

SSY FUTURES LTD
FREIGHT SCREEN TRADING RULES

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Introduction

These Rules set out the responsibilities and obligations of members and operators of the Forward Freight Agreement (FFA) and iron ore derivatives facility operated by SSY Futures Ltd on the Global Coal Platform (the “SSY Screen”). SSY Futures is authorised and regulated by the Financial Conduct Authority (the “FCA”).

The Global Coal platform is an internet-based system that provides members with an online market place for the trading of coal. SSY operates an FFA trading platform within this structure. Global Coal Ltd is also authorised and regulated by the FCA.

The FCA Market Conduct Sourcebook specifically implements the provisions of MiFID. In accordance with these provisions, the Rules are designed to be fair, orderly and transparent.

In addition to our regulatory obligations SSY Futures is a Member of both the Baltic Exchange and The Forward Freight Agreement Brokers Association (FFABA). It adheres to Baltic Code available from The Baltic Exchange at WWW.balticexchange.com or by request from The Compliance Manager at SSY.

Under COBS 11.2.22, we are required to provide our clients with appropriate information on our Order Execution Policy. Please refer to SSY Futures’ Best Execution Policy and Conflicts of Interest Policy which are available from The Compliance Manager at SSY Futures and on our website www.ssyonline.com. The Compliance Manager can be contacted at +44 20 7977 7500 or compliance@ssy.co.uk.

These rules, which form part of the contractual relationship between a member and SSY Futures, are governed by and shall be construed in accordance with the laws of England and Wales.

The Terms and Conditions for use of the screen of SSY Futures Ltd, Global Coal and Trayport Ltd are embedded in the trading platform and must be clicked through and agreed to before the screen can be accessed by a user. Copies of the documents are available from SSY Futures Ltd from the Compliance Manager.

Comprehensive online instructions are available as part of the online documentation encountered by a new user logging on to the system. Further training can be arranged directly with SSY Futures.

The Rules

1. DEFINITIONS AND INTERPRETATION

In these Rules the following words and expressions have the meanings attributed to them:

“All or Nothing Order” means an Order for a defined and non negotiable number of Lots of a specific FFA.

“Applicable Law”: the laws of England and Wales.

“Applicant” means any entity which has applied to become a Member

“Bid” means the price at which a Member places an order to buy on the screen.

“Clearing house” An organisation acting as a central clearing counterparty.

“Confidential Information” means all information (whether written or oral) concerning the business, financial, technical, marketing and operational activities of or relating to SSY and any Market Members including related data on the products, services, strategies, initiatives, performance, sales, customers, client lists, financial, human resources, processes and management, software programs and associated documentation, trade secrets, know-how, other commercially or technically sensitive information, any other information that is marked as being confidential or that is otherwise indicated as being confidential at or prior to the time of disclosure or that might reasonably be considered to be confidential including this Agreement, provided that this will not include information already known to either party prior to the date of this Agreement, which enters the public domain other than through a breach of confidence, or which either party is required to disclose by a regulatory governmental or judicial authority.

“Contingent Order” means an Order which is contingent upon some other Order being accepted at the same time.

“Content” means information, data, text, photographs, graphics, software, sound, video, messages, tenders and other materials of any type made available by a Market Member via the Service;

The “Disciplinary Committee” means a committee which comprises the SSY Futures Compliance Officer and two members of SSY Futures’ board of directors.

“Eligibility Criteria” means the criteria specified in clause 2.1.1 below

“FFA”: A derivative contract priced against the freight market.

“FSA” The UK Financial Services Regulator.

“GCM” General Commission Merchant - a term for banks or clearing brokers who hold customer funds and facilitate clearing through a central clearing counterparty.

“Lot” The minimum unit into which an FFA can be divided.

“Intellectual Property Rights” means any and all copyright, database rights, trade marks, inventions, know-how and other intellectual property rights, including any anonymous transaction information, whether registered or unregistered, in any jurisdiction in or relating to the Site, Market, System or Service;

“Licence” means the Licence granted under this Agreement;

“Market” means SSY Future’s set of facilities through which Market Members can buy and/or sell FFAs.

“Market Member” means any entity, including the Member, which has entered into a Usage Agreement with SSY which has not been terminated in accordance with the provisions of the relevant Usage Agreement;

“Member” means an SSY Futures’ client approved by SSY Futures to use the SSY Screen and all Traders and Read Only Users employed by that Member to whom a User ID and Password is assigned for the purposes of using the SSY Screen

“Member Information” means information relating to the Member which has been provided to SSY, and/or generated over the Market, including information relating to use of or access to the Site and/or the Market, details of transactions undertaken and completed, any disputes of which SSY has been notified and details of the Member’s Traders and Read Only User:

“MTF” A Multi-Lateral Trading Facility - An on line trading venue.

