

DGC

بورصة دبي للذهب والسلع
DUBAI GOLD & COMMODITIES EXCHANGE

BY LAWS

Part A: General

A.1 Board Approval of These By-Laws

These By-Laws are approved by resolution of the Board in accordance with the Articles of Association.

A.2 Definitions

In these By-Laws the words standing in the first column below shall, except where inconsistent with the subject or context, bear the meanings set opposite to them respectively in the second column.

Words	Meanings
Affiliated Corporation	a corporation that: <ul style="list-style-type: none"> (a) beneficially owns a Member; (b) is beneficially owned by that Member; or (c) is owned by the same beneficial owner(s) as that Member.
Amendment Notice	As defined in By-Law C.9.9(a)
Appeal Tribunal	The tribunal defined in By-Law F.5.2.
Approved Gold CMI	a DGR Member lawfully engaged in the business of providing collateral management or inspection services in respect of commodities and approved by the Exchange for the purpose of certifying the weight and fineness of gold delivered in fulfillment of a Gold Futures Contract
Approved Silver CMI	a DGR Member lawfully engaged in the business of providing collateral management or inspection services in respect of commodities and approved by the Exchange for the purpose of certifying the weight and fineness of silver delivered in fulfillment of a Silver Futures Contract
Approved Currencies Delivery Bank	a bank approved by the Exchange as provided for in By-Law M.3
Approved Investment	An investment approved by the Exchange in accordance with By Law E.10.7
Approved Gold Refiner	a refiner of gold approved as such by the Exchange and whose gold bars shall be accepted as deliverable gold in fulfillment of a Gold Futures Contract
Approved Silver Refiner	a refiner of silver approved as such by the Exchange and whose silver bars shall be accepted as deliverable silver in fulfillment of a Silver Futures Contract
Approved Securities	Securities approved by the Exchange in accordance with By-Law E.11.4
Approved User	In respect of a Member, an individual approved by the Exchange or the purpose of entering orders on a Trader Work Station of that Member
Approved Gold Vault	a vault approved by the Exchange for the storage of gold for delivery in fulfillment of a Gold Futures Contract
Approved Silver Vault	a vault approved by the Exchange for the storage of silver for delivery in fulfillment of a Silver Futures Contract

Arbitrator	Any arbitrator appointed to arbitrate a dispute under Part G of these By-Laws.
Articles of Association	The Articles of Association of the Exchange
Automated Trading System or ATS	The electronic system provided by the Exchange to members for trading of Contracts
BCC Delegate	The person defined as such in By-Law F.2.4
Board	The Board of Directors of the Exchange
Broker Member	The membership category referred to in By-Law C.1.1(a)(i)
Business Day	Any day on which one or more Markets are declared by the Exchange to be open
Business Conduct Committee or BCC	The committee described in By-Law B.3.5.
Buyer	A buyer of a Contract listed on the Exchange
Call	A demand for payment of a sum of money made upon a Client
Call Option Contract	A contract as described in By-Law H.3.2(a).
Cash Only Settlement	Settlement, by payment in cash, between parties to a Contract and the Clearing Corporation, of an amount determined using the Cash Settlement Price; rather than settlement by delivery of the Underlying Physical by the Clearing Corporation.
Cash Only Settlement Contract	A Futures Contract in which the Buyer and Seller agree to satisfy their respective obligations by way of Cash Only Settlement in accordance with the Individual Contract Specifications for that Contract.
Cash Settlement Day	In respect of a Cash Only Settlement Contract, the day on which Final Cash Settlement Price is declared.
Cash Settlement Price	An amount equivalent to the difference between the Final Cash Settlement Price of a Contract and the previous Daily Settlement Price of that Contract.
Chief Executive	The Chief Executive of the Exchange appointed by the Board in accordance with the Articles of Association
Class of Contract	All those Contracts that have the same Individual Contract Specifications
Clearing Rules	The By-Laws of the Clearing Corporation
Clearing Corporation	Dubai Commodities Clearing Corporation DMCC
Clearing Guarantee	A guarantee by a Guarantor Clearing Member in the form prescribed by the Exchange from time to time pursuant to which that Guarantor Clearing Member guarantees to each Member (other than the Guaranteed Member) Contracts entered into by that Guaranteed Member and agrees to accept for registration in its name with the Clearing Corporation all contracts entered into by that Guaranteed Member.

Clearing Member	Any person, firm or corporation which has been admitted to membership of the Clearing Corporation and who has not resigned that membership or whose membership of the Clearing Corporation has not been terminated or suspended.
Client	In relation to a Member, any person, firm or corporation on behalf of whom the Member trades, or proposes to trade a Contract, or from whom the Member accepts instructions to trade a Contract
Client Account	An account held by a Member in the name of all or some of its Clients for the purpose of recording transactions made by that Member on behalf of the Client(s) to which such account relates, and designated as a Client(s) segregated account
Close of Trading or Close	Such time on a Business Day as is designated by the Exchange from time to time as the closing time for trading in all or any Contracts
Close Out	the matching of an Open Position with a corresponding Open Position and effecting the settlement of each Open Position against the other
CMI	A DGR/DCR Member lawfully engaged in the business of providing collateral management or inspection services in respect of commodities and who certifies the accuracy of the description of goods on the DGR/DCR relating to those goods.
CMI-Certified DCR	A CMI-Certified DCR as defined in the "Rules concerning the Issuance, Endorsement and Transfer of Dubai Commodity Receipts" issued by DMCC
CMI-Certified DGR	A CMI-Certified DGR as defined in the "Rules concerning the Issuance, Endorsement and Transfer of Dubai Gold Receipts issued by DMCC"
Committee	A committee of Members or other persons appointed by the Board to undertake tasks or responsibilities specified by the Board.
Commodity Swap	A Financial transaction in which the parties agree by private negotiation to exchange cash flows based upon the future movement of the price of a commodity
Contract	A Futures Contract or an Option Contract, in either case traded on the Exchange or capable of being traded on the Exchange.
Contract Premium	The premium at which an Option Contract is traded
Contract Specification	In relation to a Class of Contracts, that forms part of these By-Laws that deals with the particular features of that Class of Contract
Contract Unit	In the case of a Futures Contract, a certain number, weight or volume of a specific commodity which forms the subject of that Futures Contract and in the case of an Option Contract, the Underlying Futures Contract on which that Option Contract is based
Currency Contract Unit	an amount of currency specified as the contract unit for a Class of Contract in By-Law M.1.2
Currencies Delivery Acceptance Notice	a notice provided to the Clearing Corporation in accordance with By-Law M.4.4 (b)

Currency Delivery Account	an account at an Approved Currencies Delivery Bank and denominated in the relevant currency, held by a Clearing Member intending to give or take delivery of a Currency Futures Contract
Currency Futures Contract	a Class of Futures Contracts approved by the Exchange for trading and in fulfillment of which the Seller delivers and the Buyer receives delivery of a specified amount of foreign currency
Daily Settlement Price	The official daily quotation for each Contract traded on the Exchange for each Delivery Month (in the case of Futures Contracts) and for each Series (in the case of Option Contracts), each as determined by the Exchange for the purpose of margining and settling by the Clearing Corporation
DCR	“DCR” or “Dubai Commodities Receipt” means a receipt representing goods stored at a storage facilities owned or operated by a DCR Issuing Member and issued by that DCR Issuing Member through the DCR System and held by DMCC.
DCR Issuing Member	A DCR Member lawfully engaged in the business of storing or arranging for the storage of gold for profit and registered by DMCC as an authorized issuer of DCRs.
DCR Member	A person who is registered by DMCC as a member of the DCR System.
Declaration Date	The last day on which an Option Contract may be exercised by the Buyer of that Contract
Default	A Buyer or Seller of a Futures Contract who fails to meet his obligations as described in By-Law H.2.2
Delivery Day	A day on which delivery may occur in satisfaction of a Futures Contract as specified within the Individual Contract Specifications.
Delivery Margin	An amount of Margin (other than Initial Margin or Special Margin) specified from time to time by the Exchange as being payable in relation to a Class of Contracts during, or immediately prior to, the period in which a Delivery Notice may be issued for that Class of Contracts
Delivery Month	In relation to a Class of Contract, the calendar month for which delivery or Cash Only Settlement in fulfillment of such Contracts occurs.
Delivery Notice	An advice, containing such information as is prescribed by the Exchange and the Clearing Corporation, issued to the Clearing Corporation by a Seller intending to delivery a commodity in satisfaction of a Futures Contract.
DGR Issuing Member	A DGR Member lawfully engaged in the business of storing or arranging for the storage of gold or Silver for profit and registered by DMCC as an authorized issuer of DGRs.
DGR Member	A person who is registered by DMCC as a member of the DGR System
DCR System	The electronic system owned by DMCC for the issue, transfer and pledging of commodity receipts other than Dubai Gold receipts.
DGR System	The electronic system owned by DMCC for the issue, transfer and pledging of gold and/or silver receipts.

DMCC	Dubai Metals and Commodities Centre Authority
Dubai Commodity Receipt or DCR	A receipt representing a commodity (other than any commodity the subject of a DGR) stored at a warehouse owned or operated by a DCR Issuing Member and issued by that DCR Issuing Member through the DCR System.
Dubai [Gold] Receipt or DGR	A receipt representing gold or silver stored at a vault owned or operated by a DGR Issuing Member and issued by that DGR Issuing Member through the DGR System
Dubai Law	The federal laws of the United Arab Emirates as applied in the Emirate of Dubai and/or any law which is in force only in the Emirate of Dubai.
ESCA	Emirates Securities and Commodities Authority
Exchange	Dubai Gold and Commodities Exchange DMCC
Exchange for Physicals Transaction	A transaction where: <ul style="list-style-type: none"> (i) a bona fide physical transaction, as determined by the Exchange, in a commodity or instrument is completed and physical delivery takes place at the time of the transaction or is intended by both parties to take place at a later time; and (ii) at or about the same time a Futures Contract, opposite in effect, is traded by a Member or Members on behalf of these parties, the Contract being such that the Underlying Physical bears a commercial relationship to the subject commodity of the physical transaction; and (iii) the quantity or amount of the commodity covered by the Futures Contract is commercially equivalent to that of the physical transaction.
Exchange for Swap Transaction	A transaction where: <ul style="list-style-type: none"> (i) a bona fide Commodity Swap transaction, as determined by the Exchange, is completed; and (ii) at or about the same time a Futures Contract, opposite in effect, is traded by a Member or Members on behalf of these parties, the Contract being such that the Underlying Physical bears a commercial relationship to the subject commodity of the Commodity Swap transaction; and (iii) the quantity or amount of the commodity covered by the Futures Contract is commercially equivalent to that of the Commodity Swap transaction.
Exchange System	Any trading system or computer system relating to any Futures Contract utilized by the Exchange for any purpose including (without limitation) in connection with the Trading Platform
Expiry Month	The calendar month in which an Option Contract expires
Expiry Date	A marker indicating, for the convenience of Market Participants, an approximate date for the Last Day of Trading for a Class of Contracts
FATF	The Financial Action Task Force on Money Laundering (Grouped 'Action Financière sur le Blanchiment de Capitaux)

FATF Recommendations	The FATF's "Forty Recommendations" dated 20 June 2003, together with the FATF "Special Recommendations on Terrorist Financing" dated 31 October 2001, each as amended or supplemented from time to time, and together with any other recommendations or guidelines issued from time to time by FATF in relation to money laundering
First Notice Day	For each Delivery Month, the first day on which a Seller may issue a Delivery Notice.
Final Cash Settlement Price	A price determined, which satisfies the obligations of participants to Open Positions in a Contract at Close on Last Day of Trading. Such price being published by the Exchange, which is calculated in accordance with a transparent formula and/or methodology as detailed in the Contract Specifications.
Futures Contract	a contract designated by the Exchange as a Futures Contract, and in which: (a) the Seller agrees to deliver and the Buyer agrees to accept delivery of the commodity which is the subject of that Contract, in accordance with the Individual Contract Specifications for that contract; or (b) the Seller and the Buyer agree to satisfy their respective obligations by way of Cash Only Settlement, in accordance with the Individual Contract Specifications for that contract.
Futures Price	The price at which a Futures Contract is bought or sold
Gold Futures Contract	A Contract for the delivery of gold, as described in By-Law I.1
Guaranteed Member	Each Member who is not a Clearing Member and has traded or proposes to trade in a Contract and is using the services of a Guarantor Clearing Member to clear such Contract.
Guarantor Clearing Member	In relation to a Member, a Clearing Member acting as principal vis-à-vis the Clearing Corporation in relation to an Open Position resulting from a Contract to which that Member is a Party in Part B of these By-Laws
House Account	Any account held by a Member other than a Client Account
ICE	ICE Futures Europe Limited, a wholly owned subsidiary of Intercontinental Exchange Inc.
Indian Rupee Contract Unit Equivalent	An amount in Euros as defined in By-Law M.4A.2
Individual Contract Specifications	The terms of a Class of Contracts identified in Part H of these By-Laws
Initial Margin	The amount which a Member requires to be paid by a Client in respect of a Contract:
Introducing Broker Member	The membership category referred to in By-Law C.1.1 (a) ("IB" Member (iii) (a) proposed to be entered into on behalf of the Client; or (b) already entered into on behalf of that Client and in respect of which no Call has been made.
Last Day of Trading	The last day on which trading is permitted within a Class of Contracts for a particular Delivery Month
Last Notice Day	For each Delivery Month, the last day on which a Seller may issue a Delivery Notice.

LBMA	The London Bullion Market Association
London Silver Fixing Price	The price of silver, expressed in US Dollars per troy ounce, determined by the procedures of LBMA
Margin	Delivery Margin, Special Margin and/or Variation Margin
Market	A market in one or more of the Classes of Contracts available to be traded on the Exchange
Market Halt	A period of time when trading in a Market has been temporarily suspended by the Exchange
Market Participant	A Member or a Client
Maximum Securities Percentage	a percentage amount specified from time to time by the Exchange as the maximum percentage of a Call for Initial Margin, Delivery Margin or Special Margin that can be satisfied by delivery of Approved Securities
Member	Any person who has been admitted to membership of the Exchange in accordance with Part C of these By-Laws and who has not resigned or whose membership has not been terminated by the Exchange, and includes a Broker Member and a Trade Member
Membership Committee	The committee described in By-Law B.3.4
Net Current Tangible Assets	<p>In relation to a Member, the sum of the values of the current assets owned by the Member or prospective Member as the case may be (such value being the lower of cost or market value) less the sum of any liabilities (secured and unsecured) attaching to those assets or to the Member or prospective Member generally (and in the case of a partnership, attaching to the assets of the partnership or to the partners generally).</p> <p>For the purpose of this definition, "assets" shall not include: (a) the value attributed to any future tax benefits, goodwill, patent, trademark, membership rights granted by the Exchange, preliminary expenses or similar items which in the opinion of the auditors of the Exchange are treated in current internationally accepted accounting practice as intangible; (b) the value attributed to any debt owed to the Member which is disputed or may otherwise be regarded as doubtful; or (c) any asset which is not capable of being realised within twelve (12) months on a going concern basis.</p> <p>For the purpose of this definition, "liabilities" shall include all non-current and current liabilities which in the opinion of the auditors of the Exchange are treated as liabilities in accordance with current internationally accepted accounting practice but may, if the Exchange so approves, having regard to all the circumstances, exclude approved subordinated debt.</p>
Nominated Broker Member	In relation to an IB Member, the Broker Member with whom the IB Member has executed an agreement as described in By-Law C
Non-transfer Period	As set out in By-Law C.5.1(b).
Notice	A Delivery Notice.
Notice Day	A Business Day, as set out in the Individual Contract Specifications, on which a Seller may issue a Delivery Notice.
NYMEX	New York Mercantile Exchange Inc.

Open Position	An Open Position exists where the obligations under a Contract held by a party which has not been closed out are yet to be performed.
Open Trading	The period of Trading in a particular Contract during which bids and offers may be made, accepted, matched, cancelled and amended.
Option Contract	A Contract designated by the Exchange as an Option Contract.
Order System	A software application, satisfactory to the Exchange, for entering orders into the ATS.
Physical Emergency	Where the physical functions of the Exchange are, or are threatened to be, severely and adversely affected by an event external to the Exchange such as (but not limited to) fire, accident, flood, bomb threat, threat of violence, substantially inclement weather, power failure, communication breakdown, computer or systems breakdown or malfunction, or danger to personnel.
Prescribed Procedure	A procedure for the calculation of Daily Settlement Prices which shall be determined and published by the Exchange from time to time.
Product Placement Certificate	In respect of a Contract, a product placement certificate as specified in the Contract Specification.
Put Option Contract	A Contract as described in By-Law H.3.2 (b)
Register	The register described in By-Law C.5.2(a).
Representative	In relation to a Member, a director, officer, partner, employee or agent of the Member
Request for Arbitration	A request by a Member or a Client to submit a dispute to arbitration in accordance with Part G of these By-Laws.
Risk Disclosure Statement	A statement to be obtained in accordance with By-Law E.4(b) by a Member trading on behalf of a Client
Secretary	The Secretary to the Board.
Secured Creditor	A creditor whose debt is secured in a manner which at law gives it priority over unsecured creditors upon the bankruptcy or winding up of a Member
Seller	A seller of a Contract listed on the Exchange
Series	A Class of Option Contracts with the same Underlying Futures Contract, Strike Price and Delivery Month
Settlement Price	in relation to a Contract, the Daily Settlement Price on the Last Day of Trading
Settlement Value	In a Contract Specification, the amount payable by a Buyer to the Clearing Corporation, and payable by the Clearing Corporation to a Seller in relation to the obligations of the Buyer and Seller to receive or make delivery in fulfilment of a Contract.
Short Term Futures Contract	a Futures Contract in which the expiry and delivery period are not designated by reference to a Delivery Month, but rather to a specific calendar date
Silver Cash Settlement Price	The price determined in accordance with By-Law J.9A.2
Silver Futures Contract	A Contract for the delivery of silver, as described in By-Law J.1

Special Margin	An amount of Margin specified from time to time by the Exchange as being payable in relation to a Class of Contracts, and which is not Initial Margin or Delivery Margin
Spread Position	The simultaneous holding of a bought futures position in a Class of Contract with one Delivery Date and a sold position in the same Class of Contract with a Delivery Date that differs from the first Delivery Date referred to in this definition
Standard DGR	A "Standard DGR" as defined in the "Rules Concerning the Issuance, Endorsement and Transfer of Dubai Gold Receipts" issued by DMCC.
Strike Price	The price at which a Buyer of a Call Option Contract or a Put Option Contract shall be registered as the buyer or seller, as the case may be, of the Underlying Futures Contract, upon the exercise of the Option
Trade Member	The membership category referred to in By-Law C.1.1(a)(iv)
Trader Work Station or TWS	A computer terminal of a Member that is approved by the Exchange and that is connected to the ATS or any other trading system of the Exchange for the purpose of trading on the Markets of the Exchange
Trading Committee	The committee described in By-Law B.3.6.
Trading Day	A day on which one or more markets of the Exchange are open for business.
Trading Date	The period of any commencement of Open Trading to Close of Trading (disregarding any temporary interruptions to trading)
Trading Rights	The rights of a Member described in By-Law C.2.1(b)
Transferee	A Member which acquires its membership by way of transfer from another Member.
Transferor	A Member which transfers its membership to another Member.
Underlying Futures Contract	The Futures Contract upon which an Option Contract is based
Underlying Physical	In relation to a Futures Contract, the asset, index, reference rate or any other thing, excluding a Futures Contract, whose price is a primary determinant of the value of the Contract
UserID	a unique access code given to each Approved User in order to access the ATS through a Trader Workstation
Variation Margin	At any point in time, the difference between the value of a contract at that time and the value of the contract determined at the previous Daily Settlement Price

A.3 Interpretation

A.3.1 Numbers

In these By-Laws words importing the singular number only shall include the plural number and vice versa.

A.3.2 Reference to person

- (a) the word "person" and words importing a person or persons shall include individuals, corporations, companies and firms, and the word "firms" shall include partnerships;
- (b) "in writing" or "written" shall include any document that is written, typed, printed or lithographed, or partly one and partly another, and including any other mode of representing or reproducing words or data in a visible form, including electronically produced, displayed and recorded matter;

- (c) “control” or “controlled” and similar expressions mean the power to direct the management and policies of the relevant firm or corporation;
- (d) “listing” and “to list” shall refer to a Class of Contracts available for trading on a facility operated by the Exchange;
- (e) “publishing” and “to publish” shall refer to making information available to the public or to Members by any means including electronic means; and
- (f) “trading” and “to trade” and similar expressions shall refer to the buying and selling of Contracts listed on the Exchange.

A.3.3 Gender

In these By-Laws words importing the masculine gender shall include the feminine or neuter gender.

A.3.4 Headings

In these By-Laws headings shall not affect interpretation.

A.3.5 Knowledge of a Member

In these By-Laws references to knowledge of a Member that is a corporation shall include reference to the knowledge of a director, officer or employee of that corporation

A.3.6 Exercise of Power by Exchange or Board

Where these By-Laws confer on the Exchange or the Board a power to do or to refrain from doing some act or to exercise a discretion, a reference to the Exchange or Board includes:

- (a) in the case of the Exchange, a reference to the Board, the Chief Executive, or other officer of the Exchange authorized by the Board or Chief Executive to exercise that power or who is otherwise properly authorized to exercise that power, and
- (b) in the case of the Board, a reference to the Chief Executive or other officer of the Exchange authorized by the Board or Chief Executive to exercise that power or who is otherwise properly authorized to exercise that power.

Part B: Management of the Exchange

B.1 The Board

B 1.1 Responsibility of the Board

The Board is responsible for the governance of the Exchange in accordance with the terms of the Articles of Association and these By-Laws.

B 1.2 Delegation by the Board

The Board, may, by resolution, delegate to a Committee or to a member of the staff of the Exchange any powers or functions exercisable by it according to these By-Laws.

B.2 The Chief Executive

B.2.1 Responsibility of the Chief Executive

The Chief Executive shall be responsible for the day to day management of the Exchange and for the implementation of these By-Laws.

B. 2.2 Delegation by the Chief Executive

The Chief Executive may, by written notice, delegate to an office holder of the Exchange, any powers or functions exercisable by him according to these By-Laws.

B.3 Committees

B.3.1 Board to appoint Committees

The Board shall appoint such Committees as it sees fit to advise it on matters relating to the governance of the Exchange. Such Committees may include, but not be limited to, the Membership Committee, the Business Conduct Committee and the Trading Committee.

B.3.2 Membership of Committees

- (a) Persons appointed to a Committee may be:
- (i) Members or directors, officers, partners or employees of Members;
 - (ii) employees of the Exchange; or
 - (iii) other persons whose experience and expertise is regarded by the Board as appropriate to the role of the Committee.
- (b) Membership of a Committee shall be for a term of one year, and may be renewed any number of times.
- (c) The Board may terminate a person's membership of a Committee at any time and at its discretion.
- (d) A person shall only be appointed to a Committee on the condition that he agrees to act as a Committee member in the interests of the Exchange and to treat as confidential all information he obtains as a Committee member, except:
- (i) in relation to information that is in the public domain; and
 - (ii) to the extent necessary to report to the Board or to an officer of the Exchange; and
 - (iii) as required by law.

B.3.3 Functions and Powers of Committees

A Committee shall perform such functions as the Board may determine from to time and shall exercise such powers as the Board may delegate to it, consistent with the Articles of Association and these By-Laws.

B.3.4 Membership Committee

The Membership Committee shall:

- (a) advise the Board on admission criteria and procedures for membership in the Exchange;
- (b) review applications for membership in the Exchange and to make recommendations to the Board in relation to such applications; and
- (c) undertake such other activities in relation to membership in the Exchange as the Board may refer from time to time to the Membership Committee.

B.3.5 Business Conduct Committee

The functions and powers of the Business Conduct Committee shall be to:

- (a) exercise jurisdiction over Members with respect to conduct, trading practices, sales practices and trading ethics in accordance with these By-Laws;
- (b) to take disciplinary actions in accordance with these By-Laws; and
- (c) to undertake such other activities as the Board may refer from time to time to the Business Conduct Committee.

B.3.6 Trading Committee

The functions of the Trading Committee shall be to advise the Board on all matters pertaining to trading on the Exchange, including the By-laws and procedures relating to such trading.

Part C: Membership of the Exchange; miscellaneous provisions

C.1 Membership Structure

C.1.1 Categories of Membership

- (a) A Member may be admitted as:
 - (i) a Broker Member; or
 - (ii) a Trade Member, or
 - (iii) an Introducing Broker ("IB") Member
- (b) There shall be one or more sub-categories of Trade Member, designated by reference to a commodity or group of commodities and to which the trading rights of that sub-category of membership shall relate.
- (c) The Exchange may create such other categories of membership as it sees fit, having regard to the efficient operation of the Markets of the Exchange.

C.1.2 Transfer of Status or Rights

Membership status and rights are transferable, subject to these By-Laws.

C.2 Membership Rights and Obligations

C.2.1 Membership Rights

- (a) A Member shall be entitled to represent himself as a Member of the Exchange.
- (b) Subject to these By-Laws
 - (i) A Trade Member shall be entitled to trade on Markets operated by the Exchange for his own account.
 - (ii) A Broker member shall be entitled to trade on Markets operated by the Exchange for his own account and on behalf of Clients.
 - (iii) An IB Member shall be entitled to trade on Markets operated by the Exchange for his own account, provided he is authorized In Writing to do so by his Nominated Broker Member.
- (c) An IB Member shall be entitled
 - (i) to introduce Clients or potential Clients to his Nominated Broker Member on such terms as may be agreed between the IB Member and the Nominated Broker Member, and
 - (ii) to advise such Clients or potential Clients in relation to trading on Markets operated by the Exchange, provided that the IB Member does not receive monies or securities from, or on behalf of Clients or potential Clients in relation to such trading.

C.2.2 Membership Obligations

- (a) Members shall be bound by these By-Laws and by any amendment to these By-Laws.
- (b) A Member shall at all times comply, and ensure that its Representatives comply, with these By-Laws.
- (c) A member shall notify the Exchange immediately upon becoming aware that it has breached any provision of these By-Laws.
- (d) A Member shall cooperate with any Committee or member of staff of the Exchange in the performance by such Committee or member of staff of its respective duties.
- (e) A Member must not submit information to the Exchange that it knows, or ought reasonably know, to be false or misleading.

- (f) A Member shall be responsible for all orders entered into the ATS by way of any TWS allocated to the Member, and shall become a party to each trade so executed.
- (g) A Member shall pay the following fees in such amounts and at such times as the Corporation may determine from time to time:
 - (i) an application fee for admission as a Member;
 - (ii) an admission fee;
 - (iii) an annual membership fee; and
 - (iv) a transaction fee for each Contract which is traded by the Member (whether as principal or on behalf of a Client).

In determining fees to be paid by Members the Exchange may determine different levels of fees for different categories of Clearing Member.

- (h) The Exchange may determine different levels of fee payable by Broker Members, by each sub category of Trade Member and by IB Members.
- (i) Payment shall be due on such date as may be determined by the Exchange.
- (j) Annual membership fees and (if any) access fees shall be payable notwithstanding the suspension of a Member's membership status.
- (k) A Member that fails to pay an annual membership fee within one (1) month of the due date shall be thereupon suspended, unless the Exchange grants an extension for payment, until the sum due is paid together with interest at such rate as the Exchange may determine.
- (l) Should default not be remedied within a further month of the due date, as extended, the Exchange may terminate the defaulting Member's membership, and/or may pursue any outstanding fees and interest charges from such Member.

C.3 Admission of Members

C.3.1 Eligibility

A firm, corporation or natural person is eligible to apply for membership in the Exchange.

C.3.2 Application Process

- (a) An applicant for membership of the Exchange shall lodge with the Exchange an application, in such form and providing such undertakings, information and documents as the Exchange shall from time to time require, together with any application fee as determined by the Exchange. Such undertakings, information and documents may include undertakings, information and/or documents described in the FATF Recommendations with respect to the identification of customers, counterparties and/or depositors of funds.
- (b) The application shall include an undertaking, signed by the applicant or (in the case of a firm or corporation) a duly authorized officer of the applicant, in a form specified by the Exchange, that it agrees to be bound by these By-Laws and any amendment to these By-Laws.
- (c) The Exchange shall consider the application and may call for such further information as it considers necessary.
- (d) The Exchange shall not be obliged to furnish any reason for its decision to approve or reject the application.
- (e) In determining whether to approve an application, the Exchange shall be entitled to consider the business integrity, financial probity and standard of training and experience of the applicant and (in the case of a firm or corporation) its directors, partners, officers and employees, and such other matters as the Exchange regards as relevant from time to time.

C.3.3 Membership status

- (a) An applicant shall become a Member when:
- (i) the Exchange has completed the approval process described in By-Law C.3.2 and has notified the applicant in writing of its approval of the application;
 - (ii) the applicant has paid to the Exchange such admission fee as the Exchange may determine from time to time; and
 - (iii) the applicant has lodged with the Exchange a statement of its Net Current Tangible Assets and Secured Creditors in such form as the Exchange shall from time to time prescribe,

provided that, if the applicant has not complied with By-Laws C.3.3 (a)(ii) and C.3.3 (a)(iii) within two months of the issuing by the Exchange of the written notification referred to in By-Law C.3.3(a)(i), the Exchange's approval shall be deemed to have lapsed.

- (b) A Member shall not be entitled to exercise its Trading Rights until:
- (i) it has been admitted as a Clearing Member by the Clearing Corporation; or
 - (ii) it has provided to the Exchange a duly signed Clearing Guarantee.
- (c) A Member who is guaranteed by a Clearing Member may not be guaranteed by another Clearing Member without first having obtained a written release from the first Clearing Member.
- (d) Such written release shall not be withheld unless the Member seeking the release has failed to pay a debt to the first Clearing Member arising from trading on the Exchange.

