

The Dubai Mercantile Exchange

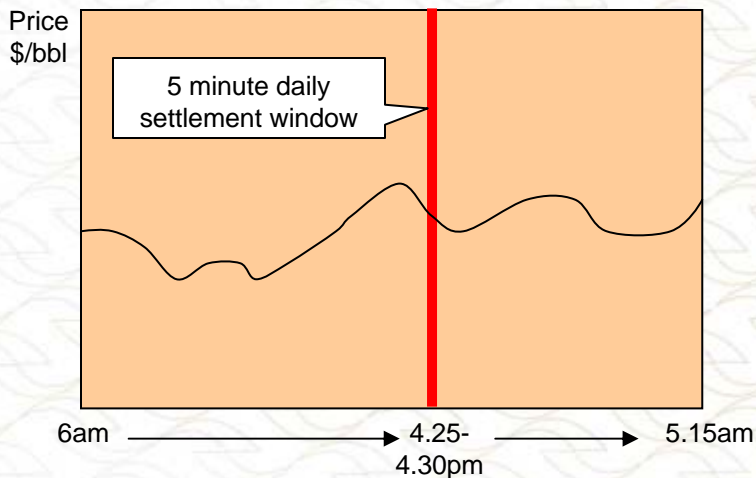
Contract Guide 2008

HOW MOG OSP PRICE IS CALCULATED

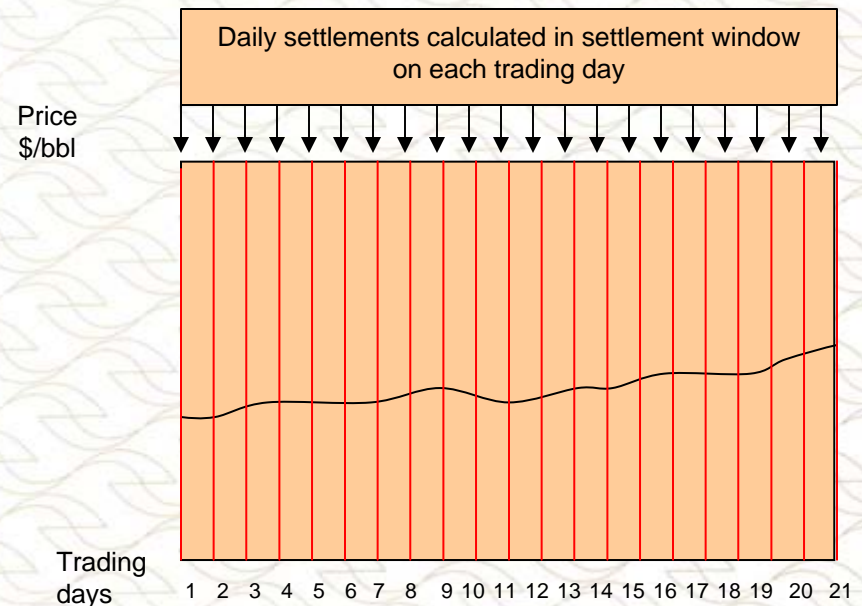
Example for June 2007 calendar month

- 1 Each day at 4:30pm Singapore time DME calculates the daily Settlement Price which is the weighted average of all trades that take place in a five* minute window from 4:25-4:30pm Singapore time.

*Exception is last trading day of the month where settlement window is last 30mins from 4:00 to 4:30pm Singapore time.



- 2 At the end of the trading month DME will have calculated settlement prices, using the methodology shown to the left, for each trading day.



