

Monthly margin review

NOS (the Norwegian Futures and Options Clearinghouse) has carried out the monthly review of margin parameters for the freight derivatives. Since our last release of margins we have seen an increase in volatility in both the tanker and the dry bulk market. NOS has therefore found it necessary to increase the initial margins for two dry bulk routes and two tank dirty routes.

According to international recommendations for central counterparty clearing houses, a clearing house shall have initial margin to cover all but the most extreme price movements on all contracts cleared. Clearing houses are required to perform back testing and adjusting the margin levels according to market conditions.

NOS Clearing's internal margin policy states that the margin parameters shall cover at least large one-day and two-day price movements in all contracts cleared.

Dry Bulk

The following dry bulk contracts are affected by the margin adjustments:

- CS4TC
- PM4TC

Tanker Dirty

The following tanker contracts are affected by the margin adjustments:

- TD3
- TD5

The changes will come into effect from end of business **Thursday 31th December 2007** for margins to be posted by **15.00 CET Friday 1th February**.

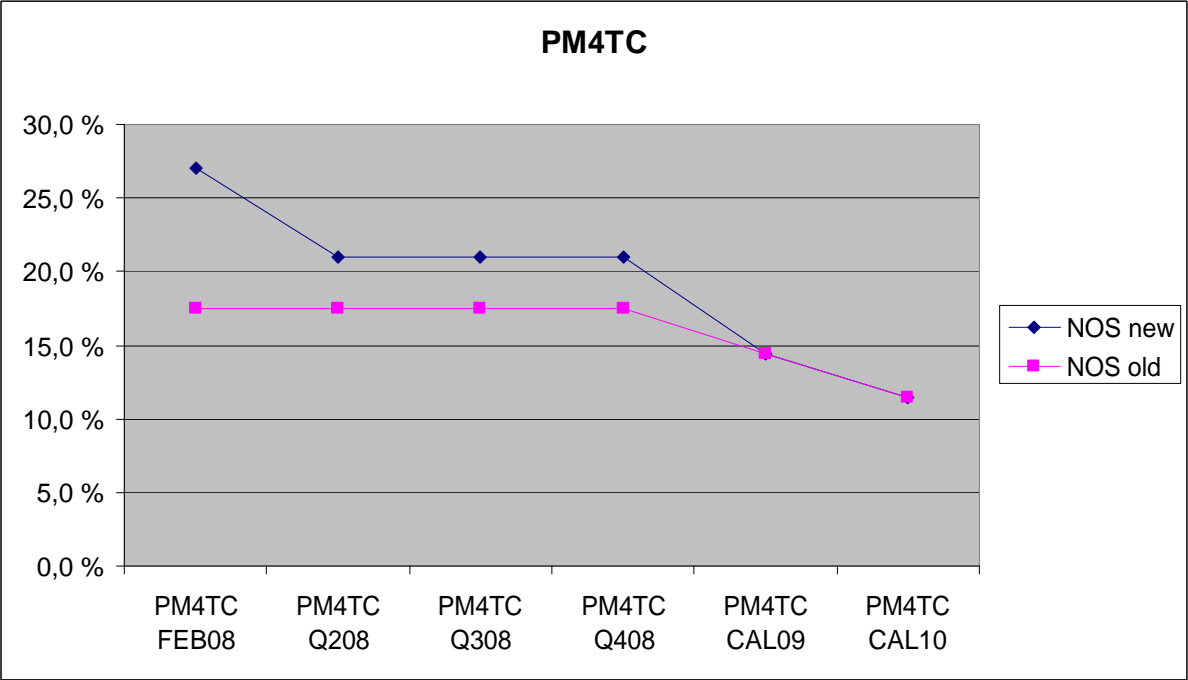
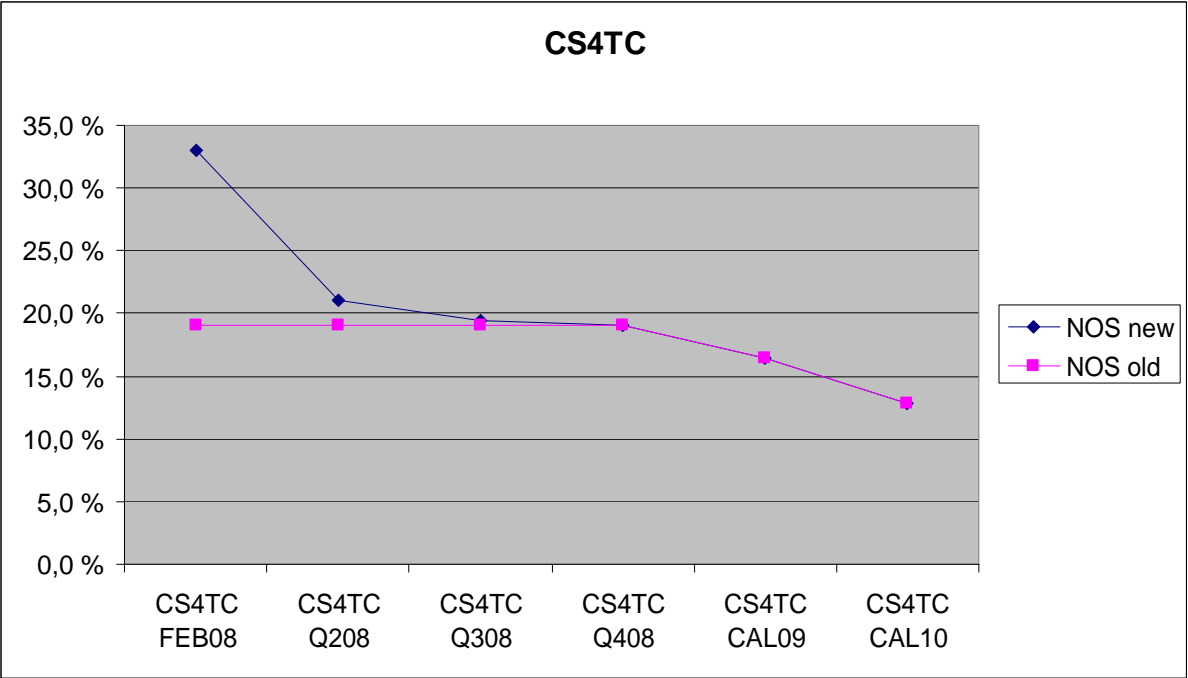
The new margin curves are shown in Appendix 1 to this newsletter. (For the exact margin percentages, please see the daily margin reports or the Clearing Online Application which is available to members.)