C.3.4 Nominated Broker Member for IB Member

- (a) Prior to commencing operations an IB Member shall execute an agreement In Writing with a Broker Member (the Nominated Broker Member") entitled to deal on behalf of Clients, which shall govern the terms on which the IB Member shall introduce Clients and potential Clients to the Broker Member.
- (b) At any time an IB Member is entitled to have not more than one (1) Nominated Broker Member.
- (c) An IB Member shall lodge with the Exchange an advice, in a form prescribed by the Exchange, of the name of his Nominated Broker Member.
- (d) An IB Member may change his Nominated Broker Member at any time by advising the Exchange In Writing in such form as the Exchange may prescribe.

C.4 Suspension of Membership and Trading Rights

C.4.1 Consequences of suspension of membership

- (a) Subject to By-Law C.4.4, the Trading Rights of a Member shall cease entirely for the duration of any period of suspension of the membership of that Member.
- (b) No suspension or termination of membership shall affect the Member's ability or obligation to comply with any direction given or condition imposed pursuant to these By-Laws or affect the operation of these By-Laws.

C.4.2 Grounds for Immediate Suspension of Trading Rights

A Member's Trading Rights on the Exchange shall be immediately and automatically suspended if at any time:

- (a) the Member is a Clearing Member in respect of which the Exchange has received written notice from the Clearing Corporation that the Clearing Corporation has suspended or terminated the Member's Clearing status or has refused to register trades in the name of the Member;
- (b) the Member is not a Clearing Member and the Exchange has received written notice from the Clearing Corporation that the Clearing Corporation has suspended or terminated the status of the Member's Guarantor Clearing Member as a Clearing Member or has refused to register trades in the name of that Guarantor Clearing Member;

- (c) the Member is not a Clearing Member and there is no Clearing Guarantee in existence from a Clearing Member on behalf of the Member;
- (d) the Member's Guarantor Clearing Member notifies the Exchange in writing that it will no longer accept the registration of trades in the name of the Member;
- (e) a liquidator, receiver, manager or administrator or similar officer is appointed in respect of the Member and/or its property, or if the Member or a partner of the Member becomes, or is deemed to be, bankrupt or insolvent and/or is unable to pay its debts as they fall due;
- (f) the Member fails to pay any fee referred to in By-Law C.2.2(g) or any other financial liability arising under these By-Laws, in either case by the relevant due date, unless the Exchange grants an extension of time for payment;
- (g) the Member fails to comply with any other obligation under these By-Laws, after the expiry of any grace period granted by the Exchange, if any, unless the Exchange waives such breach in accordance with its powers under these By-Laws;
- (h) the Member fails to comply with an arbitration award made against it in accordance with Part G of these By-Laws.

C.4.3 Grounds for Discretionary Suspension of Trading Rights

- (a) Without prejudice to any other action which the Exchange may take, a Member's membership status may be suspended where:
 - (i) the Member fails to lodge a statement referred to in By-Law E.3.(c)(i) within seven (7) days of the due date referred to in that By-Law;
 - (ii) the value of the Net Current Tangible Assets of the Member at any time falls below the minimum required under By-Law E.3.(a); or
 - (iii) the bankruptcy of a partner (in the case of a firm) or a director or other officer (in the case of a corporation) of the Member.
 - (iv) the Member has been found by a Court or by ESCA to have violated any rule or regulation of ESCA or a law of the United Arab Emirates
- (b) Where a Member is suspended under By Law C.4.3 (a), the suspension shall be effective at the expiry of the period specified in that By-Law (as such period may be extended by the BCC either before or after the expiration of that period) and the Member shall be liable to pay a fine of such amount as is prescribed by the Exchange from time to time as the appropriate fine for such failure.
- (c) Failure to pay a fine imposed under By-Law C.4.3 (b) within fourteen (14) days of the Member being notified of the imposition of the fine shall result in automatic suspension of the Member or, where the Member is already under suspension, continuation of that suspension until the fine is paid in full.
- (d) Where a Member is suspended under By-Law C.4.3(a)(ii), the suspension shall be effective twenty four (24) hours after the Member notifies the Exchange under By-Law E.3 (b), or twenty-four (24) hours after the BCC becomes aware that the Member should have advised the Exchange, unless the BCC directs otherwise.
- (e) If the BCC is of the opinion that the Member has demonstrated that it will be able to comply with any obligation under By-Laws C4.2 or C4.3 but only after the deadline applying thereto, the BCC may, at its absolute discretion, allow the Member up to ten (10) Business Days within which to do so, and the suspension will be effective at the expiration of the time granted if the Member has not achieved compliance at that time.

C.4.4 Liquidation of Existing Open Positions

Where a Member's membership status is suspended under By-Law C.4.3 the Member may trade only to liquidate any existing Open Positions, unless directed otherwise by the Board or BCC.

C.4.5 Transfer of Open Positions

- (a) Subject to By-Law C.4.5(b), where a Member's membership status is suspended, that Member or its receiver, liquidator, manager or external administrator (as the case may be) may instruct a Broker Member entitled to trade for Clients to trade on its behalf.
- (b) Where a Member's membership status is suspended under By-Laws C.4.2 or C.4.3, the Board may direct the transfer of Open Positions in accordance with the procedures in By-Law F.6.

C.4.6 Lifting of Suspension of Trading Rights

- (a) Where a Member's Trading Rights have been suspended in accordance with By-Law C.4.2(a), such suspension shall be lifted when the Clearing Corporation notifies the Exchange in writing that the suspension from the Clearing Corporation has been lifted or the refusal to register trades in the name of that Member has been lifted or the Member obtains a Clearing Guarantee.
- (b) Where a Member's Trading Rights have been suspended in accordance with By-Law C.4.2(b) or (c), such suspension shall be lifted when the Member obtains a Clearing Guarantee and the Board has considered the matter in terms of Part F of these By-Laws. If a resolution is made pursuant to By Law F.2, the suspension will not be lifted until the Board has considered whether any action should be taken pursuant to By-Law F.2, or unless the Exchange earlier determines to reinstate the entitlement to trade subject to the Member satisfying the provisions of By-Laws C.4.2(b) and (c).
- (c) Where a Member's Trading Rights have suspended in accordance with By-Law C.4.2(e), such suspension shall be lifted at the conclusion of any liquidation, receivership, administration or other insolvency-related procedure affecting that Member and resulting in such Member remaining solvent, unless the Exchange in its absolute discretion determines otherwise.
- (d) Where a Member's Trading Rights have been suspended in accordance with By-Law C.4.2(f), such suspension shall be lifted when the sum due is paid together with interest at such rate as may be determined by the Exchange.
- (e) Where a Member's Trading Rights have been suspended in accordance with By-Law C.4.3 (a)(i), the suspension shall be lifted as soon as the statement referred to in By-Law E.3(c)(i) has been received by the Exchange unless prior to receipt of such statement, the Member's Trading Rights have been suspended for reasons other than, or in addition to, the Member's failure to lodge such statement.
- (f) Where a Member's Trading Rights have been suspended in accordance with By-Law C.4.3 (a)(ii), the suspension shall be lifted upon the Member demonstrating to the satisfaction of the BCC that it has achieved compliance and is able to maintain compliance with By-Law E.3(a), unless, prior to such demonstration, the Member's Trading Rights have been suspended for reasons other than, or in addition to, the Member's failure to comply with By-Law E.3(a).

C.5 Transfer of Membership

C.5.1 Entitlement to Transfer

- (a)
 - (i) Subject to these By-Laws, a Member is entitled to transfer his membership to a person accepted by the Exchange as a Member.
 - (ii) An IB member is not entitled to transfer his membership.
- (b) The Exchange may impose a restriction on the initial transfer of membership to the effect that no Member may transfer his membership within such initial period as may be designated by the Exchange as a period in which transfers of membership may not be made (a "Non-transfer Period").
- (c) No transfer of membership shall be effective unless:
 - (i) any Non-transfer Period shall have expired;
 - (ii) the Transferor shall first have paid to the Exchange all monies owed by him to the Exchange;
 - (iii) the Transferor shall first have closed out all Open Positions held on behalf of Clients in accordance with instructions from those Clients or transferred all such Open Positions to another Member entitled under these By-Laws to hold Open Positions on behalf of Clients, such transfer not to occur without the consent of those Clients.

C.5.2 Transfer Procedures - Bids and Offers for Memberships

- (a) For each category and sub-category of membership the Exchange shall maintain a register (the "Register") of offer prices submitted by Members wishing to transfer their membership, and bid prices submitted by persons, firms and corporations wishing to acquire membership by way of transfer.
- (b) The Exchange shall publish bid and offer prices in the Register, but not the names of the parties making those bids or offers.
- (c) If a party wishes to accept a current bid or offer in the Register it shall notify the Exchange, which shall thereupon give that party the details of the relevant bidder or offeror.
- (d) Where a bid or offer is accepted the parties shall provide the Exchange with a copy of the contract note, duly signed by both parties, including the price at which the transfer was effected.
- (e) The Exchange shall publish the price at which any transfer of membership is effected.

C.5.3 Transfer Procedures - Transferee

- (a) A prospective Transferee must satisfy the application requirements set out in By-Law C.3.2 and C.3.3, including payment of such application fees as may be prescribed by the Exchange.
- (b) Following approval by the Exchange of the Transferee's application under By-Law C.3.2, the Transferee may advise the Exchange of his bid price to be incorporated in the Register for the category of membership for which he has applied.
- (c) The procedures set out in this By-Law C.5.3 do not apply to:
 - (i) transfers between Affiliated Corporations; or
 - (ii) in the case of a Member that is a firm, a transfer to a partner in that firm or to a corporation that is beneficially owned by a partner in that firm.

C.5.4 Membership status

- (a) A prospective Transferee shall be granted membership status when:
 - (i) the Exchange has completed the approval process described in By-Law C.3.2 and C.3.3 and has notified the applicant in writing of its approval of the application;
 - (ii) the Exchange has received a copy of the contract note referred to in By-Law C.5.2(d);
 - (iii) the Transferor has complied with the provisions of By-Law C.5.1(b);
 - (iv) the Transferee has paid to the Exchange such admission fee as the Exchange may determine from time to time; and
 - (v) the Transferee has lodged with the Exchange a statement of its Net Current Tangible Assets and Secured Creditors in such form as the Exchange shall from time to time prescribe,

provided that, if the applicant has not complied with By-Laws C.3.3(a)(ii) and C.3.3(a)(iii) within two months of the issuing by the Exchange of the written notification referred to in By-Law C.3.3(a)(i), the Exchange's approval shall be deemed to have lapsed.

C.6 Termination of Membership

C.6.1 Termination of Membership Status

Should the acts or omissions that gave rise to the suspension of a Member under By-Laws C4.2 or C4.3 not be remedied within one (1) month of the suspension date, or such other time as determined by the Exchange, the Board may without further notice terminate the membership status of the Member.

C.6.2 No Entitlement to Refund of Fees

There shall be no entitlement to a refund of any portion of the fees paid to the Exchange by a Member upon the suspension or termination of the Member's membership status.

C.6.3 Notification of Suspension or Termination

- (a) Where the membership of a Member has been suspended or terminated or a Member has given notice of resignation the Exchange shall cause a notice to that effect to be issued to that Member and may make any such other public announcements relating to, and may notify such other persons of, such suspension, termination or resignation (as the case may be) as it sees fit.
- (b) The Exchange shall advise ESCA of the suspension, termination or resignation (as the case may be) of the membership of any Member and all subsequent action taken by the Exchange in respect of that Member.
- (c) The Exchange may, in any notice published pursuant to By-Law C.6.3(a), indicate the grounds on which the relevant decision was made.

C.6.4 Clearing Guarantee to Continue in Effect

A Clearing Guarantee shall continue in effect in relation to any trades conducted prior to the suspension, pursuant to By-Law C4.2(b) or C4.2(d), of the Trading Rights of the Guaranteed Member to which that Clearing Guarantee relates.

C.7 Changes in control and changes in Directors or Shareholders

C.7.1 Notification of Proposed Changes in Control and Application for Approval

A Member must forthwith submit to the Exchange full particulars of proposed changes and an application for approval where there is proposed in relation to a Member:

- (a) in the case of a firm, a change in the partners (including the admission of a new partner whether or not that is consequent upon the death or retirement of a partner); or
- (b) in the case of a corporation:
 - (i) the transfer of fifteen per cent (15%) or more of the issued share capital; or
 - (ii) the transfer of such lesser percentage of the issued share capital whereby one party becomes the holder of fifteen per cent (15%) or more of the issued share capital; or
 - (iii) the issue of any new shares (or option in relation thereto) whereby one party becomes the holder of fifteen per cent (15%) or more of the issued share capital; or
- (c) in the case of a firm or a corporation, the entering into of any agreement, as a result of which the control of the Member becomes or may become vested in persons other than those recorded with the Exchange.

C.7.2 Exchange to Consider Application for Approval

- (a) When the Exchange receives an application for approval pursuant to By-Law C.7.1 it shall consider the application and may call for such further information as it deems necessary.
- (b) In considering whether or not to give its approval under By-Law C.7.1, the Exchange shall have regard to the same factors that it would have considered if it were considering the new partner or new controlling person (as the case may be) for membership on the Exchange.

C.7.3 Effective Implementation of Changes

Implementation of a change in the shareholders of a Member pursuant to By-Law C.7.1 shall be deemed to have occurred when both of the following steps have been concluded:

- (a) an application for such change has been approved by the Exchange; and
- (b) the Member has lodged with the Exchange a written acknowledgment that the changes referred to in the application have occurred.

C.7.4 Approval to lapse

If the implementation of any change referred to in By-Law C.7.3(a) does not occur within two (2) months after the date of approval of the application by the Exchange, or such other time as the Exchange may allow, that approval shall be deemed to have lapsed.

C.7.5 Changes without Prior Approval

Should changes of the nature described in By-Law C.7.1 occur without the prior approval of the Exchange, the Board shall be entitled without further notice or hearing and notwithstanding any other provision of these By-Laws to terminate the Member's membership status or take any of the actions provided for in Part F on the basis that the Member is guilty of a breach of the By-Laws.

C.7.6 Change in Directors and Shareholding

A Member which is a corporation must notify the Exchange in writing of any change in its directors or change in shareholding in excess of five per cent (5%) of the issued share capital of that Member within twenty-one (21) days of either such occurrence.

C.8 Resignation of Membership

C.8.1 Notice of Resignation

A Member may resign by giving written notice to the Exchange of its intention to do so.

C.8.2 No Refund of fees upon resignation

There shall be no entitlement to a refund of any portion of the fees paid to the Exchange by a Member upon the resignation of that Member.

C.8.3 Continuation of liability

The resignation of a Member shall not in any way diminish any liability which that Member may have incurred to the Exchange or to the Clearing Corporation or any other Member arising out of its activities and obligations as a Member and such shall continue to subsist until satisfied or discharged.

C.8.4 Exchange to consent to resignation

- (a) The resignation of a Member shall not be effective unless and until the Exchange consents thereto in writing.
- (b) Where the resignation of a Member is expressed to become effective after a period of time the resignation shall not be effective until the later of that date and the date upon which the Exchange consents thereto in writing.
- (c) A Member who resigns shall surrender to the Exchange any certificate of membership that has been issued by the Exchange in relation to that membership.

C.8.5 Open Positions held by resigning Member

Where a Member has resigned, the Open Positions held by that Member (whether on its own behalf or on behalf of Clients), shall be dealt with in accordance with By-Law F.6.

C.9 Continuing Obligations

C.9.1 Compliance with By-Laws and notification of breaches

A Member shall:

- (a) at all times comply with, and ensure that its Representatives comply with, these By-Laws and with any condition on which any exemption from these By-Laws is granted;
- (b) notify the Exchange immediately upon becoming aware that it has breached any provision of these By-Laws or any law relating to the regulation of markets operated by the Exchange; and
- (c) notify the Exchange immediately upon becoming aware that a regulatory body is investigating and/or instituting proceedings against it.

C.9.2 Cooperation and communication with the Committees and provision of records

- (a) records concerning the Member 's trading and financial position whether for client or principal trading and the Exchange may itself inspect the records of the Member or may appoint a person or persons to inspect the records on its behalf.
- (b) The Exchange may request the Clearing Corporation to provide any information in its possession concerning a Clearing Member and may request the Clearing Corporation to conduct an inspection of the Clearing Member,

or to appoint a person or persons to conduct an inspection, to assist the Exchange to obtain information for the purposes of this By-Law C.9.2. Each Member hereby authorises the Clearing Corporation to comply with such requests.

- (c) The Exchange shall provide to ESCA all information requested by ESCA relating to the operations of the Exchange or a Member and Positions held by that Member.
- (d) Except as provided by these By-Laws or as required by law the Exchange shall keep confidential information concerning Members or Positions held by them and shall only disclose such information to any other party as provided by these By-Laws, as required by law or for the purposes of discharging any of its functions or obligations under the By-Laws including, without limiting the generality of the foregoing, the provision of information to any insurers, to the Clearing Corporation or to a provider of delivery facilities.
- (e) Each Member shall give access to each of ESCA and the Exchange to enter to its offices at any time requested by ESCA or the Exchange for the purposes of supervision and monitoring the compliance with these By-Laws and ESCA laws, rules and regulations.

C.9.3 Undertakings

A Member shall lodge with the Exchange on request a duly executed undertaking in the form determined from time to time by the Exchange and to the effect set out in By-Law B.3.2(b).

C.9.4 Notification of external administration

A Member must notify the Exchange in writing immediately upon the happening of any one or more of the following:

- (a) the appointment of a receiver, liquidator or other insolvency practitioner in respect of the property of the Member; and/or
- (b) the bankruptcy of any partner (in the case of a firm) or director or other officer (in the case of a corporation) of the Member.

C.9.5 Maintenance of specified Net Current Tangible Assets and provision of periodic financial reports

Each Member shall:

- (a) ensure that at all times the value of its Net Current Tangible Assets is not less than the minimum value determined therefore by the Exchange;
- (b) in the event that the value of the Net Current Tangible Assets falls below the minimum value determined thereof by the Exchange immediately notify the Exchange; and
- (c) provide to the Exchange an audit certificate in the form prescribed from time to time by the Exchange within three (3) months of the end of each of its financial years.

C.9.6 Prohibited employment

- (a) A Member shall not employ any person who has been a Member (or a Director, Partner, employee or representative of a Member) if:
 - (i) that person has to the knowledge of the Member taken part or been concerned in any failure to comply with the By-Laws;
 - (ii) such failure has been found to have occurred by the Board or BCC under Part F; and
 - (iii) the Board or BCC has determined that this By-Law C.9.6 shall apply in relation to that person.
- (b) For the purposes of By-Law C.9.6, the words "to employ" and cognate expressions shall include agreeing or arranging with a person for that person to act as the Member's Representative and/or to advise or solicit instructions from other persons or to have dealings on that Member's behalf in relation to Contracts.

C.9.7 Maintenance of accounting records

- (a) Each Member must maintain such accounting records as:
 - (i) correctly record and explain the transactions and financial position of that Member; and
 - (ii) enable the Exchange conveniently to ascertain that Member's compliance with these By Laws.

- (b) Such records are to be maintained in a form and at a location that will enable them to be conveniently and properly audited.

C.9.8 Compliance with applicable law

Each Member shall comply with all law applicable to it in the jurisdiction of its incorporation and/or commercial registration.

C.10 Amendments to the By-Laws

- (a) The Exchange may from time to time amend these By-Laws by written notice delivered to the Members (an "Amendment Notice"). Any such amendment shall take effect on the day falling 14 days after the date of the Amendment Notice (or on such later date as the Exchange may specify) and may take effect so as to apply to Open Positions existing at the time such amendment comes into effect if the Exchange so determines.
- (b) Subject to By-Law C.8.4, any Member who does not wish to be bound by an Amendment Notice may resign his membership in the Exchange by written notice to the Exchange within 14 days after the date of that Amendment Notice.

C.11 Severability

If at any time any provision of these By-Laws becomes illegal, invalid or unenforceable in any respect the legality, validity or enforceability of the remaining provisions of these By-Laws shall in no way be affected or impaired thereby.

C.12 Notices

- (a) All notices required to be given under or in connection with these By-Laws shall be delivered by the ATS to the extent appropriate and possible. All notices not so delivered shall be sent by fax with a paper copy to be delivered by courier to such fax number and address for the relevant Member or the Exchange (as the case may be) as may be published from time to time by the Exchange.
- (b) Notices shall be deemed delivered when the sender receives a confirmation of fax or electronic transmission (as the case may be), unless such confirmation of transmission is received after 3pm (Dubai time), in which case such notice shall be deemed delivered on the next day.
- (c) The addressee of a notice deemed delivered in accordance with this By-Law C.12 shall act in accordance with the terms of that notice unless he can prove that he did not receive that notice.

C.13 Annual General Meeting (AGM) of Members

C.13.1 Frequency and Convening of AGM

- (a) Subject to By-Law C.13.1 (b) a General Meeting of Members shall be held once in each calendar year.
- (b) The first Annual General Meeting shall be held not later than 31 December, 2006
- (c) The date, time and location of the Annual General Meeting shall be determined by the Exchange.

C.13.2 Notice of Meeting

The Exchange shall give not less than four weeks' notice of each Annual General Meeting.

C.13.3 Chairman of AGM

- (a) The Chairman of the Board for the time being shall act as chairman of the Annual General Meeting, provide that he is present at the meeting.
- (b) In the absence of the Chairman, the Vice Chairman of the Board for the time being shall act as chairman of the Annual General Meeting and, should neither the Chairman nor the Vice Chairman be present, the chairman shall be chosen by those members of the Board present from amongst their number.

C.13.4 Purposes of AGM

The purpose of an Annual General Meeting of Members shall be:

- (a) to receive a report from the Exchange regarding developments on the markets of the Exchange since the previous Annual General Meeting; and
- (b) to enable Members to discuss issues of mutual interest regarding the markets and operations of the Exchange and to make recommendations to the Exchange regarding such matters.

Views expressed by Members at an Annual General Meeting and resolutions passed by Members at such a meeting shall be deemed to be of an advisory nature only and neither the Board nor the Exchange shall be under any obligation to act in accordance with such views or resolutions.

Part D: Trading on the Exchange

D.1 Trading platform

Trading on the Exchange shall take place on the ATS or on such other facility as the Exchange may approve.

D.2 Trading days and hours

D.2.1 Trading days

Those days on which one or more markets of the Exchange are open for business.

D.2.2 Designated trading hours

The Board shall declare the designated hours for trading for each Contract listed on the Exchange.

D.3 Prohibited Practices

D.3.1 Market manipulation

Members must not engage, or attempt to engage, in price manipulation of a Contract, or allow a Client of that Member to engage in such activity.

D.3.2 Misleading acts or practices

Members must not knowingly engage in any misleading act or practice regarding the price of a Contract or allow a Client of that member to engage in such act or practice.

D.3.3 Wash trades

A Member must not knowingly allow trades to occur such that both sides of the trade are for the same account.

D.4 Proprietary trading; trading records

A Member must maintain records of each trade made by its Representatives for a House Account for a period of not less than six (6) years from the date of such trade, containing:

- (a) the time and date of receipt of instructions;
- (b) the nature of the instructions received;
- (c) the person who received the instructions;
- (d) the time and date of transmission of those instructions, and the person who transmitted the instructions;
- (e) the time and date of execution of those instructions, and the person who executed the instructions; and
- (f) any other information as determined from time to time by the Exchange.

D.5 Trading System

D.5.1 Trading to take place on ATS

- (a) Except where otherwise determined by the Exchange, all trading shall take place on the ATS.
- (b) Access to the ATS shall be by way of:
 - (i) Trade Work Stations approved by the Exchange as to technical specifications and location and any other factors that the Exchange may determine at its sole discretion to be relevant; and
 - (ii) UserID(s) allocated to Members on such terms and conditions (including, without limitation, the number of Approved Users to whom UserIDs may be allocated) as the Exchange may determine at its sole discretion.
- (c) The Exchange may disconnect any UserID allocated to an Approved User if it is of the opinion that the continued access of the ATS by that Approved User will affect the orderly conduct of the market.

- (d) The Exchange may, from time to time, issue written directions and guidelines regarding the procedures to be followed in using the Trader Work Stations.

D.5.2 Approved Users

- (a) No person shall be permitted to trade through a TWS connected to the ATS unless he has been authorized to trade by a Member and has been registered with the Exchange as an Approved User. A person who is:

- (i) a director or other officer, employee or agent of a Member; or
- (ii) a Client of a Member,

and in either case who has been authorized to trade by that Member, is eligible to apply to the Exchange for registration as an Approved User.

- (b) A Member may withdraw an authorization to trade at any time at his sole discretion.
- (c) A Member who allows access to a TWS allocated to him by a person who is not an Approved User may have his trading rights suspended by the Exchange for a period to be determined by the Exchange.

D.5.3 Connections to the ATS

- (a) The Chief Executive may, where he considers it necessary in the interests of a fair, orderly and transparent market, determine that a Member shall not provide a connection to the ATS in relation to particular Clients, a particular class of Client, or in relation to a particular Order System.
- (b) Subject to the By-Laws, the allocation of UserIDs and the approval of Trader Work Stations shall be at the absolute discretion of the Exchange, and the Exchange may:
- (i) determine the number of UserIDs to be issued to a particular Member;
 - (ii) determine the required specifications and location of any Trader Work Stations approved for the purpose of By-Law D.5.1(b)(i); and
 - (iii) disable any UserID as required when it is of the view that continued use of such UserID will affect the operation of a fair, orderly and transparent Market.

D.5.4 Market Halts

For the purposes of this By-Law D.5.4, the ATS is not in operation when:

- (a) the computer system is not operating because of hardware or software breakdown; and/or
- (b) the Exchange is of the view that for any reason trading in Contracts cannot occur in an orderly manner and gives notice by effecting a Market Halt on all available Trader Work Stations.

D.5.5 Exchange right to cancel Orders

- (a) Subject to By-Law D.5.5(b) the Exchange may, in its sole discretion, cancel an order or direct a Member to withdraw an order, where in the opinion of the Exchange:
- (i) an order has been entered which is not in the best interests of an orderly, fair and transparent market;
 - (ii) the matter cannot be adequately or appropriately dealt with pursuant to Part F of these By Laws.
- and
- (b) The Exchange will give notice of a decision made under this By-Law D.5.5 to the Members concerned as soon as possible.
- (c) No decision of the Exchange under this By-Law D.5.5 shall be subject to appeal.

D.5.6 Limitation of liability

- (a) Neither the Exchange nor the developer of any Exchange System will accept or bear any liability whatsoever in respect of the operation of any Exchange System or otherwise, whether for any breach of a provision of any relevant legislation, any act or omission (whether negligent or not), damage to physical property, any direct or indirect losses including but not limited to lost profits, loss of files, loss of contracts, loss of data or use of data (including any error in information supplied or made available), loss of operation time or loss of use of

equipment or process, economic loss, loss of reputation or losses or damages incidental or consequential to the installation, use or operation of the Exchange Systems. All warranties and conditions, both express and implied as to condition, description, quality, performance, durability, or fitness for the purpose or otherwise of any of the Exchange Systems or any component thereof are excluded except as required by law; and the Exchange does not warrant or forecast that the Exchange Systems or any component thereof or any services performed in respect thereof will meet the requirements of any user, or that operation of the Exchange Systems will be uninterrupted or error-free, or that any services performed in respect of the Exchange Systems will be uninterrupted or error-free. Nothing in this By-Law D.5.6(a) shall limit any liability of a developer of any Exchange Systems to the Exchange.

- (b) Every exemption from liability, defence or immunity applicable to the Exchange or to which the Exchange is entitled under By-Law D.5.6(a) shall also be available and shall extend to protect the officers, agents and employees of each of the Exchange, the Clearing Corporation and any developer of any Exchange System.

D.5.7 Prohibited ATS trading practices

- (a) Subject to By-Law D.7, an Approved User shall not enter an order into the ATS with the intention of effecting a transaction that has been pre-arranged with another party to the exclusion of Market Participants generally.
- (b) An Approved User must not knowingly enter an order into the ATS where there does not exist an intent to trade.
- (c) An Approved User must not delay the entry of an order into the ATS once it has been received.

D.5.8 Clearing arrangements prior to trading

A Member shall not permit an Approved User to enter an order into the ATS unless the Member is entitled to exercise its Trading Rights under By-Law C.3.3.

D.6 Daily Settlement Price

D.6.1 Daily Settlement Prices for Futures Contracts

The Exchange shall, on each Business Day and in accordance with the relevant Prescribed Procedure, determine and publish a Daily Settlement Price for each class of Future Contract listed on the Exchange at that time.

D.7 Confidentiality

D.7.1 Open Positions

The Exchange acknowledges that any Member's information relating to its Open Positions and Exchange trading history, other than information which is in the public domain, is confidential to that Member. The following conditions shall apply to any such information received by the Exchange, regardless of the source of that information:

- (a) the Exchange will be entitled to use any such confidential information internally for the purposes of discharging any of its functions or obligations under law, regulation, ordinance, rule or direction of any legislature or government authority having jurisdiction with respect to the Exchange;
- (b) the Exchange will be entitled to use, distribute, supply, provide, make available, sell or otherwise deal with such confidential information to or for the benefit of any third party only as mentioned in By-Law D.7.1(c) or for the purposes of discharging any of its functions or obligations under any law, regulation, ordinance, rule or direction of any legislature or government authority having jurisdiction with respect to the Exchange;
- (c) the Exchange will be entitled to use, distribute, supply, provide, make available, sell or otherwise deal with such confidential information to or for the benefit of any securities commission, futures exchange or stock exchange within the UAE or elsewhere having functions and powers with respect to regulation of futures markets or securities markets where the Exchange or its delegate is satisfied that the disclosure of the information will assist that body to perform or exercise those powers of functions; and
- (d) subject to By-Laws D.7.1 (a), (b) and (c), the Exchange will not use, distribute, supply, provide, make available, sell or otherwise deal with such confidential information to or for the benefit of any third party, including any third party that has, or whose Director(s), employee(s) or consultant(s) has had, any trading interests upon the Exchange.

