

APEX Crude Palm Oil Futures Contract Specifications

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1 SCOPE OF CONTRACT SPECIFICATIONS

This document with the attached annexes and appendices set out the contracts specifications, trading parameters, delivery and settlement terms and other terms of the contracts in respect of **APEX Crude Palm Oil ("Contract Terms")** and shall, in conjunction with the Rules, be binding on all Clearing Members and Exchange Members and constituents trading and/or clearing through them.

Capitalized terms in this Contract Terms shall have meanings as set forth in Clause 9 (*Definitions And Interpretation*). Any capitalised terms undefined in these Contract Terms shall have the meaning ascribed to it under the Rules. In the event of inconsistency between these Contract Terms and the Rules, the Rules shall prevail. Any reference to any rights and/or obligations of the "Buyer" shall equally apply to the "Buying Clearing Member" and any reference to that of the "Seller" shall equally apply to the "Selling Clearing Member".

2 MAIN FEATURES OF THE CONTRACT

2.1 Quality Specifications

The grade for APEX Crude Palm Oil contract shall be of good merchantable quality, in bulk & unbleached, and conform to APEX Crude Palm Oil quality specifications which is consistent with the quality specifications as provided by PORAM (Palm Oil Refiners Association of Malaysia) and shall have the following physical and chemical properties at the time of loading:

| Parameters | Limit | Testing Method |
|---|----------------------|-------------------------------|
| Free Fatty Acid (As Palmitic) | 4.5% Basis, 5.0% Max | AOCS Ca 5a-40 |
| Moisture & Impurities (M&I) | 0.50% Max | AOCS Ca 2c-25 / AOCS Ca 3a-46 |
| Deterioration of Bleachability Index (DOBI) | 2.10 Min | ISO 17932:2011 (En) |

Testing Methods set out in the table above shall refer to the prevailing market practices as per the PORAM standards in the market in respect of Crude Palm Oil. In the event of any conflict or differences between these listed Testing Methods and the prevailing market practices as per the PORAM standards published on PORAM's website, the latter shall be construed to prevail and become part of these Contract Terms which shall be deemed modified to such extent as may be necessary.

2.2 Port of Loading

The port of loading for delivery of Product ("**Port of Loading**") shall be at an APEX Approved Port. APEX Approved Port refers to any ports listed in *ANNEX A* on APEX's website. The Exchange may list or de-list any APEX Approved Port from time to time as the Exchange may determine in its absolute discretion. All changes to the list of APEX Approved Ports shall be published on APEX's website.

2.3 Trading Specifications

| | |
|----------------------------------|---|
| Contract Code | CPF |
| Contract Size | 10MT / Contract |
| Quote Currency | USD |
| Minimum Price Fluctuation | US\$0.25 / MT |
| Trading Hours | <p>Singapore time trading sessions: Singapore Business Days Monday – Friday, Excluding Singapore public holidays 08:55hr – 08:59hr (Pre-opening Session) 08:59hr – 09:00hr (Opening Match Session) 09:00hr – 12:30hr (Morning Session) 13:30hr – 18:00hr (Afternoon Session)</p> <p>Trading of a Contract shall cease at 18:00hr on its Last Trading Day</p> |
| Daily Price Limit | <p>+/-10% of Last Settlement Price. There shall be no Daily Price Limit in force for a Contract on its Last Trading Day</p> |
| Contract Series | Monthly Contracts (12 consecutive months Contracts) |
| Last Trading Day | The 15 th Calendar Day of the Front Contract Month if it is a Business Day, otherwise the preceding Business Day |
| Delivery Method | Physical delivery FOB at any APEX Approved Ports as listed in ANNEX A on APEX's website |
| Minimum Deliverable Size | 50 Contracts (i.e. a total of 500 MT) |
| Initial Margin | Based on SPAN |
| Last Delivery Day | The last Calendar Day of Delivery Month |
| Maximum Order Size | 500 Contracts per order |

2.4 Position Limits

A Person is deemed to have the beneficial interest in the positions of all accounts which are directly or indirectly owned or controlled by that Person. All such positions shall be treated as one position in calculating Position Limits.

| Contract Month | Position Limits |
|------------------------------|---|
| All Contract Series combined | For all Contract Series combined, a Person shall not own or control more than 40,000 lots (i.e. 400,000 MT) net long or short |
| Individual Contract | For any individual Contract, a Person shall not own or control more than 20,000 lots (i.e. 200,000 MT) net long or short |
| Front Contract Month | For the Front Contract Month, a Person shall not own or control more than 5,000 lots (i.e. 50,000 MT) net long or short |

A Person may apply for an increase in its Position Limits through its Clearing Member. The grant of any such increase shall be at the sole discretion of the Exchange.

3 RULES OF PHYSICAL DELIVERY

3.1 Delivery Obligations

Upon expiry of the Contract, Buyer(s) and Seller(s) with open positions shall be matched by the Clearing House in accordance with the Clearing House's powers under Chapter 5 of the Clearing Rules. The Buyer(s) and the Seller(s) shall perform their delivery obligations according to the procedures prescribed by the Clearing House in the Rules and these Contract Terms. No physical delivery shall be allowed for any accounts which are held by an individual.

The Selling Clearing Member and the Buying Clearing Member shall liaise with their respective Seller(s) and Buyer(s) to ensure proper and smooth delivery of the Product as prescribed in the Rules and these Contract Terms. Notwithstanding the foregoing, the Selling Clearing Member and the Buying Clearing Member shall guarantee to the Clearing House the performance of their respective obligations in connection with the delivery as specified in these Contract Terms. In addition, the Selling Clearing Member shall ensure that the supplier of the Product is an APEX Approved Supplier (refer to *ANNEX B*) and the Product is traceable to the mills of origin of the Product. The Product delivered in fulfilment of obligations under each Contract shall be free from encumbrances at the time of loading. If the Buyer and the Seller opt for an ADP, delivery shall be in accordance with procedures set forth in Clause 7 (*Alternative Delivery Procedure (ADP)*).

The Selling Clearing Member and the Buying Clearing Member shall guarantee that the final destination where the cargo is shipped to shall not be any destination prohibited by the government of the country of origin from time to time.

3.2 Margin Requirements

3.2.1 Total Delivery Margin

The "**Total Delivery Margin**" shall comprise the Initial Margin, the First Delivery Margin and Second Delivery Margin. The amount of Total Delivery Margin to be posted by each of the Buying Clearing Member and the Selling Clearing Member with the Clearing House by the 2nd Business Day following the Last Trading Day shall be 15% of the Contract Value of the open position(s) held by any and each

of the account with the Final Settlement Price as the Base Price that are to be settled by physical delivery through the Clearing House.

3.2.2 First Delivery Margin

By 17:00hr on the 10th Calendar Day (if the 10th Calendar Day is not a Business Day, then the immediately preceding Business Day) of the Front Contract Month ("**Delivery Margin Deadline**"), the Selling Clearing Member shall post a delivery margin that is equal to 3% of the Contract Value ("**First Delivery Margin**") of the expiring Contract Month position(s) held by the Seller's account (if any) and the Buying Clearing Member shall post a First Delivery Margin of the expiring Contract Month position(s) held by the Buyer's account (if any), with the Last Settlement Price as the Base Price, to the Clearing House. The Delivery Margin requirements will apply to any newly opened expiring Contract Month position(s) created after the preceding trading day of the applicable Delivery Margin Deadline.