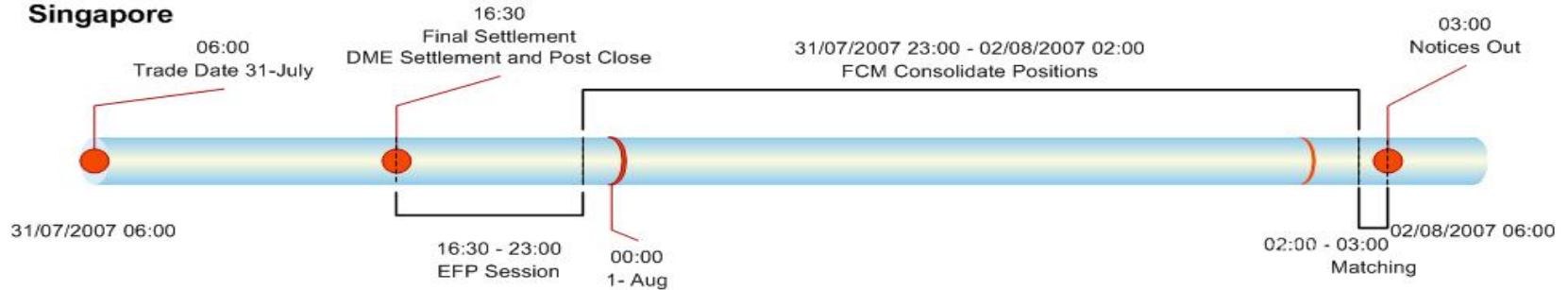
- 3 MOG uses the average of the daily settlement prices of the August futures contract, as calculated in the settlement window on each trading day in June, as the August OSP

KEY EVENTS – PHYSICAL DELIVERY PROCEDURES

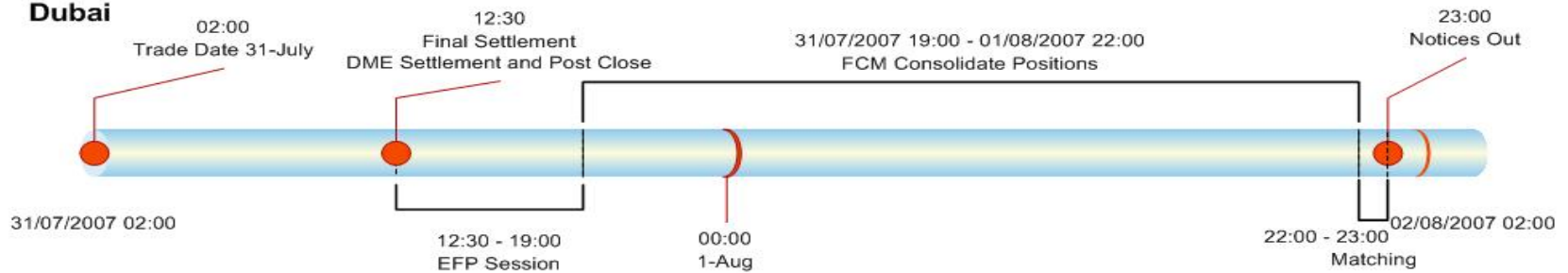
DME Oman Crude Physical Delivery Procedures – September 07 Contract

* Example Dates V 4

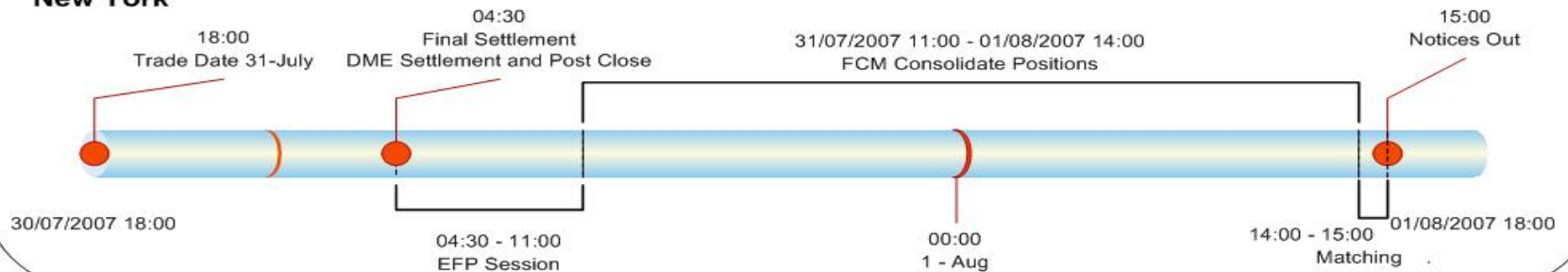
Singapore



Dubai



New York



KEY EVENTS - MONTH OF TRADING (M-2)

