

# The Dubai Mercantile Exchange

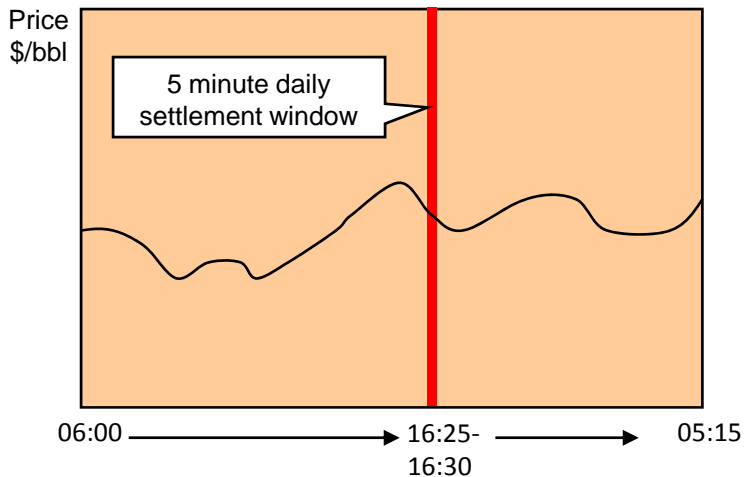
## Delivery Guide 2009

# HOW MOG OSP PRICE IS CALCULATED

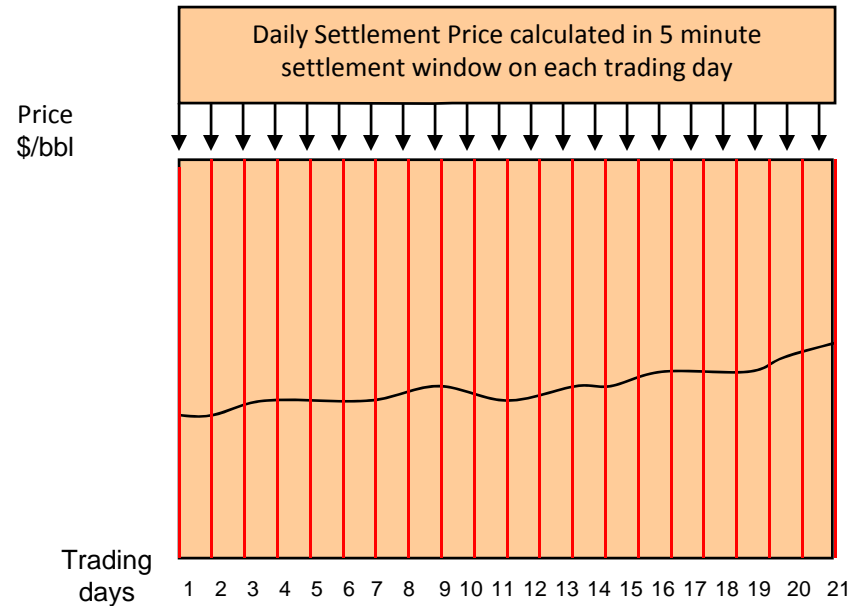
## Example for June 2007 calendar month

- 1 Each day at 16:30 (Singapore) DME calculates the daily Settlement Price which is the weighted average of all trades that take place in a five\* minute window from 16:25-16:30 (Singapore).

\*Exception is the last trading day of the month where the settlement window is the last 30 minutes from 16:00 to 16:30 (Singapore).



- 2 At the end of the trading month DME will have calculated settlement prices, using the methodology described in point 1, for each trading day.



- 3 MOG uses the average of the daily settlement prices of the August futures contract, as calculated in the settlement window on each trading day in June, as the August OSP

# KEY EVENTS PHYSICAL DELIVERY PROCEDURES

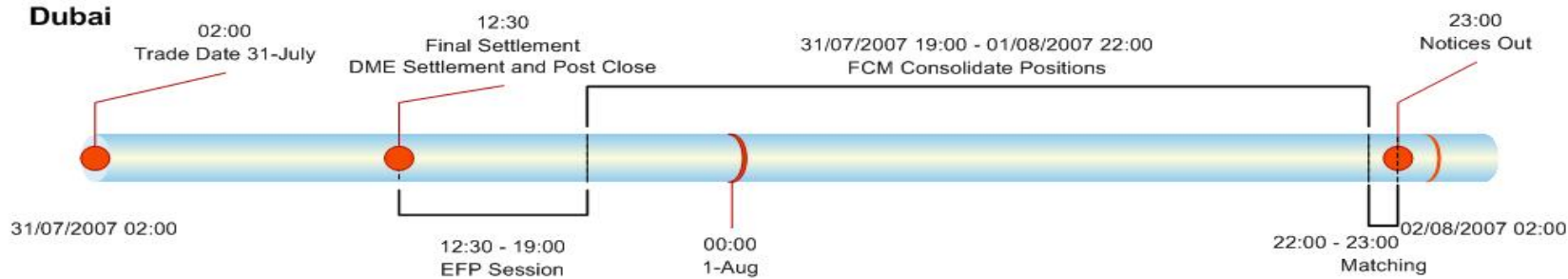
## DME Oman Crude Physical Delivery Procedures – September 07 Contract

