

Product Specification

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PRODUCT SPECIFICATION

1. INTERPRETATION

1.1 Unless otherwise specified, words and phrases defined in the applicable Rulebook shall mean the same as in these Terms.

1.2 Herein, the following words and expressions shall be defined as described below:

"Baltic Exchange" [freight]	the Baltic Exchange Limited or any successor thereto.
"FCA" [fish]	Free Carrier as defined by Incoterms 2000.
"Fish Pool Index TM " or "FPI" [fish]	a basket of indices as defined in the Fish Pool Index TM Appendix published by Fish Pool.
"Fish Pool Salmon Price" or "FPSA15" [fish]	a basket of indices as defined in the Fish Pool Salmon Price Appendix published by Fish Pool.
"Flat Rate" [freight]	as published by Worldscale Association (London) Limited and Worldscale Association (NY) Inc.
"Index"	the index of ocean freight rates, oil products, power products or fish products, calculated in respect of each Underlying published by an Index Provider.
"Index Provider"	Baltic Exchange, Bunkerworld, Platts or Fish Pool.
"Index Day"	a day on which the Index Provider publishes an Index.
"Last Trading Day"	the last day on which a Contract can be registered for Clearing in a specific Product. If the Last Trading Day, as per definition, is a non Clearing Day, the Last Trading Day is the last Clearing Day prior to this.
"Last Price"	the price of the last traded Contract on a Trading Day.
"NOK"	Norwegian Kroner. The currency of Norway.
"Platts" [freight, oil]	means Platts Clean Tanker Wire, Platts Market Scan - Market on Close (MOC), or any successor thereto. Disclaimer: Platts does not guarantee the accuracy and/or the completeness of the platts data or any data included therein. Platts makes no warranty, express or implied, as to results to be obtained by owners of the contracts or any other person or entity from the use of the Platts data or any data included therein in connection with the rights licensed hereunder or for any other use. Platts makes no express or implied warranties, and hereby expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect to the Platts data or any data included therein. Without limiting any of the foregoing, in no event shall Platts have any liability for special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.
"Marex"	means Marex Energy Services Limited or any successor thereto

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"Terms"	this Appendix 5 to the applicable Rulebook.
"Ticker"	means an identifier of the Contract. For Futures Contracts the Ticker shall consist of the Underlying and the Delivery Period. For Option Contracts the Ticker shall consist of the Underlying, the Delivery Period, the Option Type and the Exercise Price.
"TSI"	The Steel Index Limited or any successor thereto
"Underlying"	the asset or Index to which the relevant Product is linked, being the Index or Future Contract which is specified as such in the Product Specification for the Product and which is used for settlement of Contracts.
"Week"	Monday to Sunday
"Working Days"	Any day other than Saturday, Sunday and public holidays
"Worldscale Point" [freight]	A point of the pricing index in respect of oil tanker freight, operated by Worldscale Association (London) Limited and Worldscale Association (NY) Inc.

- 1.3 References to a "Term" refer to a term hereof. Save where the context otherwise requires, references in these Terms to the singular also include the plural and vice versa.

GENERAL

- 2.1 These Terms shall apply to each Contract in a Product.
- 2.2 Each Futures Contract shall be for the sale and purchase of one or more lots for the Delivery Period specified in relation to an Underlying. Each Option Contract shall be a Call Option or a Put Option on one or more lots for the Delivery Period specified in relation to an Underlying.
- 2.3 Each Contract shall be subject to the provisions of the applicable Rulebook. In the event of any conflict between the Rulebook and these Terms, the Rulebook shall prevail.

3. PRICE

- 3.1 The value of a Contract shall be calculated in accordance with the calculation set out in the relevant "Product Specification Summary" attached as Annexes to this Appendix.

4. CESSATION OF TRADING AND DELIVERY PERIOD SETTLEMENT

- 4.1 The Last Trading Day of a Product shall be as set out in the Product Specification.
- 4.2 On the Last Trading Day of a Product, trading shall cease at the end of Clearing Hours.
- 4.3 NOS shall perform Delivery Period Settlement in accordance with the applicable Rulebook.

5. CLOSING PRICE AND SPOT PRICE

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- 5.1 NOS shall set the Closing Price for each Product on each Clearing Day, including the Last Trading Day based on price data from the Markets or other sources which provide price data for the relevant Products. The Closing Price shall reflect the market value of the Product at the end of Clearing Hours.
- 5.2 Where price data is available from Regulated Exchanges or Regulated Market Places, NOS shall calculate the Closing Price as follows:
- (a) Closing Price is set to:
- The best bid, if last price < best bid
The best offer, if last price > best offer
or else use Last Price.
- The best bid and offer prices shall be collected at the end of Clearing Hours, and the Last Price shall be based on the price of a trade concluded during the last one hours of the Clearing Hours selected on a random basis.
- (b) For a new Product, the Closing Price of the last similar Product shall be used as the Closing Price for margining purposes from the start of Clearing Hours on the first Trading Day.
- (c) NOS may set a different Closing Price if, in NOS' opinion the Closing Price does not reflect a correct market value.
- 5.3 The Closing Price after the Last Trading day until Final Settlement Day will be set by NOS as a calculated price consisting of known Spot Prices and prices from Products still available for trading reflecting the remaining Delivery Period.
- 5.4 NOS shall calculate the Closing Price for each option Product each Clearing Day including the Final Settlement Day using a recognised option pricing formula.
- 5.5 If for any reason an Index is not published within the end of Clearing Hours, NOS may use the Spot Price for the preceding Index Day in calculation of settlements. NOS will correct settlements the next Clearing Day based on the correct Spot Price.