D.7.2 Exchange to seek consent

Where the Exchange considers it necessary or desirable to use or disseminate any information relating to the Open Positions or Exchange trading history of any Member other than as is provided for under this By-Law D.7, the Exchange shall seek the prior consent of that Member to such use or dissemination and shall provide to such Member:

- (a) particulars sufficient to identify the nature of the information;
- (b) the name and address of each person to whom it is proposed to disseminate that information;
- (c) a description of the manner in which and the purposes for which it proposes to disseminate that information; and
- (d) a description of the circumstances in which and the conditions upon which it is proposed that the use or dissemination will take place.

D.7.3 Deemed consent

- (a) Any Member approached by the Exchange under By-Law D.7.2 may give or withhold its consent to any use or dissemination of its information in its absolute discretion. In the event the Member fails to notify the Exchange of its consent or refusal within seven (7) days of the Exchange complying with By-Law D.7.2, the Member shall be deemed to have consented to such use or dissemination of the information.
- (b) Any refusal or withholding of consent shall be binding upon the Exchange.

D.7.4 Exchange to obtain confidentiality undertaking

Notwithstanding any consent given under By-Law D.7.2, the Exchange will, as a condition of use or dissemination of any information under By-Law D.7.2, obtain from any person to whom information is disseminated under By-Law D.7.2, a written confidentiality undertaking expressed to be for the benefit of the Exchange and of the relevant Member and the Exchange is appointed as the agent of the Member for that purpose. That undertaking shall restrict any use or dissemination by that person of the information to the use or dissemination as notified by the Exchange under By-Law D.7.2.

D.7.5 Dispersion of confidentiality undertaking

The condition described in By-Law D.7.4 may be waived by the agreement of the Member concerned.

D.7.6 Definition of third party and Exchange

- (a) In this By-Law D.7, "third party" means any party other than the Member or the Exchange and its related companies.
- (b) In this By-Law D.7, "Exchange" includes any related companies of the Exchange.

D.7.7 Confidentiality of information obtained pursuant to Part F

All information obtained by the Board, BCC or Exchange staff and reports supplied to them pursuant to Part F of these By-Laws shall be kept confidential by them and shall not be disclosed to any other person including members of the Board except:

- (a) as provided by the By-Laws or for the purpose of conducting an investigation or proceedings relating to a breach or alleged or potential breach of the By-Laws;
- (b) to a duly constituted public authority either entitled to require provision of the information, or which in the opinion of the BCC, the Board or Chief Executive should be provided with the information;
- (c) to another exchange or futures association pursuant to arrangements to share information in relation to linked contracts or otherwise;
- (d) in such other circumstances as the BCC or the Board or Chief Executive determines it to be in the interest of the Exchange, its Markets or Members or the public, for it to do so; and/or
- (e) where compelled by law.

D.7.8 Permitted disclosure

Information or reports obtained by the Board, BCC or Exchange staff may be disclosed to the Exchange or the Clearing Corporation or to the Exchange's external advisers who have been instructed in relation to the particular matter but shall otherwise continue to be subject to By-Law D.7.7.

D.8 Trading Disruptions

D.8.1 Exchange powers to deal with undesirable situation or practice

- (a) If, in the opinion of the Exchange, an undesirable situation or practice has developed or is developing, the Exchange may take any steps whatsoever to correct the situation or practice and may give directions to Members accordingly.
- (b) The Exchange may, but is not obliged to, consult with, obtain a report from, or take advice from other persons as it sees fit to assist it in making a decision to deal with an undesirable situation or practice.
- (c) If the Exchange consults with, seeks a report from, or seeks advice from, any person, the Exchange may make a decision prior to any consultation, or receipt of report or advice, and need not take any consultation, report or advice into consideration in making its decision.
- (d) Upon a determination by the Exchange that the undesirable situation or practice has sufficiently abated to permit the orderly functioning of the Exchange, the Exchange shall order restoration of trading and the removal of any restrictions which may have been imposed under this Operating Rule, and may make such additional orders (including, but not limited to, extending trading hours) as it deems necessary or appropriate to minimise the effect of the situation or practice.

D.8.2 Description of undesirable situations and practices

An undesirable situation or practice is a situation or practice which threatens or may threaten fair, orderly and transparent trading in, or liquidation, settlement, exercise or delivery of, any Contract or class thereof, and may, without affecting the generality thereof, be:

- (a) a Physical Emergency;
- (b) systems or communications failure causing a general loss of access to the Exchange's trading and/or clearing systems;
- (c) a situation or practice which is contrary to the maintenance of a fair, orderly and transparent market; and/or
- (d) action or proposed action by a government, government instrumentality, exchange or any other body in the Dubai or elsewhere, or any exceptional or unforeseen circumstance, which is at variance with or which threatens or may threaten just and equitable principles of trading or the public interest.

D.8.3 Steps which the Exchange may take in dealing with an undesirable situation or practice

Without affecting the generality of By-Law D.8.1, the steps which the Exchange may, but is not obliged to take in dealing with an undesirable situation or practice, include any one or more of the following:

- (a) suspending or curtailing trading in a Class of Contracts for any one or more trading months for such period as it specifies;
- (b) limiting trading in any Class of Contract to closing out of Open Positions;
- (c) deferring settlement of Contracts and/or extending the date for settlement of a Contract for such period as it determines;
- (d) cancelling or amending a Contract;
- (e) directing that any Contract be closed out forthwith or be invoiced back to a fixed date and/or at a price determined by it;
- (f) permitting any merchantable lot of a particular commodity equal to or superior to the commodity or the financial instrument as specified in any Contract to be tendered subject to appropriate conditions as to compensation;
- (g) fixing an amount of compensation payable under By-Law D.8.3 (f);
- (h) directing that Contracts be settled at a price other than that provided for by these By-Laws, in such manner as it may determine;
- (i) giving directions to Members to act in such manner as will in its opinion correct or assist in overcoming the situation or practice including, but not limited to, directions in relation to Open Positions;

- (j) refraining from taking any action which it considers inappropriate; or
- (k) requesting the Clearing Corporation to exercise its powers under the Clearing By-Laws relating to the situation or practice.

D.8.4 Inability to declare Settlement Price

- (a) If in the opinion of the Exchange or the Clearing Corporation a situation or practice may prevent or has prevented the Settlement Price for a Class of Contract from being declared in accordance with the Individual Contract Specifications for that Class of Contract, the Exchange or the Clearing Corporation may take any steps it deems necessary in the circumstances to correct such situation or practice so as to enable the Settlement Price to be declared and may give direction to Members accordingly.
- (b) Without affecting the generality of By-Law D.8.4(a), the steps which the Clearing Corporation may take include requesting the Exchange to exercise its powers under this By-Law D.8.4

D.8.5 Exchange decision is binding

Any decision of the Exchange or the Clearing Corporation under this By-Law D.8 shall be binding upon all the Members and their Representatives and Clients.

D.8.6 Contravention of Exchange decision deemed to be breach of By-Laws

A Member contravening or failing to observe a decision or direction of the Exchange or the Clearing Corporation under this By-Law D.8 will be liable to the same sanctions, including fining, suspension or expulsion from Participation, as if a breach of the By-Laws of the Exchange had been committed.

D.9 Exchange for Physicals and Exchange for Swap

D.9.1 Exchange for Physicals and Exchange for Swap Transactions Permitted

- (a) Exchange for Physicals and Exchange for Swap transactions shall be permitted subject to the provisions of this By-Law D.9.
- (b) The Exchange shall determine and publish procedures to be followed in executing Exchange for Physicals and Exchange for Swaps transactions.

D.9.2 Prohibitions

No Exchange for Physicals or Exchange for Swap transaction may be effected where:

- (a) the parties to each side of the physical transaction or the Commodity Swap transaction, as the case may be, are the same or are acting on behalf of the same person; or
- (b) where both sides of the futures trade are taken out by the same Member on its own account or are taken out on behalf of the same Client

D.9.3 Exchange may prescribe additional provisions

- (a) the Exchange may, where it believes that it is necessary in order to maintain a fair, orderly, transparent market, prescribe additional provisions in relation to the execution of Exchange for Physicals and Exchange for Swap transactions, provided that any such change shall not result in the effective prohibition of Exchange for Physicals or Exchange for Swap trading.
- (b) such provisions may include limitations on the type or size of Exchange for Physicals or Exchange for Swap transactions which may be effected; and
- (c) no Exchange for Physicals or Exchange for Swap transaction shall be registered unless the prescribed provisions are satisfied.

D.9.4 Publication of details of Exchange for Physicals and Exchange for Swaps

The Exchange shall publish, on each Business day, the number of Exchange for Physicals transactions and the number of Exchange for Swap transactions executed on the previous Business day by reference to each Class of Contract

Part E: Trading on behalf of Clients

E.1 Interpretation of “Member”

In this By-Law “Member” shall include a Representative of a Member.

E.2 Entitlement to trade on behalf of Clients

E.2.1 Trade Members prohibited from trading on behalf of Clients

Except as provided in By-Law E.2.3, no Trade Member shall trade on behalf of another person, or accept instructions to trade on behalf of another person.

E.2.2 Broker Members’ entitlement to trade on behalf of Clients

- (a) Except as provided in By-Law E.2.3, no Broker Member shall trade on behalf of a Client, or accept instructions to trade on behalf of a Client, without first being approved by the Exchange as being entitled to do so.
- (b) A Broker Member, or an applicant wishing to become a Broker Member, may submit an application to the Exchange, in a form approved by the Exchange, for approval to trade on behalf of Clients.
- (c) The Exchange may seek such information as it deems relevant in relation to a person making an application under By-Law E.2.2 (b)
- (d) The Exchange shall consider the application and may call for such further information as it considers necessary.
- (e) The Exchange shall not be obliged to furnish any reason for its decision to approve or reject the application.

E.2.3 Trading on behalf of Affiliated Corporations

By-laws E.2.1 and E.2.2 do not apply to:

- (a) a Member that is a corporation if every Client on whose behalf that Member trades or accepts instructions to trade is an Affiliated Corporation; or
- (b) a Member that is a firm if every Client on whose behalf that Member trades or accepts instructions to trade is:
 - (i) a partner in the firm; or
 - (ii) a corporation that is beneficially owned by a partner in the firm.

E.3 Maintenance of specified Net Current Tangible Assets and provision of periodic financial position reports

A Broker Member, other than a Member so entitled under By-Law E.2.3, shall:

- (a) ensure that at all times the value of the Net Current Tangible Assets of the Member is not less than the minimum value determined by the Exchange;
- (b) in the event that the value of the Net Current Tangible Assets falls below the minimum value determined by the Exchange, immediately notify the Exchange, and within twenty-four (24) hours or such other time as determined by the Exchange, lodge with the Exchange a detailed Financial Statement in a form approved by the Exchange;
- (c) provide to the Exchange a statement of Net Current Tangible Assets and Secured Creditors in a form approved by the Exchange within one (1) calendar month of the last Trading Day of the months of March, September and December in each year and within two (2) calendar months of the last Trading Day of the month of June in each year and at such other times as may be requested in writing by the Exchange. Such statement shall be signed by the Member or by a Partner or Director or a person duly authorised by the Member to sign such statement.

E.4 Client Agreement form and Risk Disclosure Statement

Prior to accepting instructions to trade on behalf of a Client, trading on behalf of a Client or accepting monies from a Client in relation to such trading or instructions, a Member shall:

- (a) enter into a Client Agreement with that Client, in a form that complies with the minimum requirements specified by the Exchange, and
- (b) provide to the Client a Risk Disclosure Statement, in a form that complies with the minimum requirements specified therefore by the Exchange, and receive from the Client, an acknowledgement in writing that the Client has read and understood such Risk Disclosure Statement.

E.5 General standards regarding identification of Members and Clients

- (a) Prior to accepting instructions from a Client, a Member shall obtain such documents and/or information as the Exchange may specify from time to time, whether specified on the basis of the FATF Recommendations or otherwise, in order to ensure that the Client's identity and the source of funds to be used by the Client in trading are established by the Member.
- (b) A Member shall provide such further documents and/information as the Exchange may specify from time to time in order to ensure ongoing compliance by the Member with any relevant FATF Recommendation(s), to the extent that such FATF Recommendation(s) do not conflict with Dubai Law. For the purpose of this By-Law, a FATF Regulation will only conflict with Dubai Law to the extent that compliance with such FATF Regulation would result in a breach of Dubai Law, and such FATF Regulation shall not conflict with Dubai Law merely by imposing a more onerous obligation than the equivalent provision (if any) under Dubai Law.
- (c) A Member shall retain records of the information obtained in accordance with By-Law E.5(a) for a period of not less than six (6) years, or such longer period as may be provided for in the FATF Recommendations.

E.6 Handling Client instructions and Orders

- (a) Members must act on behalf of a Client only in accordance with the instructions of that Client, unless to do so would be contrary to these By-Laws.
- (b) Member acting on behalf of Clients must maintain internal records of instructions received from Clients and trades executed for Clients for a period of not less than six (6) years from the date of each such trade, containing:
 - (i) the nature of the instructions received;
 - (ii) the name of the Client;
 - (iii) the name of the person who gave the instructions;
 - (iv) the time and date of receipt of the instructions, and the name of the person who received the instructions;
 - (v) the time and date of transmission of the instructions, and the name of the person who transmitted the instructions; and
 - (vi) the time and date of execution of the instructions, and the name of the person who executed the instructions.
- (c) Members shall ensure that all orders are entered into the ATS as soon as they are received and in the sequence in which they are received, unless the Member can demonstrate to the satisfaction of the Exchange that:
 - (i) the Member's Client instructed the Member, in respect of particular orders made on behalf of that Client, not to enter such orders in order of receipt; or
 - (ii) in not entering those orders in sequence of receipt, the Member was acting in the best interests of that Client.

- (d) A Member shall not disclose another person's order to trade except:
 - (i) to the extent necessary to enter the order into the ATS, or
 - (ii) to an officer of the Exchange designated by the Exchange as being entitled to receive such information.
- (e) A Member must not offer or allocate trades to a Client unless those trades have been entered into pursuant to instructions previously received from that Client.
- (f) A Member shall allocate trades to Clients in the sequence in which orders are received unless it would be fair and equitable, as determined by the Exchange, to do otherwise.
- (g) A Member shall confirm in writing to a Client all the details prescribed by the Exchange of the transactions made for the Client no later than the Business Day immediately following the day of the transaction.

E.7 Personal account trading

- (a) No person shall at any time trade or initiate a trade in any Contract for his own account where he has or is likely to have knowledge or information about any Client orders of any Member to trade, or instructions to trade, in the same or similar commodity.
- (b) For the purpose of this By-Law, a person shall be deemed to have traded for his own account if he trades for any entity, person or account:
 - (i) in which that person has a beneficial interest, including a Member's House Account in which the person has a financial interest;
 - (ii) in which that person might by exercise of some discretion have a beneficial interest, including a Member's House Account in which the person has, or may have, a financial interest;
 - (iii) over which that person exercises any control (other than an account of the Member of which the person is a director, partner or employee where such control is exercised in that capacity); or
 - (iv) which is a corporation in whose shares that person has a financial interest.
- (c) No officer or employee of the Exchange and/or member of the Board shall make or cause trades to be made for his own account in any Market or in any other commodity or contract which trades on the Exchange, wherever such trade is made or initiated.

E.8 Dual trading prohibition

- (a) No Member or Representative of a Member shall initiate a trade for that Member's House Account in a Contract, where that Representative is holding or is likely to hold the Member's Client orders to trade, or for any reason is likely to have knowledge or information of the Member's Client orders to trade, in the same or similar commodity.
- (b) The Exchange may in its absolute discretion from time to time prescribe classes of Contracts for the purposes of this By-Law E.8.
- (c) For the purposes of this By-Law E.8 "a Client" of a Member which is a corporation shall include a company controlled by that Member or a company which controls that Member.

E.9 Taking opposite side of Client trade

Except for transactions entered into in accordance with By-Law D.7, a Member shall not knowingly execute an order on behalf of a Client with the effect that:

- (a) the Member, or
- (b) any entity of which the Member is a Director, Officer, Partner, employee or agent, or
- (c) any Director, Officer, Partner, employee or agent of the Member, or
- (d) any person trading for an account in which the Member has a financial interest, assumes the opposite side of the transaction.

E.10 Handling Client monies

A Member who receives Client monies must comply with this By-Law E.10.

E.10.1 Client money

All money received by the Member from Clients or by a person acting on behalf of the Client must be deposited in a Client Account.

E.10.2 Description of money to be paid into a Client Account

Only the following monies should be paid into a Client Account:

- (a) all money received by the Member from a Client or from a person acting on behalf of that Client;
- (b) interest on the amount from time to time standing to the credit of that account;
- (c) interest or other similar payments on an Approved Investment, and the proceeds of the realisation of an Approved Investment; and
- (d) any other money as required by the By-Laws or as a matter of law to be paid by the Member into a Client Account.

E.10.3 When money shall be paid into a Client Account

- (a) Money must be paid into a Client Account on the day it is received by the Member, or on the next Business Day.
- (b) For the avoidance of doubt, nothing in these By-Laws shall prevent a Member from having more than one Client Account, provided that such Member keep adequate records to show the rights of each Client to moneys held in any Client Account held in his name or otherwise on his behalf.

E.10.4 Permitted withdrawal from a Client Account

Withdrawals from a Client Account made in any of the following circumstances are permissible:

- (a) paying Margin and the settling of dealings;
- (b) making a payment to, or in accordance with the written direction of, a person entitled to the money;
- (c) defraying brokerage and other proper charges;
- (d) paying to the Member any sum to which the Member is entitled, whether under contract, at law or pursuant to the By-Laws; and
- (e) making a payment that is otherwise authorised by law.

E.10.5 Requirement to Deposit Additional Monies in Client Account

- (a) Where five (5) clear Business Days (inclusive of the day of the Call) after a Call has been made on a Client for Margin in accordance with the By-Laws, or after such Call should have been made in accordance with the By-Laws, the Call which as or should have been made has not been satisfied by payment of monies into a Client Account or lodgment of Approved Securities, the Member that made such Call shall pay into the relevant Client's Client Account an amount of money not less than:
 - (i) the liability of the Client under such a Call; or
 - (ii) the amount which the Member would be obliged to seek from the Client by way of Call on the day after five (5) clear Business Days (inclusive of the day on which the Call was or should have been made) has elapsed,
 whichever is the lesser.
- (b) Such monies may only be withdrawn in accordance with By-Law E.10.4 and only after such monies have been received by the Market Participant.

- (c) In addition to the payment obligation under By-Law E.10.5(a), a Member must pay into a Client's Client Account such amount as has been called for from, and not paid by, that Client in order to cover debit balances of that Client Account resulting from realised losses or otherwise, within five (5) clear Business Days after such call has been made.

E.10.6 Prohibited Agreements

A Member is prohibited from making any agreement with a Client that the Client's money is not to be held or does not need to be held in a segregated account for the benefit of the Client.

E.10.7 Permissible Investments

The Board shall from time to time determine and publish a list of those kinds of investments in which a Member is permitted to invest money from a Client Account.

E.10.8 Monies Invested

Where a Member invests money from a Client Account:

- (a) the Member must, prior to investing any amount, obtain written agreement to the following matters from the Client in whose name that Client Account is held:
- (i) the making of the investment;
 - (ii) how earnings on the investment are to be dealt with;
 - (iii) how the realisation of the investment is to be dealt with;
 - (iv) how any losses made on the investment are to be dealt with; and
 - (v) the fee (if any) that the Member proposes to charge for the investment; and
- (b) such investment shall be readily realisable and no less than fifty per cent (50%) of monies invested shall be on twenty-four (24) hour call.

E.10.9 Separation of Member's Trading Liabilities From Clients' Trading Liabilities

No Member shall use a Client Account to meet any liabilities (whether for Margin or otherwise) which relate to trading by that Member on its own behalf or on behalf of a corporation related to it.

E.10.10 Accounting Records for Withdrawals

A Member shall at all times maintain such accounting records as accurately indicate each withdrawal from a Client Account.

E.11 Margins and Right of Close Out

E.11.1 Calling Initial Margin

- (a) Prior to executing a Client's instructions, a Member shall issue a Call to that Client for the minimum Initial Margin that is determined from time to time by the Exchange in such manner as the Exchange sees fit, or such larger amount of Initial Margin that the Member deems appropriate in the circumstances.
- (b) Except as provided for in By-Law E.11.6, in calculating the amount of Initial Margin, a Member shall not set-off the Initial Margin on another Contract due from the Client to the Member unless that other contract is for the opposite position in the same delivery month and in respect of the same commodity.

E.11.2 Calling Variation Margin

- (a) Subject to By-Law E.11.2(b), Members must Call Variation Margin from the Client when the Client has a net debit Variation Margin, unless the Client is a Clearing Member and the Contracts are registered with the Clearing Corporation in the name of that Clearing Member.
- (b) Where the amount of a Call in By-Law E.11.2(a) would be less than an amount prescribed by the Exchange, the making of such a Call shall be at the discretion of the Member.

E.11.3 Calling Delivery Margin

A Member must call Delivery Margin from the Client at a time prescribed by the Exchange in relation to a particular Class of Contracts.

E.11.4 Calling Special Margin

A Member shall call Special Margin from the Client immediately following the determination by the Exchange that Special margin shall apply to that Class of Contracts.

E.11.5 Liability for Margins

- (a) Liability of the Client for Initial Margin shall arise upon execution of the instructions given by the Client, irrespective of the time when the Call is made.
- (b) Liability of the Client for Variation Margin shall arise at the same time as the Variation Margin comes into existence, irrespective of the time when any Call is made.
- (c) Liability of the Client for Delivery Margin shall arise when prescribed by the Exchange under By-Law E.11.3 in respect of the Class of Contracts to which the relevant Contract belongs.
- (d) Liability of the Client for Special Margin shall arise when the Exchange determines under By-Law E.11.4 that Special Margin shall apply to the Class of Contracts to which the relevant Contract belongs.

E.11.6 Satisfaction of Calls for Margin

- (a) Calls for Initial Margin, Delivery Margin and Special Margin must be satisfied by:
 - (i) cash payment; or
 - (ii) (at the discretion of the relevant Member) cash payment and Approved Securities, with the value of such Approved Securities not to exceed the Maximum Securities Percentage.
- (b) If the Member receives Approved Securities in accordance with By-Law E.11.4(a), such Approved Securities shall be retained by the Member until the liability of the Client is extinguished either by the relevant Contract(s) being closed out or payment being made by a Buyer or delivery in accordance with the relevant Contract(s) being effected by a Seller. If the liability of the Client is not so extinguished, the Approved Securities may be realised by the Member and the proceeds applied against that liability.
- (c) Liability of the Client for Initial Margin must be covered at all times.
- (d) Calls for Variation Margin must be satisfied by cash payment.

E.11.7 Time for Payment of Margins

- (a) Where a Call is made for Margin, the Member making that Call shall stipulate the period during which:
 - (i) (in the case of Calls for Initial Margin, Delivery Margin or Special Margin) payment and/or lodgment of Approved Securities must be made; or
 - (ii) (in the case of Variation Margin) payment must be made,
 such period not to be greater than the period prescribed by the Exchange.
- (b) Subject to By-Law E.11.5 (d), no Member shall provide credit for a Client beyond the periods specified in By-Law E.11.5.
- (c) Time shall be of the essence in respect of payment or lodgment under By-Law E.11.5.
- (d) A Member will not be in breach of By-Law E.11.5(b) where the Member exercises a reasonable discretion, as determined by the Exchange, not to close out in accordance with By-Law E.11.7(c).

E.11.7 Spread Positions

- (a) Where a Member holds a Spread Position on behalf of a Client, that Member shall make a Call on that Client for an Initial Margin of not less than the amount required for that Spread Position, as determined from time to time by the Clearing Corporation.

- (b) When one leg of a Spread Position is in the first (spot) Delivery Month the Initial Margin required on that leg shall not be less than the amount required from time to time by the Clearing Corporation on the first (spot) Delivery Month. Under these circumstances the other leg of the Spread Position shall attract the normal Initial Margin requirements.

E.11.8 Obligation of Close Out

- (a) Subject to By-Law E.11.7(c), where a Client is in default by failing to pay a Call or to lodge Approved Securities within the time prescribed under By-Law E.11.5(a), a Member must, immediately upon expiry of the prescribed time period, close out to the extent necessary to counter the Call, all or any existing Open Positions in any Market held by that Member on account of that Client.
- (b) A Member shall not be liable to the Client for any loss sustained by the Client as a result of that Member closing out Open Positions in accordance with By-Law E.11.7 (a).
- (c) A Member shall not be obliged to close out futures positions in accordance with By-Law E.11.7 (a) where the Member exercises a reasonable discretion, as determined by the Exchange not to do so.

Part F: Market Regulation

F.1 Investigation Function

F.1.1 Liability of Member for Representative's Actions

Any breach of the By-Laws by a Representative of a Member, whether or not acting within authority granted by the Member, shall be deemed to have been committed by that Member.

F.1.2 Jurisdiction of Exchange Over Former Member

Proceedings may be commenced under the provisions of this Part F against a former Member within twelve (12) months after that former Member ceased to be a Member, and such former Member shall be bound by any decision or finding or penalty imposed.

F.1.3 Exchange Investigation Function

The Exchange has responsibility for the supervision of the Exchange's Markets and the investigation of potential or alleged breaches of the By-Laws with the Exchange being responsible for undertaking:

- (a) such investigations as it sees fit;
- (b) such investigation, as it sees fit, of any allegations by a Market Participant or any other person which it considers to warrant investigation;
- (c) maintenance of a program of inspections of the records and operations of Members for the purpose of ensuring compliance with, and detecting breaches of, the By-Laws and in particular ensuring that Members have appropriate procedures in place to prevent the occurrence of such breaches;
- (d) maintenance of a program for the monitoring of the Exchange's Markets and trading, and Open Positions held by Members and their Clients, for the purpose of ensuring a fair, orderly and transparent Market;
- (e) ensuring that Members lodge Financial Statements as required by the By-Laws;
- (f) referring breaches of the By-Laws to the BCC or Board where it considers that a breach of the By Laws may have occurred;
- (g) co-opting the services of the auditors of the Exchange and such other persons as the BCC may approve, to assist in its activities; and
- (h) referring matters to ESCA where ESCA has jurisdiction over such matters or by agreement between the Exchange and ESCA.

F.2 Disciplinary Powers

F.2.1 General Disciplinary Powers of Board and BCC

Where the Board or BCC is, whether upon reference to it under the By-Laws or on its own motion or otherwise, satisfied that a Member has been guilty of a breach of the By-Laws or other misconduct or has made a materially false or misleading statement in the course of an application for membership status or registration relating to the Member, the Board or BCC, as the case may be, shall have the following powers:

- (a) in the case of the Board, to terminate the membership status of any Member;
- (b) in the case of the Board and BCC, to suspend a Member for a period as determined by the Board or the BCC, as the case may be;
- (c) to fine a Member such amount as may be determined by the Exchange;

- (d) to reprimand a Member;
- (e) to direct that a Member not employ or continue to employ a particular Representative, for a period as determined by the Exchange;
- (f) to bring a matter to a Member's notice;
- (g) to impose conditions in relation to any actions taken under this By-Law F.2 or in relation to the future conduct of a Member including, but not limited to:
 - (i) measures to ensure future compliance;
 - (ii) directions that a Member desist from specified conduct, and
 - (iii) directions in relation to Open Positions;
- (h) in the case of the BCC, to refer the question of penalty to the Board in accordance with its powers with or without a recommendation as to the nature of any penalty or action which the BCC considers appropriate; and
- (i) in the case of the Board in determining any such penalty to rely upon any finding made by the BCC, as the case may be, under this Part F;
- (j) order payment of all or part of the Exchange's costs of the relevant investigation and disciplinary procedure;

F.2.2 Matters to be Taken into Account in Exercise of Disciplinary Powers

In relation to the exercise of disciplinary powers:

- (a) the Board or BCC, before imposing any penalty, shall satisfy itself that any proposed penalty is reasonable in the circumstances;
- (b) the powers exercisable under this Part F are not mutually exclusive and the Board or BCC, as the case may be, may exercise one or more of such powers in relation to a breach;
- (c) where a penalty is imposed pursuant to this Part F, no further proceedings shall be taken against the Member pursuant to the By-Laws in relation to the allegations which were the subject of the proposed proceedings insofar as they were disclosed to, or known by, the Board or BCC as the case may be;
- (d) a member of the Board or BCC who is also a member of the other such body shall not be precluded from taking part in the deliberations of the Board or BCC by reason of the fact that such member of the Board took part in deliberations of the other body in relation to the same matter; and
- (e) where the Board or BCC makes a decision to suspend or terminate or gives an order to stop trading under this Part F, such decision must be made by a two thirds majority of the members of the Board or BCC (as the case may be) who are present at the relevant meeting and entitled to vote.

F.2.3 Board powers regarding interim suspension of a Member pending conduct of proceedings

- (a) The Board may, notwithstanding any other provision of this Part F, by unanimous resolution of those present at a meeting and entitled to vote and on the basis that it reasonably believes it is necessary to do so in the interests of the public, or the Exchange, or its Markets, suspend a Member, pending the conduct of proceedings in accordance with this Part F.
- (b) Such suspension shall not be for more than twenty-one (21) days but may be extended from time to time by a unanimous resolution of those present and entitled to vote at a subsequent meeting.
- (c) Where a suspension is made pursuant to this By-Law F.2.3, disciplinary proceedings shall commence within twenty-one (21) days or within the period of any extension.

