

Special Executive Report

DATE: May 19, 2020

SER#: 8603

SUBJECT: Delivery Margin and Payment Procedures

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) previously announced that it is putting measure in places to support negative prices on certain natural gas contracts including the physically-delivered futures contracts (the “Contracts”) listed in the table below (see [SER 8596](#) dated May 7, 2020).

Contract Title	CME Globex/ CME ClearPort Code	NYMEX Rulebook Chapter
UK NBP Natural Gas Daily Futures	NBD	1158
UK NBP Natural Gas Calendar Month Futures	UKG	1157
Dutch TTF Natural Gas Daily Futures	TTD	1160
Dutch TTF Natural Gas Calendar Month Futures	TTF	1159

In order to facilitate deliveries, and subject to CFTC regulatory review, NYMEX is issuing this advisory to clarify position holder and clearing member delivery margin and final payment obligations in the event of a negative final settlement price in the Contracts.

Specifically, with regard to NYMEX Contract Rules 1157106/1158106/1159106/1160106 (“Delivery Margin and Payment”):

1. The Exchange will interpret “full value of the product to be delivered” for purposes of the margin that a Clearing Member must collect from the buyer under Rules 11##106.B to mean an amount fixed by the Exchange;
2. The procedural payment obligations of buyers and sellers under Rules 11##106.C will be transposed where the Contract expires at a negative final settlement price.

Please refer questions on this subject to:

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