transaction Price, a buyer of a Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future shall receive from the Clearing House the difference between the Final Settlement Price and the Transaction Price, multiplied by the Contract size. Where the Transaction Price exceeds the Final Settlement Price, a buyer of a Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future shall pay to the Clearing House the difference between the Final Settlement Price and the Transaction Price, multiplied by the Contract size.
- BD15.9.4 Where the Final Settlement Price exceeds the Transaction Price, a seller of a Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future shall pay to the Clearing House the difference between the Final Settlement Price and the Transaction Price, multiplied by the Contract size. Where the Transaction Price exceeds the Final Settlement Price, a seller of a Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future shall receive from the Clearing House the difference between the Final Settlement Price and the Transaction Price, multiplied by the Contract size.
- BD15.9.5 Cash Settlement shall comply with this paragraph BD15.9, paragraph **Error! Reference source not found.** and the Clearing House Rules.
- BD15.10 Disclaimer**
- BD15.10.1 Reed Business Information Ltd (“ICIS Heren”) licenses CME Europe Ltd (the “Exchange”) to use various ICIS Heren price assessments in connection with the trading and/or clearing of the Dutch TTF Natural Gas (USD/MMBtu) (ICIS Heren) Front Month Future.
- BD15.10.2 Neither Exchange nor ICIS Heren guarantees the accuracy and/or completeness of the index or any of the data included therein. CME Europe and ICIS Heren make no warranties, express or implied, as to the results to be obtained by any person or entity from use of the index, trading based on the index, or any data included therein in connection with the trading of the Contracts, or, for any other use. CME Europe and ICIS Heren make no warranties, express or implied, and hereby disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, in no event shall CME Europe or ICIS Heren 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.
- BD15.10.3 The EUR/USD WM/Reuters Closing Spot Rates is provided by the World Markets Company PLC (WM) in conjunction with Reuters and may be used for the purposes set out herein. WM and Reuters shall not be liable for any errors in or delays in providing or making available the EUR/USD WM/Reuters Closing Spot Rate, nor for any actions taken in reliance on the same. The EUR/USD WM/Reuters Rate can not be used, reproduced, distributed, redistributed, licensed or disclosed in any way without a written agreement with WM.