6. ERRORS IN PRICING

- 6.1 If, within Clearing Hours on the day in which it is calculated, a Member notifies NOS of, or there otherwise comes to the attention of NOS, an alleged or apparent error in the calculation of a Closing Price, Spot Price or the Index by reference to which such a price is calculated, then NOS shall promptly investigate such alleged or apparent error.
- 6.2 NOS shall use reasonable endeavours to correct any error in a Closing Price or Spot Price promptly.
- 6.3 If in its opinion an error has been made in the calculation of an Index, NOS shall promptly notify the Index Provider. No notification by NOS to the Index Provider, with a view to a possible correction of the Index, shall be made in respect of any error notified to NOS or coming to their attention on such day after the time so specified in NOS's complaint procedures.
- 6.4 If the Index Provider has, within Clearing Hours on the same day, published a corrected Index in respect of such day, that corrected Index shall be used in the calculation of the Spot Price. If the Index Provider has not published a corrected Index by such time, the Index originally published in respect of such day shall be used in the calculation of the Spot Price, unless NOS in its sole discretion that the Index as published is manifestly incorrect. If so, NOS may declare that the Spot Price of the previous Clearing Day shall continue to apply.
- 6.5 No correction to the Index, or re-calculation of a Closing Price or Spot Price shall be made other than as provided for in this Term.
- 6.6 NOS nor NOS Personnel shall have any liability whatsoever in respect of any decision by the Index Provider as to whether or not to correct an Index or as to the amount of any correction, or of any decision by the Index Provider or any exchange officials as to whether or not to notify the Index Provider of an alleged or apparent error or to re-calculate the Spot Price.
- 6.7 If for any reason the Index Provider after the Final Settlement Day corrects an Index, NOS will adjust the Settlement Price and effect settlements to correct the Delivery Period Settlement and the Exercise Settlement

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of relevant Contracts to reflect such corrections. NOS will correct settlements for corrections published within the time limit set out in the Product Specification Summary.

- 6.8 If for any reason the Index Provider cannot provide any Index required for establishing the Spot Price, then NOS shall form a panel to establish the Spot Price, which will be binding on all parties. In this event, the parties hereto agree to indemnify and hold harmless this panel and NOS against all actions, claims, demands, liabilities, damages, costs and expenses consequentially to panellists' decision.

7. PROCEDURES FOR FORCED TERMINATION

- 7.1 If NOS is not able to effect Close-out Contracts for all or some of the Defaulter's Contracts according to Clauses 7.3.1 or 7.3.2 in the Rulebook, NOS may effect Forced Termination according to this Clause.
- 7.2 Clearing Members who hold opposite positions in Contracts bought or sold by the Defaulter, may be subject to Forced Termination of Contracts for all or part of the positions at a Forced Termination Contract Price/Premium calculated by NOS according to the Product Specification Summary. NOS shall in this event at random select Buyer(s) or Seller(s) in the relevant Contracts for termination of their Contracts, and organise and perform settlement as provided for in the Product Specification Summary. NOS will select in increments of 5 lots until the Defaulter's position is closed out. The selection is with replacement, so one Clearing Member can be selected more than once.
- 7.3 A Member who is selected for Forced Termination, shall be informed immediately following the decision by NOS to effect Forced Termination through oral and written electronic or facsimile communication to the Responsible Person. Information is considered delivered by NOS upon attempt to contact the Responsible Person by phone and sending written information.

8. SPECIAL SETTLEMENT FOR FREIGHT DERIVATIVE PRODUCTS

- 8.1 All Contracts where the price quotation is in World Scale are initially valued based on the prevailing Flat Rate for the Contract at the time of the trade.
- 8.2 NOS shall following the introduction of a new Flat Rate, calculate and perform Adjusted Flat Rate Settlement for all Contracts with Final Settlement Day on or subsequent to the day of the introduction of a new Flat Rate.
- 8.3 The Adjusted Flat Rate Settlement is calculated as the difference between the Contract Value/Premium based on the new Flat Rate and the Contract Value/Premium based on the preceding Flat Rate. Following the Flat Rate adjustment, all Contracts are valued based on the new Flat Rate for the relevant part of the Delivery Period. The Contract Value/Premium is calculated according to the Product Specification.
- 8.4 NOS may require Collateral for expected Flat Rate adjustments.

9. FORCE MAJEURE

Subject to the applicable Rulebook, a Seller or a Buyer shall be liable to perform its obligations in respect of a Lot comprised in a transaction. By the due time therefore, notwithstanding that he may be, or is likely to be prevented from doing so by any event beyond his reasonable control including, without limitation, change of law or regulation, acts of God or a public enemy, acts of a civil or military authority, embargoes, fires, flood, labour dispute, unavailability or restriction of computer or data processing facilities, energy supplies settlement systems or of bank transfer systems or wires.

10. CHANGES TO TERMS

- 10.1 The provisions of the applicable Rulebook as to changes to the Rulebook (including for the avoidance of doubt these Terms) shall apply.
- 10.2 Any change to these Terms made by NOS shall be the subject of a Notice.
- 10.3 A transaction affected by a variation under clause 9 shall remain in full force and effect subject to such variation and shall not be treated as frustrated or repudiated except in so far as may be allowed by NOS.

11. DISPUTE RESOLUTION

Any dispute arising from or in relation to a transaction, shall be resolved in accordance with the applicable Rulebook.

12. GOVERNING LAW AND JURISDICTION

Every transaction shall be governed by and construed in accordance with English Law.

13. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Except as expressly provided in the applicable Rulebook, nothing in these Terms shall benefit a person who is not a Buyer or Seller under such transaction or NOS under the Contracts (Rights of Third Parties) Act 1999, and such persons shall have no right to enforce any provision thereof.