F.2.4 Exchange staff powers

- (a) Where, as a result of investigation, inspection or otherwise it appears to the reasonable satisfaction of the Chief Executive, or his nominee from the staff of the Exchange, or such other member or members of the staff of the Exchange as may be approved by the BCC (each such person being hereafter referred to as the "BCC Delegate") that a breach of the By-Laws has been committed by a Member and that the breach is as determined by the BCC, the BCC Delegate may:
- (i) suspend the trading rights of the Member; or
 - (ii) determine that no further action need be taken in relation to such breach; or
 - (iii) cause the breach to be brought to the notice of the Member and for such notice to be recorded on the Member's file and on any other relevant file maintained by the Exchange; or
 - (iv) a Member may, within ten (10) Business Days of being advised of a decision made under this By-Law F.2.4 (a) appeal the matter to the BCC on the payment of a fee determined by the Exchange.
- (b) Exchange staff can grant exemptions from the By-Laws, as determined by the BCC.

F.2.5 General power of the Board or BCC to require attendance

- (a) Where the Board or BCC has reason to believe that any Member may have committed a breach of the By-Laws, the Board or BCC, as the case may be, may require that Member or a Representative of that Member or any other Member or Representative to appear before it and to furnish to the Board or BCC such information and explanations and answer questions concerning the matter as the Board or BCC may reasonably require.
- (b) Where the trading rights of a Member have been suspended in accordance with By-Law F.2.4(a)(i), the BCC may require that Member or a representative of that Member to appear before it and furnish to it such information and explanations and answer any questions concerning the matter as the BCC may reasonably require.
- (c) Failure to comply with the requirements of By-Laws F.2.5 (a) or (b) shall be a breach of the By-Laws.

F.3 Hearing procedures

F.3.1 Member to be notified of hearing

Where the Board or BCC decides to proceed with a hearing of an alleged breach, it will notify the relevant Member as to:

- (a) the By-Law(s) which it is alleged have been breached;
- (b) the general nature of information which was considered in deciding to proceed with a hearing; and
- (c) when the Member is required to appear before it to respond to the alleged breach.

F.3.2 Right of legal representation

Members or other persons appearing before the Board or BCC shall be entitled to be accompanied by a legal representative.

F.3.3 Proceedings to be recorded in writing

Proceedings in the presence of the Member or other affected person may be recorded either in writing and/or by electronic means and if so recorded, a copy or transcript of an electronic recording shall be made available to persons present during the proceedings.

F.3.4 Hearings

Hearings by the Board or BCC for the purposes of the exercise of powers under this Part F shall be conducted in a fair manner and shall be subject to the direction and control of the Chairman of the Board or BCC (as the case may be). Proceedings shall be conducted informally and need not have regard to the rules of evidence.

- (a) Hearing in person
 - (i) A Member who is the subject of proceedings may make submissions (including written submissions) to the Board or BCC or to provide explanations in relation to any matter under consideration including the question of penalty and shall appear before the Board or BCC (as the case may be) to answer any questions as required by the Board or BCC (as the case may be).
 - (ii) A Member who is the subject of the proceedings shall, at the Chairman's discretion, be entitled to direct questions through the Chairman to Exchange staff present at the proceedings.
 - (iii) The Board or BCC may be assisted by such legal or other advisers as the Board or the BCC considers appropriate.
- (b) Hearing on paper
 - (i) The Board or the BCC may, where any affected parties agree, proceed to consider a particular matter on the papers without conducting a hearing or personally hearing from the parties
 - (ii) Where the Exchange agrees to proceedings being conducted in such manner, parties shall make any written submissions by a date advised by the Exchange.

F.3.5 Role of Exchange staff in hearings

- (a) Representatives of the Exchange staff shall be entitled to address the Board or BCC on allegations referred to it either by the Exchange or BCC (as the case may be) and may ask questions of the relevant Member or person.
- (b) If the Board or BCC finds against the Member or person, the person representing the Exchange staff may address the Board or BCC (as the case may be) on the question of penalty.
- (c) The Exchange staff concerned in the particular matter shall be entitled to attend the proceedings.

F.3.5 Adjournments

The Board or BCC may adjourn any proceedings from time to time as it sees fit.

F.4 Appeal from original decisions of BCC and BCC Delegates

F.4.1 Appropriate appeal forum

Where there has been a finding of a breach of the By-Laws and the imposition of a penalty on a Member, the Member may, within ten (10) Business Days of notification of the decision, appeal the decision to:

- (a) the Board, where the BCC makes a finding and imposes a monetary penalty or more serious penalty;
- or
- (b) the BCC, where a BCC Delegate makes a finding and imposes a penalty.

F.4.2 Decisions that can be made on appeal

The Board or BCC (as the case may be) may:

- (a) consider the appeal and confirm the finding and/or penalty;
- (b) consider the appeal and cancel or vary the finding and/or penalty; or
- (c) not consider the appeal but elect to deal with the matter again pursuant to its own powers and in accordance with the By-Laws.

F.4.3 Appeal process

Unless an election is made to deal with the matter again pursuant to By-Law F.4.2(c), an appellant shall:

- (a) be entitled to make written submissions to the Board or BCC (as the case may be) which shall be provided by a date notified by the Exchange;
- (b) not be entitled to appear before the Board or BCC (as the case may be); and
- (c) pay any appeal fee as determined by the Exchange, such fee being refundable at the discretion of the Board or BCC (as the case may be).

F.4.4 Continuation of suspension pending appeal

Unless the Board or BCC (as the case may be) determines otherwise, pending the determination of any appeal, any suspension imposed shall commence immediately and shall continue until the appeal is determined.

F.4.5 No member of BCC to sit on appeal body

A member of the BCC who is also a member of the Board will be ineligible to hear an appeal from a decision they made as a member of the BCC.

F.5 Appeal Tribunal

F.5.1 Jurisdiction of Appeal Tribunal

The Appeal Tribunal is an independent person or persons appointed by the Board to be utilised where a Member or Applicant for membership status gives, within three (3) days after the notification of a decision, written notice to the Exchange indicating that it wishes to appeal against the decision of:

- (a) the Exchange to refuse an Applicant its application for membership status; or
- (b) the Board's original decision made under By-Law F.2.1 (i.e. not the Board's appeal decision).

F.5.2 Operation of Appeal Tribunal

- (a) The Board shall, within twenty-one (21) days after receipt of a notice of appeal under By-Law F.5.1, appoint an independent person or persons (the "Appeal Tribunal") to review the decision and notify the appellant.
- (b) A decision of the Appeal Tribunal shall be deemed to be the decision of the Board.
- (c) The Appeal Tribunal shall make its decision as expeditiously as possible and no later than two (2) months after its appointment.
- (d) In making its decision, the Appeal Tribunal shall have regard to the same criteria as the Board is required to consider whether or not to impose pursuant to the By-Laws, in considering an application for membership status or disciplinary action (as the case may be).
- (e) Where the Appeal Tribunal is constituted by more than one (1) person its decision shall be by a majority of those persons.
- (f) Where a member of the Appeal Tribunal is unable or unwilling to act or continue to act, the remaining members of the Appeal Tribunal shall constitute the Appeal Tribunal.
- (g) In the event of a person who is the sole member of the Appeal Tribunal being unable or unwilling to act, the Board will, on request of the appellant, appoint a new Appeal Tribunal and no further fee will be payable by the appellant.
- (h) In the event that the Appeal Tribunal is unable to reach a decision the decision of the Board shall stand.
- (i) It shall be a condition of the submission of an appeal to the Appeal Tribunal that the appellant and the Exchange release the Appeal Tribunal from any claims, suits or actions for damages or for costs in respect of any decision made by the Appeal Tribunal in good faith.

F.5.3 Notice of appeal to the Appeal Tribunal

Any notice given by the appellant to the Exchange under this By-Law F.5.3 shall:

- (a) be given within three (3) Business Days after the decision of the Board or the BCC (as the case may be);
- (b) include an address for service; and
- (c) be accompanied by such fee as the Exchange may determine, payable to the Exchange, which fee shall be refundable if:
 - (i) a decision of the Board to refuse an application for membership status is reversed; or
 - (ii) a termination of membership status is cancelled or reduced to a suspension, fine, reprimand, direction or other order, a suspension is reduced or cancelled, or a fine is reduced or cancelled.

F.5.4 Appeal Tribunal process

Unless the Appeal Tribunal otherwise determines:

- (a) neither the appellant nor the Exchange shall be entitled to appear before the Appeal Tribunal, but each shall be entitled to make written submissions to the Appeal Tribunal;
- (b) any written submissions by the appellant shall be lodged with the Exchange, and any submissions by the Exchange shall be served upon the appellant at its address for service, no later than ten (10) Business Days after notice of the appointment of the Appeal Tribunal is given;
- (c) all such submissions shall be provided by the Exchange to the Appeal Tribunal upon lodgement or upon service or upon the appointment of the Appeal Tribunal (whichever is the later);
- (d) the Appeal Tribunal shall be entitled to call for such written or oral explanations, or clarification of the written submissions, from the Exchange or the appellant, as it sees fit; and
- (e) subject to this By-Law F.5.4, proceedings of the Appeal Tribunal shall be in private.

F.5.5 Status of decisions pending Appeal Tribunal determination

Pending a decision of the Appeal Tribunal and unless the Appeal Tribunal otherwise determines:

- (a) any decision to refuse membership status shall stand;
- (b) any suspension imposed by the Board shall remain in force;
- (c) any termination of membership status shall be deemed to be a suspension; and
- (d) any fine imposed shall not be required to be paid.

F.6 Actions in relation to Open Positions on order not to trade or on suspension, termination or resignation

F.6.1 Board order of transfer of Open Positions

Where, under this Part F or another provision of the By-Laws, a Member's membership status has been suspended or terminated, or the Member has been ordered not to trade on a specified Market or Markets, or the Member has resigned, the Board may direct that the Open Positions held by the Member, whether on its own behalf or on behalf of Clients, shall be transferred to another Member, either:

- (a) by operation of any power of attorney given by the Client to any member or members of the Board; or
- (b) by operation of the agency created by By-Law F.6.7.

F.6.2 Board discretion

In deciding whether to make such a direction, the Board may take into account whether indebtedness of that Client to that Member has been satisfied.

F.6.3 Transfer subject to Clearing By-Laws

Any such transfer of Open Positions will be subject to the Clearing By-Laws where applicable.

F.6.4 Commission

The Member to whom such Open Positions are transferred shall be entitled to commission on any subsequent trades.

F.6.5 Board nominee

The Board may nominate one of its members to take all action in the name of the Member first named in By-Law F.6.1, and to execute all documents and do all things necessary to give effect to such transfer.

F.6.6 Board may appoint a Member to assist

The Board may appoint a Member of the Exchange to assist the Board and act at the Board's direction in relation to the management of the business of the first named Member.

F.6.7 Appointment of Board as agent

Each Member shall be deemed to have irrevocably appointed each member of the Board jointly and severally as its duly authorised agent to do all things and execute all documents, in the name of the Member or otherwise, necessary to transfer any Open Positions held by that Member in the circumstances described in By-Law F.6.1

F.7 Carrying into effect of disciplinary provisions

F.7.1 Payment of fines and costs

Any fine or cost is a debt to the Exchange due and payable by the Member on whom it is imposed or by whom it is payable, and shall be payable within ten (10) Business Days of a decision being notified to a Member unless expressly provided otherwise in the By-Laws.

F.7.2 Exchange may terminate membership status

If the fine or cost referred to is not paid by the Member by the due date the Exchange may terminate the membership status of that Member.

F.7.3 Exchange may pursue legal action

Notwithstanding any termination of membership status, the Exchange may by legal action pursue payment of the fine or cost or may accept security thereof or may agree to payment over a period of time.

F.8 Notification of disciplinary action

F.8.1 Exchange may make announcement

In relation to any decision made by the Board or BCC pursuant to this Part F the Exchange may make such public announcement and notify such persons as it sees fit and may include the identity of the Member and the grounds for such decision in any such notification.

F.8.2 Publication and right of appeal

No publication will take place where the Member has exercised any right of appeal against the decision and that appeal has not been finalized.

Part G: Resolution and arbitration of disputes; governing law

G.1 Notification

A Member shall notify the Exchange of any dispute arising with another Member or Client in connection with any Market and/or these By-Laws and which is not resolved within [30] days after that Member first became aware of that dispute.

G.2 Dispute resolution and arbitration

- (a) The parties hereto agree to negotiate in good faith to resolve any dispute arising between them in respect of these By-Laws, in the light of any guidelines offered by the Exchange with a view to conciliation and settlement. If any dispute referred to in G.1 above continues unresolved for more than [30] days from the day on which notification was (or should have been) given to the Exchange under By-Law G.1, or on such sooner date as may be agreed by the relevant parties, it shall be referred to arbitration in Dubai under the auspices and in accordance with the Rules of Arbitration of the Dubai International Arbitration Centre (the "DIAC Rules"), the DIAC Rules being incorporated into this clause by reference.
- (b) The number of arbitrators shall be three. Each party shall appoint one arbitrator of its choice from the list of arbitrators maintained by the Exchange. The two arbitrators shall within one week of the appointment of the second arbitrator appoint a third arbitrator.
- (c) The arbitration shall be conducted in English.
- (d) In the event of any inconsistency between the DIAC Rules and applicable law and procedure in the Emirate of Dubai, the inconsistency shall be resolved by reference to applicable law and procedure in the Emirate of Dubai.

G.3 Governing law

The laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates shall govern all disputes arising under these By-Laws.

G.4 Jurisdiction

Any disputes arising in connection with or under these By-Laws shall be, to the extent that no other court or tribunal has been provided for in these By-Laws in relation to such disputes, subject to the jurisdiction of the courts of the Emirate of Dubai and the parties submit to the jurisdiction of those courts.

Part H: General Market By-Laws

H.1 By-Laws applicable to all Classes of Contract listed on the Exchange

H.1.1 Listing and terms of Contracts

- (a) The Exchange may, from time to time and in its absolute discretion, list a Class of Contracts for trading on the Exchange with the terms of each Contract comprising:
- (i) the Individual Contract Specifications for the particular Class of Contract;
 - (ii) the applicable generic By-Laws in this Part H; and
 - (iii) any other By-Law which provides that it constitutes a term of a Contract.
- (b) If there is a conflict between a provision of the Individual Contract Specifications and another provision of the By-Laws, the provision of the Individual Contract Specifications shall prevail.
- (c) Each Contract within a Class of Contracts which is listed shall be traded on the Exchange in accordance with these By-Laws.
- (d) Upon listing, the Expiry Date of each Class of Contracts shall be labeled within the ATS.
- (e) In the event of a conflict between the Expiry Date and the Last Day of Trading as determined in accordance with the Individual Contract Specifications, the Last Day of Trading shall be as determined in accordance with the relevant Individual Contract Specifications.

H.1.2 Delisting of Classes of Contracts

- (a) The Exchange may, from time to time and in its absolute discretion, delist any Class of Contracts from those listed for trading on the Exchange.
- (b) If there are no Open Positions in the relevant Class of Contract which the Exchange wishes to delist, any delisting shall become effective at such time as the Exchange shall determine.
- (c) If there are Open Positions in the relevant Class of Contract which the Exchange wishes to delist, trading shall be permitted only to enable the closing out of those Open Positions, except to the extent that the Exchange deems such trading to be necessary for the maintenance of a fair, orderly and transparent market.

H.1.3 Publication of decisions, prescriptions, determinations

Where these By-Laws or the Individual Contract Specifications give the Exchange or the Clearing Corporation the power to make prescriptions or determinations (or decisions described in like terms) and to publish them or record them in a document, failure to so publish or record them shall not invalidate the prescription, determination or decision.

H.1.4 Trading hours

The Exchange shall determine trading hours for all Classes of Contracts.

H.2 By-laws applicable to all classes of futures contracts listed on the Exchange

H.2.1 Effect of Futures Contracts and obligations of Buyers and Sellers

The effect of a Futures Contract is that the Seller will deliver and the Buyer will accept delivery of the commodity which is the subject of the Futures Contract, as agreed between the parties and in accordance with the Individual Contract Specifications for that Futures Contract.

H.2.2 Default

- (a) If:
- (i) a Seller of a Futures Contract does not give delivery as required by these By-Laws; or
 - (ii) a Buyer of a Futures Contract does not take delivery as required by these By-Laws,

that Seller or Buyer (as the case may be) shall be in Default.

- (b) In the event of Default at settlement of a Futures Contract, the rights of a Member whose Client is in Default shall be as specified in the relevant Individual Contract Specifications.

H.2.3 Documents

Documents must be taken up and given to Clearing Members without prejudice to and regardless of any question in dispute and such questions shall be resolved between the parties. All differences, interest and other charges are for prompt settlement.

H.2.4 Clearing through the Clearing Corporation

- (a) All Contracts made between Members shall be cleared through Clearing Corporation in accordance with the Clearing Rules.
- (b) The Clearing Rules shall, to the extent applicable to a Member, be binding on each such Member.

H.3 Rules applicable to Option Contracts listed on the Exchange

H.3.1 General

- (a) Option Contracts shall be options over Futures Contracts, which expire on the Declaration Date determined by the Exchange.
- (b) Options Contracts may be Put Option Contracts or Call Option Contracts.

H.3.2 Effect of Option Contract

- (a) Call Option Contracts

In the case of Call Option Contracts:

- (i) the Buyer of the Call Option Contract acquires, in consideration for a Contract Premium and at a Strike Price selected from a list of such prices determined under the relevant Individual Contract Specifications and agreed between the parties, the right to a bought futures position in the Underlying Futures Contract specified as the Contract Unit in the Individual Contract Specifications for that Call Option Contract; and
- (ii) in the event that the Buyer of the Call Option Contract exercises that right, a Seller as appointed by the Clearing Corporation in accordance with the Clearing By-Laws shall be vested with a sold futures position in the Underlying Futures Contract at the same price and in the same Delivery Month as that assumed by the Buyer of the Call Option Contract; and
- (iii) where a Call Option Contract is exercised, the resulting Futures Contract shall be registered at the Strike Price agreed pursuant to By-Law H.3.2(a)(i).

- (b) Put Option Contracts

In the case of Put Option Contracts:

- (i) the Buyer of the Put Option Contract acquires, in consideration for a Contract Premium and at a Strike Price selected from a list of such prices determined under the relevant Individual Contract Specifications and agreed between the parties, the right to a sold futures position in the Underlying Futures Contract specified as the Contract Unit in the Individual Contract Specifications for that Put Option Contract;
- (ii) if the Buyer of the Put Option Contract exercises that right, a Seller appointed by the Clearing Corporation in accordance with the Clearing By-Laws shall be vested with a bought futures position in

the relevant Underlying Futures Contract at the same price and in the same Delivery Month as that assumed by the Buyer of the Put Option Contract; and

- (iii) where a Put Option Contract over a Futures Contract is exercised, the resulting Futures Contract shall be registered at the Strike Price agreed pursuant to By-Law H.3.2(b)(i).

H.3.3 Rights of Buyer and Seller

(a) Right of Buyer and Seller to Close Out

- (i) The Buyer of an Option Contract may, prior to the expiration of trading on the Declaration Date, sell an Option Contract of the same Series as that Option Contract bought, in which case the bought and sold positions may be closed out.
- (ii) The Seller of an Option Contract may, prior to the expiration of trading on the Declaration Date, buy an Option Contract in the same Series as that Option Contract sold, in which case the sold and bought positions may be closed out.

(b) Right of Buyer to Exercise

The Buyer of an Option Contract may:

- (i) subject to By-Law H.3.3 (c) exercise the Option at any time prior to the time determined by the Exchange for lodging Exercise Notices in the relevant Option Contract, in which case the Buyer shall become the holder of a bought futures position (in the case of a Call Option Contract), or the holder of a sold futures position (in the case of a Put Option Contract), in the Underlying Futures Contract in the same Delivery Month and at the same price as the Strike Price of the Option Contract bought; or
- (ii) allow the Clearing Corporation, on the Declaration Date, automatically to exercise the Option Contract or let it lapse, in accordance with the relevant Individual Contract Specifications.

(c) No Right of Buyer to Exercise Out-of-Money Option Contracts

The Buyer shall not have the right to exercise an out-of-the-money Option Contract.

H.3.4 Premium

- (a) An Option Contract shall be entered into in consideration of a Contract Premium payable by the Buyer.
- (b) The Contract Premium shall be calculated in accordance with these By-Laws and payment thereof shall be governed by the margin requirements set out in Part E of these By-Laws.

H.3.5 Strike Prices

Strike Prices shall be determined and published by the Exchange from time to time.

H.3.6 Lodgement of Exercise Notices in respect of Option Contracts

- (a) Exercise of an Option may be carried out by lodging an Exercise Notice electronically with the Clearing Corporation in a form determined by the Clearing Corporation.
- (b) A Member who holds a Call Option Contract or a Put Option Contract on behalf of a Client may exercise the Option provided that the Member has received the relevant instructions from the Client prior to the time for lodgement of the Exercise Notice.

H.3.7 Exercise/Expiry of all Option Contracts on Declaration Date

On the Declaration Date of Option Contracts, the Clearing Corporation shall, unless otherwise directed by an Exercise Notice:

- (a) exercise all in-the-money Option Contracts ; and
- (b) allow all other Option Contracts to expire.

H.3.8 Option Contracts which are in-the Money

An Option over a Futures Contract is in-the-money if the Daily Settlement Price during the Delivery Month of the Underlying Futures Contract on the Declaration Date is greater than the Strike Price in the case of a Call Option Contract, or is less than the Strike Price in the case of a Put Option Contract.

H.3.9 Notification to Sellers

(a) Nature of notification

Upon receipt of an Exercise Notice, the Clearing Corporation will notify the Seller that the Seller has become the holder of a sold futures position, in the case of a Call Option Contract, or the holder of a bought futures position in the case of a Put Option Contract, in the underlying Futures Contract in the same month and at a price equal to the Strike Price of the Option Contract sold.

(b) Timing of notification on Declaration Day

On the Declaration Date, the Seller will receive such notification after the Exercise Notice is lodged in the DGCX Allocation & Clearing System and by not later than the time determined by the Exchange for each relevant Option Contract.

(c) Timing of notification on other Business Days

On all other Business Days, the Seller will receive such notification after the conclusion of business processing at the end of the day on which the Exercise Notice was lodged by the Seller and by not later than the time determined by the Exchange for each relevant Option Contract.

H.3.10 Obligations of Member on Exercise of Option Contracts

Where the Seller has become the holder of a futures position pursuant to the exercise of an Option Contract, the Seller shall comply with the provisions of these By-Laws relating to the futures positions.

Part I: Gold Futures and Options Contract Specification

I.1 Gold Futures Contract

I.1.1 Contract Unit

Thirty two (32) troy ounces of refined gold.

I.1.3 Delivery Months

Trading in Gold Futures Contracts shall be conducted for such Delivery Months as the Exchange may determine from time to time.

I.1.4 Minimum price fluctuations

Minimum price fluctuations for trading in gold futures shall be U.S. Dollars 0.10 per troy ounce.

I.1.5 Trading hours

Hours for trading in Gold Futures Contracts shall be as determined by the Exchange from time to time.

I.1.6 Trading days

Days for trading in Gold Futures Contracts shall be determined by the Exchange from time to time.

I.1.7 Last trading day

The last trading day for Gold Futures Contracts shall be the Business Day immediately preceding the sixth Delivery Day of the Delivery Month.

I.2 Deliverable gold

I.2.1 Description of Deliverable Gold

Deliverable gold shall be one kilogram of refined gold of 0.995 fineness, cast in one bar by an Approved Gold Refiner and located in an Approved Vault.

I.2.2 Packaging of Deliverable Gold

Every bar of deliverable gold shall be packaged in a form approved by the Exchange

I.2.3 Delivery to Approved Vaults

Gold, to be eligible for delivery in fulfillment of a Gold Futures Contract, shall have been delivered to an Approved Vault as follows:

- (a) directly from an Approved Gold Refiner for the account of that Approved Gold Refiner or of a Clearing Member; or
- (b) directly from an Approved Gold CMI for the account of a Clearing Member; or
- (c) directly from another Approved Vault for the account of a Clearing Member, provided that such gold was delivered to that Approved Vault in accordance with
 - (i) By-Law I.2.3 (a), or
 - (ii) By-Law I.2.3 (b).

I.3 Approved Gold Refiners, Vaults, and CMIs

The Exchange shall from time to time determine and publish:

- (a) a list of Approved Gold Refiners whose gold bars shall be accepted as deliverable gold in fulfillment of a Gold Futures Contract;
- (b) a list of Approved Vaults in the UAE in which gold may be stored for delivery in fulfillment of a Gold Futures Contract and whose certification as to weight shall be accepted for gold delivered in fulfillment of a Gold Futures Contract;

- (c) a list of Approved Gold CMI's whose certification as to weight and fineness shall be accepted for gold delivered in fulfillment of a Gold Futures Contract; and

I.4 Delivery Notices

I.4.1 Issuance of Delivery Notices

- (a) A Clearing Member holding a short position ("Seller") intending to deliver shall provide to the Clearing Corporation a Delivery Notice by a time, prescribed by the Exchange, on the Business Day immediately preceding the Delivery Day on which delivery is to occur, containing such information regarding the gold to be delivered as the Exchange may prescribe.
- (b) A Delivery Notice, once issued, cannot be withdrawn or cancelled without the written agreement of the Clearing Corporation. Such withdrawal or cancellation shall in no circumstances occur after the close of trading on day on which the Delivery Notice is issued.

I.4.2 Gold to be Represented by a DGR

- (a) Gold that is the subject of a Delivery Notice shall be stored in an Approved Vault and shall be represented by a DGR that complies with the requirements of these By-Laws.
- (b) Following issuance of a Delivery Notice the DGR referred to in By-Law I.4.2 may not be cancelled or transferred other than in accordance with By-Law I.8.

I.4.3 Delivery Days

For each Class of Contract the Delivery Days shall be six days determined by the Exchange and advised to Members prior to the commencement of trading in that Class of Contract.

I.4.4 Notice Days

For each Delivery Month:

- (a) the First Notice Day is the Business Day immediately preceding the first Delivery Day of the Delivery Month; and
- (b) the Last Notice Day is the Business Day immediately preceding the sixth Delivery Day of the Delivery Month.

I.5 Roles of Clearing Corporation and DMCC

I.5.1 Clearing Corporation to Act as Seller's Agent

Each Seller who has issued a Delivery Notice shall be deemed to appoint the Clearing Corporation to act as its agent to perform one or more the following to the extent necessary to effect the delivery of gold subject to that Delivery Notice :

- (a) to instruct an Approved Vault to cancel a DGR representing such gold stored in the Approved Vault; and/or
- (b) to instruct an Approved Vault to issue two or more DGR's representing such gold in place of the cancelled DGR; and/or
- (c) to instruct DMCC to endorse by way of transfer to a Buyer or Buyers determined by the Clearing Corporation, the DGR or DGR's representing such gold .

I.5.2 DMCC May Act on Behalf of Clearing Corporation

The Clearing Corporation may, with the agreement of DMCC, authorize DMCC to act on its behalf to perform any of the acts referred to in By Law I.5.1

I.6 Settlement Value

I.6.1 Calculation of Settlement Value

The Settlement Value for each Contract shall be calculated as

$$SV = 31.99 \times P$$

Where SV is the Settlement Value expressed in US Dollars; and

P is the invoice, expressed in US Dollars per troy ounce.”

I.6.2 Invoice Price

The invoice price referred to in By-Law I.6.1 shall be the Daily Settlement Price of the relevant Class of Contract on the Notice Day.

I.7 Allocation of Delivery Notices and Advice to Sellers and Buyers

I.7.1 Allocation of Delivery Notices

- (a) Following receipt of the Delivery Notice the Clearing Corporation shall, prior to the commencement of trading on the Business Day following the Notice Day allocate that Delivery Notice to a Clearing Member holding a long position (“Buyer”).
- (b) Where the Delivery Notice is in respect of more than one Contract the Clearing Corporation may allocate that Notice to more than one Buyer.

I.7.2 Advice to Buyers and Sellers

- (a) Following allocation of a Delivery Notice in accordance with By-Law I.7.1 (a) the Clearing Corporation shall advise the Seller and Buyer accordingly.
- (b) Where a Delivery Notice is allocated to more than one Buyer in accordance with By-Law I.7.1 (b) the advice referred to in By-Law I.7.2 (a), shall provide to each Buyer details only of such gold as that Buyer is to receive under the allocation.
- (c) The advice to the Buyer and Seller referred to in By-Laws I.7.2 (a) shall include the Settlement Value for each Contract..

I.8 Delivery procedure

I.8.1 Delivery Where a Notice is Allocated to One Buyer

- (a) Where a Delivery Notice is allocated by the Clearing Corporation to one Buyer, on the Delivery Day immediately following the day on which the Notice is issued by a Seller the Clearing Corporation shall instruct DMCC , on behalf of the Seller in accordance with By Law I.5, to endorse the relevant DGR or DGR’s by way of transfer to the Buyer.
- (b) The issuing of the instruction to DMCC referred to in By Law I.8.1 (a) shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law I.9.1 from the Buyer.
- (c) The endorsement by DMCC referred to in By-Law I.8.1 (a) shall be performed not later than a time prescribed by the Corporation.

I.8.2 Delivery where a Notice is Allocated to More Than One Buyer

- (a) Where the Delivery Notice is allocated by the Clearing Corporation to more than one Buyer, the Clearing Corporation, on behalf of the Seller in accordance with By-Law I.5, and not later than a time prescribed by it, shall
 - (i) instruct the Approved Vault in which the gold is stored to cancel the DGR referred to in By-Law I.4.2 (a); and
 - (ii) instruct the Approved Vault to issue two or more DGR’s in place of the cancelled DGR; and
 - (iii) subject to receipt of payment in accordance with By-Law I.9.1 from a Buyer to whom the Delivery Notice is allocated, instruct DMCC to endorse the relevant DGR by way of transfer to that Buyer.
- (b) The instruction issued by the Clearing Corporation under By-Law I.8.2 (a) (ii) shall include advice as to the number of gold bars that are to be represented by each of the DGR’s that are to be issued by the Approved Vault.
- (c) The issuing of the instruction to DMCC referred to in By-Law I.8.2 (a) (iii) shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law I.9.1 from the Buyer.

