



C.F.T.C.
OFFICE OF THE SECRETARIAT
2010 JUN 2 PM 3 13

June 1, 2010

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule Certification. CME Clearing - Submission #10-145: Notification Regarding the Listing of Ten (10) Wet Tanker Freight Forward Contracts on CME ClearPort® for Clearing-Only

Dear Mr. Stawick:

CME Clearing, pursuant to Commodity Futures Trading Commission ("CFTC" or "Commission") Regulations 39.4(c)(2) and 40.2, makes this submission to the CFTC with regards to plans of the CME Clearing House to accept for clearing ten (10) over-the-counter ("OTC") wet tanker freight forward contracts that will be listed by New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange"), for clearing-only.

The ten (10) forwards contracts, rule chapters and commodity codes are listed below:

| Contract | Rule Chapter | Code |
|--------------------------------------|--------------|------|
| Freight Route TD3 (Baltic) forward | 955 | FT3 |
| Freight Route TD5 (Baltic) forward | 956 | FT5 |
| Freight Route TD7 (Baltic) forward | 957 | FT7 |
| Freight Route TD9 (Baltic) forward | 958 | FB9 |
| Freight Route TD10D (Baltic) forward | 959 | FDD |
| Freight Route TC1 (Platts) forward | 950 | FPA |
| Freight Route TC2 (Baltic) forward | 953 | FC2 |
| Freight Route TC4 (Platts) forward | 951 | FC4 |
| Freight Route TC5 (Platts) forward | 952 | FC5 |
| Freight Route TC6 (Baltic) forward | 954 | FC6 |

CME Clearing will provide central counterparty clearing services for wet tanker freight forwards transactions. The NYMEX rulebook chapters attached to this letter set out the terms for which such OTC transactions may be accepted for clearing, and establish the terms for such transactions that are accepted into clearing.

These contracts will remain as forward contracts within the clearing environment. Contracts will require cash settlement on maturity, as described below. Customer positions and associated funds will be held in accounts governed by CFTC Regulation 30.7.

CME Clearing shall restrict the availability of the clearing service to Eligible Contract Participants, as defined in Section 1a(12) of the Commodity Exchange Act.

The clearing service being offered by CME Clearing supports the OTC market which is based on standards established by the Baltic Exchange and the Forward Freight Agreement Brokers Association. Market prices are quoted as a percentage of the Worldscale flat rate for the route in question, as published by the Worldscale Association. On maturity, the monthly average price for physical

transactions is established by the Baltic Exchange or Platts (depending on the specific contract, as defined in the rules), and cash settlement is performed to reflect the difference, as a percentage, between the traded price and the final settlement price, multiplied by the prevailing Worldscale flat rate. As this prevailing rate may not be known at the time of trade, open positions are maintained as forwards until maturity, when the final settlement value can be properly determined.

The rules for these ten (10) wet tanker freight forward contracts will be made effective on June 6, 2010 for trade date June 7, 2010. Wet tanker freight forward contracts will be cleared as calendar month contracts, with the first listed month for each of the ten contracts being July 2010. Contract months for the ten (10) wet tanker freight forward contracts will be listed current year plus the next two (2) full consecutive years.

Pursuant to CFTC Regulations 39.4(c)(2) and 40.2, CME Clearing hereby certifies that the clearing of the attached contracts and their rules and terms and conditions comply with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact Richard Stevens at 011 44 20 7796 7129, or the undersigned at (312) 648-5422.

Sincerely,

/s/Stephen M. Szarmack
Regulatory Counsel

Attachments: Contract Terms and Conditions
Supplemental Market Information

Chapter 955

Freight Route TD3 (Baltic) Forward

955.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

955.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TD3 route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 955.04 of these Rules.

955.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD3 route applicable to prompt transactions in the freight market during the Settlement Period.

955.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

955.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

955.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

955.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TD3 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

955.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD3 route applicable to prompt transactions in the freight market during the Settlement Period.

955.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

955.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

(Floating Value – Traded Value) × contract quantity

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

955.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 956

Freight Route TD5 (Baltic) Forward

956.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

956.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TD5 route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 956.04 of these Rules.

