NOS Clearing

NOS Margin Notice 2008-10 24.09.2008

Extraordinary margin adjustment for dry bulk derivatives

We have experienced a sharp increase in the volatility this week and rapid market movements in the dry bulk market segment. Two-days (close-to-close) price movements, based on the Baltic Exchange dry bulk curve, exceeded our initial margins for several dry bulk contracts. The largest two-day price movement observed was nearly twice the initial margin. In accordance with our margin policy, NOS has found it necessary to make an extraordinary margin adjustment.

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

- PM4TC
- CS4TC
- SM6TC
- BDI

About NOS' margin policy:
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 backtesting and adjusting the margin levels according to market conditions.

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

As we are continuously evaluating our margins according to the market movements, NOS has carefully considered the current situation and found it necessary to adjust the margin curves for the relevant futures and options.

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

The changes will come into effect from end of business **Thursday 25th September 2008** for margins to be posted by **15.00 CET Friday 26th September.**

Any questions can be directed to NOS Clearing ASA:

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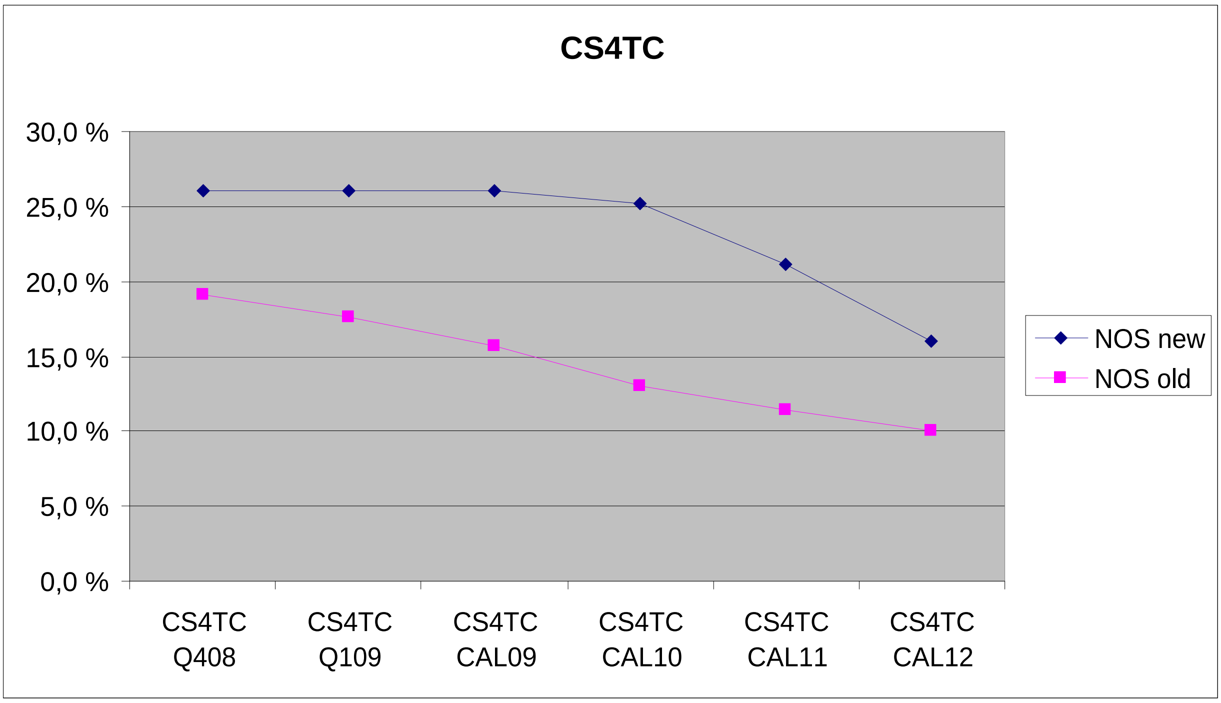
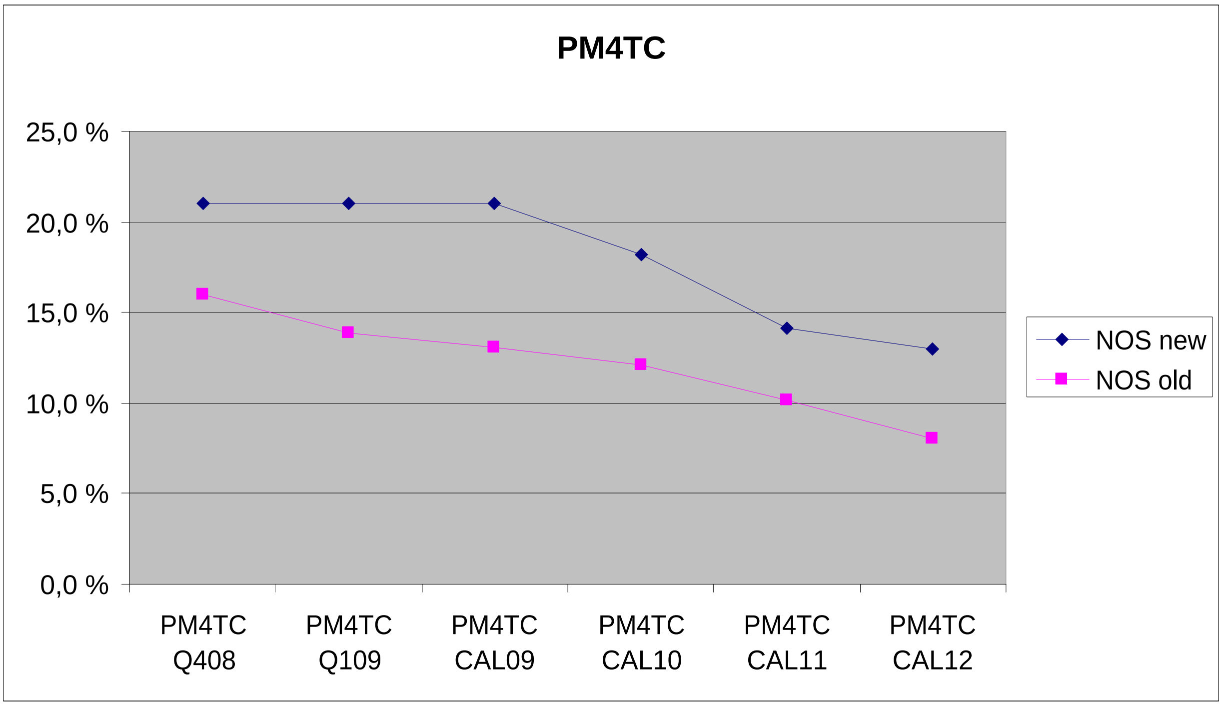
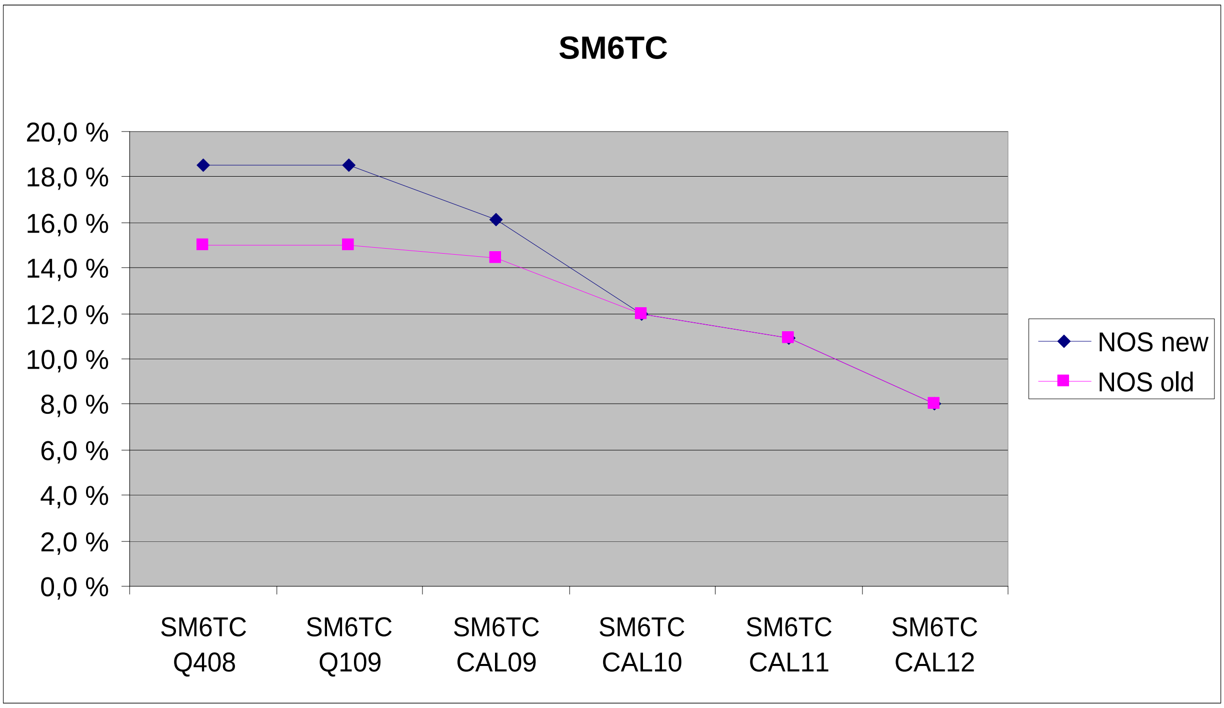
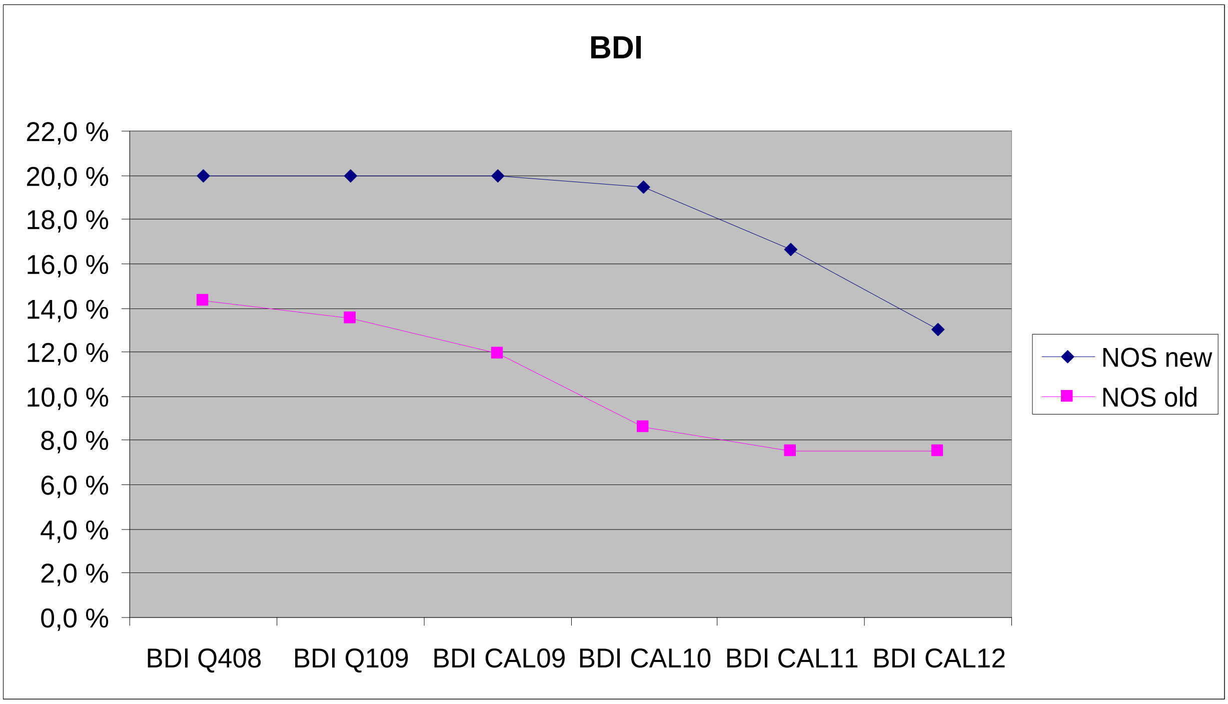
Appendix 1 – Margin curves






SM6TC
20,0 %
18,0 %
16,0 %
14,0 %
12,0 %
10,0 %
8,0 %
6,0 %
4,0 %
2,0 %
0,0 %
SM6TC Q408
SM6TC Q109
SM6TC CAL09
SM6TC CAL10
SM6TC CAL11
SM6TC CAL12
NOS new
NOS old


BDI
22,0 %
20,0 %
18,0 %
16,0 %
14,0 %
12,0 %
10,0 %
8,0 %
6,0 %
4,0 %
2,0 %
0,0 %
BDI Q408
BDI Q109
BDI CAL09
BDI CAL10
BDI CAL11
BDI CAL12
NOS new
NOS old