TANKER (CRUDE OIL/DIRTY - CLEAN PETROLEUM) FUTURES PRODUCTS

PRODUCT SPECIFICATION SUMMARY

Product	Tanker futures Products		
Underlying	Index	Index Provider	Closing Price Provider
	160: TD3_TCE, VLCC AG-East, 265,000 mt	Baltic Exchange	Baltic Exchange
	171: TC2USD, MR Continent-USAC, 37,000 mt	Baltic Exchange	Baltic Exchange
	172: TC4USD, MR, Singapore - Japan, 30,000 mt	Platts	Baltic Exchange
	173: TC5USD, LR 1, AG – Japan, 55,000 mt	Platts	Baltic Exchange
	174: TC6USD, MR, Algeria – Euromed, 30,000 mt.	Baltic Exchange	Baltic Exchange
	176: TC12USD, MR, West Coast India – Japan, 35,000 mt	Baltic Exchange	Baltic Exchange
	178: TC14USD, MR, US Gulf – Continent, 38,000 mt	Baltic Exchange	Baltic Exchange
	180: TD3USD, VLCC AG-East, 265,000mt	Baltic Exchange	Baltic Exchange
	181: TD5USD, Suezmax, West Africa - USAC, 130,000 mt	Baltic Exchange	Baltic Exchange
	182: TD7USD, Aframax, North Sea-Continent, 80,000 mt	Baltic Exchange	Baltic Exchange
	183: TD8USD, Aframax, Kuwait – Singapore, 80,000 mt	Baltic Exchange	Baltic Exchange
	184: TD9USD, Aframax, Caribs – USG, 70,000 mt	Baltic Exchange	Baltic Exchange
	186: TD17USD, Aframax, Baltic Sea–Cont., 100,000 mt	Baltic Exchange	Baltic Exchange
	188: TD19USD, Aframax,, Cross Med, 80,000 mt	Baltic Exchange	Baltic Exchange
Contract Price quotation	160: USD/day 171- 188: USD/metric ton (mt)		
Minimum price fluctuation	160: USD 0.01 171- 188: USD 0.0001		
Lot size	171-188: Week: 1 lot = 1,000 mt Month: 1 lot = 1,000 mt Quarter: 1 lot = 3,000 mt Year: 1 lot = 12,000 mt 160: Month: 1 lot = 1 day Quarter: 1 lot = 3 days Year: 1 lot = 12days		
Minimum lots per contract	0.01 lot in all Products		
Contract value	160: #Lots × Lot size × Contract Price 171-188: #Lots × Lot size × Contract Price		
Delivery Period	Week: First Index Day of the Week to last Index Day of the Week. Month: First Index Day of the Month to last Index Day of the Month. Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts. Year: A Year Contract is split equally into 12 Month Contracts on the trading day and settled as Month Contracts.		
Final Settlement Day	Last Settlement Day in the Delivery Period.		

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Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period.
Product structure	<p>160, 171-188:</p> <p>Week: (available for TD3USD, TD5USD, TC2USD and TC5USD) 6 consecutive Week Products starting with the current week. A new Week Product is introduced once the current week is no longer available for clearing.</p> <p>Month: 6 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.</p> <p>Quarter: 5 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing.</p> <p>Year: 2 consecutive Year Products. A new Year Product is introduced once the current year is no longer available for clearing.</p> <p>NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.</p>
Last Trading Day	<p>Week: Last Trading Day is the last day of the Delivery Period for the relevant Week Product.</p> <p>Month: Last Trading Day is the last day of the Delivery Period for the relevant Month Product.</p> <p>Quarter: Last Trading Day is the Last Trading Day of the first month of the quarter.</p> <p>Year: Last Trading Day is the Last Trading Day of the first month of the year.</p>

DRY BULK – INDEX FUTURES PRODUCTS

PRODUCT SPECIFICATION – SUMMARY

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Product	Dry index futures Products		
Underlying	Index 800: Baltic Dry Index - BDI	Index Provider Baltic Exchange	Closing Price Provider Baltic Exchange
Contract Price quotation	USD		
Minimum price fluctuation	USD 0.01		
Lot size	Lot = 1		
Minimum lots per contract	0.01 lot in all Products		
Contract value	# Lots x Lot size x Contract Price		
Delivery Period	<p>Month: First Index Day of the Month to last Index Day of the Month.</p> <p>Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts.</p> <p>Year: A Year Contract will be split equally into 12 Month Contracts on the trading day and settled as Month Contracts.</p>		
Final Settlement Day	Last Settlement Day in the Delivery Period.		
Settlement Price	The arithmetic average of Spot Prices for the relevant Underlying Product over the number of Index Days in the Delivery Period.		
Product structure	<p>Month: 4 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.</p> <p>Quarter: 4 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing.</p> <p>Year: 4 consecutive Year Products. A new Year Product is introduces once the current year is no longer available for clearing.</p> <p>NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.</p>		
Last Trading Day	<p>Month: Last Trading Day is the last day of the Delivery Period for the relevant Month Product.</p> <p>Quarter: Last Trading Day is the Last Trading Day of the first month of the quarter.</p> <p>Year: Last Trading Day is the Last Trading Day of the first month of the year.</p>		

DRY BULK SINGLE ROUTES FUTURES PRODUCTS

PRODUCT SPECIFICATION - SUMMARY

Product	Dry single routes futures Products		
Underlying	<p>Index</p> <p>213: C4 AVG: Capesize, Richards Bay – Rotterdam, 150,000 mt</p> <p>214: C7 AVG: Capesize, Bolivar – Rotterdam, 150,000 mt</p> <p>215: C5 AVG: Capesize, W Australia – Qingdao, 160,000 mt</p> <p>216: C3 AVG: Capesize, Tubarao – Qingdao, 160,000</p> <p>249: C9 AVG: Capesize, Continent/Mediterranean – Far East</p> <p>241: P2A, Panamax, T/C Skaw Gibraltar – Far East</p> <p>242: P3A, Panamax, T/C S.Korea – Japan Pacific R/V</p> <p>244: P1A, Panamax, T/C Transatlantic RV</p> <p>245: P2A AVG, Panamax, T/C Skaw Gibraltar – Far East</p> <p>246: P1A AVG, Panamax, T/C Transatlantic RV</p> <p>247: P3A AVG, Panamax, T/C S.Korea – Japan Pacific R/V</p>	<p>Index Provider</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p>	<p>Closing Price Provider</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p> <p>Baltic Exchange</p>
Contract Price quotation	<p>213-216: USD/metric ton (mt)</p> <p>241-247, 249: USD/day</p>		
Minimum price fluctuation	USD 0.01		
Lot size	<p>213-217: 1 lot = 1,000 mt</p> <p>241-247, 249: 1 lot = 1 day</p>		
Minimum lots per contract	0.01 lot in all Products		
Contract value	#Lots × Lot size × Contract Price		
Delivery Period	<p>241, 242, 244:</p> <p>Month: Last 7 Index Days in the Month</p> <p>Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts.</p> <p>213-216, 245-247, 249:</p> <p>Month: First Index Days of the Month to last Index Day of the Month</p> <p>Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts.</p> <p>Year: A Year Contract is split equally into 12 Month Contracts on the trading day and settled as Month Contracts.</p> <p>If the splitting of a Quarter or Year Contract according to the method above would result in positions with more than two decimals, the rest position is dispersed in 0.01 lots on the Month Contracts, starting with the last Month Contract according to Delivery Period and working backwards.</p>		
Final Settlement Day	Last Settlement Day in the Delivery Period.		
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period.		
Product structure	<p>241, 242, 244-247:</p> <p>Month: 6 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.</p>		