“Offer” The price at which a Member wishes to sell an FFA.

“Order” means any bid or offer placed onto the SSY Screen including all specific terms and conditions applicable to the bid or offer and on the basis of any relevant terms

“Password” means any sequence of characters used in conjunction with a User ID to authenticate a Trader or Read Only User on the SSY Screen;

“Read Only User” means an employee of the Member authorised by the Member to have non trading access to the Service and to whom is issued a unique Password and User ID for the purposes of viewing market activity only

“Rules” means these Rules, including the Introduction, and any associated agreement between a Member and SSY Futures and any schedules and their

respective parts and documents referred to herein, as varied from time to time;

“Service” means the Site and/or Market or any combination or component thereof;

“Site” means the web site located on the Internet at <http://www.globalcoal.com> or such other location as SSY/gC may determine from time to time;

“SSY Futures”: SSY Futures Ltd

“SSY Screen”: The FFA trading facility operated by SSY Futures Ltd under license from Global Coal Ltd

“System” means the technical set-up and equipment including the central processing units, servers and other hardware and operating software used by Global Coal Ltd and/or its agent(s) to provide the Service(s).

“Trade” means an accepted Bid or Offer.

“Trader” means an employee of the Member authorised by the Member to have access to the Service and enter into transactions on the Market on behalf of the Member under the terms and conditions of this Agreement and to whom is issued a unique Password and User ID

“Trading Account” means a unique Username and Password issued to a Trader for trading purposes;

“Transaction Fees” means a payment as agreed between SSY and a Member for the provision of telephony services to facilitate an electronic trading exchange and as amended by notice in writing by SSY Futures from time to time;

“Usage Agreement” means an agreement substantially in the form of this Agreement pursuant to which SSY Futures allows a party to trade on the Market;

“User” means a Trader or a Read Only User.

“User ID” means any sequence of characters used in conjunction with a Password to authenticate a Trader or Read Only User on the System;

2. Membership of the SSY Screen

2.1. Eligibility Criteria

Customers of SSY Futures Ltd may apply to use the SSY FFA Screen if they satisfy the following Eligibility Criteria, providing that:

2.1.1 The Applicant has provided appropriate and sufficient documentation to allow SSY Futures to satisfy its due diligence obligations in respect of its Members being able to demonstrate:

- ~ fitness and propriety
- ~ a sufficient level of trading ability and competence
- ~ adequate organisational arrangements where applicable
- ~ sufficient resources
- ~ adherence to anti-money laundering regulations.

2.1.2 SSY Futures determines that the Applicant can be categorised either as an Eligible Counterparty or a Professional Client as defined within the FSA's Conduct of Business Sourcebook (COBS)

2.1.3 The Applicant has clearing arrangements in place, either with one or more GCMs or with one or more Clearing Houses.

2.2 A Member must advise SSY Futures in writing immediately upon becoming aware at any time that it does not comply with any of the Eligibility Criteria.

3 Usage Agreement

3.1 Once SSY Futures has accepted an application for membership, the Applicant is required to sign a Usage Agreement with SSY Futures.

3.2 A Member represents and warrants that on the date it receives approval to use the SSY Screen and at all times and on a continuous basis throughout the duration of its membership that it meets the Eligibility Criteria and will comply with its obligations under these Rules and the Usage Agreement in full.

4. Approved individual users

4.1 A Member shall, either with its application for membership or at any other time, submit for approval by SSY Futures a list of one or more individuals each of whom it nominates to act as a Trader or Read Only Users.

4.2 Upon approval by SSY Futures, the user shall be assigned a User I.D. and password to enable him or her to access the SSY Screen. The User I.D. shall be used only by the User to whom it is assigned.

4.3 SSY may temporarily or permanently suspend use of a User I.D. if it considers that there has been or is likely to be a breach of these Rules associated with use of that User I.D.

4.4 Any action carried out by a User shall, for the purposes of these Rules, be considered as being carried out by the Member.

