

Proposed Amendments to SGX-DC Clearing Rules

Note: Amendments are made in red.

Appendix 1 – Final Settlement Price

Freight Forward Contracts: Dry Timecharter Basket Routes

Product	4CTC	5CTC	PTC	<u>6STC</u>	<u>10STC</u>	HTC
Contract	Capesize Time Charter Basket (4 routes)	Capesize Time Charter Basket (5 routes)	Panamax Time Charter Basket	Supramax Time Charter Basket (<u>6 routes</u>)	<u>Supramax Time Charter Basket (10 routes)</u>	Handysize Time Charter Basket Average 6 Routes
Final Settlement Price	Arithmetic average of all Baltic's daily spot assessments in the Contract Month for the relevant underlying product, rounded to 1 decimal place					

Product	Capesize Option (4 routes)	Capesize Option (5 routes)	Panamax Option	Supramax Option (<u>6 routes</u>)	<u>Supramax Option (10 routes)</u>	Handysize Option
Underlying Contract	Capesize Time Charter Basket (4 routes)	Capesize Time Charter Basket (5 routes)	Panamax Time Charter Basket	Supramax Time Charter Basket (<u>6 routes</u>)	<u>Supramax Time Charter Basket (10 routes)</u>	Handysize Time Charter Basket Average 6 Routes
Option Exercise and Settlement	<p><u>European Style</u>: An option will be exercised automatically at expiry only if it is in-the-money.</p> <p><u>Cash Settled</u>: Upon exercise, a call option will have a value equal to final settlement price of the underlying FFA minus the strike price, multiplied by the contract size. Upon exercise, a put option will have a value equal to the strike price minus the final settlement price of the underlying FFA, multiplied by the contract size.</p>					