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- Quarter: 4 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing.
- 213, 214:
Month: 6 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.
- Quarter: 6 consecutive Quarter Products. A new quarter Product is introduced once the current quarter is no longer available for clearing.
- Year: 3 consecutive Year Products. A new Year Product is introduced once the current year is no longer available for clearing.
- 215, 216:
Month: 6 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.
- Quarter: 4 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing.
- Year: 1 Year Product. A new Year Product is introduced once the current year is no longer available for clearing.
- 249:
Months: 5 consecutive months starting with the current month. A new month Product is introduced once the current month is no longer available for trading. Please refer to "Last Trading Day" for details on last trading day.
- Quarters: 5 consecutive quarters starting with the present quarter. A new quarter Product is introduced once the present quarter is no longer available for trading. Please refer to "Last Trading Day" for details on last trading day.
- Year: 2 consecutive yearly Contracts. When the first month of the yearly Contract enters its Delivery Period, the Contract will be taken off screen and a new yearly Contract will be introduced.

NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.

- Last Trading Day**
- Month: Last Trading Day is the last day of the Delivery Period for the relevant Month Product.
- Quarter: Last Trading Day is the Last Trading Day of the first month of the quarter.
- Year: Last Trading Day is the Last Trading Day of the first month of the year.

DRY BULK TIMECHARTER BASKETS FUTURES PRODUCTS

PRODUCT SPECIFICATION - SUMMARY

Product	Dry timecharter baskets futures Products:		
Underlying	Index	Index Provider	Closing Price Provider
	220: CS4TC, Capesize, T/C Average	Baltic Exchange	Baltic Exchange
	250: PM4TC, Panamax, T/C Average	Baltic Exchange	Baltic Exchange
	270: HS6TC, Handysize, T/C Average	Baltic Exchange	Baltic Exchange
	290: SM6TC, Supramax, T/C Average	Baltic Exchange	Baltic Exchange
Contract Price quotation	USD/day		
Minimum price fluctuation	USD 0.01		
Lot size	1 lot = 1 day		
Minimum lots per contract	0.01 lot in all Products		
Contract value	# Lots x Lot size x Contract Price		
Delivery Period	<p>Month: First Index Day of the Month to last Index Day of the Month.</p> <p>Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts. If the traded volume in the Quarter Contract equals the total or half the number of days in the actual quarter, the Contract is split into Month Contracts by weighting the volume according to the number of days in the actual month divided by the total number of days in the quarter.</p> <p>Half Year: A Half Year Contract is split equally into 6 Month Contracts on the trading day and settled as Month Contracts. If the traded volume in the Half Year Contract equals the total or half number of days in the actual half year, the Contract is split into Month Contracts by weighting the volume according to the number of days in the actual month divided by the total number of days in the half year.</p> <p>Year: A Year Contract is split equally into 12 Month Contracts on the trading day and settled as Month Contracts. If the traded volume in the Year Contract equals the total or half number of days in the actual year, the Contract is split into Month Contracts by weighting the volume according to the number of days in the actual month divided by the total number of days in the year.</p> <p>If the splitting of a Quarter, Half Year or Year Contract according to the method above would result in positions with more than two decimals, the rest position is dispersed in 0.01 lots on the Month Contracts, starting with the last Month Contract according to Delivery Period and working backwards.</p>		
Final Settlement Day	Last Settlement Day in the Delivery Period.		
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period.		
Product structure	Month:	6 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.	
	Quarter:	6 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing.	

Half Year: 2 consecutive Half Year Products. A new Half Year Product is introduced once the current half year is no longer available for clearing.

Year: 7 consecutive Year Products. A new Year Product is introduced once the current year is no longer available for clearing.

NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.

Last Trading Day

Month: Last Trading Day is the last day of the Delivery Period for the relevant Month Product.

Quarter: Last Trading Day is the Last Trading Day of the first month of the quarter.

Half Year: Last Trading Day is the Last Trading Day of the first month of the half year.

Year: Last Trading Day is the Last Trading Day of the first month of the year.