3.2.3 Second Delivery Margin

By 17:00hr on the 2nd Business Day following the Last Trading Day, the Selling Clearing Member and the Buying Clearing Member shall each post a delivery margin ("**Second Delivery Margin**") to make up the Total Delivery Margin such that it is equal to 15% of the Contract Value of the open position(s) held by each respective account, with the Final Settlement Price as the Base Price, to the Clearing House.

3.2.4 Special Margin

In the event of high volatility and heavy price fluctuations as may be determined by the Clearing House at its discretion from the date of expiration of the Contract until the date of completion of loading, the Clearing House may require the Clearing Members to provide an additional margin at any time ("**Special Margin**") to safeguard the interests of both Parties. The Special Margin shall be in addition to the Total Delivery Margin contemplated in Clause 3.2.1 (*Total Delivery Margin*).

3.2.5 Release of Total Delivery Margin and Special Margin

The Total Delivery Margin and Special Margin, if any, shall be held by the Clearing House and released only as follows:

- a) Upon satisfactory completion of the physical delivery process as contemplated in these Contract Terms in accordance with Clause 4.17 (*Delivery of Final Documents and Payment*);
- b) In the event of any dispute, as directed by an Award; or
- c) In the event where the Buyer and Seller elected for ADP, in accordance with Clause 7.3 (*Release and Indemnity to Clearing Members*).

3.3 **Deliverable Quantity**

The deliverable quantity to be delivered by the Seller at any one Port of Loading for loading on board one nominated Vessel shall be set at the Minimum Deliverable Size or multiples thereof at APEX Approved Port(s) ("**Deliverable Quantity**").

3.4 **Odd Lots/Individual Account Liquidation and Penalty**

3.4.1 Definition of Odd Lots

"**Odd Lots**" refers to, at the end of the Last Trading Day, any and all open positions which are:

- a) of less than the Minimum Deliverable Size or the most recent balance position after deducting multiple(s) of Minimum Deliverable Size in a single account and/or customer; or

- b) any long or short positions held by any individual account who is not allowed for physical delivery as stipulated in Clause 3.1 (*Delivery Obligations*).

3.4.2 Odd Lots Consolidation and Treatment

Any Odd Lots shall be closed out at Final Settlement Price on the 2nd Business Day following the Last Trading Day by the Clearing House.

The Clearing House shall liquidate the Parties' positions in the following manner:

- (i) First, Odd Lots of long and short positions will be liquidated against each other until a net long or a net short position is reached, with Parties holding positions for the longest period of time taking priority (i.e. first in first out).
- (ii) Thereafter, in the event that there are any remaining Odd Lots (i.e. either a net position of long or short), all such remaining Odd Lots shall be liquidated against positions of Minimum Deliverable Size of Parties who are prohibited to proceed with physical delivery due to the liquidation of Odd Lots. In this case, positions of Minimum Deliverable Size which are held for the shortest time shall be liquidated first (i.e. last in first out).

A penalty of 1% of the Contract Value of the Odd Lots with the Final Settlement Price as the Base Price shall be imposed on the Parties with all remaining Odd Lots in (ii), and paid to the Parties whose Minimum Deliverable Size positions are liquidated herein.

The Clearing House shall, by 12:00hr on the 2nd Business Day after the Last Trading Day, notify the Clearing Members the outcome of Odd Lots Liquidation.

3.5 **Final Settlement Price**

The "**Final Settlement Price**" shall be the price determined by the Clearing House at the expiry of the Contract according to the volume weighted average Daily Settlement Price during the last 3 Trading Days rounded to the nearest 25 cents, or by such other methodology as the Clearing House may determine and set out in the Clearing Procedure.

3.6 **Matching Process**

3.6.1 Notice of Delivery

The Clearing Members shall by 18:00hr on the 2nd Business Day after the Last Trading Day submit to the Clearing House their physical delivery intentions ("**Intentions**") by providing the following information in the prescribed form set out in *ANNEX D* to the Clearing House, including:

- a) The quantity (in number of lots) of Product;
- b) The identity of the Seller(s) and the Selling Clearing Member(s) / the Buyer(s) and the Buying Clearing Member(s);
- c) The Seller's nominated Port of Loading with requirements in relation to the vessel particulars / The Buyer's preferred Port of Loading;
- d) The Loading Window (providing up to 3 preferred choices); and
- e) Other information that may be required as determined by the Clearing House.

For those accounts with Odd Lots only, or with Deliverable Quantity but subject to liquidation according to Clause 3.4, the Clearing House shall waive the submission of Notice of Delivery for the positions which have been liquidated.

3.6.2 Nomination of Port of Loading & Loading Window

The nomination of Port of Loading for physical delivery shall be at Seller's option. The Buyer may also express its preference on the Port of Loading. The Buyer's preference shall not be binding on the Clearing House and may be taken into account solely for the purposes of matching by the Clearing House.

The Loading Window for physical delivery shall be at Buyer's option, subject to the Buyer providing to the Seller not less than 14 calendar days' prior written notice of the ETA of the Vessel. The Seller may also express its preference on the Loading Window. The Seller's preference shall not be binding on the Clearing House and may be taken into account solely for the purposes of matching by the Clearing House.

3.6.3 Matching Procedures

On the 3rd Business day after the Last Trading Day by 18:00hr, the Clearing House shall match the Buyer(s) Intentions with the Seller(s) Intentions as contemplated in Clause 3.6.1 above and shall notify their respective Clearing Member on the same day (in the prescribed form set out in to *ANNEX E*).

For the matching process, the Clearing House shall assign physical delivery in accordance to the priority where larger quantity will be matched first followed by the principle of minimum number of matched pairs required between the Buyer(s) and the Seller(s). The Clearing House shall have the sole discretion for the matching process.

3.7 **Delivery Fees**

The Clearing House shall charge US\$0.50 per MT as a delivery fee for physical delivery to the accounts of Buying and Selling Clearing Members respectively ("**Delivery Fees**").

4 **PHYSICAL DELIVERY PROCEDURES**

By 18:00hr on the 5th Business Day following the Last Trading Day, Buyer(s) and Seller(s) who have been matched but have not elected an ADP, shall be deemed ready for physical delivery.

The Selling Clearing Member and the Buying Clearing Member shall have the obligation to notify their respective Seller(s) and Buyer(s) to take all necessary steps to ensure timely and proper delivery of the Deliverable Quantity.

Physical delivery of the Deliverable Quantity through the Clearing House shall be effected in the manner set out below:

4.1 **Sales and Purchase Contract**

With respect to each transaction to which a Buyer and Seller are matched pursuant to Clause 3.6 (*Matching Process*), a Sales and Purchase Contract shall be deemed to have arisen between such Buyer and Seller which is collateral to a Contract, governed by and construed in accordance with Singapore law and subject to the Rules. The final contract price of the Sales and Purchase Contract (the "**Final Contract Price**") is arrived at by adjusting the Final Settlement Price by all applicable premium /discount (as set out in *ANNEX A and* Clause 4.2). The terms of each Sales and Purchase Contract will be the obligations specified to apply to the Seller and the Buyer in this Contract Terms. Please refer to *ANNEX F* for a sample of a Sales and Purchase Contract in relation to APEX Crude Palm Oil.

