

Procedures for calculating salmon spot prices

Exporters purchasing prices from fish farmers

Objectives

NOS Clearing and a representative selection of exporters work together to collect, process and distribute price and volume data for fresh gutted superior North Atlantic Salmon. Prices and volumes shall be:

- Available at the same time for all information users.
- Based on public rules for collecting and processing.
- Statistically representative and contributing to trust and credibility.

Reporting Requirements

There are certain requirements exporters shall fulfill in order to participate in the panel reporting prices and volume to NOS Clearing:

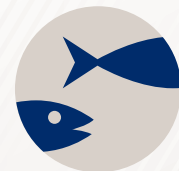
1. The company must have an exporters' license.
2. The company must frequently buy at least 2 cars per week, equal to approximately 2000 tons per year, and only from companies outside their own group.
3. The company must sell at least 50% of their total volume as gutted salmon to companies outside their own group.

Trades that shall be reported

1. Only purchases from **external fish** farmers (not own companies) should be reported. Purchases from own companies is defined as fish purchased from farmer, where exporters and fish farmers are parts of the same company or group, or own more than 90%.
2. Only **spot prices** and the corresponding weight should be reported. Prices and weight agreed between exporters and fish farmers for a period of two weeks or more prior to delivery should not be included, nor should purchases that are later on calculated to spot prices.
3. Only **superior salmon** should be reported. Only Norwegian Standard fish - not special production such as Label Rouge, ecologic/organic salmon, head-off" etc.
4. Only **documented transactions** should be reported, and the prices should be auditable. Exporters shall only report prices for fish slaughtered within the current week. The purchasing price shall be available for documentation, either as a settlement or an invoice from fish farmer to exporter.

Time of Delivery

Reported prices shall be calculated prices packed and delivered FCA Oslo included the following standard freight cost element:



Sør-Norge	50 øre
Nordland	100 øre
Troms og Finnmark	130 øre

This reflects that some volumes are delivered directly out of Norway at a lower freight cost, and that some are transported via Oslo at a higher cost. Rules apply to all gutted volume, including salmon picked up by clients at the packaging plant.

Standard rates shall be added on the purchasing price, even though the salmon is not transferred via Oslo.

Reporting

1. Prices should be reported before 11.00 a.m. every Monday, or the first following business day if Monday is a holiday.
2. Prices are accessed by logging in to www.nosclearing.com, using a username and password.

Calculation of average prices

The following rules regulate the calculation of spot prices.

1. Start by calculating weighted average price per weight class. All reported prices are included for calculating the distribution of volumes per weight class.
2. Furthermore, NOS Clearing will in cooperation with reporting exporters perform a quality check of the reported data. This may result in an exclusion of data from the first round of calculation, awaiting further clarification/documentation of the reported prices.

Basis for the reporting

1. The document shall be publicly accessible.
2. The list of exporters participating in the reporting shall be public.
3. The combined total annual volumes from the reporting exporters (not numbers per exporter) shall be public and accessible information.

Announcement

NOS Clearing shall assure that prices and volumes are available for the market. The report will be published at www.nosclearing.com.

The report will be posted on the reporting day, as soon as possible after calculations are made and quality assurance is performed.

Rules for changing the procedure

Significant changes in this procedure require approval from a user group representing the reporting exporters.