OIL FUTURES PRODUCTS

PRODUCT SPECIFICATION SUMMARY

Product	Oil futures Products:		
Underlying	Index	Index Provider	Closing Price Provider
	311: RDM35FOSS, Fuel Oil 3.5% FOB Barges Rotterdam	Platts	Marex
	312: NWE10FOSS, Fuel Oil 1% FOB Cargoes NWE	Platts	Marex
	331: SPO180FOSS, Fuel Oil 180 CST FOB Cargoes Singapore	Platts	Marex
	332: SPO380FOSS, Fuel Oil 380 CST FOB Cargoes Singapore	Platts	Marex
	333: MED35FOSS, Fuel Oil 3,5% FOB Cargoes Mediterranean	Platts	Marex
Contract Price quotation	USD/metric ton (mt)		
Minimum price fluctuation	USD 0.0001		
Lot size	Month: 1 lot = 1 mt Quarter: 1 lot = 3 mt Year: 1 lot = 12 mt		
Minimum lots per contract	1 lot in all Products		
Contract value	#Lots × Lot size × Contract Price		
Delivery Period	Month: First Index Day of the Month to last Index Day of the Month. Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts. Year: A Year Contract is split into equally into 12 Month Contracts on the trading day and settled as Month Contracts.		
Final Settlement Day	311, 312, 333: First Settlement Day following the Delivery Period. 331, 332: Last Settlement Day in the Delivery Period.		
Settlement Price	The arithmetic average of the Spot Prices* for the relevant Underlying Product in the Delivery Period. *For product 311, 312 and 333 the Spot Price is equal to the arithmetic average of the high and low quotations from Platts European Marketscan. *For product 331 and 332 the Spot Price is equal to the arithmetic average of the mid-point of the high and low quotations from the Platts Asia-Pacific Marketscan.		
Product structure	Month: 6 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing. Quarters: 6 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing. Year: 2 consecutive Year Products. A new Year Product is introduced once the current year is no longer available for clearing. NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.		

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Last Trading Day	Month:	Last Trading Day is the last day of the Delivery Period for the relevant Month Product.
	Quarter:	Last Trading Day is the Last Trading Day of the first month of the quarter.
	Year:	Last Trading Day is the Last Trading Day of the first month of the year.

TANKER OPTION PRODUCTS

PRODUCT SPECIFICATION - SUMMARY

Product	Tanker Asian-style option Products	
Option type	Call Option and Put Option	
Underlying	Index	Index Provider
	171: TC2USD, MR Continent-USAC, 37,000 mt	Baltic Exchange
	172: TC4USD, MR, Singapore - Japan, 30,000 mt	Platts
	173: TC5USD, LR 1, AG – Japan, 55,000 mt	Platts
	174: TC6USD, MR, Algeria – Euromed, 30,000 mt.	Baltic Exchange
	176: TC12USD, MR, West Coast India – Japan, 35,000 mt	Baltic Exchange
	178: TC14USD, MR, US Gulf – Continent, 38,000 mt	Baltic Exchange
	180: TD3USD, VLCC AG-East, 265,000mt	Baltic Exchange
	181: TD5USD, Suezmax, West Africa - USAC, 130,000 mt	Baltic Exchange
	182: TD7USD, Aframax, North Sea-Continent, 80,000 mt	Baltic Exchange
	183: TD8USD, Aframax, Kuwait – Singapore, 80,000 mt	Baltic Exchange
	184: TD9USD, Aframax, Caribs – USG, 70,000 mt	Baltic Exchange
	186: TD17USD, Aframax, Baltic Sea–Cont., 100,000 mt	Baltic Exchange
	188: TD19USD, Aframax,, Cross Med, 80,000 mt	Baltic Exchange
Contract Price quotation	USD/metric ton (mt)	
Minimum Price fluctuation	USD 0.0001	
Lot size	Month: 1 lot = 1,000 mt Quarter: 1 lot = 3,000 mt Year: 1 lot = 12,000 mt	
Minimum lots per contract	0.01 lot in all Products	
Premium	#Lots × Lot size × Contract Price	
Premium Settlement Day	Trading day for the Option Contract.	
Option Exercise	Automatic Exercise on the Final Settlement Day.	
Delivery Period	The Delivery Period for Tanker Options follows the same Delivery Period as for Tanker Futures in Annex 5A.	
Product structure	The Product structure for Tanker Options follows the same Product Structure as for Tanker Futures in Annex 5A. NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.	
Last Trading Day	The Last Trading Day for Tanker Options is the same as for Tanker Futures in Annex 5A.	
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period.	
Exercise Settlement	The Seller of a Call Option shall pay the Buyer the positive difference calculated as the Settlement Price less the Exercise Price while the Seller of a Put Option shall pay the Buyer the positive difference calculated as the Exercise Price less the Settlement Price.	

	All Option Contracts expire on the Final Settlement Day.
Settlement day of Exercise Settlement	Payable by Seller to Buyer on the Final Settlement Day.
Automatic Exercise	Option Contracts are subject to Automatic Exercise by NOS on the Final Settlement Day.
Forced Termination	NOS may call for Forced Termination when provided for in the Rulebook.
Forced Termination Premium	Premium Settlement following Forced Termination calculated as follows: #Lots × Lot size × Contract Price
	The Contract Price will be set by NOS using the Black 76 formula adjusted with reference to the Turnbull and Wakeman Approximation.
	The basis for the calculation will be:
	<ul style="list-style-type: none"> • Market prices of Futures Contracts for the underlying Delivery Period as set by NOS at the time of the Forced Termination, adjusted up or down by 50% of the NOS risk interval to the disadvantage of the Defaulting Member. In the event that the market price of multiple Futures Contracts with the same underlying and the same delivery period is subject to adjustment, the market price of all such adjusted Futures Contracts shall be adjusted in the same direction, i.e. either up or down. • Implied volatility as used in calculation of Closing Price for the Option Contract the preceding Trading Day, adjusted up or down by 30% to the disadvantage of the Defaulting Member. In the event that the implied volatility of multiple Option Contracts with the same underlying and the same delivery period is subject to adjustment, the implied volatility of all such adjusted Option Contracts shall be adjusted in the same direction, i.e. either up or down.
	The NOS risk interval is the price change interval used by NOS in calculation of margin requirements from time to time.