956.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD5 route applicable to prompt transactions in the freight market during the Settlement Period.

956.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

956.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

956.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

956.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TD5 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

956.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD5 route applicable to prompt transactions in the freight market during the Settlement Period.

956.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

956.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

956.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 957 Freight Route TD7 (Baltic) Forward

957.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

957.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TD7 route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 957.04 of these Rules.

957.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD7 route applicable to prompt transactions in the freight market during the Settlement Period.

957.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

957.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

957.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

957.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TD7 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

957.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD7 route applicable to prompt transactions in the freight market during the Settlement Period.

957.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

957.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

957.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 958

Freight Route TD9 (Baltic) Forward

958.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

958.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TD9 route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 958.04 of these Rules.

958.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD9 route applicable to prompt transactions in the freight market during the Settlement Period.

958.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

958.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

958.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

958.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TD9 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

958.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD9 route applicable to prompt transactions in the freight market during the Settlement Period.

958.09 TERMINATION OF TRADING

Trading shall cease at 5:30pm London time on the last business day of the Settlement Period.

958.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

958.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 959

Freight Route TD10D (Baltic) Forward

959.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

959.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TD10D route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 959.04 of these Rules.

959.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD10D route applicable to prompt transactions in the freight market during the Settlement Period.

959.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

959.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

959.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

959.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TD10D route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

959.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TD10D route applicable to prompt transactions in the freight market during the Settlement Period.

959.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

959.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

959.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 950

Freight Route TC1 (Platts) Forward

950.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

950.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TC1 route published by Platts for each business day that it is published during the contract Settlement Period, as described in paragraph 950.04 of these Rules.

950.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC1 route applicable to prompt transactions in the freight market during the Settlement Period.

950.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

950.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

950.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

950.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TC1 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

950.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC1 route applicable to prompt transactions in the freight market during the Settlement Period.

950.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

950.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

950.11

DISCLAIMER

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts"), licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Platts price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR PLATTS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR PLATTS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 953

Freight Route TC2 (Baltic) Forward

953.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

953.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TC2 route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 953.04 of these Rules.

953.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC2 route applicable to prompt transactions in the freight market during the Settlement Period.

953.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

953.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

953.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

953.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TC2 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

953.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC2 route applicable to prompt transactions in the freight market during the Settlement Period.

953.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

953.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

953.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 951

Freight Route TC4 (Platts) Forward

951.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

951.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TC4 route published by Platts for each business day that it is published during the contract Settlement Period, as described in paragraph 951.04 of these Rules.

951.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC4 route applicable to prompt transactions in the freight market during the Settlement Period.

951.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

951.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

951.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

951.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TC4 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

951.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC4 route applicable to prompt transactions in the freight market during the Settlement Period.

951.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

951.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

951.11

DISCLAIMER

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts"), licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Platts price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR PLATTS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR PLATTS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 952

Freight Route TC5 (Platts) Forward

952.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

952.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TC5 route published by Platts for each business day that it is published during the contract Settlement Period, as described in paragraph 952.04 of these Rules.

952.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC5 route applicable to prompt transactions in the freight market during the Settlement Period.

952.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

952.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

952.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

952.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TC5 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

952.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC5 route applicable to prompt transactions in the freight market during the Settlement Period.

952.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

952.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

$(\text{Floating Value} - \text{Traded Value}) \times \text{contract quantity}$

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

952.11

DISCLAIMER

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts"), licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Platts price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR PLATTS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR PLATTS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Chapter 954

Freight Route TC6 (Baltic) Forward

954.01 SCOPE

The provisions of these Rules shall apply to all forward contracts bought or sold on the Exchange for cash settlement based on the Floating Value.

954.02 FLOATING PRICE

The Floating Price for each contract month is denominated in percentage points of the prevailing Worldscale rate as published by Worldscale Association during the Settlement Period, and is equal to the arithmetic average of the rates for the TC6 route published by the Baltic Exchange for each business day that it is published during the contract Settlement Period, as described in paragraph 954.04 of these Rules.