4.2 Alternative Grade of Tenderable Product

In the event that the Free Fatty Acid content in the Product at time of loading according to the Surveyor's report exceeds 4.5% but is no more than 5.0%, and the Product meets all other quality requirements under Clause 2.1 (*Quality Specifications*), the Product shall still be deemed to have met the quality requirements under Clause 2.1 (*Quality Specifications*). The Buyer shall be required to accept the Product, and shall be entitled to a discount of USD 5.00 per MT deductible on the Final Contract Price.

4.3 PTI Receipts and Company LOU

4.3.1 Physical Delivery at APEX Appointed PTI

By 18:00hr on the 2nd Business Day prior to the day the vessel is expected to arrive at the Port of Loading, the Selling Clearing Member shall produce to the Clearing House the APEX Appointed PTI receipts certifying that the total Deliverable Quantity of cargo has been received to the satisfaction of the Clearing Member by the said PTI.

4.3.2 Physical Delivery at APEX Approved Delivery Point

By 18:00hr on the 2nd Business Day prior to the day the vessel is expected to arrive at the Port of Loading, the Selling Clearing Member shall lodge the Seller's LOU (in the prescribed form set out at *ANNEX G*) with the Clearing House to guarantee that the Deliverable Quantity of cargo is ready in all respects for loading.

4.4 Payment Arrangement

By 18:00hr on the 1st Calendar Day of the Delivery Month (if the 1st Calendar Day is not a Business Day, then the immediately preceding Business Day), or the 3rd Business Day prior to Buyer's Vessel's ETA at the loading port, whichever comes later, the Buyer shall remit 105% of Contract Value with the Final Contract Price as the Base Price ("**Buyer Contract Payment**") less the Total Delivery Margin ("**Buyer Balance Payable**") by cash to the Clearing House through its Clearing Member.

4.5 Vessel Nomination

4.5.1 Nomination of Vessel

The Buyer shall nominate a Vessel that is suitable and able to carry the Deliverable Quantity and to ensure that the nominated Vessel tanks, pipes and lines have been cleaned as per FOSFA (Federation of Oils, Seeds and Fats Associations) requirements as well as any other regulatory requirements by relevant authorities at the destination. The nominated Vessel should be in all manners ready for loading and carriage of the Deliverable Quantity at the time of loading, and capable of entering the Port of Loading and lawfully loading the Deliverable Quantity there.

4.5.2 Vessel Acceptance

The Seller shall within 24 hours, from receipt of the notice of Vessel nomination, confirm acceptance of the Vessel. In case the Vessel nomination is rejected, the Selling Clearing Member must furnish an explanation of unacceptable parameters for rejected nomination to the Clearing House.

4.5.3 Vessel's Suitability, Cleanliness, and Readiness for Loading

The Seller shall be entitled to appoint an APEX Approved Surveyor (refer to *ANNEX H*) to board and inspect the Vessel before loading in order to ensure the Vessel's suitability, cleanliness and readiness. The Surveyor shall issue a Certificate of Tank Cleanliness if he or she is satisfied to the Vessel's suitability, cleanliness and readiness to load as per FOSFA requirements, and additional requirements as required for various specific destination ports. In the event where the Vessel does not meet the requirements of suitability, cleanliness and readiness as to its tanks, pipes or lines, to load, the Seller shall load the cargo upon receipt of Shipping Instructions from the Buyer in accordance with Clause 4.7

(*Shipping Instructions*) below, in which event, the Buyer shall fully indemnify the Seller against all losses and damages arising from such loading.

4.6 Vessel Substitution

Buyer is allowed to substitute the nominated Vessel provided that the Vessel's ETA at Port of Loading remains unchanged. However, Buyer shall notify Seller of such substitution at least 48 hours before the arrival of the substituted Vessel. If the nominated Vessel or the substitute Vessel is delayed (but within the Delivery Month) beyond the ETA to load by more than 72 hours, Buyer shall bear all the additional costs including extra storage, heating charges, overtime, interests and other incidentals as incurred. Once the nominated Vessel is alongside the loading berth, no substitution of Vessel shall be allowed without the consent of the Seller, unless the substitution is necessitated due to the rejection of the Vessel or Vessel's tanks by the Buyer's nominated Surveyor or due to other factors beyond the Buyer's control. In the event of such a substitution, which shall comply with other provisions of this Contract relating to substitution, the Seller shall be entitled to claim additional costs, as incurred, from the Buyer.

4.7 Shipping Instructions

The Buyer shall provide the Seller with Shipping Instructions at least 4 Calendar Days before the Vessel's ETA. "**Shipping Instructions**" refer to the written instructions supplied by the Buyer to the Seller detailing the aspects of shipment details, including:

- a) The name of the Vessel's Load Port agent and the Vessel's ETA;
- b) The name of the Seller;
- c) Destination of cargo;
- d) Demurrage rate as per charter party;
- e) Whether or not commingling is permitted;
- f) The details of Consignee and Notify Party/Address as stated on the bills of lading and other relevant documentary instructions; and
- g) Such other information as the Clearing House may specify from time to time.

In respect of Clause 4.7(e), if the Buyer fails to give instructions to the Seller as to whether commingling is permitted, this shall not be a ground for the Seller to reject the Shipping Instructions. In this case, the Seller may load the Deliverable Quantity into the tanks allocated by the Vessel's master at the Buyer's risk.

4.8 Notice of Readiness

4.8.1 Notice of Vessel Readiness

The Buyer shall notify the master of the Vessel to give a written notice of readiness of the Vessel to the Seller or the Seller's appointed representative.

4.8.2 Notice of Cargo Readiness

The Seller shall, at least 2 Calendar Days before Vessel's ETA at Port of Loading, confirm to the Buyer or to the Buyer's Vessel's agent if so advised by the Buyer, that the cargo shall be ready to load in all respects on the day the Vessel is expected to arrive at Port of Loading.

4.9 Weighing, Sampling, and Analysis

4.9.1 Weighing

The actual loaded quantity means the total quantity of Product loaded onto the Vessel and shall be ascertained from calibrated shore tanks at time of shipment and duly certified by the Seller's Surveyor ("**Actual Loaded Quantity**") and be final and binding. Actual Loaded Quantity should not deviate from the Deliverable Quantity by more than 10MT.

Buyer however has the right to be represented by the Buyer's Surveyor at his own costs at time of shipment, and in which case, Actual Loaded Quantity shall be established jointly between the Seller's Surveyor and the Buyer's Surveyor.