DRY BULK INDEX OPTION PRODUCTS

PRODUCT SPECIFICATION – SUMMARY

- DELISTED -

Product	BDI Asian-style option Products	
Option type	Call Option and Put Option	
Underlying	Index 800: BDI Baltic Dry Index – BDI	Index Provider Baltic Exchange
Contract Price quotation	USD	
Minimum Price fluctuation	USD 0.01	
Lot size	1 lot = 1	
Minimum lots per contract	0.01 lot in all Products	
Premium	#Lots × Lot size × Contract Price	
Premium Settlement Day	Trading day for the Option Contract.	
Option Exercise	Automatic Exercise on the Final Settlement Day.	
Delivery Period	The Delivery Period for Dry Bulk Index Options follows the same Delivery Period as for Dry Bulk Index Futures in Annex 5B.	
Product structure	<p>The Product structure for Dry Bulk Index Options follows the same Product Structure as for Dry Bulk Index Futures in Annex 5B.</p> <p>NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.</p>	
Last Trading Day	The Last Trading Day for Dry Bulk Index Options is the same as for Dry Bulk Index Futures in Annex 5B.	
Settlement Price	The arithmetic average of all Spot Prices for the relevant Underlying Product in the Delivery Period.	
Exercise Settlement	<p>The Seller of a Call Option shall pay the Buyer the positive difference calculated as the Settlement Price less the Exercise Price while the Seller of a Put Option shall pay the Buyer the positive difference calculated as the Exercise Price less the Settlement Price.</p> <p>All Option Contracts expire on the Final Settlement Day.</p>	
Settlement day of Exercise Settlement	Payable by Seller to Buyer on the Final Settlement Day.	
Automatic Exercise	Option Contracts are subject to Automatic Exercise by NOS on the Final Settlement Day.	
Forced Termination	NOS may call for Forced Termination when provided for in the Rulebook.	
Forced Termination Premium	<p>Premium Settlement following Forced Termination calculated as follows:</p> <p>#Lots × Lot size × Contract Price</p>	

The Price will be set by NOS using the Black 76 formula adjusted with reference to the Turnbull and Wakeman Approximation.

The basis for the calculation will be:

- Market prices of Futures Contracts for the underlying Delivery Period as set by NOS at the time of the Forced Termination, adjusted up or down by 50% of the NOS risk interval to the disadvantage of the Defaulting Member. In the event that the market price of multiple Futures Contracts with the same underlying and the same delivery period is subject to adjustment, the market price of all such adjusted Futures Contracts shall be adjusted in the same direction, i.e. either up or down.
- Implied volatility as used in calculation of Closing Price for the Option Contract the preceding Trading Day, adjusted up or down by 30% to the disadvantage of the Defaulting Member. In the event that the implied volatility of multiple Option Contracts with the same underlying and the same delivery period is subject to adjustment, the implied volatility of all such adjusted Option Contracts shall be adjusted in the same direction, i.e. either up or down.

The NOS risk interval is the price change interval used by NOS in calculation of margin requirements from time to time.

DRY BULK OPTION PRODUCTS

PRODUCT SPECIFICATION - SUMMARY

Product	Dry Bulk Asian-style option Products:	
Option type	Call Option and Put Option	
Underlying	<p>Index</p> <p>220: CS4TC, Capesize, T/C Average 250: PM4TC, Panamax, T/C Average 270: HS6TC, Handysize, T/C Average 290: SM6TC, Supramax, T/C Average</p> <p>213: C4 AVG: Capesize, Richards Bay – Rotterdam, 150,000 mt 214: C7 AVG: Capesize, Bolivar – Rotterdam, 150,000 mt 215: C5 AVG: Capesize, W Australia – Qingdao, 160,000 mt 216: C3 AVG: Capesize, Tubarao – Qingdao, 160,000 249: C9 AVG: Capesize, Continent/Mediterranean – Far East 241: P2A, Panamax, T/C Skaw Gibraltar – Far East 242: P3A, Panamax, T/C S.Korea – Japan Pacific R/V 244: P1A, Panamax, T/C Transatlantic RV 245: P2A AVG, Panamax, T/C Skaw Gibraltar – Far East 246: P1A AVG, Panamax, T/C Transatlantic RV 247: P3A AVG, Panamax, T/C S.Korea – Japan Pacific R/V</p>	<p>Index Provider</p> <p>Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange Baltic Exchange</p>
Contract Price quotation	213-216: USD/metric ton (mt) 220-290: USD/day	
Minimum Price fluctuation	USD 0.01	
Lot size	213-216: 1 Lot = 1,000 mt 220-290: 1 Lot = 1 Day	
Minimum lots per contract	0.01 lot in all Products	
Premium	#Lots × Lot size × Contract Price	
Premium Settlement Day	Trading day for the Option Contract.	
Option Exercise	Automatic Exercise on the Final Settlement Day.	
Delivery Period	The Delivery Period for Dry Bulk Options follows the same Delivery Period as for Dry Bulk Futures in Annex 5C and 5D.	
Product structure	The Product structure for Dry Bulk Options follows the same Product Structure as for Dry Bulk Futures in Annex 5C and 5D. NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.	
Last Trading Day	The Last Trading Day for Dry Bulk Options is the same as for Dry Bulk Futures in Annex 5C and 5D.	
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period.	
Exercise Settlement	The Seller of a Call Option shall pay the Buyer the positive difference calculated as the Settlement Price less the Exercise Price while the Seller of a Put Option shall pay the	

Buyer the positive difference calculated as the Exercise Price less the Settlement Price.

All Option Contracts expire on the Final Settlement Day.

Settlement day of Exercise Settlement

Payable by Seller to Buyer on the Final Settlement Day.

Automatic Exercise

Option Contracts are subject to Automatic Exercise by NOS on the Final Settlement Day.

Forced Termination

NOS may call for Forced Termination when provided for in the Rulebook.

Forced Termination Premium

Premium Settlement following Forced Termination calculated as follows:

#Lots × Lot size × Contract Price

The Contract Price will be set by NOS using the Black 76 formula adjusted with reference to the Turnbull and Wakeman Approximation.

The basis for the calculation will be:

- Market prices of Futures Contracts for the underlying Delivery Period as set by NOS at the time of the Forced Termination, adjusted up or down by 50% of the NOS risk interval to the disadvantage of the Defaulting Member. In the event that the market price of multiple Futures Contracts with the same underlying and the same delivery period is subject to adjustment, the market price of all such adjusted Futures Contracts shall be adjusted in the same direction, i.e. either up or down.
- Implied volatility as used in calculation of Closing Price for the Option Contract the preceding Trading Day, adjusted up or down by 30% to the disadvantage of the Defaulting Member. In the event that the implied volatility of multiple Option Contracts with the same underlying and the same delivery period is subject to adjustment, the implied volatility of all such adjusted Option Contracts shall be adjusted in the same direction, i.e. either up or down.

