

RULEBOOK NOTICE NUMBER 6/2011

Notice: 06/2011

Issued: 12th May 2011

Effective date: 19th May 2011

Affected products: **Freight:**

- Tanker Asian-style Option Products - Adding USD per metric ton option products
- Dry Bulk Timecharter Basket Futures Products and Dry Bulk Single Route Future Products - New monthly and quarterly products
- Dry Bulk Single Route Future Products – Adding C3 AVG and P1A AVG future products and delisting of C4 and C7 future products

Swedish EI-Certificate:

- Swedish EI-Certificate Forward Products – Changed Settlement/Delivery Day and Last Trading Day

Amendments effected:

Appendix 5 – Product Specifications

Tanker Asian-style Option Products - Adding USD per ton option products

NOS will be launching clearing of USD per metric tons tanker option products on Thursday 19 May 2011.

4 underlying products will be launched: TC2USD, TC5USD, TD3USD and TD5USD.

All clearing members already active in the freight market will automatically have access to the new USD per metric ton option products.

Product: Tanker Asian-style option Products

New Underlying: TC2USD: MR Continent-USAC, 37,000mt
 TC5USD: LR 1, AG – Japan, 55,000 mt
 TD3USD: VLCC AG-East, 260,000mt
 TD5USD: Suezmax, West Africa - USAC, 130,000 mt

Contract Price Quotation: USD/mt

Lot Size: Month: 1 lot = 1,000 mt
 Quarter: 1 lot = 3,000 mt
 Year: 1 lot = 12,000 mt

Index Provider / Spot Price Provider:	TC2USD, TD5USD and TD3USD: The Spot Price is calculated by NOS based on the Baltic Exchange Spot Price in Worldscale points multiplied by the prevailing flatrate. TC5USD: The Spot Price is calculated by NOS based on Platts Spot Price in Worldscale points multiplied by the prevailing flatrate.
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:	6 months, 6 quarters and 2 years.
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.

Dry Bulk Timecharter Basket Futures Products and Dry Bulk Single Route Future Products - New monthly and quarterly products

NOS will add two monthly future products to the Dry Bulk Timecharter Basket Products and Dry Bulk Single Route Future Products, and add one quarterly product to the Dry Bulk Single Route Future Products.

Product:	Dry single route futures Products and dry timecharter baskets future Products.
Underlying:	CS 4 TC, Capesize, T/C Average PM 4 TC, Panamax, T/C Average HS 6 TC, Handysize, T/C Average SM 6 TC, Supramax, T/C Average C4 AVG: Capesize, Richards Bay – Rotterdam, 150,000 mt C7 AVG: Capesize, Bolivar – Rotterdam, 150,000 mt P2A, Panamax, T/C Skaw Gibraltar – Far East P3A, Panamax, T/C S.Korea – Japan Pacific R/V P1A, Panamax, T/C Transatlantic RV
Changes to the Product Structure	CS4TC, PM4TC, HS6TC, SM6TC, C4 AVG and C7 AVG: Adding two monthly products. P1A, P2A and P3A: Adding one quarterly product.

Dry Bulk Single Route Future Products – Adding C3 AVG and P1A AVG future products

NOS will be launching clearing of P1A AVG and C3 AVG future products (settlement based on the average of Baltic Exchange Spot Prices for all the Index Days in the Delivery Period) on Thursday 19 May 2011.

All clearing members already active in the freight market will automatically have access to the new dry future products.

Product:	Dry single route futures Products
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New Underlying:	C3 AVG: Capesize, Tubarao – Qingdao, 160,000 P1A AVG, Panamax, T/C Transatlantic RV
Contract Price Quotation:	C3 AVG: USD/mt P1A AVG: USD/day
Lot Size:	C3 AVG: 1 lot = 1,000 mt P1A AVG: 1 lot = 1 day
Index Provider / Spot Price Provider:	Baltic Exchange
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:	C3 AVG: 6 months, 4 quarters and 1 year. P1A AVG: 6 months and 4 quarters

Dry Bulk Single Route Future Products – Delisting of C4 and C7 future products

NOS will from Thursday 19 May delist C4 and C7 future products with settlement the last 7 Index Days of the month.

Product:	Dry single route futures Products
Delisted Underlying:	C4, Capesize, Richards Bay – Rotterdam, 150,000 mt C7, Capesize, Bolivar – Rotterdam, 150,000 mt

Swedish EI-Certificate Forward Products – Changed Settlement and Delivery Day

NOS will change the Delivery Day and Settlement Day for Swedish EI-Certificate forward products.

Product:	EI-certificate forward Products with physical delivery of the underlying
Underlying:	Swedish Electricity Certificate
New 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.
New Last Trading Day	Day (spot): Same day as trading Month: Last Trading Day is three Clearing Days prior to the Settlement and Delivery Day.