4.9.2 Sampling

- a) Representative composite samples in quintuplicate (1 for contractual analysis, 1 for Seller, 1 for Buyer, and 2 to be retained by the Surveyor) of the Product shall be drawn individually from ship's tank(s) at time of shipment by Seller's Surveyor, in accordance with the MPOB (Malaysian Palm Oil Board), FOSFA International, or PORAM Crude Palm Oil Storage, Transportation, Sampling, and Survey Guide as determined by the Seller.
- b) Buyer has the right to be represented by the Buyer's Surveyor at his own cost at time of shipment, to draw and seal samples conjointly with Seller's representatives. If Buyer is so represented, only samples drawn and sealed conjointly shall be accepted as official Contract samples for analysis. The samples so drawn shall be analysed by an independent laboratory licensed by MPOB/ FOSFA International and appointed by the Surveyor(s), whose analysis shall be final and who shall issue the appropriate certificate. The Seller's Surveyor shall hold the sealed samples for a minimum period of 90 Calendar Days from the date of sealing of samples.
- c) In the event that the conditions of tanks/ pipelines/ valves or other equipment on board the Vessel which come into direct contact with the cargo are found not suitable by the Surveyor(s) for the carriage of the cargo, the samples as drawn from shore tanks at time of shipment shall be final and binding for the purposes of this Contract.
- d) In the event the cargo is to be commingled on board the Vessel, the provision for sampling and analysis in (c) above shall apply.

4.9.3 Analysis

The analysis results of samples as drawn from each Vessel's tank(s) shall be analysed by an independent laboratory appointed by the Seller's Surveyor licensed by MPOB/ FOSFA International, whose analysis shall be final and binding on the Seller and Buyer subject to the paragraph below. The Seller's Surveyor shall issue the Certificate of Analysis.

In the event that the Surveyors of the Buyer and Seller are unable to agree on the first testing results, the Buyer or Seller shall be entitled to carry out at its own expense, a second analysis for the purpose of determining any one or more quality parameters. The second analysis should be completed within 3 Business Days upon receipt of written notice from the Party carrying out the second analysis in the test laboratory mutually accepted by the Buyer's Surveyor and Seller's Surveyor, whose results shall be final and binding on the Buyer and Seller.

4.10 Loading, Laytime, Demurrage, and Vessel's Dues

Seller undertakes to load the Vessel and Buyer undertakes to receive the Product on board the Vessel at a minimum average rate of 150MT per hour.

Laytime shall commence when Vessel is alongside the loading berth and is in all respects ready to receive the Product. All waiting time (i.e. from the time Vessel is alongside the loading berth until the commencement of loading of the first parcel of the Product and from the time of completion of loading up to hose-off) shall be pro-rated amongst all shippers/ Sellers who are to load the Product on the Vessel.

Demurrage for individual shipper/ Seller shall not apply until the total number of hours allowed for total cargo loaded shall have lapsed. Demurrage shall not be charged twice in the event that more than one shipper/Seller exceeds the number of hours allowed to the total shipment.

Demurrage incurred at any Port of Loading shall be based on time allowed to total quantity loaded at that Port of Loading irrespective of the number of shippers/Sellers and cargo types.

In the event that loading is stopped due to non-availability of the Product of some shippers/Sellers, all time from the time of the commencement of such stoppage shall be deemed to be laytime used by such shippers/Sellers only. Notwithstanding other provisions herein, only such shippers/Sellers shall be responsible for all laytime used from the time of the said stoppage onwards and be liable to demurrage if the total laytime used by them shall exceed the total laytime allowed to their parcels. As a consequence of such stoppage, if the port authorities should require the Vessel to vacate berth, the relevant Sellers shall be responsible for all additional laytime used and other costs as incurred by the Buyers or the Vessel for shifting of the Vessel out of berth and re-berthing.

Demurrage if any shall be payable by the shippers/Sellers responsible for the delay.

Demurrage rate shall be as stipulated in the fixture for the related voyage but shall not exceed the rate prevailing in the applicable market on the date of the said fixture for similar Vessels.

All expenses relating to Vessel at Port of Loading including wharfage, dockage, quay charges, pilotage, port dues, tugs, any freight or transportation levy/tax imposed by the local government and expenses of like nature incurred at Port(s) of Loading, shall be for account of Buyer.

4.11 Export Clearance, Import Clearance, and Expenses

4.11.1 Seller's Responsibility

The Seller shall be responsible for obtaining all necessary permits and clearance ("**Export Clearance**") as well as payment of all relevant levies, duties, fees, charges, taxes and all other forms of export charges, relating to the export of the cargo from the Port of Loading.

The Seller shall be responsible for any increase in export duties, taxes, levies and other official export charges:

- a) that are incurred in the Delivery Month; and/or
- b) that are incurred due to the completion of loading after the Delivery Month caused by the Seller.

4.11.2 Buyer's Responsibility

The Buyer shall be responsible for any increase in export duties, taxes, levies and other official export charges at the Port of Loading under the following circumstances:

- a) Presentation of the Vessel after the Delivery Month; and/or
- b) Completion of loading after the Delivery Month caused by the Buyer.

4.12 Risk and Property

Risk and property shall pass from the Seller to the Buyer at the Port of Loading as the Product passes the Vessel's permanent tank connection or through the ship's manifold.

4.13 Unascertained Goods

In every instance where a parcel of goods paid for under this Contract forms an unidentified part of a larger identified quantity of goods of the same description, whether in packages or in bulk, no separation or distinction shall be necessary and, until separation and identification of the parcel paid for hereby from the larger quantity has taken place, the Buyer of the parcel is a pro rata owner of the whole of the larger quantity in common with Seller(s) and Buyer(s) of other parts of the larger quantity.

4.14 Extension of Shipment

At the request of Buyer, the period of shipment shall be extended by an additional period not exceeding 8 Calendar Days provided notice is given to Seller of Buyer's intention to claim such extension on or before the Last Delivery Day of the Delivery Month. Buyer shall provide satisfactory evidence that such delayed Vessel was originally booked with laycan within the Delivery Month.

For such late shipment, Buyer shall pay a penalty to Seller for late presentation of Vessel as follows:

½% for 1,2,3, or 4 days

1% for 5 or 6 days

1½% for 7 or 8 days

Should Buyer claim under this Extension of Shipment Clause and the Vessel fails to complete loading within such 8 Calendar Days, the Delivery Month shall be deemed to have been extended by 8 Calendar Days and the Contract Value with the Final Contract Price as the Base Price increased by 1½%. On the determination of penalty, the extended day shall be on the basis of completion of loading.

Should Buyer not claim the above extension and fail to present Vessel within the Delivery Month, any penalty whether arrived at by amicable settlement or arbitration shall not be related to the penalty of this Clause.

Should the Vessel be at berth but loading has not completed within the extended period of 8 Calendar Days and loading has not been interrupted for any fault of the Buyer, then the maximum late shipment penalty that shall apply shall be 1½% as applicable for a delay of 8 Calendar Days even if the loading completes after such 8 Calendar Days.

Should the Vessel have arrived at the Port of Loading and tendered notice of readiness within the 8 Calendar Days of the extension period but is not able to berth due to port congestion or other reasons for which the Buyer is not at fault, and consequently loading has not completed within the extended period of 8 Calendar Days, then the maximum late shipment penalty that shall apply shall be 1½% as applicable for a delay of 8 Calendar Days even if the berthing and/or loading completes after such 8 Calendar Days.

4.15 Shipment Tender

The Selling Clearing Member shall give the Buying Clearing Member a tender of shipment within 48 hours upon completion of loading of the cargo.

4.16 Final Documents

"Final Documents" shall refer to the originals in triplicate of the following documents, including but not limited to:

- a) Commercial Invoice;
- b) Certificate of Origin;
- c) Certificate of Analysis;
- d) Certificate of Quantity;
- e) Survey report issued by APEX Approved Surveyor, certifying fitness and cleanliness of the ship's tanks, pipelines, and particulars as to time and place of loading, and establishment of the shipped weight;
- f) Full set of clean "On Board" signed bills of lading identifying Vessel's tanks into which the cargo has been loaded; and
- g) Other documents (e.g. Health Certificate, Phytosanitary Certificate, and etc.) as stipulated in the Sales & Purchase Contract from time to time.

