Chapter 686
Freight Route TD7 (Baltic) Futures

686100. SCOPE OF CHAPTER
The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

686101. CONTRACTSPECIFICATIONS
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 TD7 freight route (i.e. North Sea to Continent for cargoes of 80,000 metric tons, or as subsequently amended) valued in Worldscale points multiplied by the applicable Worldscale flat rate for the TD7 route (as defined by Baltic Exchange).

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

686102. TRADING SPECIFICATIONS
The number of months open for trading at a given time shall be determined by the Exchange.

686102.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.

686102.B. Trading Unit
The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

686102.C. Price Increments
Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be $0.0001 per metric ton. There shall be no maximum price fluctuation.

686102.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.

686102.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.

686102.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.

686103. FINAL SETTLEMENT
Delivery 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.

686104. DISCLAIMER
See NYMEX/COMEX Chapter iv. ("DISCLAIMERS") incorporated herein by reference.