The NOS risk interval is the price change interval used by NOS in calculation of margin requirements from time to time.

SEAFOOD FUTURES PRODUCTS

PRODUCT SPECIFICATION
SUMMARY

Product	Seafood futures Products:		
Underlying		Index Provider	Closing Price Provider
	Fish Pool Index (FPI): Contracts with Delivery Period in 2013 and 2014:	Fish Pool	Fish Pool
	Fish Pool Salmon Price (FPSA15): Contracts with Delivery Period in January 2015 and onwards:	Fish Pool	Fish Pool
Contract Price quotation	NOK/kg		
Minimum price fluctuation	NOK 0.01		
Lot size	1 lot = 1,000 kg		
Minimum lots per contract	1 lot in all Products		
Contract value	#Lots × Lot size × Contract Price		
Delivery Period	Month:	4 or 5 weeks in the relevant Month as defined by Fish Pool in Appendix 1 to the Fish Pool Rulebook.	
	Quarter:	A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts.	
	Year:	A Year Contract is split equally into 12 Month Contracts on the trading day and settled as Month Contracts.	
Product structure	Month:	4 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.	
	Quarter:	4 consecutive Quarter Products. A new Quarter Product is introduced once the current quarter is no longer available for clearing.	
	Year:	2 consecutive Year Products available. A new Year Product is introduced once the current year is no longer available for clearing.	
		NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.	
Last Trading Day	Month:	Last Trading Day is the last Friday of the month in question.	
	Quarter:	Last Trading Day is the Last Trading Day of the first month of the quarter.	
	Year:	Last Trading Day is the Last Trading Day of the first month of the year.	
Settlement Day		Mark-to-Market Settlement is settled on the first Settlement Day following the trading day [T+1]	
Final Settlement Day		The second Friday after the Delivery Period. If this date is not a Settlement Day, the Final Settlement Day is defined as the nearest Settlement Day prior to the second Friday.	
Settlement Price		The arithmetic average of the Spot Prices for the relevant Underlying in the Delivery Period. NOS will correct settlements due to a correction of an Index if such correction is published within the time limit set out in Appendix 2 (The Fish Pool Index) to the Fish Pool Rulebook.	

SEAFOOD OPTION PRODUCTS

**PRODUCT SPECIFICATION
SUMMARY**

Product	Seafood Asian-style option Products:		
Option type	Call Option and Put Option		
Underlying		Index Provider	Closing Price Provider
	Fish Pool Index (FPI): Contracts with Delivery Period in 2013 and 2014	Fish Pool	NOS
	Fish Pool Salmon Price (FPSA15): Contracts with Delivery Period in January 2015 and onwards:	Fish Pool	NOS
Contract Price quotation	NOK/kg.		
Minimum Price/Exercise Price fluctuation	NOK 0.01		
Lot size	1 lot = 1,000 kg		
Minimum lots per contract	0.1 lot in all Products		
Premium	#Lots × Lot size × Contract Price		
Premium Settlement Day	The Premium is settled on the first Settlement Day following the trading day [T+1].		
Final Settlement Day	The second Friday after the Delivery Period. If this date is not a Settlement Day, the Final Settlement Day is defined as the nearest Settlement Day prior to the second Friday.		
Option Exercise	Automatic Exercise on the Final Settlement Day.		
Delivery Period	The Delivery Period for Seafood Options follows the same Delivery Period as for Seafood Futures in Annex 5N		
Product structure	The Product structure for Seafood Options follows the same Product Structure as for Seafood Futures in Annex 5N. NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.		
Last Trading Day	The Last Trading Day for Seafood Options is the same as for Seafood Futures in Annex 5N.		
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period. NOS will correct settlements due to a correction of an Index if such correction is published within the time limit set out in Appendix 2 (Fish Pool Index) to the Fish Pool Rulebook.		
Exercise Settlement	The Seller of a Call Option shall pay the Buyer the positive difference calculated as the Settlement Price less the Exercise Price while the Seller of a Put Option shall pay the Buyer the positive difference calculated as the Exercise Price less the Settlement Price. All Option Contracts expire on the Final Settlement Day.		

Settlement day of Exercise Settlement	Payable by Seller to Buyer on the first Settlement Day following the Final Settlement Day [T+1].
Automatic Exercise	Option Contracts are subject to Automatic Exercise by NOS on the Final Settlement Day.
Forced Termination	NOS may call for Forced Termination when provided for in the Rulebook.
Forced Termination Premium	<p>Premium Settlement following Forced Termination calculated as follows:</p> <p>#Lots × Lot size × Contract Price</p> <p>The Premium will be set by NOS using the Black 76 formula adjusted with reference to the Turnbull and Wakeman Approximation.</p> <p>The basis for the calculation will be:</p> <ul style="list-style-type: none"> • Market prices of Futures Contracts for the underlying Delivery Period as set by NOS at the time of the Forced Termination, adjusted up or down by 50% of the NOS risk interval to the disadvantage of the Defaulting Member. In the event that the market price of multiple Futures Contracts with the same underlying and the same delivery period is subject to adjustment, the market price of all such adjusted Futures Contracts shall be adjusted in the same direction, i.e. either up or down. • Implied volatility as used in calculation of Closing Price for the Option Contract the preceding Trading Day, adjusted up or down by 30% to the disadvantage of the Defaulting Member. In the event that the implied volatility of multiple Option Contracts with the same underlying and the same delivery period is subject to adjustment, the implied volatility of all such adjusted Option Contracts shall be adjusted in the same direction, i.e. either up or down. <p>The NOS risk interval is the price change interval used by NOS in calculation of margin requirements from time to time.</p>