Should the Buyer require from the Seller documents other than the Final Documents or extra copies of the Final Documents as set forth for shipment purposes, the Buyer may request such documents from the Seller at the Buyer's cost and expense, and the Seller shall assist in providing the required documents according to the Sales and Purchase Contract, provided that the Buyer's request is reasonable.

The Debit Note to be issued by the Selling Clearing Member shall (i) set out that the payor is "Asia Pacific Clear Pte Ltd" and (ii) the amount payable calculated pursuant to the following: Actual Loaded Quantity multiplied by Final Contract Price, adjusted for miscellaneous fees such as despatch charges and/or any other incidental fees as pre-agreed by the Clearing Members. The Debit Note can be substituted by any other document as agreed amongst the Clearing House, the Buyer and the Seller.

4.16.1 Bills of Lading

Before the date of loading, the Buyer shall:

- a) Provide instructions to the owners or agent of the Vessel on issuance of bills of lading including particulars as to the cargo and the identity of the party to whom the bills of lading should be consigned, if any;
- b) Give written authority to the owners or agent of the Vessel (with a copy of such written authority to the Seller) to release the full set(s) of bills of lading direct to the Seller or its authorized representative;
- c) The Buyer shall take reasonable steps to procure that all bills of lading shall be issued and released to the Seller or its authorized representative within 48 hours after completion of loading or on the 1st Business Day after completion of loading, whichever is later;
- d) In the event that the bills of lading are not released to the Seller as above, the Seller may claim interest from the Buyer at the rate of 1½% per month or part thereof on the Contract Value with the Final Contract Price as the Base Price;
- e) If the Buyer fails to pay freight or other incidental charges incurred, the Seller reserves the right to pay freight or such other incidental charges, secure the freight prepaid bills of lading and otherwise take steps to protect its interest in the cargo. The Buyer hereby undertakes to indemnify the Seller for all resulting losses/expenses; and
- f) The Seller shall endorse the bills of lading in favor of the Buyer or of any party nominated by the Buyer or blank endorse the bills of lading, if so instructed by the Buyer. The Seller shall authorize the Selling Clearing Member to endorse the bills of lading at the instructions of the Buyer or the Buying Clearing Member.

4.17 Delivery of Final Documents and Payment

Once loading of the cargo has been completed, the Seller should prepare all the drafts of the Final Documents in a timely manner and have them verified by Selling Clearing Member and Buying Clearing Member.

4.17.1 Delivery of Final Documents

No later than 10:30hr on the 8th Business Day after completion of loading, the Selling Clearing Member shall deliver all the Final Documents to the Clearing House. The Buying Clearing Member and/or the Buyer shall have the right to inspect the Final Documents after receipt of the Final Documents by the Clearing House, at the business premises of the Clearing House.

4.17.2 Release of Payment

Within 1 Business Day of receipt of the Final Documents, the Buying Clearing Member shall provide confirmation to the Clearing House that the Final Documents have been received and are in complete and satisfactory condition. Both the Buyer and Seller shall submit to the Clearing House the Notification of Completion of Physical Delivery in such form as prescribed by the Clearing House (refer to ANNEX I). The Clearing House shall then transfer the amount payable in accordance with the Debit Note (or any other document as agreed between the Clearing House, the Buyer and the Seller) from the Total Delivery Margin and other payments collected from the Buying Clearing Member to the Selling Clearing Member within 2 Business Days from the receipt of the above notification.

4.17.3 Release of Remaining Margin

Within 2 Business Days from the receipt of Notification of Completion of Physical Delivery from the Buyer and Seller, the Clearing House shall release the Seller's Total Delivery Margin as well as the Special Margin, if any, to the Selling Clearing Member. The Clearing House shall also release the Buyer's Buyer Contract Payment less the amount as set out to be payable by the Buyer in the Debit Note (or any other document as agreed between the Clearing House, the Buyer and the Seller) and remaining Special Margin, if any, to the Buying Clearing Member.

4.17.4 Certificate of Ship's Tank Cleanliness Not Required

In the event that loading takes place upon the instructions of the Buyer, the Certificate of Ship's Tank Cleanliness/Suitability shall not be required as part of the draft of the Final Documents or the Final Documents.

5 DELIVERY DEFAULT, LATE DELIVERY, AND PROHIBITION

5.1 Delivery Default

5.1.1 Events of Delivery Default

Any act or omission by a Party or any applicable intermediary with respect to delivery, payment or other obligations provided in the Rules and these Contract Terms which has in the opinion of the Clearing House a material adverse effect on the Contract or orderly delivery thereunder shall constitute a "Delivery Default" under the Rules and these Contract Terms. A "Delivery Default" shall be deemed to include but shall not be limited to the following events:

- a) Failure to notify and submit Intentions in accordance with Clause 3.6.1 (*Notice of Delivery*) as determined by the Clearing House;
- b) Failure to post the Total Delivery Margin and/or Special Margin with the Clearing House when due in accordance with Clause 3.2 (*Margin Requirements*);
- c) Failure to post payment to the Clearing House in accordance with Clause 4.4 (*Payment Arrangement*);

- d) Failure to deliver the Product in accordance with Clause 2.1 (*Quality Specifications*) and/or Clause 3.1 (*Delivery Obligations*);
- e) Failure to deliver the Deliverable Quantity within the permissible tolerances in accordance with Clause 4.9.1 (*Weighing*);
- f) Failure to issue Shipping Instructions to the designated Parties after the lapse of 4 Calendar Days after such instructions are due in accordance with Clause 4.7 (*Shipping Instructions*);
- g) Failure to deliver Final Documents to the designated Parties after the lapse of 5 Business Days from the time such documents are due in accordance with Clause 4.17 (*Delivery of Final Documents and Payment*);
- h) Seller's failure, in the ordinary course of business, to make delivery of the Deliverable Quantity by the Last Delivery Day, or the Eighth (8th) Calendar Day of the extension period if applicable;
- i) Buyer's failure, in the ordinary course of business, to take delivery of the Deliverable Quantity by the Last Delivery Day, or the Eighth (8th) Calendar Day of the extension period if applicable; and
- j) Seller's failure to procure Export Clearance in accordance with Clause 4.11 (*Export Clearance, Import Clearance, and Expenses*).

5.1.2 Penalty for Delivery Default

No Party shall be regarded as having committed a Delivery Default if the action or the performance of its obligations was contingent upon the opposite Party's performance, which was not performed or not performed in the manner as stipulated in the Rules.