\* Example Dates V 4

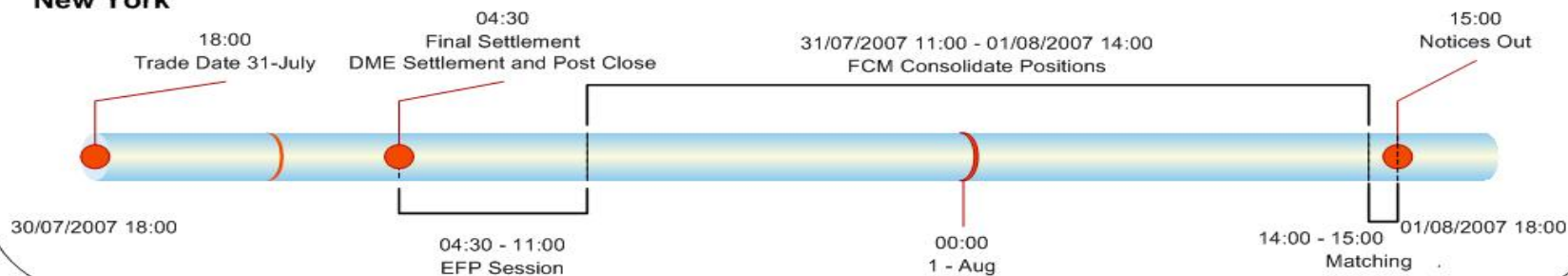
### Singapore



### Dubai



### New York



# KEY EVENTS MONTH OF TRADING (M-2)

## REGULAR TRADING DAY



	Activity	Description
16:30 (SGP) 12:30 (DXB) 04:30 (NY)	Daily Settlement Price	DME confirms daily Settlement Price; based on 5 minute window of trading – 16:25 to 16:30 (SGP)
21:00 (SGP) 17:00 (DXB) 09:00 (NY)	Variation Margin, 1 <sup>st</sup> sweep	Clearing House notifies settlement banks on variation margin (1st sweep); 1 hour for objection
23:00 (SGP) 19:00 (DXB) 11:00 (NY)	Variation and Initial Margin	2nd sweep calculates variation margin and initial margin
00:00 (SGP) 20:00 (DXB) 12:00 (NY)	Formal Notification	Formal notification by Clearing House to settlement banks; 1 hour for objection
02:30 (SGP) 22:30 (DXB) 14:30 (NY)	Mark to Market	Post Close Price determined; variation margin against prior day Post Close Price (banks notified 09:00 following day)

# KEY EVENTS MONTH OF TRADING (M-2)

## LAST TRADING DAY

### Activity

### Description

16:30 (SGP)

12:30 (DXB)

04:30 (NY)

Final Settlement

DME confirms Final Settlement Price; based on last 30 minutes of trading - 16:00 to 16:30 (SGP)

16:31 (SGP)

12:31 (DXB)

04:31 (NY)

EFPs

Book squaring (6 ½ hrs)

23:00 (SGP)

19:00 (DXB)

11:00 (NY)

Clearing Members  
consolidate positions

The Clearing Members consolidate their customers' positions

# KEY EVENTS MONTH OF TRADING (M-1)

## LAST TRADING DAY + 1

	Activity	Description
02:00 (SGP) 22:00 (DXB) 14:00 (NY)	Matching	The Clearing House matches the consolidated positions according to set methodology
03:00 (SGP) 23:00 (DXB) 15:00 (NY)	Notice to Clearing Members	The Clearing House notifies the Clearing Members of their customers' matched positions

# MONTH OF SCHEDULING (M-1)

## Day 1\*

- Clearing House notifies Clearing Members of matched positions
- Clearing Members notify matched positions to respective customers (Buyers & Sellers)

## Day 1\*-10

- Buyers nominate preferred Laydays to Sellers
- Sellers pass requested Laydays to their Suppliers. The request continues to be passed up the supply chain until it reaches the Terminal Operator

## Day 11-15

- Terminal Operator determines lifting schedule for delivery month

## Day 15

- Terminal Operator issues confirmed Laydays to primary sellers, who promptly pass this on to their receivers, and so on and so forth until the confirmed Laydays reach the end of the chain

# KEY EVENTS - MONTH OF DELIVERY (M)

D = first date of accepted delivery date range (Laydays)

A = first date of vessel arrival

5 days prior to 'D'  
(minimum)

- Latest Buyers can make firm tanker nominations consistent with load port regulations to Sellers, who, in turn, pass to their Suppliers, and so on and so forth until it reaches the Terminal Operator for acceptance

5 days prior to 'D'  
and / or 'A' (minimum)

- Latest Buyer's documentation requirements for each vessel must be submitted to Sellers

'A'



- Vessel arrives and made all fast in preparation for loading

Completion of  
Loading

- Full set of documents completed as per Buyer's instructions
- Includes full set of clean Bills of Lading, Certificate of Quantity & Quality, Certificate of Origin, Cargo Manifest, Ullage Report, Vessel Loading Time Sheet, Master's Receipt for documents and samples

# OQD Contract Specifications

## Size

1,000 U.S. barrels

## Code

OQD

## Minimum Contract Fluctuation

\$0.01 per barrel

## Trading Hours

Start: 18:00 (EST)

End: 17:15 (EST) the next day

## Trading Week

Start: 18:00 Sunday (EST)

End: 17:15 Friday (EST)

## Delivery

FOB at Mina Al Fahal, Oman,  
consistent with current terminal  
operations

## Operational Tolerance

+/- 0.2%

## Daily Settlement

16:30 (Singapore)

## Last Trading Day

Last Singapore Business Day and  
Clearing Business Day of M-2

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