

Chapter 871

Freight Route Middle East to China (TD3C) (Platts) Futures

871100. 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.

871101. 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 Platts in the Dirty Tankerwire report for Middle East Gulf to China for cargoes of 270,000 metric tons valued in Worldscale points, multiplied by the applicable Worldscale flat rate for the TD3C route (as defined by, and or subsequently amended 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.

871102. TRADING SPECIFICATIONS

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

871102.A. Trading Schedule

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

871102.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.

871102.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.

871102.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.

871102.E. Settlement Period

The Settlement Period shall be the full calendar month for all contract months.

871102.F Termination of Trading

Trading shall cease at the close of trading on the last business day of the contract month.

871103. 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.

871104. DISCLAIMER

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