Upon the occurrence of one or more events of Delivery Default:

- a) The Total Delivery Margin and Special Margin held by the Clearing House shall not be released to either the Buying Clearing Member or the Selling Clearing Member until the grant of an Award directing such release (whereupon such release shall be as directed in the Award) or upon submission of a Notice of Release jointly issued by both the Buying Clearing Member and the Selling Clearing Member to the Clearing House, subject to the approval of the Clearing House;
- b) The Buying Clearing Member or the Selling Clearing Member which has committed a Delivery Default shall be liable under the Rules for disciplinary action or other sanctions;
- c) The Clearing House shall issue a notice of assessment to each of the Buying Clearing Member and Selling Clearing Member specifying the findings of the Clearing House. The notice of assessment to the defaulting Party shall specify the penalty imposed on it by the Clearing House which shall be the full amount of Total Delivery Margin and Special Margin deposited with the Clearing House by the defaulting Party, and the notice of assessment to the non-defaulting Party shall specify the compensation to be provided to it by the Clearing House. Such compensation of Delivery Default shall be assessed by the Clearing House. The Clearing House will review the loss incurred by the non-defaulting Party at its sole discretion, but under no circumstances shall such compensation exceed the amount of Total Delivery Margin and Special Margin deposited by the defaulting party; and
- d) Parties shall be released from further obligations under these Contract Terms except for damages for any loss arising from or in connection with the Delivery Default. All obligations that have accrued prior to occurrence of the Delivery Default shall survive such release from further obligations.

In the event of Late Delivery that constitutes Delivery Default, the penalty specified in the notice of assessment issued by the Clearing House shall be in addition to any penalty payable to the Clearing House. Such notice of assessment shall be final and not subject to review.

5.1.3 Liability of the Clearing House

Without prejudice to any other demarcation, limitation, or exclusion of the Clearing House's liability under the Rules or these Contract Terms, and notwithstanding anything stated in the Rules or these Contract Terms, the liability of the Clearing House to any Clearing Member under any Contract shall not at any time exceed the amount of Total Delivery Margin and Special Margin posted by the defaulting Clearing Member to the Clearing House.

5.2 Penalty for Late Delivery

5.2.1 Penalty for Late Delivery

A penalty is payable to the Clearing House by the Selling Clearing Member or the Buying Clearing Member who has committed Late Delivery, in accordance with the schedule set forth in *ANNEX J* attached hereto. Late Delivery refers to the failure to issue Shipping Instructions or deliver the Final Documents by the time stated thereunder. The Clearing House shall issue a notice of assessment specifying:

- a) The findings of the Clearing House;
- b) The penalty payable in the event of Late Delivery.

The notice of assessment shall be final and not subject to review.

In the event in which either Party breaches any obligation in this contract, the Clearing House shall have the right to impose penalty in accordance with this Clause.

5.2.2 Computation of Late Delivery

Late Delivery is calculated with effect from the 24-hour period commencing after 11:59:59pm on the day a Party was to have performed the relevant obligation. Each subsequent day of Late Delivery shall commence 24 hours after the beginning of the prior day of late performance. When a Party is late in delivery, the day when the Party delivers shall also be included in the computation of Late Delivery.

5.3 Export Restriction or Prohibition

In the event, during the Delivery Month, of prohibition of export or any other executive or legislative act by or on behalf of the government of the country of origin or of the territory where the Port(s) of Loading named herein is/are situated, or of blockade or hostilities, restricting export whether partially or otherwise, any such restriction shall be deemed by both Parties to apply to this Contract and to the extent of such total or partial restriction to prevent fulfilment whether by shipment or by any other means whatsoever and to the extent this Contract or any unfulfilled portion thereof shall be extended by 30 Calendar Days. Seller shall advise Buyer with due despatch.

In the event of shipment during the extended period still proving impossible by reason of any of the causes in this Clause, the Contract or any unfulfilled part thereof shall be cancelled. Seller invoking this Clause shall advise Buyer with due despatch. If required, Seller must produce proof to justify his claim for extension or cancellation under this Clause.

6 EXCHANGE OF FUTURES FOR PHYSICALS

The Exchange of Futures for Physicals ("**EFF**") shall refer to the procedure by which the Parties who hold the contracts of the same delivery month enter into a physicals sale and purchase agreement through negotiations, close their respective futures positions at the price described therein and exchange the payments and physicals of the corresponding quantities.

6.1 EFP Application

Only institutional clients may apply for an EFP application, while a person or individual is not accepted.

The EFP term shall be as of the Contract listing date through the 3rd Business Day (inclusive) before the Last Trading Day, and before 18:00hr for each day. The application for EFP shall be approved before 18:00hr on the following Business Day upon receipt of necessary documents prescribed by the Exchange.

6.2 Documents for EFP

Once the Parties agreed to EFP procedure, both Parties shall jointly deliver a notice of EFP to the Clearing House on such form as prescribed by the Clearing House (refer to *ANNEX K*).

In executing such EFP procedure, the Exchange and Clearing House shall be released from the obligations in relation to delivery under these Contract Terms and the Rules, and the Seller and the Buyer as may be prescribed shall jointly and severally indemnify the Exchange and the Clearing House against any liability, costs, or expenses that may incur for any reason as a result of the execution, delivery, or performance of any agreement reached between the Buyer and the Seller as may be prescribed in the EFP Application Form pursuant to this Clause, or any breach thereof or Delivery Default under such agreement.

6.3 Settlement of the EFP Positions

Upon settlement on the EFP approval date, the Clearing House shall settle the EFP positions of the Parties at the agreed price after market closes, and release the margins, if any.

6.4 EFP Information Publication

The EFP positions shall be deducted from the then-current day positions, and the trading result shall not be included in the then-current Daily Settlement Price and trading volume. After ending of each trading day, the Exchange shall publish the EFP information of the then-current day.

7 ALTERNATIVE DELIVERY PROCEDURE (ADP)

"ADP" is a bilateral agreement between the Seller(s) and the Buyer(s) who wish to take their matched position off the Exchange after the completion of the matching process. The terms and conditions of the agreement may differ from these Contract Terms and the Rules.

7.1 ADP Application

By 18:00hr on the 5th Business Day following the Last Trading Day, the Seller(s) and the Buyer(s) who have been matched may elect an ADP, by serving notice thereof to the Clearing House.

Should there be any ADP applications after 18:00hr on the 5th Business Day following Last Trading Day, such applications are subject to the approval of the Clearing House in its sole discretion and are not exempt from Clauses 7.2 to 7.4 below. The Delivery Fee set out in Clause 3.7 will still be applicable to both the Seller(s) and the Buyer(s) unless otherwise stated.

7.2 Documents for ADP

Once Buyer(s) and Seller(s) agree to an ADP, both Parties shall jointly write a notice of ADP on such form as prescribed by the Clearing House (refer to *ANNEX L*). The Buyer(s) and Seller(s) via their respective Clearing Member, shall deliver the ADP Application Form to the Clearing House.

7.3 Release and Indemnity to Clearing Members

The Buyer and the Seller shall jointly lodge an ADP Application Form (in the form prescribed in *ANNEX L*) and a Notice of Release (in the form prescribed in *ANNEX C*) to the Clearing House. If the Clearing House receives such ADP Application Form and Notice of Release to its satisfaction, the Clearing House will issue an approval to the Buyer and the Seller on the 2nd Business Day upon receipt of the ADP Application Form and Notice of Release ("**ADP Approval**").

Upon ADP Approval, the following shall take place:

- a) The Clearing House shall release the Total Delivery Margin and the Special Margin (if any) to the Clearing Members on the same day the ADP Approval has been issued;
- b) The Buying Clearing Member and the Selling Clearing Member shall be released from their respective delivery obligations under these Contract Terms and the Rules; and
- c) The Buyer and Seller may proceed with ADP upon ADP Approval and the Buyer and the Seller as prescribed in the ADP Application Form shall be jointly and severally responsible for completing delivery.