954.03 FLOATING VALUE

The Floating Value for each contract month is denominated in US Dollars and cents per metric ton, and is equal to the Floating Price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC6 route applicable to prompt transactions in the freight market during the Settlement Period.

954.04 SETTLEMENT PERIOD

For contract months referenced to a calendar month January to November inclusive, the Settlement Period shall be the full calendar month. For contract months referenced to the December calendar month, the Settlement Period shall be the period from and including the 1st calendar day of the month through to and including the 24th calendar day of the month.

954.05 CONTRACT QUANTITY AND CONTRACT VALUE

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

954.06 CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

954.07 PRICES AND FLUCTUATIONS

Prices shall be quoted in percentage points (and parts thereof) of the Worldscale rate as published by Worldscale Association in respect of the TC6 route applicable to prompt transactions in the freight market during the Settlement Period. The minimum price fluctuation in respect of orders, traded prices and daily settlement prices shall be 0.001%. The minimum price fluctuation in respect of the Floating Price shall be 0.0001%. There shall be no maximum price fluctuation.

954.08 TRADED VALUE

The Traded Value is denominated in US Dollars and cents per metric ton, and is equal to the traded price multiplied by the Worldscale rate as published by Worldscale Association in respect of the TC6 route applicable to prompt transactions in the freight market during the Settlement Period.

954.09 TERMINATION OF TRADING

Trading shall cease at 5:30 p.m. London time on the last business day of the Settlement Period.

954.10 FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Value. The final settlement price will be the Floating Price calculated for each contract month. The final settlement value will be the Floating Value calculated for each contract month.

Cash settlement of forward positions shall result in the transfer of the difference in value between the Floating Value and the Traded Value, multiplied by the contract quantity, such that where the amount calculated as

(Floating Value – Traded Value) × contract quantity

is a positive value, the value is paid by the seller and received by the buyer, and where such difference is a negative value, the value is paid by the buyer and received by the seller. Such transfer shall occur after the Last Trading Day at a time specified by the Exchange.

954.11

DISCLAIMER

The Baltic Exchange licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Baltic Exchange price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX AND ITS AFFILIATES NOR THE BALTIC EXCHANGE GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND THE BALTIC EXCHANGE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR THE BALTIC EXCHANGE HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

Supplemental Information

The United Nations Conference on Trade and Development ("UNCTAD") estimates total international seaborne trade to equal 8.168 billion tons for all cargoes in 2008. This represents an increase of 36.5% over the equivalent number for the year 2000. Of this figure, cargoes of oil and oil products represent 2.749 billion tons. Trade in cargoes of oil and oil products has grown 27% since the year 2000.¹

The chartering of seaborne freight is a privately negotiated activity between the ship owner and the charterer, with each transaction having unique features. However standards have been established for the marketplace by trade associations, most notably the Baltic Exchange based in London.

The size of a vessel is measured by its deadweight tonnage ('dwt'), which is a measure of the weight in metric tonnes a vessel can safely carry, including cargo, fuel, water etc. Oil tankers are loosely categorized into a range of vessel sizes. Very Large Crude Carrier ('VLCC') is the term given to vessels with a capacity in excess of 250,000 dwt, and the term Ultra Large Crude Carrier ('ULCC') is used for the largest of these vessels – the largest being over 440,000 dwt, the equivalent of over 3 million barrels of oil. These vessels carry crude oil on major trans-ocean routes. Suezmax vessels are smaller in size than VLCCs, and are typically between 130,000 and 160,000 dwt. Suezmax vessels are named as such as they are the largest tankers that can transit the Suez Canal. Aframax vessels are typically between 70,000 and 110,000 dwt. VLCCs, Suezmax and Aframax vessels are typically used for carrying crude oil, and are referred to in the industry as 'dirty' tankers. Refined oil products are usually transported in smaller vessels referred to as 'clean' tankers. These vessels typically range in size from 20,000 to 75,000 dwt.

