Corn Basis Swaps:
Expiration and Final Settlement Process

Basis Swap Expiration

Basis Swaps will expire on the last business day of the calendar month prior to the swap month. The expiration day is the *Final Settlement Day* for the expiring Corn Basis Swaps.

Important: The final settlement is the cumulative average of the basis swap settlements from each of the 5 business days prior to the last business day of the *expiration month* (calendar month prior to the swap month).

Examples: For a May Corn Basis Swap, the expiration day will be the last business day in April. For a November Corn Basis Swap, the expiration day will be the last business day in October.

Last Clearing Day

The last clearing day for a Corn Basis Swap is the business day prior to the basis swap expiration day. It is the last day in the 5 day cumulative average process.

Important: The Last Clearing Day is the last day that a basis swap can be entered into CME ClearPort for the expiring Corn Basis Swap month.

Daily Settlement Process (Except for Final Five Days of Clearing)

The specific DTN Regional Cash Price Index minus the settlement price for the corresponding futures contract month on that day.

Note: The *corresponding futures contract month* is the one that is closest to but not before the Corn Basis Swap month. e.g., For a May Corn Basis Swap, the corresponding futures contract month is May. For a November Corn Basis Swap, the corresponding futures contract month is December.

Daily Settlement Process (During the Final Five Days of Clearing)

The final five clearing days are the 5 business days prior to the basis swap expiration day (the last business day in the calendar month prior to the basis swap month).

Daily settlement during the last five days of clearing will be the cumulative average of the specific DTN Regional Corn Cash Price Index minus the settlement price of the corresponding CBOT Corn futures contract over the last 5 clearing days.

Example: On the fifth business day prior to the basis swap expiration day, the basis swap settlement is the specific DTN Corn Cash Price Index minus the underlying futures contract settlement price. On the fourth business day prior to the expiration day, the basis swap settlement is the average of the basis swap settlements from the fifth and fourth business days prior to the basis swap expiration day. This cumulative average process continues for each of the last 5 clearing days.

CME Group
A CME/Chicago Board of Trade/NYMEX Company

May Corn Basis Swap: Expiration Date and Final Clearing Process Calendar

April 2009						
Sunday	**Monday**	**Tuesday**	**Wednesday**	**Thursday**	**Friday**	**Saturday**
			1	2	3	4
5	6	7	8	9	10 - Good Friday	11
12	13	14	15	16	17	18
19	20	21	22	23 Regular Daily Settlement Process	24 Average of the April 23 and 24 Daily Settlements	25
26	27 Average of the April 23, 24, and 27 Daily Settlements	28 Average of the April 23, 24, 27, and 28 Daily Settlements	29 Average of the April 23, 24, 27, 28, and 29 Daily Settlements	30 **Expiration Day** Final Cash Settlement is the average of the Daily Settlements from the previous 5 business days		