5. Member responsibilities

- 5.1 A Member shall ensure that the User I.D. and password assigned to each of the Member's Users are treated confidentially and is not at any time advertently or inadvertently disclosed to any third party. . A Member shall ensure that those of its employees who are authorised to use the SSY Screen comply with these Rules.
- 5.2 A Member must advise SSY Futures immediately should the Member wish to withdraw permission for one or more of its Users to access the screen on its behalf or should the Member wish to prevent access to for a particular User I.D. for any reason.
- 5.3 A Member must immediately advise SSY Futures if it suspects that the system is being misused and that Member shall remain solely responsible for all actions carried out on the screen using such User I.D. until such time as SSY is able to take the necessary steps, acting as quickly as reasonably possible, to prevent further access using such User I.D.
- 5.4 A Member is solely responsible for all actions undertaken on The SSY Screen through the use of a User I.D., that has been assigned to one of that Member's Users, whether or not that action was undertaken by the nominated User and whether or not that action has been carried out fraudulently, negligently or otherwise.
- 5.5 A Member is solely responsible for setting risk limits within which its Users are permitted to buy or sell Freight Derivatives and ensuring its Users adhere to these risk limits.
- 5.6 SSY Futures and the employees of SSY Futures are not responsible for either setting or monitoring a User's risk limits to buy or sell Freight Derivatives and is not liable for any Trades executed either within or outside these risk limits.
- 5.7 A Member must provide accurate and up to date clearing account details. Any changes to the Clearing Schedule shall be notified by submitting an updated copy of such schedule.
- 5.8 A Member must ensure that it has sufficient credit at the Clearing House or GCM which it designates for clearing of a Trade. Failure to ensure that it has sufficient credit to clear a Trade executed on the SSY Screen is a serious breach of these Rules of which the Member concerned must give

SSY Futures immediate written notice. Upon the occurrence of such a breach, approval to use the SSY Screen shall be automatically revoked with immediate effect and the Member shall take immediate steps to stop and prevent any further use of the SSY Screen but shall remain liable to settle the relevant trade and/or pay any and all damages, losses and costs occurring as a result of the breach.

- 5.9 Clearing of a Trade executed on the screen is entirely the responsibility of the relevant Buyer and Seller, the designated Clearing House and where applicable the GCM and is subject to the rules of the designated Clearing House. SSY is not a party to the clearing process other than to the extent that it inputs the trade into the Clearing Houses and, where applicable, the GCMs.

6. Suspension

6.1 SSY Futures may temporarily suspend or permanently withdraw its approval to use the SSY Screen a Member if instructed to do so by the FSA or where in its absolute discretion it:

- 6.1.1 has reason to believe or is advised by the Member that the Member is unable to comply with any of the Eligibility Criteria;
- 6.1.2 becomes aware or has reason to believe that the Member has breached these Rules or the Membership Agreement; or
- 6.1.3 reasonably considers such suspension necessary to ensure orderly trading on the SSY FFA Screen.

6.2 SSY Futures shall inform a Member as soon as practicable of any action that it takes under sections 5.9 and 6.1 above.

6.3 SSY Futures may, in its absolute discretion, reinstate a Member following its suspension and such reinstatement may be subject to such conditions or restrictions that SSY Futures considers are necessary.

7. Resignation

7.1 A Member may resign its membership by providing written notice to SSY Futures.

7.2 Where SSY Futures considers that there is a need to investigate a breach of the Rules by the Member, it may refuse to accept the notice of resignation of the Member for such a period as is reasonable to allow SSY Futures to investigate fully a breach of these Rules by the Member in which case the Member shall continue to be bound by these Rules.

8 Confidentiality

SSY Futures shall treat as confidential any information received from a Member except where:

8.1 this information is already in the public domain;8.1.2 SSY Futures is required to disclose this information to the FSA or to another regulatory body or legal authority;8.1.3 disclosure is permitted by law; or

8.2 the Member consents to such information being disclosed.

9 Complaints by Members

9.1 Where a Member wishes to make a complaint that the Member believes requires immediate action by SSY Futures or by another Member, the Member must, in the first instance, and as soon as possible after becoming aware of the complaint notify SSY Futures in writing.9.2 Members wishing to complain about any aspect of the running of the SSY FFA Screen should in the first instance contact their SSY Futures account manager. If this does not result in a satisfactory outcome they should contact The Compliance Manager at SSY Futures.

9.2 SSY Futures shall investigate all complaints brought to its attention in accordance with the trading rules where SSY Futures on reasonable grounds considers that the complaint has substance and shall aim to resolve a complaint as soon as reasonably practicable. If the complaint is not resolved satisfactorily at this stage, then the SSY general Complaints Policy will be invoked. This policy appears as Appendix 1 to these rules.

10. SSY Screen Trading Days and Trading Hours

SSY Screen Trading Hours and Days are twenty four hours from Monday to Friday inclusive except on UK Bank Holidays. However Members' attention is drawn to the trading conventions of the FFA market and opening hours of the clearing houses which will determine the timely processing of any trades.

