Chapter 508
LNG North West Europe Index (ICIS Heren) Swap

50801. Description
50801.1 The LNG North West Europe Index (ICIS Heren) Swap is a financially settled swap referencing the ICIS Heren spot liquefied natural gas (‘LNG’) index for the North West Europe region.

50801.2 The CME Clearing Europe commodity code shall be LEIE.

50802. Contract Size
50802.1 The contract size shall be 10,000 mmBtu (million British thermal units).

50803. Contract Months
50803.1 LNG North West Europe Index (ICIS Heren) Swaps shall be available for 12 consecutive calendar months.

50804. Settlement Period
50804.1 The Settlement Period for a specified contract month shall be the one month period that starts on, and includes, the 16th calendar day of the month that is two months prior to the contract month, and ends on, and includes the 15th calendar day of the month prior to the contract month.

50805. Prices
50805.1 Prices shall be quoted in U.S. dollars and cents per mmBtu.

50805.2 The minimum price fluctuation shall be $0.005 per mmBtu.

50805.3 There shall be no maximum price fluctuation.
50806. **Daily Settlement Prices**

50806.1 The Clearing House shall establish settlement prices in respect of open positions for the purposes of position valuation and variation margin calculation, as described in the Clearing Procedures.

50807. **Termination of Trading**

50807.1 Trade submission shall cease on the business day prior to the last weekday (i.e. Monday to Friday inclusive) in the Settlement Period.

50807.2 On the last trading day, as described in 50807.1, the final time for trade submission shall be 4:30pm London time.

50808. **Floating Price**

50808.1 The Floating Price shall be determined following the publication of the Spot LNG NW Europe Index (NEX) by ICIS Heren on the last weekday (i.e. Monday to Friday inclusive) in the Settlement Period. If such day is not a CME Clearing Europe business day, the Floating Price shall be determined on the following CME Clearing Europe business day.

50808.1 The Floating Price for each contract month is equal to the arithmetic average of the Spot LNG NW Europe Index (NEX) published daily by ICIS Heren in LNG Markets Daily for each day that it is published during the Settlement Period, as described in 50804.1.¹

50808. **Final Settlement**

50808.1 Final settlement for the LNG North West Europe Index (ICIS Heren) Swap shall be by financial settlement.

50808.2 Where the Floating Price exceeds the Trade Price, a buyer of a LNG North West Europe Index (ICIS Heren) Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a buyer of a LNG North West Europe Index (ICIS Heren) Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

¹ Note, ICIS Heren assessments for the Spot LNG NW Europe Index reflect values assessed at 4:30pm on the day prior to publication. For the avoidance of doubt therefore, it should be noted that the Floating Price shall reflect prices assessed in respect of the period commencing on the 15th calendar day of the month that is two months prior to the contract month, and ending on the 14th calendar day of the month prior to the contract month inclusive.
Where the Floating Price exceeds the Trade Price, a seller of a LNG North West Europe Index (ICIS Heren) Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a seller of a LNG North West Europe Index (ICIS Heren) Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

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Last Updated: 5 April 2012