- (d) The endorsement by DMCC referred to in By-Law I.8.2 (a) (iii) shall be performed not later than a time prescribed by the Corporation.

I.8.3 Certification of DGR's

- (a) Subject to By-Law I.8.3 (b) a DGR referred to in By- Laws I.8.2 and I.8.3 (b) shall be either
- (i) a CMI-Certified DGR issued by an Approved Vault and shall include a certification by an Approved Gold CMI as to the weight and fineness of the gold that is the subject of the DGR; or,
 - (ii) where the gold that is represented by the DGR has been delivered to the Approved Vault in accordance with By-Law 1.2.3 (a) or (c) (i), shall be a Standard DGR accompanied by a certification issued by an Approved Gold Refiner as to the weight and fineness of the gold that is represented by the DGR.
- (b) Where, in order to comply with an instruction from the Clearing Corporation in accordance with By-Laws I.8.2 (a) and (b), an Approved Vault is required to break a package of gold bars, for which it holds a single certification as to weight and fineness, into two or more DGR's, it shall be sufficient for the purposes of By-Law I.8.3 (a) for the Approved Vault to include in such DGR's a certification as to the weight and fineness of the relevant bars as shown on the certification by an Approved Gold CMI accompanying the original package.
- (c) Where an Approved Vault issues a certification in accordance with By-Law I.8.3 (b) its responsibility for the accuracy of such certification shall be limited to that of ensuring that the information in the certification correctly reproduces that on the original certification issued by the Approved Gold CMI.

I.9 Payment

I.9.1 Payment by Buyer

On the Delivery Day immediately following the day on which a Delivery Notice is issued a Buyer to whom that Delivery Notice is allocated shall, not later than a time prescribed by the Clearing Corporation, pay to the Clearing Corporation the Settlement Value.

I.9.2 Payment to Seller

On the Delivery Day immediately following the day on which a Delivery Notice is issued the Clearing Corporation shall, subject to completion of the endorsements referred to in By-Laws I.8.1 (a) or I.8.1 (b) (iii) , as the case may be, and not later than a time prescribed by it, pay the Settlement Value to the Seller.

I.10 Default

I.10.1 Default by Seller

- (a) Should a delivery not be duly made by a Seller or its Agent as provided in these Gold Contract Specifications, such Seller shall be in default.
- (b) Should a Seller not have issued a Delivery Notice in respect of an Open Position existing at the close of trading on the last trading day, such Seller shall be in default.
- (c) Should a Seller fail to deliver gold that conforms in all relevant respects to the description in By-Law I.2, such Seller shall be in default.

I.10.2 Default by Buyer

- (a) Should a delivery not be duly accepted by a Buyer or its Agent as provided in these Gold Contract Specifications, such Buyer shall be in default.
- (b) Should payment for any delivery not be made by the Buyer as provided in these Gold Contract Specifications the Clearing Corporation is authorized to sell the gold forthwith.

I.11 Gold Options Contract**I.11.1 Contract Unit**

One Gold Futures Contract

I.11.2 Minimum premium fluctuations

As determined by the Exchange

I.11.3 Quotation of Strike Prices

As determined by the Exchange

I.11.4 Expiry Months

As determined by the Exchange

I.11.5 Declaration Date

As determined by the Exchange

I.11.6 Time at which trading ceases on Declaration Date

As determined by the Exchange

Part J: Silver Futures and Options Contract Specification

J.1 Silver Futures Contract

J.1.1 Contract Unit

One thousand (1000) troy ounces of refined silver.

J.1.2 Vacant

J.1.3 Delivery Months

Trading in Silver Futures Contracts shall be conducted for such Delivery Months as the Exchange may determine from time to time.

J.1.4 Minimum price fluctuations

Minimum price fluctuations for trading in Silver Futures Contracts shall be U.S. Dollars 0.005 per troy ounce.

J.1.5 Trading hours

Hours for trading in Silver Futures Contracts shall be as determined by the Exchange from time to time.

J.1.6 Trading days

Days for trading in Silver Futures Contracts shall be determined by the Exchange from time to time.

J.1.7 Last trading day

The last trading day for Silver Futures Contracts shall be the fifth Delivery Day of the Delivery Month.

J.2 Deliverable Silver

J.2.1 Description of Deliverable Silver

- (a) Deliverable silver shall be thirty (30) kilograms of refined silver (plus or minus 10%) of 0.999 fineness, cast in one (1) bar by an Approved Silver Refiner and located in an Approved Silver Vault.
- (b) Each bar shall have been stamped by the Approved Silver Refiner with the following information:
 - (i) the weight of the bar, expressed in troy ounces, kilograms or grams
 - (ii) the fineness of the bar
 - (iii) the year of manufacture of the bar
 - (iv) the stamp of the Approved Silver Refiner
- (c) A delivered bar may be accompanied by a certification, issued by an Approved Silver CMI, as to weight and fineness of the bar, in which case the information so certified shall take precedence over that referred to in By-Law J.2.1 (b) (i) and (ii) respectively.

J.2.2 Packaging of Deliverable Silver

Every bar of deliverable silver shall be packaged in a form approved by the Exchange

- (i) By-Law J.2.3 (a), or
- (ii) By-Law J.2.3 (b).

J.3 Approved Silver Refiners, Silver Vaults, and Silver CMIs

The Exchange shall from time to time determine and publish:

- (a) a list of Approved Silver Refiners whose silver bars shall be accepted as deliverable silver in fulfillment of a Silver Futures Contract; and whose certification as to weight and fineness shall be accepted for silver delivered in fulfillment of a Silver Futures Contract,
- (b) a list of Approved Silver Vaults in the UAE in which silver may be stored for delivery in fulfillment of a Silver Futures Contract;
- (c) a list of Approved Silver CMI's whose certification as to weight and fineness shall be accepted for silver delivered in fulfillment of a Silver Futures Contract; and

J.4 Delivery Notices

J.4.1 Issuance of Delivery Notices

- (a) A Clearing Member holding a short position ("Seller") intending to deliver shall provide to the Clearing Corporation a Delivery Notice by a time, prescribed by the Exchange, on the Business Day immediately preceding the Delivery Day on which delivery is to occur, containing such information regarding the silver to be delivered as the Exchange may prescribe.
- (b) A Delivery Notice, once issued, cannot be withdrawn or cancelled without the written agreement of the Clearing Corporation. Such withdrawal or cancellation shall in no circumstances occur after the close of trading on day on which the Delivery Notice is issued.

J.4.2 Silver to be Represented by a DGR

- (a) Silver that is the subject of a Delivery Notice shall be stored in an Approved Silver Vault and shall be represented by a DGR that complies with the requirements of these By-Laws.
- (b) Following issuance of a Delivery Notice the DGR referred to in By-Law J.4.2 may not be cancelled or transferred other than in accordance with By-Law J.8.

J.4.3 Delivery Days

For each Class of Contract the Delivery Days shall be five days determined by the Exchange and advised to Members prior to the commencement of trading in that Class of Contract.

J.4.4 Notice Days

For each Delivery Month:

- (a) the First Notice Day is the Business Day immediately preceding the first Delivery Day of the Delivery Month; and
- (b) the Last Notice Day is the Business Day immediately preceding the fifth Delivery Day of the Delivery Month.

J.5 Roles of Clearing Corporation and DMCC

J.5.1 Clearing Corporation to Act as Seller's Agent

Each Seller who has issued a Delivery Notice shall be deemed to appoint the Clearing Corporation to act as its agent to perform one or more the following to the extent necessary to effect the delivery of silver subject to that Delivery Notice :

- (a) to instruct an Approved Silver Vault to cancel a DGR representing such silver stored in the Approved Silver Vault; and/or
- (b) to instruct an Approved Silver Vault to issue two or more DGR's representing such silver in place of the cancelled DGR; and/or
- (c) to instruct DMCC to endorse by way of transfer to a Buyer or Buyers determined by the Clearing Corporation, the DGR or DGR's representing such silver.

J.5.2 DMCC May Act on Behalf of Clearing Corporation

The Clearing Corporation may, with the agreement of DMCC, authorize DMCC to act on its behalf to perform any of the acts referred to in By Law J.5.1

J.6 Settlement Value

J.6.1 Calculation of Settlement Value

The Settlement Value for each Contract shall be calculated as:

- (a) if the weight certified by the Approved Silver Refiner or Approved Silver CMI is expressed in troy ounces,

$$SV = W \times P$$

where

SV is the Settlement Value expressed in US Dollars;

W is the weight of the delivered silver (expressed in troy ounces) as stamped on the delivered bar or certified by an Approved Silver CMI, and determined in accordance with By-Law J.2.1 (c), and

P is the invoice price, expressed in US Dollars per troy ounce.

- (b) if the weight certified by the Approved Silver Refiner or Approved Silver CMI is expressed in kilograms,

$$SV = 32.1507 \times W \times P$$

where

SV is the Settlement Value expressed in US Dollars;

W is the weight of the delivered silver (expressed in kilograms) as stamped on the delivered bar or certified by an Approved Silver CMI, and determined in accordance with By-Law J.2.1 (c), and

P is the invoice price, expressed in US Dollars per troy ounce.

- (c) if the weight certified by the Approved Silver Refiner or Approved Silver CMI is expressed in grams,

$$SV = .0321507 \times W \times P$$

where

SV is the Settlement Value expressed in US Dollars;

W is the weight of the delivered silver (expressed in grams) as stamped on the delivered bar or certified by Approved Silver CMI, and determined by By-Law J.2.1 (c), and

P is the invoice price, expressed in US Dollars per troy ounce.

J.6.2 Invoice Price

The invoice price referred to in By-Law J.6.1 shall be the Daily Settlement Price of the relevant Class of Contract on the Notice Day.

J.7 Allocation of Delivery Notices and Advice to Sellers and Buyers

J.7.1 Allocation of Delivery Notices

- (a) Following receipt of the Delivery Notice the Clearing Corporation shall, prior to the commencement of trading on the Business Day following the Notice Day allocate that Delivery Notice to a Clearing Member holding a long position ("Buyer").
- (b) Where the Delivery Notice is in respect of more than one Contract the Clearing Corporation may allocate that Notice to more than one Buyer.

J.7.2 Advice to Buyers and Sellers

- (a) Following allocation of a Delivery Notice in accordance with By-Law J.7.1 (a) the Clearing Corporation shall advise the Seller and Buyer accordingly.

- (b) Where a Delivery Notice is allocated to more than one Buyer in accordance with By-Law J.7.1 (b) the advice referred to in By-Law J.7.2 (a), shall provide to each Buyer details only of such silver as that Buyer is to receive under the allocation.
- (c) The advice to the Buyer and Seller referred to in By-Laws J.7.2 (a) shall include the Settlement Value for each Contract.

J.8 Delivery procedure

J.8.1 Delivery Where a Notice is Allocated to One Buyer

- (a) Where a Delivery Notice is allocated by the Clearing Corporation to one Buyer, on the Delivery Day immediately following the day on which the Notice is issued by a Seller the Clearing Corporation shall instruct DMCC, on behalf of the Seller in accordance with By-Law J.5, to endorse the relevant DGR or DGR's by way of transfer to the Buyer.
- (b) The issuing of the instruction to DMCC referred to in By Law J.8.1 (a) shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law J.9.1 from the Buyer.
- (c) The endorsement by DMCC referred to in By-Law J.8.1 (a) shall be performed not later than a time prescribed by the Corporation.

J.8.2 Delivery where a Notice is Allocated to More Than One Buyer

- (a) Where the Delivery Notice is allocated by the Clearing Corporation to more than one Buyer, the Clearing Corporation, on behalf of the Seller in accordance with By-Law J.5, and not later than a time prescribed by it, shall
 - (i) instruct the Approved Silver Vault in which the silver is stored to cancel the DGR referred to in By-Law J.4.2 (a); and
 - (ii) instruct the Approved Silver Vault to issue two or more DGR's in place of the cancelled DGR; and
 - (iii) subject to receipt of payment in accordance with By-Law J.9.1 from a Buyer to whom the Delivery Notice is allocated, instruct DMCC to endorse the relevant DGR by way of transfer to that Buyer.
- (b) The instruction issued by the Clearing Corporation under By-Law J.8.2 (a) (ii) shall include advice as to the number of silver bars that are to be represented by each of the DGR's that are to be issued by the Approved Silver Vault.
- (c) The issuing of the instruction to DMCC referred to in By-Law J.8.2 (a) (iii) shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law J.9.1 from the Buyer.
- (d) The endorsement by DMCC referred to in By-Law J.8.2 (a) (iii) shall be performed not later than a time prescribed by the Corporation.

J.8.3 Certification of DGR's

- (a) Subject to By-Law J.8.3 (b) a DGR referred to in By- Laws J.8.2 and J.8.3 (b) shall be either
 - (i) a CMI-Certified DGR issued by an Approved Silver Vault and shall include a certification by an Approved Silver CMI as to the weight and fineness of the silver that is the subject of the DGR; or,
 - (ii) a Standard DGR, in which case the information referred to in By-Law J.2.1 (b) (i) and (ii) shall be relied upon for the weight and fineness, respectively, of the delivered bar
- (b) Where, in order to comply with an instruction from the Clearing Corporation in accordance with By-Laws J.8.2 (a) and (b), an Approved Silver Vault is required to break a package of silver bars, for which it holds a single CMI-certification as to weight and fineness, into two or more DGR's, the newly issued DGR's shall be Standard DGR's to which By-Law J.8.3 (a) (ii) shall apply.
- (c) Where an Approved Vault issues a certification in accordance with By-Law J.8.3 (b) its responsibility for the accuracy of such certification shall be limited to that of ensuring that the information in the certification correctly reproduces that on the original certification issued by the Approved Silver CMI.

J.9 Payment

J.9.1 Payment by Buyer

On the Delivery Day immediately following the day on which a Delivery Notice is issued a Buyer to whom that Delivery Notice is allocated shall, not later than a time prescribed by the Clearing Corporation, pay to the Clearing Corporation the Settlement Value.

J.9.2 Payment to Seller

On the Delivery Day immediately following the day on which a Delivery Notice is issued the Clearing Corporation shall, subject to completion of the endorsements referred to in By-Laws J.8.1 (a) or J.8.1 (b) (iii) , as the case may be, and not later than a time prescribed by it, pay the Settlement Value to the Seller.

J.9A Cash Settlement

J.9A.1 Description of Open Positions to be Cash Settled

Open Positions that have not been Closed Out on the Last Day of Trading shall be subject to this By-Law J9A.

J.9A.2 Silver Cash Settlement Price

Subject to By-Law J9A.2 (b), the Silver Cash Settlement Price shall be the London Silver Fixing Price (expressed in US Dollars per troy ounce) published by the LBMA on the Last Day of Trading.

In the event that the LBMA does not publish a London Silver Fixing Price on the Last Day of Trading the Clearing Corporation shall determine the Silver Cash Settlement Price having regard to such information regarding the price of silver as it regards as relevant.

All parties acknowledge that all references in these By-Laws to the London Silver Fixing Price are used with the permission of The London Silver Market Fixing Limited which for the avoidance of doubt has no involvement with and accepts no responsibility whatsoever for the underlying product for which the London Silver Fixing Price may be referenced.

J9A.3 Daily Settlement Price on Last Day of Trading

The Daily Settlement Price on the Last Day of Trading shall be the Silver Cash Settlement Price.

J.9A.4 Settlement

All contracts not Closed Out by the Close of Trading on the Last Day of Trading shall be settled at the Silver Cash Settlement Price.

J.10 Default

J.10.1 Default by Seller

- (a) Should a delivery not be duly made by a Seller or its Agent as provided in these Silver Contract Specifications, such Seller shall be in default.
- (b) Should a Seller not have issued a Delivery Notice in respect of an Open Position existing at the close of trading on the last trading day, such Seller shall be in default.
- (c) Should a Seller fail to deliver silver that conforms in all relevant respects to the description in By-Law J.2, such Seller shall be in default.

J.10.2 Default by Buyer

- (a) Should a delivery not be duly accepted by a Buyer or its Agent as provided in these Silver Contract Specifications, such Buyer shall be in default.
- (b) Should payment for any delivery not be made by the Buyer as provided in these Silver Contract Specifications the Clearing Corporation is authorized to sell the silver forthwith.

J.11 Claim by Buyer

- (a) where a Buyer has accepted and paid in full for a delivery in accordance with these By-Laws, and is dissatisfied with the weight and/or fineness of the delivered bar, such Buyer shall be entitled to make a claim against the Seller.
- (b) In order to make a claim under this By-Law the Buyer must lodge a written notice of claim with the Clearing Corporation not later than 5.00 p.m. Dubai time on the second Business Day following the Delivery Day.
- (c) Following receipt of a notice of claim the Clearing Corporation shall submit the bar to an Approved Silver CMI of its choice for sampling and assaying.
- (d) The cost of sampling and assaying referred to in By-Law J.11 (c) shall in the first instance be borne by the Buyer.
- (e) In the event that the sampling and assaying referred to in By-Law J.11 (c) determines a deficiency in weight and/or fineness in the delivered bar relative to the minimum deliverable specification, the Buyer shall be entitled to be compensated by the Seller for
 - (i) the cost of the sampling and assaying,
 - (ii) the deficiency in weight and/or fineness in the delivered bar relative to the minimum deliverable specification, and
 - (iii) any cost of replacement of the silver

J.12 Silver Options Contract

J.12.1 Contract Unit

One Silver Futures Contract

J.12.2 Minimum premium fluctuations

As determined by the Exchange

J.12.3 Quotation of Strike Prices

As determined by the Exchange

J.12.4 Expiry Months

As determined by the Exchange

J.12.5 Declaration Date

As determined by the Exchange

J.12.6 Time at which trading ceases on Declaration Date

As determined by the Exchange

Part K. Dubai Steel Rebar Futures and Options Contract Specification

K.1 Interpretation

K.1.1 Definitions

In this Part K of the By-Laws, terms not defined in Part A of the By-Laws bear the following meaning and where there is an inconsistency between a definition in Part A of the By-Laws and the definition below, the definition below shall prevail.

Approved CMI	a CMI approved by the Exchange in accordance with By Law K. 4 (d)
Approved DCR Issuer	a DCR Issuer approved by the Exchange in accordance with By Law K.4 (c) to issue DCR's representing Rebars for the purpose of enabling delivery in fulfillment of a Dubai Steel Rebar Futures Contract.
Approved Delivery Point	a warehouse or other facility approved by the Exchange in accordance with By-Law K.4 (b) at which steel may be delivered in fulfillment of a Dubai Steel Rebar Futures Contract
Approved Delivery Operator (DPO)	The company operating the Approved Delivery Point
Approved Producer	a steel producer or re-rolling mill approved by the Exchange in accordance with By Law K.4 (a)
BSI Steel Bar Standard	the specification for carbon steel bars for the reinforcement of concrete published by BSI as BS 4449/W460B and dated May 1997
Buyer's Notice of Preference	a notice issued by a Buyer in accordance with By-Law K.5.5
Calendar Day	Each day of the week commencing with Sunday (day 1), and lasting until Saturday (day 7)
Calendar Week	The week containing the 7 consecutive Calendar Days, commencing every Sunday (day 1), and lasting until Saturday (day 7)
DPO Day	Days on which the Approved DPO is able to receive / dispatch physical goods to / from the Approved Delivery Point
Delivery Days	In respect of a Class of Dubai Steel Rebar Futures Contract that are not Short Term Futures Contracts, a period of Four (4) Trading Days commencing on the first Trading Day of the Calendar Week following the week containing the Last Day of Trading, during which Rebar may be delivered in fulfillment of such Contracts. In respect of a Class of Dubai Steel Rebar Futures Contract that are Short Term Futures Contracts, the period of up to Four (4) Trading Days that may occur during the period of Four (4) Calendar Days from Calendar Day 2 to Calendar Day 5 of the Calendar Week following the Last Day of Trading, during which Rebar may be delivered in fulfillment of such Contracts.
DGCX Surface Condition Code	A printed or electronic document produced by the Exchange containing photographs of Rebars showing various levels of rust and rust staining
FCA	As that term is defined in Incoterms
Incoterms	A set of standard trade definitions developed and promulgated by International Chamber of Commerce, Commission or Commercial Law and Practice.
Mill Test Certificate or "MTC"	a certificate issued by an Approved Producer, conforming to the Euronorm Standard EN10204 Level 3.1 (b)

Nominal Diameter			nominal size as defined in the BSI Steel Bar Standard
Rebars			prime weldable steel bars for reinforcement of concrete
Steel Notice	Delivery	Rejection	a notice issued by a Buyer in accordance with By-Law K.12.1

K.2 Dubai Steel Rebar Futures Contract

K.2.1 Contract Unit

Ten (10) metric tonnes of Rebars.

K.2.3 Delivery Months and Delivery Weeks

Trading in Dubai Steel Rebar Futures Contracts shall be conducted for such Delivery Months and Delivery Weeks as the Exchange may determine from time to time.

K.2.4 Price basis and Minimum price fluctuations

- (a) Prices shall be quoted in US Dollars per metric tonne, customs cleared, duty unpaid, FCA truck (named place) at an Approved Delivery Point.
- (b) Minimum price fluctuations for trading in Dubai Steel Rebar Futures Contracts shall be U.S. Dollars 1.00 per metric tonne.

K.2.5 Trading hours

Hours for trading in Dubai Steel Rebar Futures Contracts shall be as determined by the Exchange from time to time.

K.2.6 Last Day of Trading

- (a) The Last Day of Trading for Dubai Steel Rebar Futures Contracts that are not Short Term Futures Contracts shall be the first Thursday of the Delivery Month, provided that if such day is not a Trading Day, the Last Day of Trading shall be the Trading Day immediately preceding that Thursday.
- (b) The Last Day of Trading for Dubai Steel Rebar Futures Contracts that are Short Term Futures Contracts shall be the Thursday of the week immediately prior to the Delivery Week, provided that if such day is not a Trading Day, the Last Day of Trading shall be the Trading Day immediately preceding that Thursday.

K.3 Deliverable Steel Rebars

K.3.1 Description of Deliverable Steel Rebars

- (a) The quantity of Deliverable Rebars shall be approximately ten metric tonnes per lot, as determined by By-Law K.3.4, of prime weldable steel bars for the reinforcement of concrete and shall conform to the Grade W460B and Type 2 as defined in the BSI Steel Bar Standard BS 4449/W460B (1997).
- (b) Deliverable Rebars shall have a Nominal Diameter of sixteen (16), twenty (20), twenty five (25) or thirty two (32) millimetres.
- (c) Deliverable Rebars shall have a length of twelve thousand (12000) millimetres (with a tolerance of twelve thousand (12000) millimetres to twelve thousand one hundred (12100) millimetres).
- (d) All Rebars in a bundle, as described in By-Law K.3.2 (a), shall be of the same Nominal Diameter and be produced from the same heat of steel.
- (e) Each lot representing a Contract of deliverable Rebars shall be accompanied by one (1) MTC for each heat of steel contained in that lot.
- (f) All bundles in a lot representing a Contract of deliverable Rebars shall be comprised of Rebars with the same Nominal Diameter, produced by an Approved Producer.

K.3.2 Packing and Identification of Deliverable Rebar

- (a) Every lot representing a Contract of deliverable Rebar shall be packed in five (5) bundles of approximately two (2) metric tonnes each. Each bundle shall be secured in a manner prescribed by the Exchange from time to time.
- (b) Each Rebar shall carry such identifying marks as the Exchange may prescribe from time to time.

K.3.3 Number of Rebars per Bundle

The number of Rebars per bundle shall be as follows:

- (a) where the Nominal Diameter of the Rebars is 16 mm. the number of Rebars per bundle shall be not less than one hundred and four (104);
- (b) where the Nominal Diameter of the Rebars is 20 mm the number of Rebars per bundle shall be not less than sixty six (66);
- (c) where the Nominal Diameter of the Rebars is 25 mm the number of Rebars per bundle shall be not less than forty two (42);
- (d) where the Nominal Diameter of the Rebars is 32 mm the number of Rebars per bundle shall be not less than twenty six (26)

K.3.4 Contract Weight of Delivered Rebar

The weight of each lot representing a Contract (the "Contract Weight") shall be calculated on a theoretical weight basis, determined as follows:

- (a) where the Nominal Diameter of the delivered Rebars is 16 mm,
 - (i) and the number of Rebars per bundle is one hundred and four (104), the Contract Weight shall be 9.85296 metric tonnes;
 - (ii) and the number of Rebars per bundle is one hundred and five (105), the Contract Weight shall be 9.94770 metric tonnes;
 - (iii) and the number of Rebars per bundle is one hundred and six (106) or more, the Contract Weight shall be 10.04244 metric tonnes
- (b) where the Nominal Diameter of the delivered Rebars is 20 mm
 - (i) and the number of Rebars per bundle is sixty-six (66), the Contract Weight shall be 9.76536 metric tonnes
 - (ii) and the number of Rebars per bundle is sixty-seven (67), the Contract Weight shall be 9.91332 metric tonnes
 - (iii) and the number of Rebars per bundle is sixty-eight (68), or more, the Contract Weight shall be 10.06128 metric tonnes
- (c) where the Nominal Diameter of the delivered Rebars is 25 mm,
 - (i) and the number of Rebars per bundle is forty two (42), the Contract Weight shall be 9.71208 metric tonnes;
 - (ii) and the number of Rebars per bundle is forty three (43), the Contract Weight shall be 9.94332 metric tonnes;
 - (iii) and the number of Rebars per bundle is forty four (44) or more, the Contract Weight shall be 10.17456 metric tonnes
- (d) where the Nominal Diameter of the delivered Rebars is 32 mm, the Contract Weight shall be 9.984828 metric tonnes

K.3.5 Condition of Rebars

- (a) Deliverable Rebars shall be in an undamaged condition
- (b) The Surface Condition of Deliverable Rebars shall be in accordance with the minimum acceptable condition as defined in the DGCX Surface Condition Code

K.3.6 Age and Certification of Deliverable Rebars

For Rebar to be deliverable in fulfillment of a Contract, the Delivery Day shall be not later than twelve (12) months after the production date shown on the Mill Test Certificate.

K.4 Approved Producers, Delivery Points, DCR Issuers, and CMLs

The Exchange shall from time to time determine and publish:

- (a) a list of Approved Producers whose Rebar shall be accepted as deliverable Rebar in fulfillment of a Dubai Steel Rebar Futures Contract;
- (b) a list of Approved Delivery Points at which Rebar may be delivered in fulfillment of a Dubai Steel Rebar Futures Contract
- (c) a list of Approved DCR Issuers whose DCR's representing Rebars may be used for delivery in fulfillment of a Dubai Steel Rebar Futures Contract and whose certification as to quantity shall be accepted for Rebar delivered in fulfillment of a Dubai Steel Rebar Futures Contract;
- (d) a list of Approved CMIs whose certification as to quantity and quality, including rust, shall be accepted for Rebar delivered in fulfillment of a Dubai Steel Rebar Futures Contract;

K.5 Delivery Notices and Buyer's Notice of Preference

K.5.1 Issuance of Delivery Notices

- (a) A Clearing Member holding a short position ("Seller") intending to deliver shall provide to the Clearing Corporation a Delivery Notice by a time on the Notice Day, prescribed by the Exchange, containing such information regarding the Rebar to be delivered as the Exchange may prescribe.
- (b) A Delivery Notice, once issued, cannot be withdrawn or cancelled without the written agreement of the Clearing Corporation. Such withdrawal or cancellation shall in no circumstances occur after the close of trading on day on which the Delivery Notice is issued.

K.5.2 Rebar to be Represented by a DCR

- (a) Rebar that is the subject of a Delivery Notice shall be represented by a DCR issued by an Approved DCR Issuer and that complies with the requirements of these By-Laws.
- (b) Following issuance of a Delivery Notice the DCR referred to in By-Law K.5.2 (a) may not be cancelled or transferred other than in accordance with By-Law K.9.

K.5.3 Delivery Week

For each Class of Contract, the Calendar Week in which delivery in fulfillment of such Contracts occurs

K.5.4 Notice Day

For each Class of Contract the Notice Day shall be the Last Day of Trading as specified in By-Law K.2.6.

K.5.5 Buyer's Notice of Preference

- (a) A Buyer holding a long position in a Dubai Steel Rebar Futures Contract may lodge a Buyer's Notice of Preference with the Clearing Corporation.
- (b) A Buyer's Notice of Preference shall be in a form prescribed by the Clearing Corporation and may be lodged with the Clearing Corporation on the Notice Day not later than a time prescribed by the Exchange.
- (c) A Buyer's Notice of Preference shall contain a statement of those delivery locations at which the Buyer would prefer to receive delivery and the Nominal Diameters of Rebars that the Buyer would prefer to receive.
- (d) A Buyer's Notice of Preference is not binding on the Clearing Corporation and the Clearing Corporation shall not be liable for any loss that Buyer may suffer as a result of the Buyer receiving Rebars that do not conform to the Buyer's Notice of Preference.

K.6 Roles of Clearing Corporation and DMCC

K.6.1 Clearing Corporation to Act as Seller's Agent

Each Seller who has issued a Delivery Notice shall be deemed to appoint the Clearing Corporation to act as its agent to perform one or more the following to the extent necessary to effect the delivery of Rebar subject to that Delivery Notice:

- (a) to instruct an Approved DCR Issuer to cancel a DCR representing such Rebar located at an Approved Delivery Point; and/or

- (b) to instruct an Approved DCR Issuer to issue two or more DCR's representing such Rebar in place of the cancelled DCR; and/or
- (c) to instruct DMCC to endorse by way of transfer to a Buyer or Buyers determined by the Clearing Corporation, the DCR or DCR's representing such Rebar.

K.6.2 DMCC May Act on Behalf of Clearing Corporation

The Clearing Corporation may, with the agreement of DMCC, authorize DMCC to act on its behalf to perform any of the acts referred to in By Law K.6.1

K.7 Settlement Value

K.7.1 Calculation of Settlement Value

The Settlement Value for each Contract shall be calculated as:

$$SV = W \times P$$

Where

SV is the Settlement Value expressed in US Dollars;

W is the Contract Weight of the Rebar delivered in fulfillment of the Contract, as determined by By-Law K.3.5,

and

P is the invoice price, expressed in US Dollars per metric tonne.