REGULAR TRADING DAY

	Activity	Description
4:30pm (SGX) 12:30pm (DXB) 4:30am (NY)	Daily Settlement Price	DME settlement committee confirms daily price; based on last 5 minutes of trading
9:00pm (SGX) 5:00pm (DXB) 9:00am (NY)	Variation Margin, 1st sweep	NYMEX notifies settlement banks on variation margin (first sweep); one hour for objection
11:00pm (SGX) 7:00pm (DXB) 11:00am (NY)	Variation and Original Margin	Second sweep to calculate variation margin and original margin
Midnight (SGX) 8:00pm (DXB) Noon (NY)	Formal Notification	Formal notification by NYMEX to Settlement Banks; one hour for objection
2:30am (SGX) 10:30pm (DXB) 2:30pm (NY)	Mark to Market	End of day NYC settlement; variation margin against prior day NYC settlement price (banks notified 9am following day)

KEY EVENTS – MONTH OF TRADING (M-2)

LAST TRADING DAY



Activity	Description
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4:30pm (SGX)
 12:30pm (DXB)
 4:30am (NY)

Final Settlement

DME settlement committee confirms daily price; based on last 30 minutes of trading

4:31pm (SGX)
 12:31pm (DXB)
 4:31am (NY)

EFPs

Book squaring (6 ½ hrs)

11:00pm (SGX)
 7:00pm (DXB)
 11:00am (NY)

FCMs Consolidate positions

Consolidate customer positions

KEY EVENTS – MONTH OF TRADING (M-1)

LAST TRADING DAY + 1



Activity	Description
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2:00am (SGX)
10:00pm (DXB)
2:00pm (NY)

Matching

NYMEX matches trades according to set methodology

3:00am (SGX)
11:00pm (DXB)
3:00pm (NY)

Notice to FCMs

Matched names of buyers and sellers is provided to Clearing Members

MONTH OF SCHEDULING (M-1)

Day 1*

- Matched positions by CH conveyed to FCMs
- FCMs notify matched positions to respective customers (Buyers & Sellers)

Day 1*-10

- Buyers nominate preferred laydays to Sellers
- Sellers pass requested laydays to Terminal Operator (PDO)

Day 11-15

- Terminal Operator determines schedule for delivery month

Day 15

- Terminal Operator issues confirmed / amended laydays to primary sellers, who expeditiously pass on to Buyers

*Day 1 USA, Day 2 Asian time zones

KEY EVENTS - MONTH OF DELIVERY (M)

D = first date of accepted delivery range (Laydays)

A = first date of vessel arrival



“D” minus 6 days (minimum)	“A” minus 6 days or 5 days prior to “D”, (minimum)	“A”	Completion of Loading
<ul style="list-style-type: none">• Latest Buyers can make firm tanker nominations consistent with load port regulations to Sellers, who, in turn, pass to Terminal Operator for acceptance	<ul style="list-style-type: none">• Latest Buyer’s documentation requirements for each vessel must be notified to Sellers	<ul style="list-style-type: none">• Vessel arrives and made all fast in preparation for loading	<ul style="list-style-type: none">• Full set of documents completed as per Buyers instructions• Includes full set 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

OMAN CONTRACT SPECIFICATIONS

Size

1,000 barrels; same size as Brent & WTI

Code

OQ

Minimum Contract Fluctuation

\$0.01

Reportable Positions

25 Contracts

Trading Hours

6:00 a.m. Singapore time to 5:15 a.m. Singapore time; 23 ¼ hours per day

Trading Week

Start: 6:00 a.m. Monday, Singapore time

End: 5:15 a.m. Saturday, Singapore time

Delivery

Physically deliverable at Mina Al Fahal, Oman

Consistent with existing terminal operations for Omani crude oil

Loading Tolerance

+/- 0.2% tolerance

Daily Settlement

4:30 p.m. Singapore time

Last day of Trading

Last Singapore business day of M-2