There are two main types of vessel charter arrangement. Voyage charters involve the charterer hiring the vessel to carry a cargo between two specified ports. The freight payment for a voyage charter is assessed in terms of dollars per ton of cargo carried. Time charters involve the charterer hiring the vessel for a period of time, during which it can direct the movement of the vessel, although typically the vessel will follow a route between two ports. The freight payment for a time charter is assessed in terms of dollars per day of charter.

Tanker charters are typically voyage charter arrangements. The pricing of the transaction is expressed as percentage of the Worldscale flat rate (officially known as the "New Worldwide Tanker Nominal Freight Scale"), assessed and published by the Worldscale Association². This flat rate represents a fixed value in dollars per metric ton for a specific route. The market convention is to quote current tanker freight prices as a percentage of this figure, rather than an explicit dollar value for each transaction.

In order to develop the functioning of the freight market, the Baltic Exchange has developed standard definitions for freight routes which are frequently chartered. The Baltic Exchange collates market price data from shipbrokers on these specified routes, and publishes market price assessments on a daily basis. Other price reporting agencies also collate and publish market price data, most notably Platts, which is seen as the most relevant price reference for certain Pacific Ocean routes.

Descriptions of the tanker freight market routes which will be the underlying reference for the forthcoming tanker freight forwards contracts are as follows:

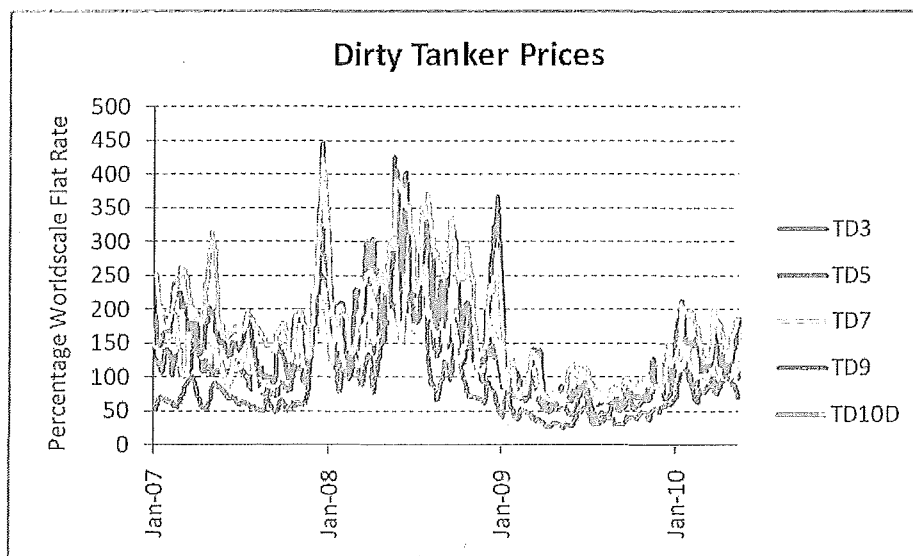
¹ See UNCTAD Review of Maritime Transport 2009, http://www.unctad.org/en/docs/rmt2009ch1_en.pdf