K.7.2 Invoice Price

The invoice price referred to in By-Law K.7.1 shall be the Daily Settlement Price of the relevant Class of Contract on the Notice Day.

K.8 Allocation of Delivery Notices and Advice to Sellers and Buyers

K.8.1 Allocation of Delivery Notices

- (a) Following receipt of the Delivery Notice the Clearing Corporation shall, not later than a time on the Business Day following the Notice Day prescribed by the Exchange, allocate that Delivery Notice to a Clearing Member holding a long position ("Buyer").
- (b) Where the Delivery Notice is in respect of more than one Contract the Clearing Corporation may allocate that Notice to more than one Buyer.

K.8.2 Advice to Buyers and Sellers

- (a) Following allocation of a Delivery Notice in accordance with By-Law K.8.1 (a) the Clearing Corporation shall advise the Seller and Buyer accordingly.
- (b) Where a Delivery Notice is allocated to more than one Buyer in accordance with By-Law K.8.1 (b) the advice referred to in By-Law K.8.2 (a), shall provide to each Buyer details only of such as that Buyer is to receive under the allocation.
- (c) The advice to the Buyer and Seller referred to in By-Laws K.8.2 (a) shall include the Settlement Value for each Contract.

K.9 Delivery procedure

K.9.1 Delivery Where a Notice is Allocated to One Buyer

- (a) Where a Delivery Notice is allocated by the Clearing Corporation to one Buyer, on the Delivery Day immediately following the day on which the Notice is issued by a Seller the Clearing Corporation shall instruct DMCC, on behalf of the Seller in accordance with By-Law K.6, to endorse the relevant DCR or DCR's by way of transfer to the Buyer.
- (b) The issuing of the instruction to DMCC referred to in By Law K.9.1 (a) shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law K.10.1 from the Buyer.

- (c) The endorsement by DMCC referred to in By-Law K.9.1 (a) shall be performed not later than a time prescribed by the Corporation.

K.9.2 Delivery where a Notice is Allocated to More Than One Buyer

- (a) Where the Delivery Notice is allocated by the Clearing Corporation to more than one Buyer, the Clearing Corporation, on behalf of the Seller in accordance with By-Law K.6, and not later than a time prescribed by it, shall
- (i) instruct the Approved DCR Issuer to cancel the DCR referred to in By-Law K.5.2 (a); and
 - (ii) instruct the Approved DCR Issuer to issue two or more DCR's in place of the cancelled DCR; and
 - (iii) subject to receipt of payment in accordance with By-Law K.10.1 from a Buyer to whom the Delivery Notice is allocated, instruct DMCC to endorse the relevant DCR by way of transfer to that Buyer.
- (b) The instruction issued by the Clearing Corporation under By-Law K.9.2 (a) (ii) shall include advice as to the quantity and description of Rebar that is to be represented by each of the DCR's that are to be issued by the Approved DCR Issuer.
- (c) The issuing of the instruction to DMCC referred to in By-Law K.9.2 (a) (iii) shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law K.10.1 from the Buyer.
- (d) The endorsement by DMCC referred to in By-Law K.9.2 (a) (iii) shall be performed not later than a time prescribed by the Clearing Corporation.
- (e) Where, in order to comply with an instruction from the Clearing Corporation in accordance with By-Laws K.9.2 (a) and (b), an Approved DCR Issuer is required to break up a lot of Rebar , for which it holds a single CMI-Certified DCR,, into two or more DCR's, it shall be sufficient for the purposes of By-Law K.5.2 for the Approved DCR Issuer to include in such DCR's a certification as to the quantity and quality of the relevant Rebars as shown on the certification by an Approved CMI accompanying the original lot.
- (f) Where the manager of an Approved Delivery Point issues a DCR in accordance with By-Law K.9.2 (e) its responsibility for the accuracy of such certification shall be limited to that of ensuring that the information in the certification correctly reproduces that on the original certification issued by the Approved CMI.

K.10 Payment

K.10.1 Payment by Buyer

On the Delivery Day a Buyer to whom a Delivery Notice is allocated shall, not later than a time prescribed by the Clearing Corporation, pay the Settlement Value to the Clearing Corporation:

K.10.2 Payment to Seller

On the Delivery Day the Clearing Corporation shall, subject to completion of the endorsements referred to in By-Laws K.8.1 (a) or K.8.1 (b) (iii), as the case may be, and not later than a time prescribed by it, pay the Settlement Value to the Seller

K.11 Default

K.11.1 Default by Seller

- (a) Should a delivery not be duly made by a Seller or its Agent as provided in these Dubai Steel Rebar Futures Contract Specifications, such Seller shall be in default.
- (b) Should a Seller not have issued a Delivery Notice in respect of an Open Position existing at the close of trading on the last trading day, such Seller shall be in default.
- (c) Should a Seller fail to deliver Rebar that conforms in all relevant respects to the description in By-Law K.3, such Seller shall be in default.

K.11.2 Default by Buyer

- (a) Should a delivery not be duly accepted by a Buyer or its Agent as provided in these Dubai Steel Rebar Futures Contract Specifications, such Buyer shall be in default.
- (b) Should payment for any delivery not be made by the Buyer as provided in these Dubai Steel Rebar Futures Contract Specifications the Clearing Corporation is authorized to sell the Rebar forthwith.

K.12 Buyer's Right to Reject Steel

K.12.1 Steel Delivery Rejection Notice

- (a) Where delivered Rebar is represented by an Issuer-certified DCR, or is represented by a CMI-Certified DCR in which the certification as to compliance with By-Law K.3.6 was issued more than thirty (30) days prior to the Delivery Day, the Buyer may issue to the Clearing Corporation a Steel Delivery Rejection Notice, in a form prescribed by the Clearing Corporation.
- (b)
 - (i) A Steel Delivery Rejection Notice must
 - A) be accompanied by a prescribed deposit, and
 - B) be submitted to the Clearing Corporation not later than a prescribed time on the first Trading Day following the day of endorsement excluding Fridays, to the Buyer by DMCC of the DCR representing the steel in accordance with By-Law K.9.1 (a) or By-Law K.9.2 (a) (iii), as the case may be
 - (ii) The prescribed deposit and the prescribed time referred to in By-Law K.12.1 (b) (i) shall be determined from time to time by the Clearing Corporation.
- (c) A Steel Delivery Rejection Notice may not be issued where the DCR by which the delivery was effected has been cancelled by the Buyer or endorsed by way of transfer by the Buyer.

K.12.2 CMI Inspection

Upon receipt of a Steel Delivery Rejection Notice the Clearing Corporation shall arrange for the Rebar to be inspected by an Approved CMI for compliance with By-Law K.3.6

K.12.3 Rebar Found to be in Compliance

Where the Approved CMI referred to in By-Law K.12.2 certifies that the Rebar complies with By-Law K.2.6

- (a) The Clearing Corporation shall notify the Buyer and the Seller in writing of the result of the certification, and
- (b) The Buyer shall be obliged to accept delivery of the Rebar, and
- (c) The Buyer shall within seven (7) days of the notification referred to in By-Law K.12.3 (a) reimburse the Clearing Corporation for the cost of the certification referred to in By-Law K.12.2
- (d) The fee referred to in By-Law K.12.1 (b) shall not be refunded to the Buyer.

K.12.4 Steel Found Not to be in Compliance

Where the Approved CMI referred to in By-Law K.12.2 certifies that the Rebar does not comply with By-Law K.3.6

- (a) The Clearing Corporation shall notify the Buyer and the Seller in writing of the result of the certification, and
- (b) The Buyer shall not be obliged to accept delivery of the Rebar, and
- (c) The Buyer shall be refunded by the Clearing Corporation the fee referred to in By-Law K.12.1 (b), and
- (d) The Seller shall within three (3) Trading Days of the notification referred to in By-Law K.12.4 (a)
 - (i) pay to the Clearing Corporation an amount equal to the sum of the fee referred to in By-Law K.12.1 (b) and the cost of the certification referred to in By-Law K.12.2, together with such additional fee as the Clearing Corporation may determine, and
 - (ii) deliver to the Buyer Rebar that is accompanied by a certification issued not more than ninety (90) days prior to the delivery day by an Approved CMI that it is of a quantity and quality such that it complies fully with the description of deliverable Rebar
- (e) Should delivery not be made by the Seller in accordance with By-Law K.12.4 (d) (ii) the Seller shall be in default
- (f) Should delivery made in accordance with By-Law K.12.4 d) (ii) not be accepted by the Buyer, the Buyer shall be in default

K.13 Alternative Delivery Procedure

- (a) Where a Delivery Notice issued by a Seller has been allocated to a Buyer, the Buyer and Seller may agree that delivery be made under terms and conditions that differ from these By-Laws.
- (b) In such a case, the Buyer and the Seller shall submit to the Clearing Corporation an alternative delivery completion notice in a prescribed format and before such time as is prescribed by the Clearing Corporation.
- (c) The submission of the alternative delivery completion notice referred to in By-Law K.13 (b) shall release the Clearing Members and the Clearing Corporation from their respective obligations under the terms of these By-Laws in respect of those Contracts that are the subject of the alternative delivery notice.

K.14 Dubai Rebar Options Contract

K.14.1 Contract Unit

One Dubai Rebar Futures Contract

K.14.2 Minimum premium fluctuations

As determined by the Exchange

K.14.3 Quotation of Strike Prices

As determined by the Exchange

K.14.4 Expiry Months

As determined by the Exchange

K.14.5 Declaration Date

As determined by the Exchange

K.14.6 Time at which trading ceases on Declaration Date

As determined by the Exchange

Part L. HSFO 380CST Futures and Options Contract Specification

L.1 Interpretation

L.1.1 Definitions

In this Part L of the By-Laws, terms not defined in Part A of the By-Laws bear the following meaning and where there is an inconsistency between a definition in Part A of the By-Laws and the definition below, the definition below shall prevail:

Alternative Delivery Completion Notice	A Notice issued by a Buyer and Seller in accordance with By-Law L.17
Approved HSFO 380CST CMI	A CMI approved by the Clearing Corporation in accordance with By-Law L.4(b) for the purpose of certifying the weight and quality of HSFO 380CST to be delivered in fulfilment of an HSFO 380CST Futures Contract.
Approved HSFO 380CST Tank	A storage tank approved by the Clearing Corporation in accordance with By-Law L.4 (a) for the purpose of storing HSFO 380CST to be delivered in fulfilment of an HSFO 380CST Futures Contract.
ASTM Method	A method specified by or under an American Society for Testing and Materials (ASTM) Standard
ASTM Standard	In relation to the specification and testing of HSFO 380CST, a standard issued by the ASTM, as the same may be amended, supplemented, superseded or replaced from time to time.
Business Day	A day on which the HSFO Market of the Exchange is declared open by the Exchange
Certification of Product Receipt	A certificate issued by a Buyer to the Clearing Corporation in accordance with By-Law L.15.3
CMI-Certified DCR	A DCR certified by an Approved HSFO 380CST CMI with regard to weight and the specifications referred to in By-Law L.3.2.
CST	Centistoke, a measure of kinematic viscosity, measured at 50 degrees centigrade.
Delivery Allocation Day	A day on which delivery of HSFO 380CST is allocated by the Clearing Corporation
Delivery Day	A day on which delivery of HSFO 380CST is completed or is to be completed in fulfilment of an HSFO 380CST Futures Contract
Delivery Instruction Day	A day on which Buyer submits information relating to taking of delivery of HSFO 380CST to Clearing Corporation
Delivery Notice Day	Last Trading Day of the month immediately prior to the Delivery Month.
Delivery Period	The period within which HSFO 380CST may be delivered in fulfilment of an HSFO 380CST Futures Contract in accordance with By-Law L.7.5.
FOB Transfer	Delivery from the Seller to the Buyer by way of transfer of title to HSFO 380CST in accordance with By-Law L.5.1 (a) (iii).
HSFO 380CST	High Sulphur Fuel Oil with a kinematic viscosity of 380 CST, subject to By-Law L.3.2.
HSFO 380CST Futures Contract	A contract for the sale and purchase of HSFO 380CST, as further specified in By-law L.2.
In-Tank Transfer	Delivery from the Seller to the Buyer by way of transfer of title to HSFO 380CST in accordance with By-Law L.5.1 (a) (i).
Inter-Tank Transfer	Delivery from the Seller to the Buyer by way of transfer of title to HSFO

	380CST in accordance with By-Law L.5.1 (a) (ii).
IP Method	A test method promulgated by the Institute of Petroleum, as the same may be amended, supplemented, superseded or replaced from time to time.
ISO Method	A method specified by or under an International Organization for Standardization (ISO) Standard.
ISO Standard	In relation to the specification and testing of HSFO 380CST, a standard issued by the ISO, as the same may be amended, supplemented, superseded or replaced from time to time.
Loading Day	A day on which a Buyer initiates loading of HSFO 380CST into his nominated vessel or tank
Notice of Delivery Day	In the case of In-Tank Transfer, a notice issued by a Buyer in accordance with By-Law L.7.6 specifying the Delivery Day
Notice of Delivery Instructions	A notice issued by a Buyer in accordance with By-Law L.7.5
Notice of Loading Day	In the case of Inter-Tank Transfer or FOB Delivery, a notice issued by a Buyer in accordance with By-Law L.7.7 specifying the Loading Day
Notice to Accept Delivery	A written advice, containing such information as is prescribed by the Clearing Corporation, issued to the Clearing Corporation, in accordance with By-Law L.7.2, by a Buyer intending to accept delivery in fulfilment of an HSFO 380CST Futures Contract.
Product Placement Day	The calendar day on which the Seller is to make deliverable HSFO 380CST available in an Approved HSFO 380CST Tank.
Provisional Settlement Value	In respect of an HSFO 380CST Futures Contract, an amount calculated in accordance with By-Law L.13.1.

L.2 HSFO 380CST Futures Contract

L.2.1 Contract Unit

One hundred (100) metric tons of HSFO 380CST.

L.2.2 Delivery Months

Trading in HSFO 380CST Futures Contracts shall be conducted for such Delivery Months as the Exchange may determine from time to time.

L.2.3 Minimum price fluctuations

Minimum price fluctuations for trading in HSFO 380CST futures contracts shall be U.S. Dollars 0.01 per metric ton.

L.2.4 Trading hours

Hours for trading in HSFO 380CST Futures Contracts shall be as determined by the Exchange from time to time.

L.2.5 Trading days

Days for trading in HSFO 380CST Futures Contracts shall be determined by the Exchange from time to time.

L.2.6 Last Trading Day

The Last Trading Day for a HSFO 380CST Futures Contract shall be the last Business Day of the calendar month immediately prior to the Delivery Month.

L.2.7 Notice Day

The Notice Day (also called "Delivery Notice Day") for a HSFO 380CST Futures Contract shall be the Last Trading Day.

L.2.8 Delivery

Delivery against an HSFO 380CST Futures Contract shall be made in accordance with the By-Laws on the calendar days from (and including) the fifth Business Day of the Delivery Month to (and including) the third last Business Day of the Delivery Month.

L.2.9 Settlement

Settlement in fulfilment of an HSFO 380CST Futures Contract shall be by way of delivery of HSFO 380CST in accordance with this Part L of the By-Laws.

L.3 Deliverable HSFO 380CST

L.3.1 Weight of Deliverable HSFO 380CST

- (a) HSFO 380CST delivered in fulfilment of an HSFO 380CST Futures Contract shall weigh one hundred (100) metric tons, subject to an operational tolerance of five per cent (5%) more or less.
- (b) For the purposes of By-Law L.3.1 (a), weight shall be determined by techniques prescribed under the ISO Standards and certified by an Approved HSFO 380CST CMI selected by the Seller.

L.3.2 Grade and Quality Specifications of Deliverable HSFO 380CST

HSFO 380CST meeting all of the following specifications shall be deliverable in fulfilment of an HSFO 380CST Futures Contract:

Density: Maximum 991.0 (kg/m³), determined at 15 degrees Celsius, by the ISO 3675 or ISO 12185 Method
 Kinematic Viscosity: Maximum 380.0 (mm²/s), determined at 50 degrees Celsius, by the ISO 3104 Method

- (a) **Flash Point:** Minimum 60 (°C), determined by the ISO 2719 Method
- (b) **Pour Point:** Maximum 30 (°C) , determined by the ISO 3016 Method
- (c) **Micro Carbon Residue:** Maximum 18 (% m/m), determined by the ISO 10370 Method
- (d) **Ash:** Maximum 0.15 (% m/m), determined by the ISO 6245 Method
- (e) **Water:** Maximum 0.5 (% V/V), determined by the ISO 3733 Method
- (f) **Sulfur:** Maximum 4.5 (% m/m), determined by the ISO 8754 or ISO 14596 Method
- (g) **Vanadium:** Maximum 300 (mg/kg), determined by the ISO 14597 or IP501 or IP 470 Method
- (h) **Aluminium + Silicon:** Maximum 80 (mg/kg), determined by the ISO 10478 or IP 501 or IP 470 Method
- (i) **Total Sediment, Potential:** Maximum 0.10 (% m/m), determined by the ISO 10307-2 Method
- (j) **Zinc¹:** Maximum 15 (mg/kg), determined by the IP 501 or IP 470
- (k) **Phosphorus¹:** Maximum 15 (mg/kg), determined by the IP 501 or IP 470
- (l) **Calcium¹:** Maximum 30 (mg/kg), determined by the IP 501 or IP 470
- (m) **Sodium²:** Maximum 50 (mg/kg), determined by the ASTM D5863 Method

The HSFO 380CST shall be free of ULO (Used Lubricating Oil). It shall be considered to be free of ULO if one or more of the elements - Zinc, Phosphorous and Calcium - are below the limits specified. All three elements shall exceed the limits before deemed to contain ULO.

And unless the context otherwise requires, references in these By-Laws to HSFO 380CST shall mean such HSFO 380CST as meets the requirements of this By-Law L.3.2.

L.3.3 Delivery

- (a) Delivery of HSFO 380CST in fulfilment of an HSFO 380CST Futures Contract shall be by the Clearing Member of the Seller to the Clearing Member of the Buyer, and references in section L of these By-Laws to the Buyer and the Seller shall mean the Clearing Member of each respectively unless the context requires otherwise.
- (b) Nothing in such sections shall relieve a Buyer or the Seller under an HSFO 380CST Futures Contract which is not a Clearing Member of its obligations under the terms thereof.

L.4 Approved HSFO 380CST Tanks and HSFO 380CST CMI

The Clearing Corporation shall from time to time determine and publish, and may amend by a notice:

- (a) a list of Approved HSFO 380CST Tanks in Fujairah or elsewhere in the UAE:
 - i. in which HSFO 380CST may be stored for delivery in fulfilment of an HSFO 380CST Futures Contract by way of In-Tank Transfer in accordance with By-Law L.5.1(a)(i); and
 - ii. from which HSFO 380CST may be delivered in fulfilment of an HSFO380 CST Futures Contract in accordance with By-Laws L.5.1(a)(ii) and L.5.1(a)(iii); and
- (b) a list of Approved HSFO 380CST CMI whose certification as to weight and quality shall be accepted for HSFO 380CST delivered in fulfilment of an HSFO 380CST Futures Contract.

The list of Approved HSFO CST380 Tanks under By-Law L.4 (a) (ii) may designate Approved HSFO CST380 Tanks as eligible for the purpose of Inter-Tank Transfer.

L.5 Delivery

L.5.1 Modes of Delivery

- (a) Delivery of HSFO 380CST in fulfilment of an HSFO 380CST Futures Contract shall be by way of:
 - i. In-Tank Transfer; ;
 - ii. Inter-Tank Transfer; or
 - iii. FOB Delivery on a vessel nominated by the Buyer at a wharf of an Approved HSFO 380CST Tank.
- (b) It shall be a condition to delivery under By-Law L.5.1(a)(i) that the Seller delivers out of an Approved HSFO 380CST Tank designated by the Clearing Corporation for In-Tank Transfer of which an independent CMI or party authorised or appointed by the Clearing Corporation or DMCC is the manager or leaseholder.
- (c) It shall be a condition to delivery under By-Law L.5.1 (a)(ii) that the Seller delivers out of an Approved HSFO 380CST Tank designated by the Clearing Corporation for Inter-Tank Transfer.
- (d) It shall be a condition to delivery under By-Law L.5.1(a)(iii) that the Seller delivers out of an Approved HSFO 380CST Tank of which the Seller is the owner or leaseholder.
- (e) Determination of the mode of delivery, as between that described in By-Law L.5.1 (a)(i), L.5.1 (a)(ii) and L.5.1 (a)(iii), shall be made in accordance with By-Law L.7.5 (a).

L.5.2 Minimum Volume for FOB Delivery

The Clearing Corporation may prescribe a minimum number of HSFO 380CSR Futures Contracts below which a Buyer shall not be permitted to nominate FOB Delivery as the mode of delivery.

L.5.3 Seller's Obligation to Have Fuel Oil in Deliverable Position

A Seller shall make available deliverable HSFO 380 CST in an Approved HSFO 380CST Tank for the purpose of fulfilling its delivery obligations under an HSFO 380CST Futures Contract not later than the twelfth Business Day of the Delivery Month in accordance with the terms of this Part L of the By-Laws.

L.6 Loading

L.6.1 The Seller shall be responsible for arranging for the loading of HSFO 380CST into the vessel or the tank nominated by the Buyer and for payment of all costs relating to such loading.

L.6.2 The Buyer shall make arrangements for the receipt of HSFO 380CST from the Approved Tank in which the Seller has made it available for delivery into a vessel or a tank nominated by the Buyer.

L.7 Delivery Notices

L.7.1 Issuance of Delivery Notices by Seller

- (a)
 - i. A Seller required to deliver HSFO 380CST in a Delivery Month shall provide a Delivery Notice to the Clearing Corporation not later than a time on the Delivery Notice Day prescribed by the Clearing -Corporation.
 - ii. A Seller may issue a single Delivery Notice in respect of more than one HSFO 380CST Futures Contract
- (b) A Delivery Notice shall contain such information as the Clearing Corporation may prescribe, and shall, in particular, include the nomination by the Seller of the Product Placement Date.
- (c) A Delivery Notice, once issued, may not be withdrawn or cancelled by the Seller without the written agreement of the Clearing Corporation.

L.7.2 Notice to Accept Delivery

A Buyer required to take delivery of HSFO 380CST in a Delivery Month shall provide to the Clearing Corporation, not later than a time on the Delivery Notice Day prescribed by the Clearing Corporation, a Notice to Accept Delivery including such information as the Clearing Corporation may prescribe.

L.7.3 Allocation of Delivery Notices

- (a) Following receipt of a Delivery Notice, the Clearing Corporation shall, not later than a time on the Delivery Allocation Day prescribed by it, allocate the Delivery Notice to a Buyer.
- (b) Where a Delivery Notice is in respect of more than one HSFO 380CST Futures Contract,
 - i. the Clearing Corporation may allocate the Delivery Notice to more than one Buyer; and
 - ii. the Clearing Corporation may instruct a Seller to deliver HSFO 380CST by any method specified in By-Law L.5.1(a), and the Delivery Notice shall be deemed amended to the extent the Clearing Corporation so instructs the Seller.

L.7.4 Advice to Buyers and Sellers

- (a) Following allocation of a Delivery Notice in accordance with By-Law L.7.3(a) the Clearing Corporation shall advise the Seller and Buyer accordingly on the Delivery Allocation Day.
- (b) Where a Delivery Notice is allocated to more than one Buyer in accordance with By-Law L.7.3(b) the advice referred to in By-Law L.7.4(a) shall provide to each Buyer details only of such HSFO 380CST as that Buyer is to receive under the allocation.

- (c) The advice to the Buyer and Seller referred to in By-Law L.7.4(a) shall include the Provisional Settlement Value for each HSFO 380CST Futures Contract

L.7.5 Notice of Delivery Instructions

- (a) By such time on the Delivery Instructions Day as the Clearing Corporation may specify, the Buyer shall provide a Notice of Delivery Instructions to the Clearing Corporation. A Notice of Delivery Instructions shall set out such information as may be required by the Clearing Corporation. Such information shall include:
- i. the Delivery Period, which shall be, subject to By-Laws L.7.5(c) and L.7.5(d):
 - A. a preferred 3 consecutive calendar day period within which the Delivery Day shall fall, in the case of In-Tank Transfer; or
 - B. a preferred 3 consecutive calendar day period within which the Loading Day shall fall, in the case of Inter-Tank Transfer or FOB Delivery
 - ii. a method of delivery of the HSFO 380CST, which:
 - A. must conform to the normal capabilities of the Seller's facility named in the Delivery Notice;
 - B. if the delivery is to be by way of FOB Transfer, specifies the name of the proposed carrier (barge or vessel) into which the HSFO 380CST will be loaded, if applicable; and
 - C. if the delivery is to be by way of Inter-Tank Transfer, specifies the name of the receiving facility;
 - iii. if the delivery is by way of Inter-Tank Transfer or FOB Delivery, the names of two Approved HSFO 380CST CMI's, certification by one of whom will be required for product acceptance.
- (b) In the case of Inter-Tank Transfer and FOB Delivery the Clearing Corporation shall forward the Notice of Delivery Instructions to the Seller on the Delivery Instruction Day.
- (c) The Delivery Period shall:
- i. commence no earlier than the fifth Business Day of the Delivery month; and
 - ii. end no later than the earlier of the third last Business Day of the Delivery Month and the fourteenth calendar day from (and including) the Product Placement Date.
- (d) Where the Clearing Corporation has instructed multiple Sellers to deliver to the Buyer the earliest date on which the Delivery Period may commence for the Buyer shall be notified by the manager of the Approved HSFO 380CST Tank where the HSFO 380CST is stored.

L.7.6 Notice of Delivery Day

- (a) In the case of In-Tank Transfer, the Buyer shall submit to the Clearing Corporation a Notice of Delivery Day in a form prescribed by the Clearing Corporation.
- (b) The Notice of Delivery Day shall be submitted by the Buyer not later than a prescribed time on the Business Day immediately preceding the first day of the delivery period and shall specify the Delivery Day.
- (c) The time referred to in By-Law L.7.6(b) shall be prescribed by the Clearing Corporation.

L.7.7 Notice of Loading Day

- (a) In the case of Inter-Tank Transfer or FOB Delivery, the Buyer shall submit to the Clearing Corporation a Notice of Loading Day in a form prescribed by the Clearing Corporation. The Clearing Corporation shall provide a copy of the Notice of Loading Day to the Seller on the date of receipt.

- (b) The Notice of Loading Day shall be submitted by the Buyer not later than a prescribed time on the Business Day immediately preceding the first day of the Delivery Period.
- (c) The time referred to in By-Law L.7.7(b) shall be prescribed by the Clearing Corporation.

L.8 Storage for the purpose of delivery by In-Tank Transfer

L.8.1 HSFO 380CST to be represented by a DCR

- (a) HSFO 380CST that is the subject of a Delivery Notice shall be stored in an Approved HSFO 380CST Tank which is designated for delivery by In-Tank Transfer by the Clearing Corporation.
- (b) Such HSFO 380CST shall be represented by a DCR that complies with the requirements of these By-Laws. From issue of such a DCR, the HSFO 380CST to which it relates may not be withdrawn by the Seller other than in accordance with these By-Laws.
- (c) The DCR referred to in By-Law L.8.1(b) shall be a CMI-Certified DCR.
- (d) The Approved HSFO 380CST CMI who issues the certification by which the CMI-Certified DCR is certified shall be selected from amongst the list of Approved HSFO 380 CST CMIs by the manager of the tank in which the subject HSFO 380CST is stored.
- (e) The DCR shall include certification by the Approved HSFO 380CST CMI as to the weight and quality parameters specified in By-Law L.3.2.
- (f) Following issuance of a Delivery Notice the DCR referred to in By-Law L.8.1 (b) may not be cancelled or transferred other than in accordance with By-Law L.14.

L.9 Storage for the purpose of delivery by Inter-Tank Transfer

L.9.1 HSFO 380 CST to be represented by Product Placement Certificate

- (a) HSFO 380CST that is the subject of a Delivery Notice shall be stored in an Approved HSFO 380CST Tank designated by the Clearing Corporation for the purpose of Inter-Tank Transfer.
- (b) The Seller shall submit to the Clearing Corporation a Product Placement Certificate by such time as may be specified by the Clearing Corporation on the Product Placement Date
- (c) The Product Placement Certificate referred to in By-Law L.9.1(b) shall be issued by an Approved HSFO 380CST CMI selected by the Seller from the two nominated by the Buyer in the Notice of Delivery Instructions.(vide By-Law L.7.5 (a) (iii)).
- (d) The Product Placement Certificate shall include certification by the Approved HSFO 380CST CMI as to the weight and quality parameters specified in By-Law L.3.2
- (e) Where a Delivery Notice has been allocated by the Clearing Corporation to more than one Buyer, the Seller shall submit two or more Product Placement Certificates in accordance with the instructions of the Clearing Corporation.
- (f) The instruction issued by the Clearing Corporation under By-Law L.9.1(e) shall include advice as to the weight and specification of the HSFO 380CST that is to be represented by each Product Placement Certificate and shall be issued by one of the Approved CMIs as specified by the Buyer to whom the relevant delivery obligation of the Seller has been allocated.

L.10 Storage for the purpose of FOB (Ex-wharf) delivery

L.10.1 HSFO 380CST to be represented by Product Placement Certificate

- (a) HSFO 380CST that is the subject of a Delivery Notice shall be stored in an Approved HSFO 380CST Tank.
- (b) The Seller shall submit to the Clearing Corporation a Product Placement Certificate by such time as may be specified by the Clearing Corporation on the Product Placement Date.