Reasonable notice shall, as far as practicable, be given to Members in the event of a decision by SSY Futures to amend the Trading Hours or Trading Days.

11 Instruments

11.1 The following FFAs, which have been selected on the basis of customer demand and volume, may be eligible for trading on the SSY Screen:

11.1.1 Dry FFA Contracts;

11.1.2 Wet FFA Contracts .

11.2 SSY Futures reserves the right to decide which specified FFA shall be included for trading on the screen and when it shall be withdrawn from trading. Reasonable notice shall be given by SSY Futures to Members of such a determination.

- 11.3 Contract specifications for all FFAs that can be traded on the SSY Screen are available to Members from the SSY website or The Baltic Exchange's website.
- 11.4 FFAs can be traded in multiples of one Lot defined as follows, or as otherwise specified in a Notice, for each FFA type:
- 11.4.1. Dry FFA Timecharter Contract: one day per month
 - 11.4.2 Dry FFA Voyage Contract: 1,000 metric tons; and
 - 11.4.3 Wet FFA Contract: 1,000 metric tons
- 11.5 Prices of FFAs are quoted in the following increments or in such other increments as may be determined by SSY from time to time and specified in a Notice:
- 11.5.1 Dry FFA Timecharter Contract: US\$1.00;
 - 11.5.2 Dry FFA Voyage Contract: US\$0.01;
 - 11.5.1 Wet FFA Contract: either US\$0.01 or in Worldscale points in increments of 0.01%;
- 11.6 All FFAs are subject to ongoing review by The Baltic Exchange and Members should review their specifications periodically and if in doubt contact SSY Futures or the Baltic Exchange. Additionally Users should take steps to ensure they are familiar with the individual clearing houses contract specifications, available from www.lchclearnet.com www.nos.no www.sgx.com .

12. Trade execution.

- 12.1 Acceptance of an Offer or a Bid on the SSY Screen gives rise to an irrevocable contractual obligation by the Buyer to buy the relevant FFA and an irrevocable contractual obligation by the Seller to sell the relevant FFA on the terms of the Bid and Offer respectively. A contractual nexus is created involving the Buyer and the Seller and the designated Clearing House in accordance with the rules of the Clearing House. Where either or both of the Principals clear the Trade via a GCM then the GCM also forms part of the contractual nexus in accordance with the agreement between the Principals and the GCM and the rules of the Clearing House. SSY Futures is never part of the contractual nexus.

12.2 In order to carry out a Trade, a Member must enter an Order on to the screen in accordance with procedures set out in the User Manual and comply with any instructions or requests issued by SSY Futures.

12.3 A Member entering an Order must:

12.3.1 specify the FFA that the Member wishes to buy or sell;

12.3.2 enter the number of Lots of the specified FFA that are to be bought or sold;

12.3.3 enter the Bid at which the Member is willing to buy the specified FFA or the Offer at which IT is willing to sell the specified FFA;

12.3.4 designate one or more Clearing Houses where the Member is able to clear the Order be executed;

12.3.5 include such other information in respect of the Order as SSY Futures may specify in any applicable Notice.

12.4 An Order shall be executed on The SSY Screen if:

12.4.1 the Bid entered by or on behalf of a Buyer in respect of a specified FFA is equal to or exceeds the Offer entered by or on behalf of a Seller in respect of the same specified FFA and the Buyer and the Seller have both designated the same Clearing House for the settlement of the specified FFA. Orders are traded on a time basis so that if two bids or offers of equal offer for the specified FFA, the bid or offer entered first will prevail and will be accepted before the other bid or offer;

12.4.2 in the case of a Bid that is specified as an All or Nothing Order, the number of Lots on the relevant Offer equals or exceeds the number of Lots on the Bid and in respect of an Offer that is specified as an All or Nothing Order, the number of Lots on the relevant Bid equals or exceeds the number of Lots on the Offer;

12.4.3 in the case of a pair of Contingent Orders, a Trade is executed against each of the Contingent Orders simultaneously;

12.4.4 the Buyer and Seller both receive credit approval from the designated Clearing House or from their GCM; and

12.4.5 the Trade has been accepted for clearing by the relevant Clearing House.

12.5 Where the Bid equals the Offer the Trade is executed at that price. Where a Bid is entered on to the SSY Screen that exceeds an Offer already on the screen the Trade is executed at the Offer price.

Conversely, where an Offer is entered on to the SSY Screen that is lower than a Bid already on the screen the Trade is executed at the Bid price.

- 12.6 An Order placed by a Member on the screen is valid either for the period specified by the Member (either a number of minutes or a number of days) or indefinitely in the case of a 'good till cancelled' Order.

13. Best Execution

Since the SSY Screen only contains a subset of the total volume of orders in the FFA markets, it is unlikely to afford best execution to Members And SSY Futures makes no warranty or representation whatsoever in this respect. All Members acknowledge that this is the case. SSY Futures has a Best Execution Policy which is available from the Compliance Manager or on our website www.ssyonline.com.

14. Suspension of Orders by SSY Futures

- 14.1 Where an Order is valid for acceptance beyond the close of trading hours on any given trading day Members should be aware that the SSY Screen will continue to hold the order until it is executed, cancelled or expires through lapse of time. Members should be aware that the Global Coal Platform is open twenty four hours a day, seven days a week.

- 14.2 Where a User loses connectivity with the SSY Screen, whether due to the User logging off, due to a technical fault or for any other reason whatsoever, the Orders placed by the User are automatically suspended. Suspended Orders which have not expired must be re-submitted by the User once the User regains connectivity. This default setting can be changed by the user so that orders remain live but SSY Futures are not responsible for errors caused as a result of this.

15. Deletion or amendment of Orders

- 15.1 A User may delete or amend any part of an Order provided that such Order has not expired or been accepted.

- 15.2 A User may delete or amend only those Orders placed using his or her own User I.D.

- 15.3 Where circumstances arise such that a User is unable to delete or amend one or more of its Orders, the User may make a request to SSY Futures to make such deletion or alteration. SSY Futures will verify the identity of the User before accepting a request from the User to delete or amend an Order.

- 15.4 SSY Futures may, in its absolute discretion, temporarily or permanently delete such an Order if it believes that error was made by the Member

placing the Order. In such circumstances SSY Futures may, but is not obliged to, contact the Member to check the Order's validity before temporarily or permanently deleting such Orders.

15.5 SSY Futures may, in its absolute discretion, temporarily or permanently delete an Order in order to ensure fair and orderly trading or in other circumstances where SSY Futures considers that such action is necessary for any reason.

16. Cancellation or amendment of Trades

16.1 SSY Futures may, in its absolute discretion, cancel or amend Trades that have been executed where it considers that this is necessary to maintain fair and orderly trading or where SSY Futures believes that a Trade has been executed in error or through misuse of a User I.D.

16.2 SSY Futures shall exercise its discretion to cancel or amend Trades executed only in exceptional circumstances. The fact that a Trade has or may have been carried out in error or through misuse of a User I.D. is not in itself sufficient grounds for SSY Futures to cancel or amend the Trade.

16.3 A Member may make a request to SSY Futures to cancel or amend a Trade executed where the Member believes that circumstances warrant the making of such a request. A Member must make such a request as quickly as possible after the relevant Trade has been executed. A delay by a Member in making such a request will significantly reduce the likelihood that SSY shall cancel or amend the Trade.

16.4 Such requests can be made between the hours of 0200 hours and 1800 UK time (GMT).

16.5 The factors that SSY Futures shall consider in determining whether or not to cancel or amend a Trade that has been executed include, but are not limited to the following:

16.5.1 the length of time that has elapsed since the Trade was executed;

16.5.2 the impact of the Trade on the market; whether the Trade involved or could have involved fraud against any of the Members involved in the Trade;

16.5.3 the price at which the Trade was executed relative to other relevant existing or recent prices; and the number of Lots traded.

16.6 Where SSY Futures has determined that a Trade is to be either cancelled or amended any GCM or Clearing House involved in clearing of the relevant Trade must cancel or amend the Trade in accordance with instructions given by SSY Futures.

- 16.7 SSY Futures operates a manifest error policy in common with Global Coal's manifest error policy - this is referred to both in our standard terms and conditions and these rules. Details are available at: <http://www.globalcoal.com/legal/manifestError.cfm> and <http://www.ssyonline.co.uk>.

17. Settlement

- 17.1 Settlement of a FFA is the responsibility of the Buyer and the Seller, the designated Clearing House and where applicable the GCM, and is governed by the rules of the designated Clearing House. SSY Futures is not involved in the settlement process. However, under FSA MAR 5.4.1(2) we have in place the arrangements necessary to facilitate the efficient settlement of the transactions concluded under its systems.
- 17.2 The settlement price used for settlement of a FFA is calculated in accordance with the contract specification for the relevant FFA and the relevant settlement data.

18. Trade reporting

- 18.1 A log of all Trades executed on the SSY Screen is maintained and is available to all Members able to view the SSY Screen. The log is updated in real time and displays:
- 18.1.1 the date and time of the Trade;
 - 18.1.2 the FFA contract traded;
 - 18.1.3 the price at which the Trade was executed; and
 - 18.1.4 the number of Lots traded.
- 18.2 In addition SSY Futures will send an e-mail recap to both parties confirming the trade, as soon as possible following the trade and no later than close of business (1800hrs on a London banking day) on that day.
- 18.3 Trading on the screen is anonymous and no counterparty names will be disclosed.

19. Suspension of trading in an emergency

SSY Futures may suspend all trading on the SSY Screen or impose conditions on trading when it considers this necessary to prevent unfair or disorderly trading or otherwise to protect the integrity of the screen.

20. Screen availability

20.1 SSY Futures operates the SSY Screen under license from a third party, Global Coal. It is not responsible for the technical maintenance of the screen (which is undertaken by Global Coal) and does not, therefore, warrant that access to or use of the SSY Screen will be uninterrupted, free of computer virus or free of other errors. SSY Futures shall, however, use reasonable endeavours within its capability to provide Members with access to the SSY Screen twenty-four hours a day, Monday to Friday Greenwich Meantime. Please note that the SSY Screen may be revised or modified from time to time and the SSY Screen System may be unavailable during such times.

20.2 SSY Futures may at its absolute discretion suspend all trading on the screen for an indefinite period in the event of a system failure, or other disruption to the normal functioning of the screen, or if in the opinion of SSY, this is necessary, to maintain fair and orderly trading on the screen or for any other reason.

21. Disaster Recovery

Loss of user connectivity will be dealt with on a case by case basis.

Total systems loss will be dealt with according to the disaster recovery procedures of SSY Futures, Global Coal and or Trayport.

22. Process For Adding Standing Data.

Members can make changes to their standing data by emailing SSY Futures at futures@ssy.co.uk

23. Transaction Fees

23.1 No fees are payable by a Member for the use of the SSY FFA Screen other than the agreed broking commissions in place at the time between SSY Futures and the screen user.

23.2 SSY Futures reserve the right to vary any screen based pricing structure following written notice to the user and may at their discretion and on written notice introduce additional charges. The continued use of the SSY Screen after receipt of such a notice shall be confirmation that such variation or changes are accepted by the Member.

24. Notification requirements

A Member must notify SSY Futures immediately in writing upon becoming aware of any of the following:

- 24.1 Any technical problems associated with the screen including a loss of connectivity, which affects or might affect the ability of the Member to use the SSY Screen or comply with these Rules;
 - 24.2 A breach of these Rules by the Member or another Member;
 - 24.3 If the Member requires SSY Futures to suspend a User I.D. assigned to one of the Member's Users;
 - 24.4 If a Trade is executed in error or through misuse of a User I.D. assigned to one of the Member's Users for whatever reason.
 - 24.5 The contact details of any of the individual users changes.
 - 24.6 Changes in the Member's ability to meet the Eligibility Criteria.
 - 24.7 The Member is no longer able to meet its financial obligations to clear Trades carried out.
 - 24.8 Insolvency of the Member; or
 - 24.9 a change in the Members' name, contact details or legal status at least ten working days in advance of any change taking effect; or
 - 24.10 upon becoming aware of a change regarding the Member or litigation that may materially affect the ability of the Member to comply with these Rules.
25. Conduct and compliance
- 25.1 A Member must not enter an Order, commit any act, or engage in any course of conduct which:
 - 25.1.1 creates or is likely to create a false or misleading impression as to the market in or the price of a Freight Derivative;
 - 25.1.2 the Member is not authorised to carry out either under Applicable Law or these Rules;
 - 25.1.3 adversely affects the fairness, orderliness or transparency of trading, for example, entering a trade with no intention to deal;
 - 25.1.4 brings The SSY Screen into disrepute; or
 - 25.1.5 is in breach of these Rules or is likely to cause or contribute to a breach of these Rules by another Member.

25.2 SSY Futures may withdraw the screen rights, in accordance with these Rules, of a Member who is found to be in breach of these Rules and specifically in breach of the conduct requirements.

25.3 Under MAR 5.5.1, as a firm operating a trading facility, SSY Futures has effective arrangements for monitoring compliance with the rules by its users and undertake monitoring on a quarterly basis in order to identify rule breaches, disorderly trading conditions or conduct that may involve market abuse.

26. Breaches of the Rules

26.1 Any breach or suspected breach of these Rules shall in the first instance be evaluated by the Compliance department of SSY Futures.

26.2 If the Compliance Officer reasonably determines that there is likely to have been a breach of these Rules, the Member shall be informed in writing and the suspected breach shall then be referred to the Disciplinary Committee for review.

26.3 SSY Futures may, in its absolute discretion, suspend a Member from carrying out any actions on the SSY Screen, if it becomes aware or reasonably believes that a Member is in breach of these Rules and such suspension of a Member shall continue while the breach or potential breach is investigated and considered by the Disciplinary Committee. SSY Futures shall give prior notice to a Member of a suspension where practicable, but shall be permitted in its absolute discretion to suspend a Member without notice in an emergency. In such circumstances it shall provide notice to the Member of such suspension as soon as practicable after the suspension takes effect.

26.4 In deciding whether temporarily to suspend a Member SSY Futures shall give particular consideration to the need to maintain fair and orderly trading.

26.5 The Member must co-operate with SSY Futures in respect of any investigation in relation to a breach or potential breach of these Rules, provide any relevant information on request and respond fully and openly to questions. The Member shall also present any facts or other evidence in its possession that the Member considers relevant to the alleged or suspected breach of these Rules.

26.6 SSY Futures shall inform a Member immediately in writing of any determination by the Disciplinary Committee in relation to a breach or suspected breach of these Rules by the Member.

27. Appeals

27.1 A Member may appeal a determination by SSY Futures to the effect that the Member has been in breach of these Rules by providing, within fourteen

(14) days of the date of the written notice of determination, a written submission to the Appeals Committee that outlines the grounds for the appeal. The Appeals Committee is to be considered as acting on behalf of SSY Futures

27.2 Where the Member requires additional time to prepare its grounds of appeal the Member must apply in writing for an extension to SSY Futures giving reasons. SSY Futures shall determine in its absolute discretion whether to grant such an extension.

27.3 The Appeals Committee comprises two of SSY Futures' directors, neither of whom shall have been a member of the Disciplinary Committee that previously considered the matter under appeal.

27.4 The Appeals Committee will consider:

27.4.1 the merits of the case based on the grounds of appeal or fresh information provided by the Member; and

27.4.2 whether in reaching its determination the Disciplinary Committee acted irrationally or unreasonably.

27.5 The Appeals Committee may confirm, quash or amend the determination of the Disciplinary Committee.

27.6 SSY Futures shall inform the Member of the Appeal Committee's decision in relation to the appeal in writing within seven (7) days of the decision being made.

27.7 SSY Futures' decision in relation to the appeal is final.

28. Sanctions

28.1 Where a Member is determined to have breached these Rules, SSY Futures has absolute discretion to impose one or more than one of the following sanctions on the Member:

28.1.1 temporary suspension;

28.1.2 termination of membership;

28.2 In determining which sanction or sanctions to impose on a Member found to have been in breach of these Rules, SSY shall take in to account the following factors:

28.2.1 the seriousness of the breach.

28.2.2 the impact of the breach on the market.

28.2.3 whether the breach was caused deliberately or negligently.

29. Reporting to the FSA

29.1 SSY Futures has an obligation under FSA MAR 5.6 to

- 29.1.1 report to the FSA significant breaches of the firm's rules, disorderly trading conditions, and conduct that may involve market abuse.
- 29.1.2 supply the information required under this rules without delay to the FSA and any other authority competent for the investigation and prosecution of market abuse; and
- 29.1.3 provide full assistance to the FSA and any other competent authority (as mentioned in 2.) in its investigation and prosecution of market abuse occurring on or through the firm's systems.

Such reports will include the identity of the Member determined by SSY Futures to be in breach of these Rules.

- 29.2 All Members are required to co-operate in any enquiry or other action by the FSA in respect of The SSY Screen, including but not limited to where a Member has been determined by SSY Futures to be in breach of these Rules.

30. Amendment of the Rules

- 30.1 SSY Futures may at its absolute discretion amend these Rules from time to time either to ensure that trading on the SSY Screen remains fair, orderly and transparent to comply with regulatory changes and Applicable Law. To ensure these Rules remain consistent with the efficient operation of the screen or for any other reason.
- 30.2 All amendments shall be notified to Members in writing as soon as practical and Members shall be notified of when the amendment shall take effect.

31. Exclusion of Liability

31.1 SSY Futures shall not be liable to any Member for any partial or non-performance of its obligations under these Rules or otherwise by reasons or any causes beyond its control, including without limitation breakdown or failure of transmission, communication or computer facilities, industrial action, acts or regulations of any governmental or supranational bodies and the failure of any relevant correspondent or other agent, dealer, exchange, clearing house or

regulatory organisation for any reason to perform its obligations or any other causes whatsoever.

31.2 General market information is given without guarantee or warranty and Members must satisfy themselves as to the accuracy or otherwise of such information.

31.3 SSY Futures will not provide any tax advice.

31.4 Neither SSY Futures nor its Directors, Officers or employees shall be liable for any direct or indirect losses, damages, costs or expenses incurred or suffered by its Members under these Rules or under any other Agreement and SSY's liability in general shall be limited to the full extent permissible under the Applicable law unless arising directly from SSY Futures gross negligence, wilful default or fraud. In no circumstances shall SSY Futures have any liability for consequential or special damage.

31.5 SSY Futures makes no warranty, express or implied, as to the accuracy or completeness of any information contained on the SSY Screen. SSY disclaims to the fullest extent permissible under the Applicable Law all warranties, terms, conditions or representations as to merchantability, satisfactory quality, fitness for a particular purpose or other warranties, conditions, guarantees or representations, whether express or implied, in law or in fact, oral or in writing.

31.6 For the avoidance of doubt SSY Futures does not exclude or restrict any duty or liability owed under the regulatory system imposed by the Applicable Law.

32. Indemnity

32.1 The Member shall at all times whether prior to, during or after termination or expiry of this Agreement indemnify and keep indemnified, SSY Futures and any transferee or assignee of SSY Futures in respect of any and all liabilities, losses, damages, claims or demands (including legal fees and expenses) suffered or incurred by SSY Futures or made by any Third Party due to or arising out of:

32.1.1 any Content the Member submits, posts to or transmits through the SSY Screen
32.1.2 the Member's use of the SSY Screen except relating to the Intellectual Property Rights; and/or

32.1.3 any breach by the Member of these Rules.

32.2 The Member covenants not to sue SSY Futures and any transferee or any assignee of SSY in respect of the breach or alleged breach by any party of any transaction entered into via the Service.

32.3 The Member agrees to co-operate fully with all requests by SSY Futures in connection with any event or claim (including in the defence of such event or claim). SSY Futures reserves the right, at its own expense, to assume the exclusive defence of any such matter subject to indemnification by the Member.

33. Force majeure

33.1 Neither the Member nor SSY Futures shall be liable in any way whatsoever to the other in respect of anything which may constitute any failure or delay in compliance with these Rules arising by reason of force majeure, namely, circumstances beyond its reasonable control including (but not limited to) acts of God, perils of the sea or air, fire, flood, drought, explosion, sabotage, accident, embargo, riot, civil commotion, electrical failure, telecommunication failure or interruption, the unavailability or interruption of the Internet, water damage, legislative statute, action by public authorities, war, strike, lockout and any other industrial disputes (. Notwithstanding this clause each party shall use all reasonable endeavours to continue to perform its obligations under these Rules for the duration of the force majeure event.

33.2 If a force majeure event occurs, the affected party shall give oral notice and full details of the event as soon as is practical after the occurrence of the event (such notice to be confirmed in writing). The party giving the notice shall be relieved of its obligations during, but not longer than, the continuance of the event of force majeure.

33.3 The affected party shall use its best efforts to remove the cause of the event of force majeure and shall begin or resume performance of its suspended obligations as soon possible after that cause has been removed. If such event continues for 30 days, either party may terminate its Agreement with the other party.

34. Intellectual property rights

34.1 SSY Futures grants to each Member, a personal, non-exclusive, non-assignable, non-transferable, revocable licence to use the screen for the duration of its membership in compliance with these Rules and the Usage Agreement.

34.2 Each Member acknowledges and agrees that other than as expressly set out in these Rules, it has no ownership interest of whatsoever nature in any software, documentation, information and data provided by SSY Futures or displayed on the SSY Screen including information or data relating to Orders entered or Trades executed by or on behalf of each Member, ideas, methods of operation, processes, know-how, in addition to any derivative works related thereto.

35. Notices

35.1 Each Member shall provide an address within England at which it may be formally served with any notice or proceedings which may at any time be issued under or in connection with these Rules and which shall remain valid until amended in writing by the Member.

35.2 Each Member shall provide an email address which it warrants shall be monitored on a daily basis and to which any notice which SSY Futures is required to give under these Rules may be served. If that email address shall become inoperable for any reason, the Member must advise SSY Futures and provide an alternative email address.

36. Law and Jurisdiction

These Rules shall be governed by the Applicable Law and subject to the exclusive jurisdiction of the English High Court of Justice.

37. Severance

Should any particular Rule herein be declared to be illegal, unenforceable or invalid, it may be severed from the Rules at the discretion of the court without affecting the remaining Rules in any way.