ELECTRICITY CERTIFICATE (EL-CERT) FORWARD PRODUCTS

**PRODUCT SPECIFICATION
SUMMARY**

Product	El-certificate forward Products with net physical delivery of the underlying		
Underlying	Electricity Certificate	Spot Price Provider NOS	Closing Price Provider NOS
Contract Price quotation	SEK/El-cert NOK/El-cert EUR/El-cert		
Minimum price fluctuation	SEK 0.01 NOK 0.01 EUR 0.001		
Lot size	1 Lot = 1 El-cert		
Minimum Lots per Contract	1 Lot		
Contract value	#El-cert × Contract Price x Lot size		
Product structure	Day (spot): All Clearing Days. Month: 5 consecutive March Products. A new Month Product is introduced once the current month is no longer available for clearing. NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.		
Settlement and Delivery Day	Day (spot): Three Clearing Days after the Last Trading Day. Month: 18 th of relevant Month. If the day is not a Clearing Day, the Settlement and Delivery Day is defined as the nearest Clearing Day prior to this.		
Last Trading Day	Day (spot): Same day as trading Month: Last Trading Day is three Clearing Days prior to the Settlement and Delivery Day.		
Settlement Price	Contract Price		

IRON ORE FUTURES PRODUCTS

**PRODUCT SPECIFICATION
SUMMARY**

Product	Iron Ore futures Products		
Underlying	Index CHN62FE , CFR China, 62% Fe Fines – Delivered Chinese Port	Index Provider The Steel Index (TSI)	Closing Price Provider NOS
Contract Price quotation	USD/dry metric ton (dmt)		
Minimum price fluctuation	USD 0.01		
Lot size	1 lot = 1,000 dmt		
Minimum lots per contract	0.01 lot in all Products		
Contract value	#Lots × Lot size × Contract Price		
Delivery Period	<p>Month: First Index Days of the Month to last Index Day of the Month</p> <p>Quarter: A Quarter Contract is split equally into 3 Month Contracts on the trading day and settled as Month Contracts.</p> <p>Year: A Year Contract is split equally into 12 Month Contracts on the trading day and settled as Month Contracts.</p> <p>If the splitting of a Quarter or Year Contract according to the method above would result in positions with more than two decimals, the rest position is dispersed in 0.01 lots on the Month Contracts, starting with the last Month Contract according to Delivery Period and working backwards.</p>		
Final Settlement Day	Last Settlement Day in the Delivery Period		
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product in the Delivery Period.		
Product structure	<p>Months: 24 consecutive Month Products starting with the current month. A new Month Product is introduced once the current month is no longer available for clearing.</p> <p>Quarters: 4 consecutive Quarter Products. A new Quarter Product is introduced once the present quarter is no longer available for clearing.</p> <p>Year: 1 Year Product. A new Year Product is introduced once the current year is no longer available for clearing.</p> <p>NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.</p>		
Last Trading Day	<p>Months: The Last Trading Day is the last day in the Delivery Period for the relevant Month Product.</p> <p>Quarters: Last Trading Day is the Last Trading Day of the first month of the quarter.</p> <p>Year: Last Trading Day is the Last Trading Day of the first month of the year.</p>		

IRON ORE OPTION PRODUCTS

**PRODUCT SPECIFICATION
SUMMARY**

Product	Iron Ore option Products:	
Option type	Call Options and Put Options	
Underlying	Index CHN62FE , CFR China, 62% Fe Fines – Delivered Chinese Port	Index Provider The Steel Index (TSI)
Contract Price quotation	USD/dry metric ton (dmt)	
Minimum price fluctuation	USD 0.01	
Lot size	1 lot = 1,000 dmt	
Minimum lots per contract	0.01 lot in all Products	
Premium	#Lots × Lot size × Contract Price	
Delivery Period	The Delivery Period for Iron Ore Options follows the same Delivery Period as for Iron Ore Futures in Annex 5Q.	
Final Settlement Day	Last Settlement Day in the Delivery Period.	
Settlement Price	The arithmetic average of the Spot Prices for the relevant Underlying Product over the number of Index Days in the Delivery Period.	
Product structure	<p>The Product structure for Iron Ore Options follows the same Product Structure as for Iron Ore Futures in Annex 5Q.</p> <p>NOS may at its sole discretion decide to Clear Contracts with a deviating Product structure than the Product structure specified above.</p>	
Last Trading Day	The Last Trading Day for Iron Ore Options is the same as for Iron Ore Futures in Annex 5Q.	
Exercise Settlement	<p>The Seller of a Call Option shall pay the Buyer the positive difference calculated as the Settlement Price less the Exercise Price while the Seller of a Put Option shall pay the Buyer the positive difference calculated as the Exercise Price less the Settlement Price.</p> <p>All Option Contracts expire on the Final Settlement Day</p>	
Settlement day of Exercise Settlement	Payable by Seller to Buyer on the Final Settlement Day	
Automatic Exercise	Option Contracts are subject to Automatic Exercise by NOS on the Final Settlement Day	
Forced Termination	NOS may call for Forced Termination when provided for in the Rulebook	
Forced Termination Premium	<p>Premium Settlement following Forced Termination calculated as follows:</p> <p>#Lots × Lot size × Contract Price</p> <p>The Premium will be set by NOS using the Black 76 formula adjusted with reference to the Turnbull and Wakeman Approximation.</p> <p>The basis for the calculation will be:</p>	

- Market prices of Futures Contracts for the underlying Delivery Period as set by NOS at the time of the Forced Termination, adjusted up or down by 50% of the NOS risk interval to the disadvantage of the Defaulting Member. In the event that the market price of multiple Futures Contracts with the same underlying and the same delivery period is subject to adjustment, the market price of all such adjusted Futures Contracts shall be adjusted in the same direction, i.e. either up or down.
- Implied volatility as used in calculation of Closing Price for the Option Contract the preceding Trading Day, adjusted up or down by 30% to the disadvantage of the Defaulting Member. In the event that the implied volatility of multiple Option Contracts with the same underlying and the same delivery period is subject to adjustment, the implied volatility of all such adjusted Option Contracts shall be adjusted in the same direction, i.e. either up or down.

The NOS risk interval is the price change interval used by NOS in calculation of margin requirements from time to time.