

Chapter 1103 Freight Route TC14 (Baltic) Futures

1103100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1103101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the freight rate published each day during the Settlement Period by the Baltic Exchange for the TC14 route (i.e. US Gulf to Continent for cargoes of 38,000 metric tons, or as subsequently amended) valued in Worldscale points multiplied by the applicable Worldscale flat rate for the TC14 route (as defined by Baltic Exchange).

The Floating Price is determined by multiplying each daily freight rate by the applicable Worldscale flat (for that day), and subsequently calculating the average for the Settlement Period.

1103102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1103102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1103102.B. Trading Unit

The contract quantity shall be one thousand (1,000) metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1103102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.0001 (0.01¢) per metric ton.

1103102.D. 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.

1103102.E. Settlement Period

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

1103102. F Termination of Trading

For contract months January to November inclusive: Trading terminates on the last business day of the calendar month.

For December contract months: Trading terminates on the 24th calendar day of the month, or if this is not a business day, the first preceding business day.

1103103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1103104. DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference