

Credit Default Swap on USDT

OEX-CDS-USDT-1OCT-100CAP

0xf9e21054e572194a11d04104bd61bd3b5f9c5abb38c197a0e91b31306eb6865c

SHORT DESCRIPTION

CDS Contract on USDT/USDC depreciation with maturity of 1 October 2021. Contract pays up to 100 USDC and behaves as an insurance for USDT price.

Type	CDS
Underlying	USDT/USDC price depreciation
Oracle	Chainlink USDT/USDC price feed 0x54657c50c7c9f04812be0e3144af7003c6978f90
Contract size	100
Trigger price	0,05
Settlement	USDC
Buyer Margin*	0 USDC
Seller Margin**	100 USDC
Expiration	1 October 2020 8:00 UTC
Long wins^	debt left * contract size
Short wins^	premium at settlement - any win of long ^capped by initial margin

The derivative fee is 2.5% of the profit (only charges to profit makers) and received by derivative author

LONG DESCRIPTION

A credit default swap (CDS) is a financial derivative or contract that allows an investor to "swap" or offset his or her credit risk with that of another investor.

For example, if a lender is worried that a borrower is going to default on a loan, the lender could use a CDS to offset or swap that risk. To swap the risk of default, the lender buys a CDS from another investor who agrees to reimburse the lender in the case the borrower defaults.

CDS requires a premium payment to create the contract, which is like an insurance policy.

A credit default swap is the most common form of credit derivative and may involve municipal bonds, emerging market bonds, mortgage-backed securities or corporate bonds.

*maximum risk of buyer; **Maximum risk of seller and maximum gain of buyer; cds contract traded with open price with via order book

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