204A00. SCOPE OF CHAPTER
This chapter is limited in application to the clearing of USD Malaysian Crude Palm Oil Calendar Swaps, where the parties to the transaction are “Eligible Contract Participants” as defined in Commodity Exchange Act Section 1a(18). Transactions in USD Malaysian Crude Palm Oil Calendar Swaps shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in USD Malaysian Crude Palm Oil Calendar Swaps shall also be subject to the provisions of Chapter 8-F of the CME Rulebook.

204A01. CONTRACT SPECIFICATIONS

204A01.A. Unit of Clearing
The unit of clearing shall be 25 metric tons.

204A01.B. Hours for Clearing Entry
The Exchange shall determine the hours during which USD Malaysian Crude Palm Oil Calendar Swaps may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.

204A01.C. Minimum Price Increments
Minimum price fluctuations shall be in multiples of USD $0.25 per metric ton which shall equal USD $6.25 per contract. Contracts shall not be made on any other price basis.

204A01.D. Months Cleared
Clearing of USD Malaysian Crude Palm Oil Calendar Swaps is regularly conducted in all 12 months, but shall be permitted in the current delivery month and any succeeding months. The number of months in which clearing may occur shall be at the discretion of the Exchange.

204A01.E. Position Limits, Exemptions, Position Accountability and Reportable Levels
The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

204A01.F. Last Day of Clearing
The last day of clearing of USD Malaysian Crude Palm Oil Calendar Swaps deliverable in the current delivery month shall be the final settlement day as prescribed in Rule 204A05.

204A01.G. Liquidation during the Delivery Month
After clearing of USD Malaysian Crude Palm Oil Calendar Swaps in the current delivery month has ceased, in accordance with Rule 204A01.F. of this chapter, outstanding contracts for such delivery shall be liquidated by cash settlement as prescribed in Rule 204A02.

204A02. CASH SETTLEMENT
Final settlement under these rules shall be on the final settlement day (as described in Rule 204A05) and shall be accomplished by cash settlement. Clearing members holding open positions in USD Malaysian Crude Palm Oil Calendar Swaps at the time of termination of clearing shall make payment to and receive payment through the Clearing House in accordance with normal variation settlement procedures based on a settlement price equal to the final settlement price (as described in Rule 204A03.).

204A03. FINAL SETTLEMENT PRICE
The final settlement price shall be determined on the final settlement day. The final settlement price shall be the cumulative average of the settlement prices for the third forward month FCPO contract traded on the Bursa Malaysia Derivatives Berhad for each trading day in the swap contract month converted to USD and rounded to the nearest $0.25 using the Kuala Lumpur USD/MYR Reference.
Rate, which appears on Thomson Reuters Screen MYRFIX02 Page at approximately 3:30 p.m. Kuala Lumpur time.

For example, final settlement for a January USD Malaysian Crude Palm Oil Calendar Swap would be the cumulative average of the daily settlement prices for the third forward FCPO contract listed on the Bursa Malaysia Derivatives Berhad contract during the month of January, which in this example will comprise half of the March futures contract and half of the April futures contract, with the month roll determined by the Bursa Malaysia Derivatives Berhad listing and expiration cycle. These daily settlement prices are converted to USD and rounded to the nearest $0.25 using the Kuala Lumpur USD/MYR Reference Rate.

204A04. RESERVED

204A05. FINAL SETTLEMENT DAY

The final settlement day shall be on the last CME business day of the swap contract month. However, should there be a Bursa Malaysia Derivatives Berhad business day during the swap contract month that follows the last CME business day of the swap contract month, then final settlement shall be on the first CME business day of the month following the swap contract month.

204A06. DISPUTES

All disputes between interested parties may be settled by arbitration as provided in the Rules.