- (c) The Product Placement Certificate referred to in By-Law L.10.1(b) shall be issued by an Approved HSFO 380CST CMI selected by the Seller from the two nominated by the Buyer in the Notice of Delivery Instructions (vide By-Law L.7.5 (a) (iii)).
- (d) The Product Placement Certificate shall include certification by the Approved HSFO 380CST CMI as to the weight and quality parameters specified in By-Law L.3.2

L.11 Sampling Procedures

The Clearing Corporation may prescribe sampling procedures to be employed by Approved HSFO 380CST CMIs in the testing of HSFO 380CST in accordance with these By-Laws.

L.12 Roles of Clearing Corporation and DMCC in In-Tank Transfer

L.12.1 Clearing Corporation to Act as Seller's Agent in In-Tank Transfer

Each Seller who has issued a Delivery Notice indicating delivery in an Approved HSFO 380CST Tank for In-Tank Transfer shall be deemed to appoint the Clearing Corporation to act as its agent to perform one or more the following to the extent necessary to effect the delivery of HSFO 380CST subject to that Delivery Notice:

- (a) to instruct the CMI of an Approved HSFO 380CST Tank to cancel a DCR representing such HSFO 380CST stored in that Approved HSFO 380CST Tank; and/or
- (b) to instruct the CMI of an Approved HSFO 380CST Tank to issue one or more DCRs representing such HSFO 380CST in place of the cancelled DCR; and/or
- (c) to instruct DMCC to endorse by way of transfer to a Buyer or Buyers determined by the Clearing Corporation, the DCR or DCRs representing such HSFO 380CST.

L.12.2 DMCC May Act on Behalf of Clearing Corporation

The Clearing Corporation may, with the agreement of DMCC, authorize DMCC to act on its behalf to perform any of the acts referred to in By Law L.10.1.

L.13 Provisional Settlement Value and Settlement Value

L.13.1 Calculation of Provisional Settlement Value

The Provisional Settlement Value for each HSFO 380CST Futures Contract shall be calculated as:

$$PSV = 100 \times P$$

Where

PSV is the Provisional Settlement Value expressed in US Dollars; and
 P is the invoice price, expressed in US dollars per metric ton

L.13.2 Calculation of Settlement Value

The Settlement Value for each HSFO 380CST Futures Contract shall be calculated as:

$$SV = W \times P$$

Where

SV is the Settlement Value expressed in US Dollars;
 W is the weight of the HSFO 380CST delivered in fulfillment of the HSFO 380 CST Contract, as certified by the Approved HSFO 380 CST CMI; and
 P is the invoice price, expressed in US Dollars per metric ton.

- L.13.3** In the event that the value of W in By-Law L.13.2 is greater than 105 the Settlement Value shall be based on a weight of 105 metric tons and no further payment shall be made to the Seller in respect of the HSFO 380CST Futures Contract.

L.13.4 Invoice Price

The invoice price referred to in By-Law L.13.1 and By-Law 13.2 shall be the Daily Settlement Price of the relevant Class of Contract on the Last Trading Day.

L.14 Delivery Procedure

Delivery by In-Tank Transfer

L.14.1 Delivery Where a Notice is Allocated to One Buyer

- (a) Where a Delivery Notice is allocated by the Clearing Corporation to one Buyer, then subject to the compliance of the Buyer and Seller with the terms of these By-Laws, the Clearing Corporation shall instruct DMCC, on behalf of the Seller in accordance with By-Law L.12, to endorse the relevant DCR or DCRs by way of transfer to the Buyer on the Delivery Day.
- (b) The issuing of the instruction to DMCC referred to in By Law L.14.1 (a) shall be subject to the receipt by the Clearing Corporation of value for the payment referred to in By-Law L.16 from the Buyer.
- (c) The endorsement by DMCC referred to in By-Law L.14.1(a) shall be performed not later than a time prescribed by the Clearing Corporation.

L.14.2 Delivery Where a Notice is Allocated to More Than One Buyer

- (a) Where the Delivery Notice is allocated by the Clearing Corporation to more than one Buyer, the Clearing Corporation, on behalf of the Seller in accordance with By-Law L.12, shall:
 - i. instruct the CMI of the Approved HSFO 380CST Tank in which the HSFO 380CST is stored to cancel the DCR referred to in By-Law L.8.1 (a);
 - ii. instruct the CMI of the Approved HSFO 380CST Tank to issue two or more DCRs in place of the cancelled DCR; and
 - iii. subject to receipt of value for the payment in accordance with By-Law L.16 from a Buyer to whom the Delivery Notice is allocated, instruct DMCC to endorse the relevant DCR by way of transfer to that Buyer on the Delivery Day.
- (b) The instruction issued by the Clearing Corporation under By-Law L.14.2 (a)(ii) shall include advice as to the weight and specification of the HSFO 380CST that is to be represented by each of the DCRs that are to be issued by the CMI of the Approved HSFO 380CST Tank.
- (c) The issuing of the instruction to DMCC referred to in By-Law L.14.2 (a) (iii) shall be subject to the receipt by the Clearing Corporation of value for the payment referred to in By Law L.14.1 from the Buyer.
- (d) The endorsement by DMCC referred to in By-Law L.14.2 (a)(iii) shall be performed not later than a time prescribed by the Clearing Corporation.
- (e) Where, in order to comply with an instruction from the Clearing Corporation in accordance with By-Laws L.14.2(a) and (b), the CMI of an Approved HSFO 380CST Tank is required to allocate HSFO 380CST, for which it holds a single certification as to weight and product specification, into two or more DCRs, it shall be sufficient for the DCRs referred to in By-Law L.14.2(a)(ii) to include a certification as to the weight and product specification of the HSFO 380CST as shown on the certification by an Approved HSFO 380CST CMI included in the original DCR.
- (f) Where the CMI of an Approved HSFO 380CST Tank issues a certification in accordance with By-Law L.14.2(e) its responsibility for the accuracy of such certification shall be limited to that of ensuring that the information in the certification correctly reproduces that on the original certification issued by the Approved HSFO 380CST CMI.

L.14.3 Transfer of Title to HSFO 380CST

Title to the HSFO 380CST subject of a DCR shall transfer from the Seller to the Buyer on endorsement in accordance with the DCR Rules.

L.15 Inter-Tank Transfer and FOB Delivery

L.15.1 Delivery Where a Notice is Allocated to One Buyer

- (a) Where a Delivery Notice is allocated by the Clearing Corporation to one Buyer, the Seller shall deliver, on instruction from the Clearing Corporation, HSFO 380CST according to the Delivery Instructions issued by the Buyer.
- (b) The issuing of the instruction to DMCC referred to in By Law L.15.1 (a) shall be subject to the receipt by the Clearing Corporation of value for the payment referred to in By Law L.16 from the Buyer.

L.15.2 Risk and Title in HSFO 380CST

- (a) For the purposes of these By-Laws, risk (including without limitation risk of loss or damage) in HSFO 380CST to be delivered by Inter-Tank Transfer shall transfer from the Seller to the Buyer on entry of such HSFO 380CST into the inlet flange of the tank nominated by the Buyer for such purpose.
- (b) Risk (including without limitation risk of loss or damage) in HSFO 380CST to be delivered by FOB Delivery shall transfer from the Seller to the Buyer on entry of such HSFO 380CST into the inlet flange of the vessel utilised by Buyer for such purpose.
- (c) For the avoidance of doubt, prior to transfer of risk under By-law 15.4(a) or (b), all such risk shall remain with the Seller.
- (d) Title in HSFO 380CST to be delivered by Inter-Tank Transfer or FOB Delivery shall pass when risk in it passes.

L15.3 Certification of Product Receipt

- (a) Following the delivery of HSFO 380CST by way of Inter-Tank Transfer or FOB Delivery, the Buyer shall submit to the Clearing Corporation a Certification of Product Receipt by such time as may be specified by the Clearing Corporation on the Business Day following the Delivery Day.
- (b) Such Certification of Product Receipt shall contain such information as the Clearing Corporation may require and be issued by an Approved HSFO 380CST CMI.
- (c) If the Buyer fails to submit a Certification of Product Receipt by such time as may be specified by the Clearing Corporation on the Business Day following the Delivery Day, the Clearing Corporation shall be deemed to have received a Certification of Product Receipt containing such details as the Clearing Corporation in its sole discretion considers fit.

L.16 Payment

L.16.1 Payment by the Buyer

- (a) In the case of In-Tank Transfer, not later than a time on the Delivery Day prescribed by the Clearing Corporation, the Buyer shall pay the Provisional Settlement Value to the Clearing Corporation
- (b) Subject to By-Law L.16.3, in the case of Inter-Tank transfer or FOB Delivery, not later than a time prescribed by the Clearing Corporation on the Business Day immediately preceding the Loading Day prescribed by the Clearing Corporation, the Buyer shall pay the Provisional Settlement Value to the Clearing Corporation.

L.16.2 Payment to Seller

On the next Business Day following the Delivery Day, and not later than a time prescribed by the Clearing Corporation, the Clearing Corporation shall pay the Settlement Value to the Seller.

L.16.3 Payment Adjustments

On the Business Day following the Delivery Day, and not later than a time prescribed by the Clearing Corporation:

- (a) if the Provisional Settlement Value exceeds the Settlement Value, the Clearing Corporation shall pay to the Buyer the difference between the Provisional Settlement Value and the Settlement Value; or
- (b) if the Settlement Value exceeds the Provisional Settlement Value, the Buyer shall pay the difference, if any, between the Provisional Settlement Value and the Settlement Value to the Clearing Corporation.

L.16.4 Payment Where Loading Extends Over More Than One Day

Where

- (a) delivery is made by Inter-Tank Transfer or FOB Delivery, and
 - (b) the delivery process involves the loading of one or more contracts from an individual Seller to an individual Buyer, and
 - (c) loading commences on one day and is completed on a subsequent day,
- the day of payment by the Buyer shall be the Business Day immediately preceding the day on which the loading process commences, and the day of payment to the Seller shall be the next Business Day following the day on which the loading process is completed.

L.17 Alternative Delivery Procedure

- (a) Where a Delivery Notice issued by a Seller has been allocated to a Buyer, the Buyer and Seller may agree that delivery be made under terms and conditions that differ from these By-Laws.
- (b) In such a case, the Buyer and the Seller shall submit an Alternative Delivery Completion Notice in a prescribed format before such times as prescribed by the Clearing Corporation.
- (c) The submission of the Alternative Delivery Completion Notice shall release the Clearing Members and the Clearing Corporation from their respective obligations under the terms of these By-Laws in respect of those Contracts that are the subject of the Alternative Delivery Completion Notice.

L.18 Default

L.18.1 Default by Seller

- (a) Should a delivery not be duly made by a Seller or its Agent as provided in these HSFO 380CST Futures Contract Specifications, such Seller shall be in Default.
- (b) Should a Seller not have issued a notice or certificate required under these By-Laws (and by such times as prescribed by the Clearing Corporation in accordance with these By-Laws) in respect of an Open Position existing at the close of trading on the last trading day, such Seller shall be in Default.
- (c) Should a Seller fail to deliver HSFO 380CST that conforms in all relevant respects to the description in By-Law L.3, such Seller shall be in Default.

L.18.2 Default by Buyer

- (a) Should a delivery not be duly accepted by a Buyer or its Agent as provided in these HSFO 380CST Futures Contract Specifications, such Buyer shall be in Default.
- (b) Should a Buyer not have issued a notice or certificate required under these By-Laws (and by such times as prescribed by the Clearing Corporation in accordance with these By-Laws) in respect of an Open Position existing at the close of trading on the last trading day, such Buyer shall be in Default.
- (c) Should payment for any delivery not be made by the Buyer as provided in these HSFO 380CST Futures Contract Specifications the Clearing Corporation is authorized to sell the HSFO 380CST forthwith.

L.19 HSFO 380CST Options Contract

L.19.1 Contract Unit

One HSFO 380CST Futures Contract

L.19.2 Minimum premium fluctuations

As determined by the Exchange

L.19.3 Quotation of Strike Prices

As determined by the Exchange

L.19.4 Expiry Months

As determined by the Exchange

L.19.5 Declaration Date

As determined by the Exchange

L.19.6 Time at which trading ceases on Declaration Date

As determined by the Exchange

Part M: Currency Futures and Options Contract Specification

M.1 General By-Law Relating to Specification of Currency Futures Contracts

M.1.1 Scope of By-Law

This By-Law M.1 shall apply to Currency Futures Contracts described in By-Law M.8

M.1.2 Contract Unit

The contract unit for each Class of Currency Futures Contract shall be as described in By-Law M.8

M.1.3 Delivery Months

Trading in Currency Futures Contracts for each of the currencies described in By-Law M.8 shall be conducted for such Delivery Months as the Exchange may determine from time to time.

M.1.4 Minimum price fluctuations

Minimum price fluctuations for trading in Currency Futures Contracts shall be as described in By-Law M.8

M.1.5 Trading hours

Hours for trading in Currency Futures Contracts shall be as determined by the Exchange from time to time.

M.1.6 Trading days

Days for trading in Currency Futures Contracts shall be determined by the Exchange from time to time.

M.1.7 Currencies Delivery Day

The Currencies Delivery Day shall be the third Wednesday of the Delivery Month, except where such Wednesday is a bank holiday in Dubai, in which case the Currencies Delivery Day shall be the first Business Day preceding the third Wednesday of the Delivery Month that is not a bank holiday in Dubai.

M.1.8 Value Date

The value date for currency deliveries shall be the Currencies Delivery Day

M.1.9 Last Trading Day

- a. The Last Trading Day, except in the case of Indian Rupee Futures Contracts, shall be the second (2nd) Business Day prior to the Delivery Day, except where that day is a bank holiday in Dubai, in which case the Last Trading Day shall be the preceding Business Day that is not a bank holiday in Dubai.
- b. In the case of Indian Rupee Futures Contracts, the Last Trading Day shall be the second (2nd) Business Day prior to the Delivery Day, except where that day is a bank holiday in either Dubai or Mumbai, in which case the Last Trading Day shall be the preceding Business Day that is not a bank holiday in either Dubai or Mumbai.

M.2 Deliverable Currency

M.2.1 Scope of By-Law

This By-Law M.2 shall apply to Currency Futures Contracts described in By-Law M.8

M.2.2 Compliance with Delivery Procedures

Currency shall be delivered in fulfillment of a Currency Futures Contract in accordance with the delivery procedures set out in By-Law M.4 or M.4A, as the case may be.

M.2.3 Compliance with Government Regulations

- a. Delivery of currencies shall comply with government regulations in force at the time of delivery
- b. In the event that any national or international government agency or body issues an order, ruling, directive or law that conflicts with the provisions of these By-Laws, such order, ruling, directive or law shall be construed to take precedence and shall be deemed to be incorporated into these By-Laws, and shall apply to all Open Positions regardless of when these came into existence.

M.3 Approved Currencies Delivery Bank

The Exchange shall appoint one or more Approved Currencies Delivery Bank to be used for the delivery of Currency Futures Contracts.

M.4 Currency Delivery Procedures

M 4.1 Scope of By-Law

This By-Law M.4 shall apply to the delivery of currencies in fulfillment of Currency Futures Contracts described in By-Law M.8, except those described in By-Law M.8.5.

M.4.2 Clearing Members to Have Delivery Accounts

- a. It is the responsibility of each Clearing Member that proposes to accept delivery in its own name of a Currency Futures Contract, to have opened accounts denominated in US Dollars and the relevant currency with the Approved Currencies Delivery Bank.
- b. Neither the Exchange, nor the Clearing Corporation, nor the Approved Currencies Delivery Bank gives an undertaking or commitment that any Clearing Member shall be accepted by the Approved Currencies Delivery Bank for the purposes of By-Law M.4.2 (a).

M.4.3 Obligations of Seller

- a. A Clearing Member holding a short position ("Seller") intending to deliver shall provide to the Clearing Corporation a Delivery Notice by a time, prescribed by the Exchange, on the Last Trading Day, containing such information as the Exchange may prescribe.
- b. A Delivery Notice, once issued, cannot be withdrawn or cancelled without the written agreement of the Clearing Corporation.
- c. The Seller shall, not later than a time on the Delivery Day prescribed by the Clearing Corporation, transfer to the relevant currency account of the Clearing Corporation at the Approved Currencies Delivery Bank, an amount equal to the Currency Contract Unit of the relevant Currency Futures Contract as specified in B-Law M.8

M.4.4 Obligations of Buyer

- a. A Clearing Member Holding a long position ("Buyer") at the close of trading on the Last Trading Day shall be required to accept delivery
- b. In order for a Buyer to accept delivery, such Buyer shall, not later than a time on the Last Trading Day prescribed by the Clearing Corporation, provide to the Clearing Corporation a Currencies Delivery Acceptance Notice that shall include the number of the account in the relevant currency held by the Buyer at the Approved Currencies Delivery Bank.
- c. The Buyer shall, not later than a time on the Delivery Day prescribed by the Clearing Corporation, transfer to the US Dollar account of the Clearing Corporation at the Approved Currencies Delivery Bank, the Settlement Value.

M.4.5 Settlement Value

The Settlement Value shall be calculated as
 $SV = Q \times P$

where

SV is the Settlement Value of the Contract, expressed in US Dollars

Q is the Currency Contract Unit of the relevant Currency Futures Contract as specified in By-Law M.8, and

P is the invoice price

M.4.6 Invoice Price

The invoice price referred to in By-Law M.4.5 shall be the Daily Settlement Price of the relevant Class of Contract on the Last Trading Day

M.4A Currency Delivery Procedures – Indian Rupee Futures Contracts

M 4A.1 Scope of By-Law

This By-Law M.4A shall apply to the delivery of currencies in fulfillment of Currency Futures Contracts described in By-Law M.8.5.

M.4A.2 Indian Rupee Contract Unit Equivalent

In respect of a Class of Indian Rupee Futures contracts, the Indian Rupee Contract Unit Equivalent shall be an amount in Euros calculated as

$$Z = xxx / (R \times E)$$

Where

Z is the Indian Rupee Contract Unit Equivalent, expressed in Euros

R is the US Dollar Reference Rate issued by the Reserve Bank of India, based on bank rates in Mumbai at 12 noon on the Last Day of Trading of the relevant Class of Indian Rupee Futures Contracts, expressed in Indian Rupees per US Dollar, and

E is the Settlement Price, as declared by the Exchange, of the Class of Euro Contract with the same Delivery Month as the relevant Class of Indian Rupee Futures Contract on the Last Trading Day of that Class of Indian Rupee Futures Contract

M.4A.3 Clearing Members to Have Accounts with Approved Currencies Delivery Bank

- a. It is the responsibility of each Clearing Member that proposes to accept delivery in its own name of an Indian Rupees futures contract, to have opened accounts denominated in US Dollars and Euros with the Approved Currencies Delivery Bank.
- b. Neither the Exchange, nor the Clearing Corporation, nor the Approved Currencies Delivery Bank gives an undertaking or commitment that any Clearing Member shall be accepted by the Approved Currencies Delivery Bank for the purposes of By-Law M.4A.3 (a).

M.4A.4 Obligations of Seller

- a. A Clearing Member holding a short position ("Seller") intending to deliver shall provide to the Clearing Corporation a Delivery Notice by a time, prescribed by the Exchange, on the Last Trading Day, containing such information as the Exchange may prescribe.
- b. A Delivery Notice, once issued, cannot be withdrawn or cancelled without the written agreement of the Clearing Corporation.
- c. The Seller shall, not later than a time on the Delivery Day prescribed by the Clearing Corporation, transfer to the Euros account of the Clearing Corporation at the Approved Currencies Delivery Bank, an amount equal to the Indian Rupee Contract Unit Equivalent as specified in B-Law M.4A.2

M.4A.5 Obligations of Buyer

- a. A Clearing Member Holding a long position (“Buyer”) at the close of trading on the Last Trading Day shall be required to accept delivery
- b. In order for a Buyer to accept delivery, such Buyer shall, not later than a time on the Last Trading Day prescribed by the Clearing Corporation, provide to the Clearing Corporation a Currencies Delivery Acceptance Notice that shall include the number of the Euro account held by the Buyer at the Approved Currencies Delivery Bank.
- c. The Buyer shall, not later than a time on the Delivery Day prescribed by the Clearing Corporation, transfer to the US Dollar account of the Clearing Corporation at the Approved Currencies Delivery Bank, the Settlement Value.

M.4A.6 Settlement Value

The Settlement Value shall be calculated as

$$SV = xxx \times P$$

where

SV is the Settlement Value of the Contract, expressed in US Dollars

P is the invoice price

M.4A.7 Invoice Price

The invoice price referred to in By-Law M.4.A.6 shall be the Daily Settlement Price of the relevant Class of Indian Rupee Futures Contract on the Last Trading Day of that Class of Contract

M.4A.8 Non-availability of RBI US Dollar Reference Rate or Euro Settlement Price

- a. In the event that, for any reason, the Reserve Bank of India US Dollar Reference Rate for the Last Day of Trading for the relevant Class of Indian Rupee Futures Contracts is not available to the Clearing Corporation, the Clearing Corporation at its complete discretion, having regard to market conditions, shall determine a value for “R” to be used in calculating the Indian Rupee Contract Unit Equivalent.
- b. In the event that, for any reason, the Euro Settlement Price for the Last Day of Trading for the relevant Class of Indian Rupee Futures Contracts is not available to the Clearing Corporation, the Clearing Corporation at its complete discretion, having regard to market conditions, shall determine a value for “E” to be used in calculating the Indian Rupee Contract Unit Equivalent.

M.5 Role of Clearing Corporation

- a. The Clearing Corporation shall, following receipt of the transfer referred to in By-Law M.4.3 (c) or By-Law 4A.4 (c), transfer to the US Dollar account of the Seller at the Approved Currencies Delivery Bank, the Settlement Value calculated in accordance with By-Law M.4.5 or M.4A.6, as the case may be.
- b. The Clearing Corporation shall
 - i. following receipt of the transfer referred to in By-Law M.4.4 (c), transfer to the relevant currency account of the Buyer, an amount equal to the Currency Contract Unit of the relevant Currency Futures Contract as specified in By-Law M.8,
 - ii. following receipt of the transfer referred to in By-Law M.4A.5 (c), transfer to the Euro account of the Buyer an amount equal to the Indian Rupee Contract Currency Equivalent.

M.6 Default

M.6.1 Default by Seller

- a. Should a Seller not close out prior to the close of trading on the Last Trading Day a short futures position in respect of which no Delivery Notice has been issued in accordance with By-Law M.4.3 (a) or M.4A.4 (a) (as the case may be) by the time prescribed by the Clearing Corporation, such Seller shall be in default.
- b. Should a Seller not execute the transfer referred to in By-Law M.4.3 (c) or By-Law M.4A.4 (c) (as the case may be) by the time prescribed by the Corporation such Seller shall be in default.

M.6.2 Default by Buyer

- a. Should a Currency Delivery Acceptance Notice not be provided to the Clearing Corporation by the Buyer in respect of any long position not closed out prior to the close of trading on the Last Trading Day in accordance with By-Law M.4.4(b) or M.4A.5 (b) (as the case may be), such Buyer may be held to be in default.
- b. Should a delivery not be duly accepted by a Buyer or its Agent as provided in these By-Laws, such Buyer shall be in default.
- c. Should payment for any delivery not be made by the Buyer as provided in these By-Laws the Clearing Corporation is authorized to sell the relevant currency forthwith.

M.7 Currency Options Contracts

M.7.1 Contract Unit

One Currency Futures Contract

M.7.2 Minimum premium fluctuations

As determined by the Exchange

M.7.3 Quotation of Strike Prices

As determined by the Exchange

M.7.4 Expiry Months

As determined by the Exchange

M.7.5 Declaration Date

As determined by the Exchange

M.7.6 Time at which trading ceases on Declaration Date

As determined by the Exchange

M.8 Specifications for Individual Currency Futures Contracts

M.8.1 Scope of By-Law

This By-Law M.8 sets out the specifications for Currency Futures Contracts relating to individual currencies that the Exchange has approved for trading.

M.8.2 Specifications for Euro Futures Contracts

- a. The Currency Contract Unit for Euro Futures Contracts is fifty thousand (50,000) Euros.
- b. The minimum price fluctuation for Euro Futures Contracts is 0.0001 US Dollars per Euro.

M.8.3 Specifications for British Pounds Sterling Futures Contracts

- a. The Currency Contract Unit for British Pounds Sterling Futures Contracts is fifty thousand (50,000) British Pounds Sterling.
- b. The minimum price fluctuation for British Pounds Sterling Futures Contracts is 0.0001 US Dollars per British Pound Sterling.

M.8.4 Specifications for Japanese Yen Futures Contracts

- a. The Currency Contract Unit for Japanese Yen Futures Contracts is five million (5,000,000) Japanese Yen
- b. The minimum price fluctuation for Japanese Yen Futures Contracts is 0.000001 US Dollars per Japanese Yen.

M.8.5 Specifications for Indian Rupee Futures Contracts

- a. The Currency Contract Unit for Indian Rupee Futures Contracts is two million (2,000,000) Indian Rupees
- b. The minimum price fluctuation for Indian Rupee Futures Contracts is 0.000001 US Dollars per Indian Rupee.

Part N. Crude Oil Futures and Options Contract Specifications

N.1 Definitions and Scope

- N1.1** By-Laws N.1, N.2, N.3.1, N.4 and N.5 together comprise the Individual Contract Specifications for DGCX West Texas Intermediate Light Sweet Crude Oil Futures Contracts
- N1.2** By-Laws N.1, N.2, N.3.2, N.4 and N.5 together comprise the Individual Contract Specifications for DGCX Brent Crude Oil Futures Contracts
- N.1.3** In this Part N of the By-Laws the term “Crude Oil Futures Contracts” shall refer to West Texas Intermediate Light Sweet Crude Oil Futures Contracts and to Brent Crude Oil Futures Contracts

N.2 General By-Law Relating to Specifications of Crude Oil Futures Contracts

- N.2.1 Contract Unit**
The Contract Unit for each class of Crude Oil Futures Contracts shall be one thousand (1,000) barrels.
- N.2.2 Delivery Months**
Trading in Crude Oil Futures Contracts shall be conducted for such Delivery Months as the Exchange may determine from time to time.
- N.2.3 Minimum price fluctuations**
Minimum price fluctuations for trading in Crude Oil Futures Contracts shall be US Dollars 0.01 per barrel.
- N.2.4 Trading Hours**
Hours for trading in Crude Oil Futures Contracts shall be as determined by the Exchange from time to time.
- N.2.5 Trading Days**
Days for trading in Crude Oil Futures Contracts shall be as determined by the Exchange from time to time.
- N.2.6 Last Day of Trading**
The Last Day of Trading for each Class of Crude Oil Futures Contracts shall be as described in By-Law N.3
- N.2.7 Cash Settlement Day**
The Cash Settlement Day for Crude Oil Futures Contracts shall be the Business Day immediately following the Last Day of Trading

N.3 Specifications for Individual Crude Oil Futures Contracts

N.3.1 DGCX West Texas Intermediate Light Sweet Crude Oil Futures Description

- N.3.1.1 Individual specifications for DGCX West Texas Intermediate Light Sweet Crude Oil Futures**
 - a) The Last Day of Trading shall be the fourth US business day prior to the 25th calendar day of the month that precedes the Delivery Month. If it is not a US business day; Last Day of Trading shall be the fourth US business day prior to the US business day that precedes the 25th calendar day. If the fourth US business day is not a Business Day, then the preceding Business Day shall be the Last Day of Trading.
 - b) The Final Cash Settlement Price shall be the settlement price for the WTI Light Sweet Crude Oil futures contract, as made public by NYMEX for the Last Day of Trading.

N.3.2 DGCX Brent Crude Oil Futures Description

- N.3.2.1 Individual specifications for DGCX Brent Crude Oil Futures**
 - a) Last Day of Trading shall be the second UK business day immediately preceding the 15th day prior to the first day of the Delivery Month; if such 15th day is a banking day in London. If the 15th day is a non-banking day in London (including Saturday), trading shall cease on the second UK business day immediately preceding the first UK business day that precedes the 15th day. If the second UK business day is not a Business Day, then the preceding Business Day shall be the Last Day of Trading.
 - b) The Final Cash Settlement Price shall be the settlement price for the Brent Crude Oil futures contract as made public by ICE for the Last Day of Trading.

N.4 Cash Only Settlement

N.4.1 Establishment of Final Cash Settlement Price

The methodology for establishing the Final Cash Settlement Price for each Class of Crude Oil Futures is described in By-Law N.3.1.1 (b) in respect of DGCX West Texas Intermediate Light Sweet Crude Oil Futures Contract; and in By-Law N.3.2.1 (b) in respect of DGCX Brent Crude Oil Futures Contract.

N.5 Role of Clearing Corporation in Cash Only Settlement of Crude Oil Futures Contracts

N.5.1 Open Positions Subject to Cash Only Settlement

Open Positions that have not been Closed Out in the respective class of Crude Oil Futures Contract on or before the Close on the Last Day of Trading shall be subject to this By-Law N.5.

N.5.1.1 Calculation of Cash Only Settlement Amount

For each Class of Crude Oil Futures Contracts the Cash Only Settlement amount is the Cash Settlement Price multiplied by the Contract Unit and expressed in US Dollars.

N.5.2 Payment and Receipt of Cash Only Settlement Amount

N.5.2.1 Funds due from holders of Open Positions at Close on Last Day of Trading

- a) Where the Final Cash Settlement Price is lower than the previous Trading Day's Daily Settlement Price the Cash Only Settlement amount shall be paid by the Buyer to the Clearing Corporation
- b) Where the Final Cash Settlement Price is higher than the previous Trading Day's Daily Settlement Price the Cash Only Settlement amount shall be paid by the Seller to the Clearing Corporation.

N.5.2.2 Funds due to holders of Open Positions at Close on Last Day of Trading

- a) Where the Final Cash Settlement Price is higher than the previous Trading Day's Daily Settlement Price the Cash Only Settlement amount shall be paid by the Clearing Corporation to the Buyer.
- b) Where the Final Cash Settlement Price is lower than the previous Trading Day's Daily Settlement Price the Final Cash Settlement amount shall be paid by the Clearing Corporation to the Seller.