7.4 Release and Indemnity to Exchange and Clearing House

Upon ADP Approval, the Exchange and Clearing House shall be released from their obligations in relation to delivery under these Contract Terms and Rules. The Seller and Buyer shall, by issuing the Notice of Release, jointly and severally indemnify the Exchange and the Clearing House against all loss, liability and costs arising as a result of the execution, delivery or performance of any agreement reached between the Buyer and Seller as may be prescribed in the ADP Application Form pursuant to this Clause, or any breach thereof or Delivery Default under such agreement.

8 MISCELLANEOUS

8.1 Force Majeure

Should the performance of the Contract be prevented by reason of fire, strikes, lock-outs, riots, civil commotion and/or any cause comprehended in the term force majeure at the Port of Loading, the Contract period shall be extended for a period equal to the duration of the disabling circumstances but not exceeding a period of 60 Calendar Days. If the force majeure event ends within 21 Calendar Days preceding the end of the extended period, then a further 21 Calendar Days shall be allowed after the termination of the force majeure event.

Should the fulfilment of the Contract not be possible within the extended period, the Contract or any unfulfilled part thereof so affected shall be deemed to be null and void at the end of such extended period.

8.2 Negotiations & Arbitration

Parties shall first attempt to resolve any such disputes arising from or in connection with these Contract Terms by way of good faith negotiations, failing which such disputes shall be referred to the Exchange Delivery Committee (EDC) for resolution. The EDC may obtain expert advice from industry practitioners in its decision-making process. The EDC will determine administrative fees and any fines to be imposed on each Party.

In the event that either Party is unsatisfied with the decision made by the EDC, a Buying Clearing Member or Selling Clearing Member may appeal any decision, direction and/or fine made by EDC by filling a notice within 10 Business Days following deemed receipt of the EDC's written decision to the Singapore International Arbitration Centre.

The dispute may be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference to this Clause. The seat of the arbitration shall be Singapore. The Tribunal shall consist of three arbitrator(s). The language of the arbitration shall be English.

8.3 Governing Law

These Contract Terms shall be governed by and construed in all respects in accordance with the laws of Singapore.

8.4 Contract Modification

Save for material terms relating to the Parties' delivery obligations which are deemed incorporated into the Rules, the Exchange may amend these Contract Terms from time to time as it deems fit, in accordance with the provisions in the Exchange Rules, including, without limitation, Rules 705, 712, 713 and 714.

8.5 Obligations under Standard Practices of Palm Oil Industry

As determined by the Clearing House, a Seller and Buyer shall perform such obligations that are imposed by the practices and conventions of the Palm Oil industry for FOB contracts, provided always that in the event of any inconsistency between the terms and conditions in these Contract Terms and the such practices and conventions of the Palm Oil industry for FOB contracts, the former shall prevail in the event of such inconsistency.

8.6 Cumulative Rights

Any specific right or remedy provided in these Contract Terms:

- a) Shall not prejudice any other remedies available to the Parties under law or equity; and
- b) Shall be cumulative upon all other rights and remedies set forth in these Contract Terms and allowed under applicable laws.

8.7 Compliance with Laws and Trade Sanctions

The Parties shall comply with all applicable Singapore and foreign laws and regulations including administrative orders, rulings, directives and notices of all relevant authorities and regulatory bodies (including the Monetary Authority of Singapore, the Exchange and the Clearing House). Provided that if at any time any such order, ruling, directive, notice, statute or regulation conflicts with or adds to the requirements of these Contract Terms, such order, ruling, directive, notice, statute or regulation shall be construed to take precedence over and become part of these Contract Terms which shall be deemed modified to such extent as may be necessary to incorporate or give effect to the same, and all open and new Contracts shall be subject to such order, ruling, directive, notice, statute or regulation.

The Buyer shall not request the Seller to deliver the cargo to a person or entity listed on, or owned or controlled by a person or entity who is subject to trade sanctions imposed by the United States of America, the United Nations and that of any applicable jurisdiction or body as amended from time to time (collectively, the "**Trade Sanctions**") or located in a country or territory which is subject to the Trade Sanctions. Both the Buyer and Seller represent and warrant that each respective Party is itself is not subject to the Trade Sanctions. Any refusal by a Party to perform its obligations hereunder on account of compliance with the Trade Sanctions or other legal requirements shall not constitute a breach of any obligation under these Contract Terms.

8.8 Severability and Waiver

If any provision of these Contract Terms is held by a court or other tribunal of competent jurisdiction to be invalid or unenforceable for any reason, the remaining provisions shall continue in full force and effect without being impaired or invalidated in any way, and the Parties agree to replace any invalid provision with a valid provision which most closely approximates the intent and economic effect of the invalid provision. The waiver by a Party of a breach of or Delivery Default under any provision of these Contract Terms shall not be effective unless in writing and shall not be construed as a waiver of any subsequent breach of or Delivery Default under the same or any other provision of these Contract Terms. Further, any failure or delay on the part of any Party to exercise or avail itself of any right or remedy that it has or may have hereunder shall not operate as a waiver of any such right or remedy or preclude other or further exercise thereof or of any other right or remedy.

8.9 Notices between Parties

Save as specifically provided in these Contract Terms, all notices, documents and communication under or in connection with these Contract Specifications between the Parties shall be transmitted through the Clearing House, or only if instructed by the Clearing House, delivered by hand or courier service within the time limit specified herein. All notices, documents and communication under or in connection with these Contract Specifications between the Parties shall be under reserve for errors and omissions in transmission or delivery. Unless otherwise provided herein, any notices, documents and communication received after 18:00hr on a Business Day shall be deemed to have been received on the following Business Day.

9 DEFINITIONS AND INTERPRETATION

In these Contract Terms, unless the context otherwise requires, the following words or expressions shall have the following meanings:

| Words or Expressions | Definition |
|--------------------------------------|--|
| Actual Loaded Quantity | Shall have the meaning ascribed to it in Clause 4.9.1 |
| ADP | Shall have the meaning ascribed to it in Clause 7 |
| ADP Application Form | Mean the duly executed document in the prescribed form as set out in Annex L |
| ADP Approval | Shall have the meaning ascribed to it in Clause 7.3 |
| APEX | Shall mean Exchange and/or Clearing House |
| APEX Appointed PTI | Shall mean any one of the PTIs set out in Annex A |
| APEX Approved Delivery Points | Means any one of the approved delivery point listed in Annex A |
| APEX Approved Port | Means any one of the approved ports listed in Annex A |
| APEX Approved Surveyor | Means any one of the surveyors listed in Annex H |
| APEX Crude Palm Oil | Means the Crude Palm Oil having the physical and chemical properties at the time of loading as set out in Clause 2.1 |
| Award | Means any final decision, made by an arbitral tribunal in accordance with Clause 8.2 |
| Base Price | Means the Daily Settlement Price, Final Settlement Price or any given price determined by the Clearing House |
| Business Day | Means a 24-hour day, on all days except Saturdays, Sundays, and public holidays (within the meaning of the Holidays Act (Chapter 126 of Singapore)) in Singapore |
| Buyer | Means the direct counterparty responsible for taking delivery of the underlying in a Contract |
| Buyer Balance Payable | Shall have the meaning ascribed to it in Clause 4.4 |
| Buyer Contract Payment | Shall have the meaning ascribed to it in Clause 4.4 |
| Buyer's Surveyor | Means the APEX Approved Surveyor appointed by the Buyer |
| Buying Clearing Member | Means a Clearing Member who has accepted responsibilities through an agreement to clear and settle Contracts traded by a Buyer of such Contract, or a |