² See <http://www.worldscale-usa.com/>

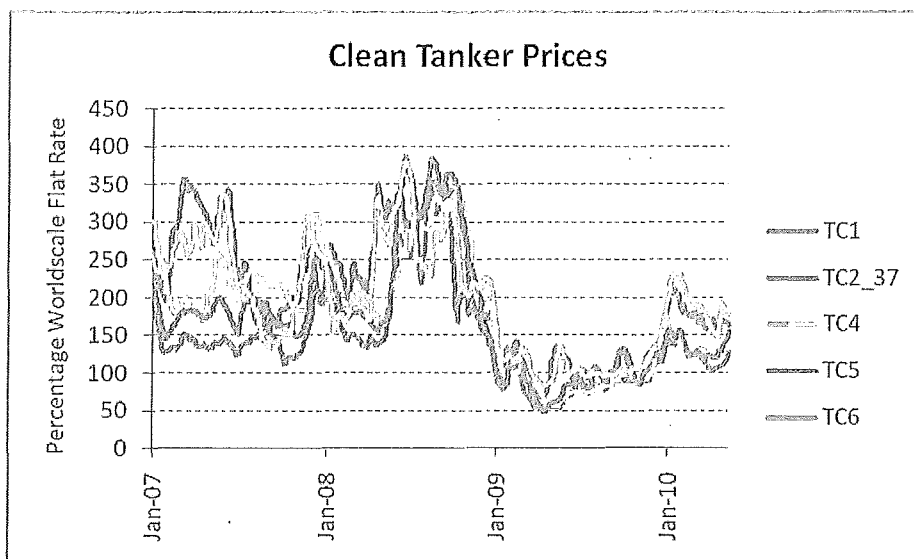
| Dirty Tankers | |
|---------------|--|
| Route: TD3 | 260,000mt, Middle East Gulf to Japan. Ras Tanura to Chiba with laydays/cancelling 15/30 days in advance. Maximum age 15 years. |
| Route: TD5 | 130,000mt, West Africa to USAC. Off Shore Bonny to Philadelphia with laydays/cancelling 15/25 days in advance. Maximum age 20 years. |
| Route: TD7 | 80,000mt, North Sea to Continent. Sullom Voe to Wilhelmshaven, with laydays/cancelling 7/14 days in advance. Maximum age 20 years. |
| Route: TD9 | 70,000mt, Caribbean to US Gulf. Puerto La Cruz (Jose Platform TAECJ - Jan 2004) to Corpus Christi with laydays/cancelling 7/14 days in advance. Maximum age 20 years. Assessment basis - Oil Pollution Act premium paid. |
| Route: TD10D | 50,000mt, fuel oil, Caribbean to USAC. Aruba to New York with laydays/cancelling 7/14 days in advance. Double hull vessel, Maximum age 20 years. |

| Clean Tankers | |
|---------------|---|
| Route: TC1 | 75,000mt, CPP/UNL Naphtha Condensate, Middle East Gulf to Japan. Ras Tanura to Yokohama with laydays/cancelling 30/35 days in advance. Maximum age 12 years |
| Route: TC2_37 | 37,000mt, CPP/UNL Continent to USAC. Rotterdam to New York with laydays/cancelling 10/14 days in advance. Maximum age 15 years. |
| Route: TC4 | 30,000mt, CPP/UNL Singapore to Japan. Singapore to Chiba with laydays/cancelling 7/14 days in advance. Maximum 15 years. |
| Route: TC5 | 55,000mt, CPP/UNL naphtha condensate, Middle East/Japan. Ras Tanura to Yokohama with laydays cancelling 30/35 days in advance. Maximum age 15 years. |
| Route: TC6 | 30000mt CPP/UNL Algeria/Euromed Skikda/Lavera with laydays cancelling 7/14 days in advance. Max age: 15 years |

The following charts show how the price of tanker voyage charters has developed over time.



Source: Baltic Exchange



Source: Baltic Exchange, Bloomberg LP

Derivatives contracts have traded on tanker routes for a number of years. The traded derivatives in the over the counter market are structured as cash settled calendar swaps, where the final settlement price is the average price published by either the Baltic Exchange or Platts during the calendar month. The Baltic Exchange has been collating volume data for traded tanker forwards contracts since Q2 2009, and quarterly volumes are as follows:

| | Dirty | Clean |
|---------|--------|--------|
| Q2 2009 | 40,183 | 50,109 |
| Q3 2009 | 26,643 | 38,897 |
| Q4 2009 | 48,202 | 33,948 |
| Q1 2010 | 55,869 | 36,364 |

Source: Baltic Exchange

The notional value of derivatives contracts traded, in \$millions is as follows:

| | Dirty | Clean |
|---------|-------|-------|
| Q2 2009 | 392 | 682 |
| Q3 2009 | 227 | 611 |
| Q4 2009 | 539 | 644 |
| Q1 2010 | 737 | 707 |

Source: Baltic Exchange

Final settlement prices for the cleared tanker freight forward contracts will be based on data from the Baltic Exchange and Platts. New York Mercantile Exchange, Inc. has a license agreements in place with the Baltic Exchange and Platts permitting it to use their pricing data to settle derivatives contracts.