N.5.2.3 Time by Which Payments Are to be Made

The payments referred to in By-Laws N.5.2.1 and N.5.2.2 shall be made on such time and date as prescribed by the Clearing Corporation from time to time.

N.6 General Specifications of Crude Oil Options Contracts

N.6.1 Contract Unit

One Crude Oil Futures Contract of a specified Class of Crude Oil Futures Contract

N.6.2 Minimum Premium Fluctuations

As determined by the Exchange

N.6.3 Quotation of Strike Prices

As determined by the Exchange

N.6.4 Expiry Months

As determined by the Exchange

N.6.5 Declaration Date

As determined by the Exchange

N.6.6 Time at which Trading Ceases on Declaration Date

As determined by the Exchange

Part O. Plastics Futures and Options Contracts Specifications

O.1 Interpretation

O1.1 General

This Part O of the By-Laws contains the specifications for twelve (12) Classes of Futures Contracts:

- (a) HD (MIDDLE EAST) Futures Contracts (DHDM)
- (b) HD (NORTH EAST ASIA) Futures Contracts (DHDN)
- (c) HD (SOUTH EAST ASIA) Futures Contracts (DHDS)
- (d) LD (MIDDLE EAST) Futures Contracts (DLDM)
- (e) LD (NORTH EAST ASIA) Futures Contracts (DLDN)
- (f) LD (SOUTH EAST ASIA) Futures Contracts (DLDS)
- (g) LL(MIDDLE EAST) Futures Contracts (DLLM)
- (h) LL (NORTH EAST ASIA) Futures Contracts (DLLN)
- (i) LL (SOUTH EAST ASIA) Futures Contracts (DLLS)
- (j) PP (MIDDLE EAST) Futures Contracts (DPPM)
- (k) PP (NORTH EAST ASIA) Futures Contracts (DPPN)
- (l) PP (SOUTH EAST ASIA) Futures Contracts (DPPS)

- together with Options Contracts on these Futures Contracts

O1.2 HD Futures Contracts

In this Part O of the By-Laws the term "HD Futures Contracts" shall refer to one or more of: (a) HD (MIDDLE EAST) Futures Contracts; (b) HD (NORTH EAST ASIA) Futures Contracts; and (c) HD (SOUTH EAST ASIA) Futures Contracts

O1.3 LD Futures Contracts

In this Part O of the By-Laws the term "LD Futures Contracts" shall refer to one or more of: (a) LD (MIDDLE EAST) Futures Contracts; (b) LD (NORTH EAST ASIA) Futures Contracts; and (c) LD (SOUTH EAST ASIA) Futures Contracts

O1.4 LL Futures Contracts

In this Part O of the By-Laws the term "LL Futures Contracts" shall refer to one or more of: (a) LL (MIDDLE EAST) Futures Contracts; (b) LL (NORTH EAST ASIA) Futures Contracts; and (c) LL (SOUTH EAST ASIA) Futures Contracts

O1.5 PP Futures Contracts

In this Part O of the By-Laws the term "PP Futures Contracts" shall refer to one or more of: (a) PP (MIDDLE EAST) Futures Contracts; (b) PP (NORTH EAST ASIA) Futures Contracts; and (c) PP (SOUTH EAST ASIA) Futures Contracts

0.1.6 Definitions

In this Part O of the By-Laws, terms not defined in Part A of the By-Laws bear the following meaning and where there is an inconsistency between a definition in Part A of the By-Laws and the definition below, the definition below shall prevail for Plastic Contracts

Approved Brand	: A brand of an Approved Producer or of an Approved OBD, approved in accordance with By-Law O.4.1(c)
Approved DCR Issuer	: A DCR Issuing Member approved by the Exchange in accordance with By Law O.5 (a) to issue DCR s representing Plastics for the purpose of enabling delivery in fulfillment of a ME Plastics Futures Contract
Approved Delivery Location	: A port or other location at which an Approved Warehouse may be situated
Approved ICR Issuer	: An ICR Issuing Member approved by the Exchange in accordance with By Law O.5 (b) to issue ICR s representing Plastics for the purpose of enabling delivery in fulfillment of a Futures Contract that is not a ME Plastics Futures Contract
Approved OBD	: A OBD approved in accordance with By-Law O.4.1(b)
Approved Warehouse	: A warehouse approved by the Exchange in accordance with By-Law O.4.3 (b) at which Plastics may be delivered in fulfillment of a Plastics Futures Contract
Approved Producer	: A producer of Plastics approved by the Exchange in accordance with By Law O.4.1 (a)
Approved Warehouse Receipt Issuer	: (a) in the case of a ME Plastics Futures Contracts an Approved DCR Issuer (b) in the case of a Plastics Futures Contract that is not an ME Plastics Futures Contract, an Approved ICR Issuer
Certificate of Analysis	: A dated certificate issued by an Approved Producer/OBD of one or more batches of Plastics certifying that such Plastics have been tested and inspected in accordance with standard industry practices and certifying as to the grade, weight, country of origin and Production Month of such Plastics
Certificate of Conformity	: A dated certificate issued by an Approved Producer/OBD of Plastics stating that such Plastics (a) have been produced in accordance with a quality management process that conforms to the ISO 9001:2000 Standard, and (b) conform to the description, weight and specification stated in the certificate
Certificate of Origin	: A certificate issued by a producer of Plastics specifying the plant at which the Plastics were manufactured, the country of origin of such Plastics and the brand of such Plastics, and the date of issuance of the certificate
HD	: High Density Polyethylene
In Warehouse (named place)	: A form of delivery of goods in which (i) the Seller transfers to the Buyer title to the goods which are located in an Approved Warehouse

	<ul style="list-style-type: none"> situated at the named place, and (ii) the goods are not loaded on a mode of transportation, and (iii) all warehouse charges up to and including the date of transfer of title are for the account of the Seller, and (iv) all warehouse charges after the date of transfer of title are for the account of the Buyer, which in event that the Buyer requests the goods to be delivered out of the warehouse shall include a delivery out charge at the warehouse keeper's agreed rate
Last Day of Trading	: For each class of Plastics Futures Contracts, the day determined in accordance with By-Law O.2.6
LD	: Low Density Polyethylene
LL	: Linear Low Density Polyethylene Copolymer
Material Safety Data Sheet	: In relation to Plastics delivered in fulfillment of a Plastics Futures Contract, a form, prepared by the Approved Producer/OBD of the Plastics, containing safety information regarding the handling of the Plastics
ME Plastics Futures Contracts	: One (1) or more of the following Classes of Contracts: <ul style="list-style-type: none"> (a) HD (MIDDLE EAST) Futures Contracts (b) LD (MIDDLE EAST) Futures Contracts (c) LL (MIDDLE EAST) Futures Contracts (d) PP (MIDDLE EAST) Futures Contracts
Own Brand Distributor or "OBD"	: A party engaged in the distribution of Plastics produced by another party, under a different brand name to that used by the Approved Producer
Packing List	: In relation to Plastics delivered in fulfillment of a Plastics Futures Contract, a packing list containing full details of the delivered Plastics, including brand and batch production numbers together with all references to markings, weights and quantities of pallets and bags, prepared by <ul style="list-style-type: none"> (a) in the case where the Plastics are delivered to an Approved Warehouse in the bags in which it is packed for delivery to the Buyer, the producer of the Plastics or a bagging company authorized by the Approved Producer/OBD, or (b) in the case where the operator of the Approved Warehouse, in accordance with an authorization by the Approved Producer/OBD, has bagged the Plastics, the warehouse operator
Plastics	: HD, LD, LL or PP
Plastics Futures Contracts	: One (1) or more of the Classes of Contracts specified in By-Law O1.1
PP	: Polypropylene Homopolymer
Production Month	: In relation to a lot of Plastics delivered in fulfillment of a Plastics Futures Contract, the calendar month in which:

- (a) in the case of the lot deriving from one (1) production batch, the start date of the production batch falls, or
 - (b) in the case of the lot deriving from two (2) production batches, the earlier of the start dates of the two production batches falls
- Standard DCR** : A "Standard DCR" as defined in the "Rules Concerning the Issuance, Endorsement and Transfer of Dubai Commodity Receipts" issued by DMCC.
- Standard ICR** : A "Standard ICR" as defined in the "Rules Concerning the Issuance, Endorsement and Transfer of International Commodity Receipts" issued by DMCC
- Standard Warehouse Receipt** : In the case of an ME Plastics Futures Contract, a Standard DCR, and , in the case of a Plastics Futures Contract that is not a ME Plastics Futures Contract, a Standard ICR
- Warehouse Receipt** : (a) in the case of ME Plastics Futures Contracts, a DCR
 (b) in the case of Plastics Futures Contracts that are not ME Plastics Futures Contracts, an ICR
- O.2 General Specification of Plastics Futures Contracts**
- O.2.1 Contract and Trading Unit**
- (a) Delivery Unit shall be twenty four and three quarters (24.75) tonnes of Plastics.
 - (b) Trading Unit shall be twenty five (25.00) tonnes of Plastics.
- O.2.2 Delivery Months and Delivery Weeks**
- Trading in Plastics Futures Contracts shall be conducted for such Delivery Months and Delivery Weeks as the Exchange may determine from time to time.
- O.2.3 Price basis and Minimum price fluctuations**
- (a) Prices shall be quoted in US Dollars per tonne, In Warehouse (named place) at an Approved Warehouse.
 - (b) Minimum price fluctuation shall be U.S. Dollars 0.25 per tonne.
- O.2.4 Trading hours**
- Hours for trading in shall be as determined by the Exchange from time to time.
- O.2.5 Trading Days**
- Days for trading in shall be determined by the Exchange from time to time.
- O.2.6 Last Trading Day**
- (a) The Last Day of Trading for Plastics Futures Contracts that are not Short Term Futures Contracts shall be the first Friday of the Delivery Month. In the event that the first Friday of the Delivery Month is not a Business Day, the Last Day of Trading shall be the Business Day immediately preceding that Friday.
 - (b) The Last Day of Trading for Plastics Futures Contracts that are Short Term Futures Contracts shall be the Friday of the Contract week immediately prior to the Delivery Day. In the event that the first Friday of the Delivery Month is not a Business Day, the Last Day of Trading shall be the Business Day immediately preceding that Friday.
- O.3 Deliverable HD**
- O.3.1 Description of Deliverable HD**
- HD Film grade meeting all of the following specifications shall be deliverable in fulfillment of a HD Futures Contract:
- (a) **Melt Flow Rate:**
 - (i) Subject to By-Law O.3.1 (a) (ii), the Melt Flow Rate determined at **g/10min@190°C/2.16 kg.** shall be:
 - (A) a value in the range 0.035 to 0.08 (inclusive), determined by the ISO 1133:1977 Method or the ASTM D 1238-04 Method, and

- (B) where the delivered HD derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 0.02 g/10min@190°C/2.16kg.
- (ii) In the case of a HD (ME) Futures Contract the Melt Flow Rate shall either comply with By-Law O.3.1 (a) (i) or , if determined at 190°C/21.6kg. shall be:
 - (A) a value in the range 7.5 to 12.5 (inclusive), determined by the ISO 1133:1977 Method or the ASTM D 1238-04 Method, and
 - (B) where the delivered HD derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 1.5 g/10min@190°C/21.6kg.
- (b) **Density (g/cm³ @ 23°C):**
 - (i) A value in the range 0.950 to 0.962 (inclusive), determined by the ISO 1183-1:2004 and -3:1999 Methods or the ASTM D 792-00 or D1505 Methods.
 - (ii) The density of any single batch must be within +/- 0.002 g/cm³ (23°C) of the declared density shown on the Certificate of Analysis, and no such density value shall be outside the range specified in By-Law O.3.1 (b) (i).

O.3.2 Description of Deliverable LD

LD General Purpose Film grade meeting all of the following specifications shall be deliverable in fulfillment of a LD Futures Contract:

- (a) **Melt Flow Rate (g/10min@190°C/2.16kg):**
 - (ii) a value in the range 2.0 (-0.5/+1.0), determined by the ISO 1133:1977 Method or the ASTM D 1238-04 Method.
 - (iii) where the delivered LD derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 0.1 g/10min@190°C/2.16kg.
- (c) **Density (g/cm³ @ 23°C):**
 - (i) a value in the range 0.918 to 0.924 (inclusive) determined by the ISO 1183-1:2004 and -3:1999 Methods or the ASTM D792-00 and ASTM D1505 Methods.
 - (ii) the density of any single batch must be within +/- 0.002 g/cm³ (23°C) of the declared density shown on the Certificate of Analysis, and no such density value shall be outside the range specified in By-Law O.3.2 (b) (i).

O.3.3 Description of Deliverable LL

LL General Purpose Blown Film and Blending grade meeting all of the following specifications shall be deliverable in fulfillment of an LL Futures Contract:

- (a) **Melt Flow Rate (g/10min@190°C/2.16kg):**
 - (i) a value of 0.8 (-0.1/0.4), determined by the ISO 1133:1977 Method or the ASTM D-1238-04 Method.
 - (ii) where the delivered LL derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 0.2g/10min@190°C/2.16kg.
- (b) **Density (g/cm³ @ 23°C):**
 - (i) a value in the range 0.916 to 0.926 (inclusive) determined by the ISO 1183-1:2004 and -3:1999 Methods or the ASTM D792-00 and ASTM D1505 Methods.
 - (ii) the density of any single batch must be within +/- 0.002 g/cm³ (23°C) of the declared density shown on the Certificate of Analysis, and no such density value shall be outside the range specified in By-Law O.3.3 (b) (i).

O.3.4 Description of Deliverable PP

- (a) PP meeting one (1) of the specifications in sub-paragraphs (i), (ii) or (iii), below shall be deliverable in fulfillment of a PP Futures Contract:

- (i) PP General Purpose Injection Moulding grade meeting the following specifications:

Melt Flow Rate (g/10min@230°C/2.16kg): A value of 12 (-4/+3), determined by the ISO 1133:1977 Method or the ASTM D 1238 -04 Method, or

- (ii) PP General Purpose Injection Moulding grade meeting the following specifications:

Melt Flow Rate (g/10min@230°C/2.16kg): A value of 20 (+/-4), determined by the ISO 1133:1977 Method or the ASTM D 1238-04 Method, or

- (iii) PP General Purpose Fibre (Raffia), extrusion grade meeting the following specifications:

Melt Flow Rate: g/10min@230°C/2.16kg): A value of 3.5 (+/-1), determined by the ISO 1133:1977 Method or the ASTM D 1238-04 Method.

- (b) Where PP conforming to the description of By-Law O.3.4 (a) (i) is delivered, and the PP derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 2 g/10min@230°C/2.16kg.
- (c) Where PP conforming to the description of By-Law O.3.4 (a) (ii) is delivered, and the PP derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 2 g/10min@230°C/2.16kg.
- (d) Where PP conforming to the description of By-Law O.3.4 (a) (iii) is delivered, and the PP derives from two (2) production batches the Melt Flow Rate of the two production batches shall not differ by more than 1.5 g/10min@230°C/2.16kg.

O.3.5 Specification of Deliverable Plastics With Regard to Foodstuffs Regulation

- (a) Deliverable HD, LD and LL shall satisfy the following conditions:

(i) FDA status:

"Compliant", determined by the 21 CFR 177.1520 (c) 2.2, 3.1a or 3.2a
 and/or

(ii) EU Food Contact status:

"Compliant", determined in accordance with EU Directive 2002/72/EC.

- (b) Deliverable PP shall satisfy the following conditions:

(i) FDA status:

"Compliant", determined by the 21 CFR 177.1520 (c) 1.1
 and/or

(ii) EU Food Contact status:

"Compliant", determined in accordance with EU Directive 2002/72/EC.

O.3.6 Description Generally Applying to Deliverable Plastics

Deliverable Plastics shall:

- (a) be subject to By-Law O.3.6 (a) (ii), contain no additives, including slip or anti-block additives, other than the producer's own standard anti-oxidant package notified to the Exchange by the producer or OBD at the time a brand is approved under By-Law O.4.1(c), together with catalyst neutralizer and/or anti-static additives and in the case of HD Futures Contracts, LD Futures Contracts and LL Futures Contracts, Deliverable Plastics may also contain additives for anti-block and slip as notified to the Exchange by the producer or OBD at the time a brand is approved under By-Law O.4.1 (c)
- (b) be free from contaminants, consistent with industry best practice; and
- (c) be free flowing standardized industrial pallets suitable for use in both volumetric and gravimetric feeders.

O.3.7 Production and Brands of Deliverable Plastics

Each lot representing one (1) contract of deliverable Plastics shall:

- (a) either:
 - (i) have been produced by a single Approved Producer and be an Approved Brand of that producer, or
 - (ii) be an Approved Brand of an Approved OBD; and
- (b) either:
 - (i) contain Plastics derived from not more than two (2) production batches, or
 - (ii) where a lot of deliverable Plastics is accompanied by a Certificate of Conformity or a copy of such a certificate in accordance with By-Law O.3.10, such lot must contain Plastics from not more than one (1) production batch.

O.3.8 Packing of Deliverable Plastics

Each lot representing one (1) contract of deliverable Plastics shall:

- (a) be in the form of pallets packaged in 25 kg (+/- 0.8%) (net weight) plastic bags; and
- (b) either:
 - (i) comprise eighteen (18) pallets each carrying fifty-five (55) such bags stacked symmetrically in eleven (11) layers of five (5) bags per pallet, or
 - (ii) comprise sixteen (16) pallets, ten (10) of which carry sixty (60) such bags stacked symmetrically in twelve (12) layers of five (5) bags per layer, and six (6) of which carry sixty five (65) such bags stacked symmetrically in thirteen (13) layers of five (5) bags per layer, and
- (c) each pallet shall be shrink or stretch-wrapped and covered with a plastic hood, and
- (d) all pallets shall be in good condition without protrusions of nails, screws, large splinters or other sharp objects.

O.3.9 Identification of Deliverable Plastics

- (a) Each bag referred to in By-Law O.3.8 shall be marked indelibly with an Approved Brand in English, the batch number and the net weight of Plastics within the bag.
- (b) all bags shall be free of punctures and in good condition suitable for storage for up to twelve (12) months, subject to the following:
 - (i) a maximum of five (5) bags per lot representing one (1) Contract may be torn and repaired, and
 - (ii) all torn bags shall have been repaired with suitable adhesive tape in a colour that enables such bags to be readily identified.

O.3.10 Accompanying Documents

- (a) Each lot representing a Contract of Deliverable Plastics shall be accompanied by the following documents in relation to the Plastics to be delivered, which shall be lodged with the manager of the Approved Warehouse at which the Plastics is to be stored for delivery:
 - (i) either:
 - a. in the case where the Approved Producer of the Plastics holds an ISO 9001:2000 Certificate valid at the date of production, a Certificate of Conformity or a Certificate of Analysis, or
 - b. in the case where the Approved Producer does not hold such a valid ISO certificate, a Certificate of Analysis
 - (ii) a Certificate of Origin
 - (iii) a Material Safety Data Sheet
 - (iv) a Packing List

- (b) Where the lot representing a Contract of Deliverable Plastics is part of a larger parcel for which a single Certificate of Analysis or Certificate of Conformity has been issued by the producer, the requirement of By-Law O.3.10 (a) (i) b may be satisfied if such lot is accompanied by a copy of that Certificate of Analysis or Certificate of Conformity, as the case may be.

O.3.11 Dispute

Any dispute as to the quantity, quality, condition or other incident of the Plastic that is the subject of a DCR/ICR shall be an issue between the Seller and the Buyer alone. Either party may refer such dispute to arbitration.

O.4 Approved Producers, Brands, OBD's Delivery Locations and Warehouses

O.4.1 Approved Producers, Brands and OBD's

For each Class of Plastics Futures Contract the Exchange shall from time to time determine and publish:

- (a) a list of Approved Producers whose Plastics may be accepted as deliverable in fulfillment of that Class of Plastics Futures Contract, and
- (b) a list of Approved OBD's whose brands of Plastics may be accepted as deliverable in fulfillment of that Class of Plastics Futures Contracts, and
- (c) for each Approved Producer and Approved OBD, a list of Approved Brands of Plastics that may be accepted as deliverable in fulfillment of that Class of Plastics Futures Contracts.

O.4.2 Guidelines

The Exchange may from time to time publish guidelines that it will follow in determining Approved Producers, Approved OBD's and Approved Brands.

O.4.3 Approved Delivery Locations and Warehouses

For each Class of Plastics Futures Contracts the Exchange shall from time to time determine and publish:

- (a) a list of Delivery Locations for the delivery of Plastics in fulfillment of that Class of Plastics Futures Contract, and
- (b) a list of Approved Warehouses at each Delivery Location, at which Plastics may be delivered in fulfillment of that Class of Plastics Futures Contract.

O.5 Approved DCR and Approved ICR Issuers

The Exchange shall from time to time determine and publish:

- (a) a list of Approved DCR Issuers whose DCR's representing Plastics may be used for delivery in fulfillment of a ME Plastics Futures Contract.
- (b) a list of Approved ICR Issuers whose ICR's representing Plastics may be used for delivery in fulfillment of a Futures Contract that is not an ME Plastics Futures Contract.

O.6 Delivery Day, Delivery Notices and Buyer's Notice of Preference

O.6.1 Delivery Day

The Delivery Day for each Class of Plastics Futures Contracts shall be the Wednesday immediately following the Last Day of Trading. In the event that Wednesday is not a Business Day, the Delivery Day shall be the Business Day immediately following that Wednesday.

O.6.2 Notice Day

For each Class of Contract the Notice Day shall be the Last Day of Trading.

O.6.3 Delivery Notices

A Seller shall provide to the Clearing Corporation by a time on the Notice Day prescribed by the Exchange, a Delivery Notice containing such information regarding the Plastics to be delivered as the Exchange may prescribe.

O.7 Plastics to be Represented by a Warehouse Receipt

- (a) Plastics that are the subject of a Delivery Notice in respect of a Plastics Futures Contract shall be represented by a Standard Warehouse Receipt issued by an Approved Warehouse Receipt Issuer and that complies with the requirements of these By-Laws, subject to the following:

- (i) a Standard Warehouse Receipt that is to be used to effect delivery in fulfillment of a Plastics Futures Contract shall relate to only one (1) such Contract, that is to 24.75 (+/-0.8%) tonnes of deliverable Plastics.
 - (ii) PP that is the subject of a Standard Warehouse Receipt to be used to effect delivery in fulfillment of a PP Futures Contract shall be either PP General Purpose Injection Moulding grade MFR 12 or PP General Purpose Injection Moulding grade MFR 20 or PP General Purpose Fibre (Raffia), extrusion grade, but not more than one.
- (b) A Standard Warehouse Receipt is eligible to be used to effect delivery in fulfillment of a Plastics Futures Contract if:
- (i) the Plastics that are the subject of the Standard Warehouse Receipt are stored in one Approved Warehouse and arrived at that Approved Warehouse:
 - (A) not more than six (6) months after the last day of the Production Month, and
 - (B) in covered transport and has been unloaded in covered or dry conditions, and
 - (ii) the Plastics that are the subject of the Standard Warehouse Receipt have been continuously stored in internal warehouse storage at the same Approved Warehouse facility since its arrival at that facility, and
 - (iii) it has been issued not more than seventeen (17) months after the last day of the Production Month and not less than two (2) Business Days prior to the Delivery Day.
- (c) A Standard Warehouse Receipt used to effect delivery in fulfillment of a Plastics Futures Contract shall state, in respect of the Plastics that are the subject of the Standard Warehouse Receipt:
- (i) the net weight of the Plastics, calculated in accordance with By-Law O.7 (d), and
 - (ii) the country of origin of the Plastics, and
 - (iii) the Approved Producer/OBD and brand of the Plastics, and
 - (iv) the number of bags, and
 - (v) the number of bags, not exceeding five (5), that are torn and repaired, and
 - (vi) the dates of issuance, and reference numbers, of the Certificate of Analysis or Certificate of Conformity, and the Packing List.
- (d) A Standard Warehouse Receipt shall follow that:
- (i) the net weight stated on the Warehouse Receipt in accordance with By-Law O.7 (c) (i), shall be the net weight shown on the Certificate of Analysis or Certificate of Conformity, less twenty five (25) kg for each bag that is torn and repaired as described in By-Law O.3.9 (b)
 - (ii) such net weight shall not be less than the lower limit of 24.552 tonnes., and if the adjustment made in accordance with By-Law O.7 (d) (i) results in a net weight below this lower limit the Standard Warehouse Receipt is not eligible to be used to effect delivery
- (e) Following issuance of a Delivery Notice the Standard Warehouse Receipt referred to in By-Law O.7 (a) may not be cancelled or transferred other than in accordance with By-Law O.12 or By-Law O.15.

O.8 Roles of Clearing Corporation and DMCC

O.8.1 Clearing Corporation to Act as Seller's Agent

Each Seller who has issued a Delivery Notice shall be deemed to appoint the Clearing Corporation to act as its agent to instruct DMCC to endorse, by way of transfer to a Buyer determined by the Clearing Corporation, the Standard Warehouse Receipt representing such Plastics to the extent necessary to effect the delivery of Plastics the subject of that Delivery Notice.

O.8.2 DMCC May Act on Behalf of Clearing Corporation

The Clearing Corporation may, with the agreement of DMCC, authorize DMCC to act on its behalf to perform the acts referred to in By Law O.8.1.

0.9 Contract Weight

The Contract Weight shall be the net weight of Plastics as shown on the Standard Warehouse Receipt used to effect delivery in fulfillment of that Contract and calculated in accordance with By-Law O.7.(e).

0.10 Settlement Value

0.10.1 Calculation of Settlement Value

The Settlement Value for each Contract shall be calculated as:

$$SV = W \times SP$$

Where

SV is the Settlement Value expressed in US Dollars, and

W is the Contract Weight, expressed in tonnes.

SP is the Settlement Price, expressed in US Dollars per tonne, also taken as invoice price.

0.11 Allocation of Delivery Notices and Advice to Sellers and Buyers

0.11.1 Allocation of Delivery Notices

- (a) Following receipt of the Delivery Notice from the seller, the Clearing Corporation shall, not later than a time on the Business Day following the Notice Day prescribed by the Exchange, allocate that Delivery Notice to a Clearing Member holding a long position ("Buyer").
- (b) Where the Delivery Notice is in respect of more than one Contract the Clearing Corporation may allocate that Notice to more than one Buyer.

0.11.2 Advice to Buyers and Sellers

- (a) Following allocation of a Delivery Notice in accordance with By-Law O.11.1 (a) the Clearing Corporation shall advise the Seller and Buyer accordingly.
- (b) Where a Delivery Notice is allocated to more than one (1) Buyer in accordance with By-Law O.11.1 (b) the advice referred to in By-Law O.11.2 (a), shall provide to each Buyer details only of such as that Buyer is to receive under the allocation.
- (c) The advice to the Buyer and Seller referred to in By-Laws O.11.2 (a) shall include the Settlement Value for each Contract.

0.12 Delivery procedure

0.12.1 Endorsement of Warehouse Receipt by DMCC

On the Delivery Day the Clearing Corporation shall instruct DMCC, on behalf of the Seller, to endorse the relevant Standard Warehouse Receipt or Warehouse Receipts by way of transfer to the Buyer, in accordance with By-Law O.8.

0.12.2 Payment to Have Been Received From Buyer

The issuing of the instruction to DMCC referred to in By Law O.12.1 shall be subject to the receipt by the Clearing Corporation of the payment referred to in By Law O.13.1 from the Buyer.

0.12.3 Time of Endorsement

The endorsement by DMCC referred to in By-Law O.12.1 shall be performed not later than a time prescribed by the Corporation.

0.13 Payment

0.13.1 Payment by Buyer

On the Delivery Day a Buyer to whom a Delivery Notice is allocated shall, not later than a time prescribed by the Clearing Corporation, pay the Settlement Value to the Clearing Corporation.

0.13.2 Payment to Seller

On the Delivery Day the Clearing Corporation shall, subject to completion of the endorsements referred to in By-Laws O.12.1, and not later than a time prescribed by it, pay the Settlement Value to the Seller.

O.14 Default

O.14.1 Default by Seller

- (a) Should a delivery not be duly made by a Seller or its Agent as provided in these Plastics Contract Specifications, such Seller shall be in Default.
- (b) Should a Seller not have issued a Delivery Notice in respect of an Open Position existing at the close of trading on the last trading day, such Seller shall be in Default.
- (c) Should a Seller fail to deliver Plastics that conforms in all relevant respects to the description in By-Law O.3, such Seller shall be in Default.

O.14.2 Default by Buyer

- (a) Should a delivery not be duly accepted by a Buyer or its Agent as provided in these Plastics Contract Specifications, such Buyer shall be in default.
- (b) Should payment for any delivery not be made by the Buyer as provided in these Plastics Contract Specifications the Clearing Corporation is authorized to sell the Plastics forthwith.

O.15 Alternative Delivery Procedure

- (a) Where a Delivery Notice issued by a Seller has been allocated to a Buyer, the Buyer and Seller may agree that delivery be made under terms and conditions that differ from these By-Laws.
- (b) In such a case, the Buyer and the Seller shall submit to the Clearing Corporation an alternative delivery completion notice in a prescribed format and before such time on the Delivery Day as is prescribed by the Clearing Corporation.
- (c) The submission of the alternative delivery completion notice referred to in By-Law O.15 (b) shall release the Clearing Members and the Clearing Corporation from their respective obligations under the terms of these By-Laws in respect of those Contracts that are the subject of the alternative delivery completion notice.

O.16 Plastics Options Contracts

O.16.1 Contract Unit

One Plastics Futures Contract.

O.16.2 Minimum premium fluctuations

As determined by the Exchange.

O.16.3 Quotation of Strike Prices

As determined by the Exchange.

O.16.4 Expiry Months

As determined by the Exchange.

O.16.5 Declaration Date

As determined by the Exchange.

O.16.6 Time at which trading ceases on Declaration Date

As determined by the Exchange.