Any questions can be directed to NOS Clearing ASA:

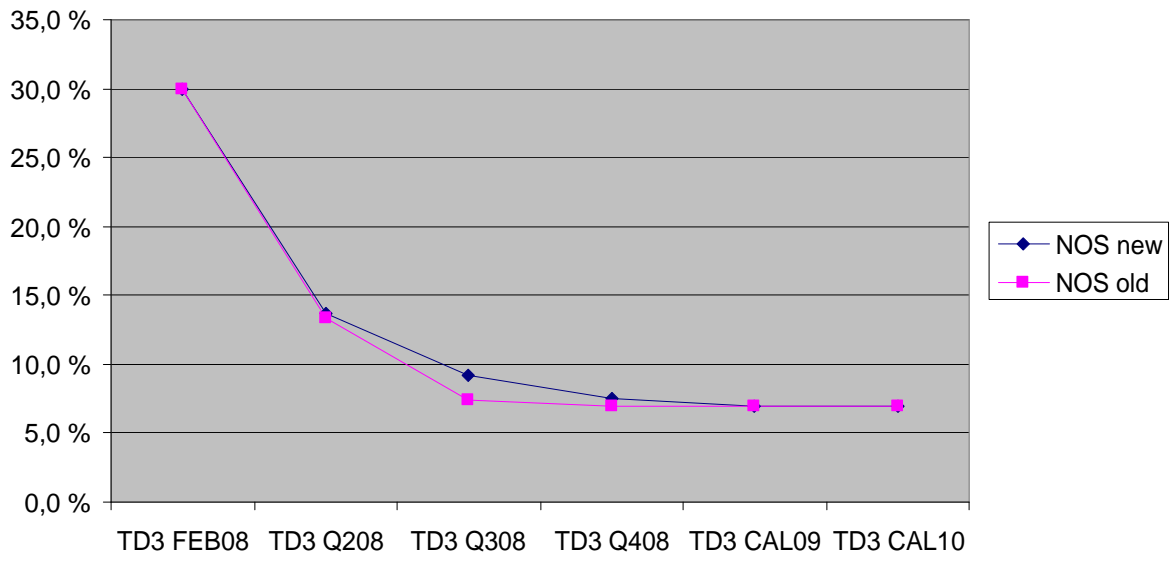
Hanne Bævre Johansson
Vice President
+47 23 25 93 20

Morten Larsen
Vice President Risk Management
+47 23 25 93 09

Appendix 1: New margin curves



TD3



TD5

