

Notice: 08/2007
Issued: 27th June 2007

AMENDMENTS TO THE RULEBOOK FOR TRADING AT IMAREX AND CLEARING WITH NOS.

In NOS News 2007-10¹ dated the 30th May 2007, NOS Clearing ASA announced that NOS will change the settlement structure on Futures Contracts to monthly realisation. As a consequence of this, NOS has made amendments to the Product Specifications in Appendix 5 to the Rulebook. The amendments will come into effect under Clause 9.5 of the Rulebook. The amendments will apply to existing Contracts in the relevant Products.

Trading through Imarex or other sources is not affected by the changes. This means that the Members may still trade Calendar or Quarter contracts (henceforth referred to as multi-month contracts). However, when the trades are received by NOS for clearing, the multi-month contracts are immediately converted (stripped) to Month Contracts and registered as such in the Clearing Accounts. The Contracts are settled according to normal settlement rules for Month Contracts.

All Open Positions in multi-month contracts as of 1st July will be converted into Month Contracts before Trading Hours Monday the 2nd of July. The new Open Positions in each Month contract will be weighted according to the Delivery Period as specified in the relevant Terms for each Product as given in Annexes 5A-5D. I.e volume in a multi-month *tanker* contract will be split equally into months, while the *dry timecharter average routes* will be split into months, volume weighted according to the number of calendar days in each month.

All Open Positions in multi-month contracts as of 1st July will be closed out trade by trade at the Contract Price and recorded in the Clearing Account of each Member. Opening trades in the Month Contracts will be recorded in the Clearing Account of each Member at the original Contract Price. The Contracts are cleared according to Clause 5.1.3 in the Rulebook.

NOS will provide each Member with a detailed report of the closing and opening trades on the evening of 2nd July. For multi-month contracts covering months in the period January to June 2007, the January to June Month Contracts will be reopened and settled to the Final Settlement Price for the individual month. The realised profit/loss for these contracts will be included in the Mark to Market report the 2nd July, and the transactions in January to June contracts will be marked *CONV* in the trading list the 2nd July.

The amendments regarding the change of settlement structure is reflected in new Annexes 5A-5D.

In addition to amendments and additions made to accommodate the new settlement structure, NOS has updated some other clauses in the Appendix. The changes, outlined below, do not represent material changes.

The amendments will take effect from 1st July 2007.

¹ http://prod.nos.no/freight/news/NOS_News_2007_10.pdf

Appendix 5

- 1.2 “Baltic Exchange
- Old:
indices published by the Baltic Exchange Limited or any Successor thereto
- New:
~~indices published by~~ the Baltic Exchange Limited or any ~~s~~Successor thereto
- 1.2 “Index Day”
- Old:
the day on which the Index Provider publish an Index
- New:
~~the a~~ day on which the Index Provider publishes an Index
- 1.2 “Last Trading Day”
- Old:
the last day on which IMAREX is open for trading of a specific Product
- New:
the last day on which IMAREX is open for trading of a specific Product, [as set out in these Terms](#)
- 1.2 “Terms”
- Old:
This appendix to the Rulebook
- New:
This ~~a~~Appendix [5](#) to the Rulebook

1.2 “Ticker”

Old:

means identification of the Contract. For Futures Contracts the Ticker shall consist of the Underlying Product and the Delivery Period. For Option Contracts the Ticker shall consist of the Underlying Product, the Delivery Period, the Option Type and the Exercise Price.

New:

means ~~an identification~~ identifier of the Contract. For Futures Contracts the Ticker shall consist of the Underlying Product and the Delivery Period. For Option Contracts the Ticker shall consist of the Underlying Product, the Delivery Period, the Option Type and the Exercise Price.

4.1

Old:

The last Trading Day of a Product as per Product Specification.

New:

The last Trading Day of a Product ~~as per~~ shall be as set out in the Product Specification.

5.1 (d)

Old:

The Closing Price as described in (a) through (c) will be set until Last Trading day of each Product. The Closing Price after last trading day until Final Settlement Day will be set as a calculated price by NOS consisting of known Spot Prices and prices from Products still available for trading reflecting the remaining delivery period.

New:

The Closing Price as described in (a) through (c) will be set until the Last Trading ~~d~~Day of each Product. The Closing Price after the Last ~~t~~Trading ~~d~~Day until the Final Settlement Day will be set as a calculated price by NOS consisting of known Spot Prices and prices from Products still available for trading reflecting the remaining delivery period.