

The Dubai Mercantile Exchange

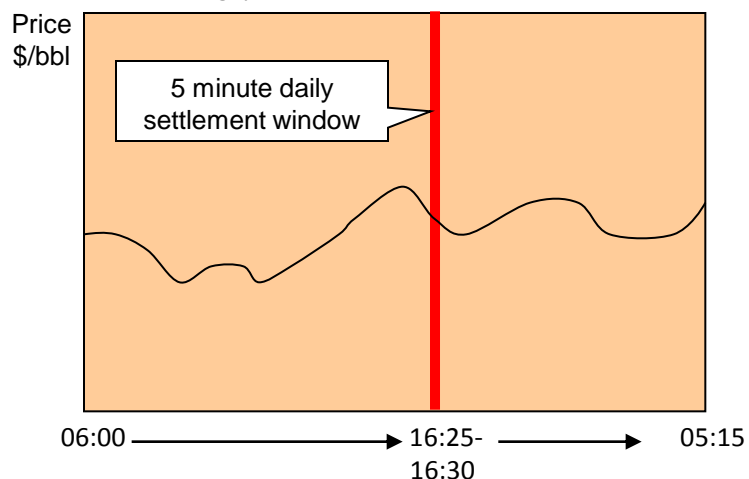
Delivery Guide 2010

HOW MOG OSP PRICE IS CALCULATED

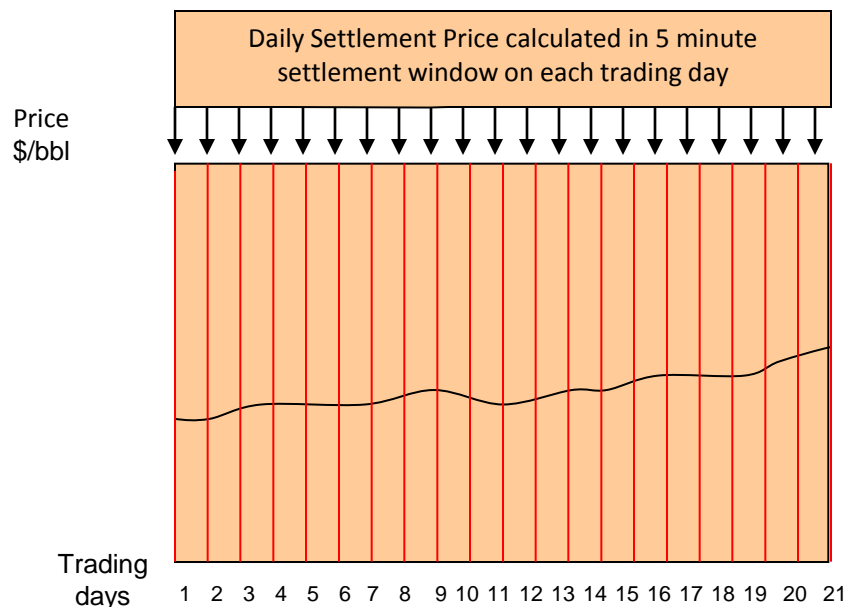
Example for July 2010 calendar month

- 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 15 minutes from 16:15 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 September futures contract, as calculated in the settlement window on each trading day in July, as the September OSP

KEY EVENTS PHYSICAL DELIVERY PROCEDURES

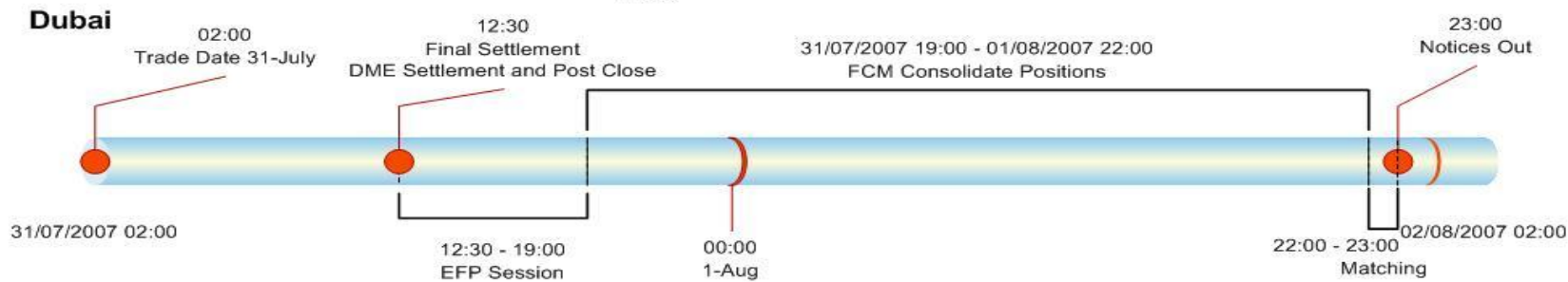
DME Oman Crude Physical Delivery Procedures – September 07 Contract

* Example Dates V 4

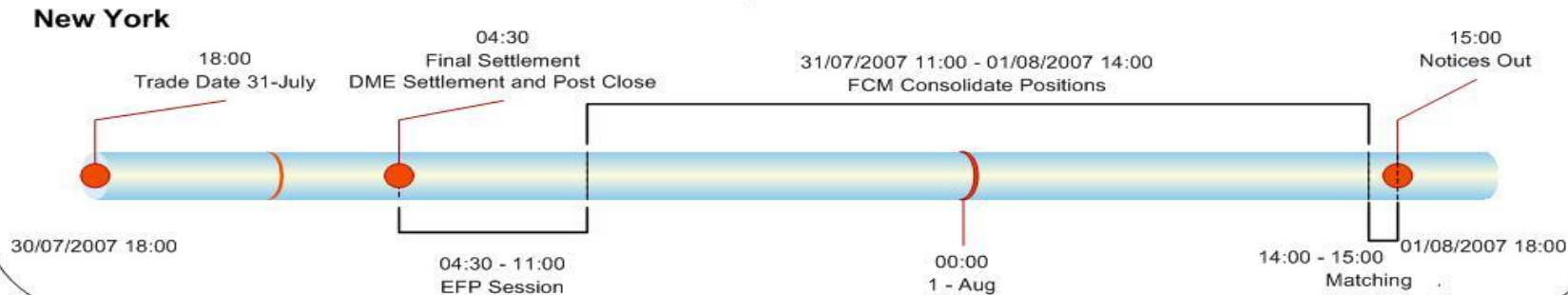
Singapore



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 st 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 15 minutes of trading - 16:15 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

**Day 1 USA, Day 2 Asian time zones*

KEY EVENTS - MONTH OF DELIVERY (M)

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

A = first date of vessel arrival

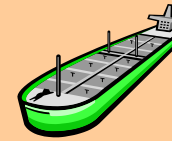
5 days prior to 'D'
(minimum)

- 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 Clearing Business Day of M-2

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