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| | Clearing Member in respect of Contracts traded by the Clearing Member as a Buyer for itself |
| Calendar Day | Means a 24-hour day in Singapore |
| Clause | Means a clause in these Contract Terms |
| Clearing House | Means Asia Pacific Clear Pte. Ltd and its successors (if any) |
| Clearing Member | Shall have the meaning ascribed to it in the Exchange Rules |
| Clearing Procedure | Means the clearing procedures established by the Clearing House from time to time |
| Clearing Rules | Means the business rules of the Clearing House in force and as amended from time to time |
| Commercial Invoice | Means the invoice issued by the Seller to the Buyer setting out, inter alia, a description of the delivered Product and the amount due to the Seller based on the Final Contract Price and the Actual Loaded Quantity. |
| Contract | Means the Contract for APEX Crude Palm Oil Futures |
| Contract Month | Shall have the meaning ascribed to it in the Clearing Rules |
| Contract Terms | Shall have the meaning ascribed to it in Clause 1 |
| Contract Value | The Contract Value is equal to the Base Price multiplied by 10 multiplied by the number of Contracts to be delivered |
| Daily Price Limit | Shall have the meaning ascribed to it in Clause 2.3 |
| Daily Settlement Price | The Daily Settlement Price of a given day shall be the volume-weighted average of all transactions occurred during the last 30 minutes of the given day's Afternoon Session or other methodology as set forth in the Clearing Rules |
| Deliverable Quantity | Shall have the meaning ascribed to it in Clause 3.3 |
| Delivery Default | Shall have the meaning ascribed to it in the Rules |
| Delivery Margin Deadline | Shall have the meaning ascribed to it in Clause 3.2.2 |
| Delivery Month | Shall be the same as the Contract Month of a Contract, and shall refer to the specified calendar month in which the Product is to be delivered and received in physical under a Contract |

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| EFP Application Form | Means the duly executed document in the prescribed form set out in Annex K |
| ETA | Means estimated time of arrival |
| Exchange | Means Asia Pacific Exchange Pte. Ltd. and its successors (if any) |
| Exchange Delivery Committee or EDC | Means the exchange delivery committee consisting of at least three senior management personnel who shall be the CEO of the Exchange, CEO of the Clearing House and the Chief Regulatory Officer (or their delegates) |
| Exchange Rules | Means the business rules of the Exchange in force and as amended from time to time |
| Export Clearance | Shall have the meaning ascribed to it in Clause 4.11.1 |
| Final Contract Price | Shall have the meaning ascribed to it in Clause 4.1 |
| Final Documents | Shall have the meaning ascribed to it in Clause 4.16 |
| Final Settlement Price | Shall have the meaning ascribed to it in Clause 3.5 |
| First Delivery Margin | Shall have the meaning ascribed to it in Clause 3.2.2 |
| Front Contract Month | Means the calendar month preceding the Contract Month of a Contract |
| Initial Margin | Shall have the meaning ascribed to it in Clause 2.3 |
| Intention(s) | Shall have the meaning ascribed to it in Clause 3.6.1 |
| Last Delivery Day | Shall have the meaning ascribed to it in Clause 2.3 |
| Last Settlement Price | Means Daily Settlement Price of the preceding Business Day |
| Last Trading Day | Shall have the meaning ascribed to it in Clause 2.3 |
| Late Delivery | Means failure to deliver Shipping Instructions or Final Documents in accordance with the Contract |
| Loading Window | Means the Seller's preferred load-out timing or the Buyer's preferred 7-days Vessel laycan, as may be applicable |
| LOU | Means the duly executed document in the prescribed form set out in Annex G |
| Members | Shall have the meaning ascribed to it in the Exchange Rules |
| Minimum Deliverable Size | Shall have the meaning ascribed to it in Clause 2.3 |

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| MT | Means metric tonnes |
| Notice of Delivery | Means the duly executed document completed in accordance with Clause 3.6.1 in the prescribed form as set out in Annex D |
| Notice of Release | Means the duly executed document in the prescribed form as set out in Annex C |
| Odd Lots | Shall have the meaning ascribed to it in Clause 3.4 |
| Party | Means a Buyer or Seller |
| Person | Means any individual, corporation, partnership, statutory body, government ministry, association, trust or entity as the context admits or requires |
| PORAM | The Palm Oil Refiners Association of Malaysia |
| Port of Loading | Shall have the meaning ascribed to it in Clause 2.2 |
| Position Limits | Means the maximum permitted holding in a designated Contract either by a single account or across multiple accounts that the Exchange and/or Clearing House may from time to time impose in respect of any Contract as set forth in Clause 2.4 |
| Product | Means the APEX Crude Palm Oil to be delivered under these Contract Terms |
| PTI | Port Tank Installation |
| Rules | Means the Exchange Rules and/or the Clearing House Rules, as the context requires |
| Sales and Purchase Contract | Shall mean the contract entered into between the Buyer and the Seller for the Product, sample templates of which are set out in Annex F |
| Second Delivery Margin | Shall have the meaning ascribed to it in Clause 3.2.3 |
| Seller | Means the direct counterparty responsible for making delivery of the underlying Product in a Contract |
| Seller's Surveyor | Means the APEX Approved Surveyor appointed by the Seller |
| Selling Clearing Member | Means a Clearing Member who has accepted responsibilities through an agreement to clear and settle Contracts traded by a Seller of such Contract, or a Clearing Member in respect of Contracts traded by the Clearing Member as a Seller for itself |

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| Shipping Instructions | Shall have the meaning ascribed to it in Clause 4.7 |
| Special Margin | Shall have the meaning ascribed to it in Clause 3.2.4 |
| Surveyor | Means a Buyer's Surveyor or a Seller's Surveyor as the case may be |
| Total Delivery Margin | Shall have the meaning ascribed to it in Clause 3.2.1 |
| Trade Sanctions | Shall have the meaning ascribed to it in Clause 8.7 |
| Trading Day | Means any day during which the Contract is available for trading on the Exchange |
| Vessel | Means any full powered engine-driven vessel classified not lower than 100 A1 in Lloyds Register or its equivalent notation by a similar classification society, which is nominated under Clause 4.5 or a substitute for any vessel nominated under Clause 4.6, and which does in fact carry the Product from the Port of Loading |

10 ANNEXES AND APPENDICES

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| Annex A | APEX Approved Ports and APEX Appointed PTIs |
| Annex B | APEX Approved Suppliers |
| Annex C | Notice of Release for Refund of Delivery Margin and Special Margin |
| Annex D | Notice of Delivery |
| Annex E | Notice of Matching Results |
| Annex F | Sample Sales and Purchase Contract (APEX Crude Palm Oil) |
| Annex G | Letter of Undertaking (LOU) |
| Annex H | APEX Approved Surveyors |
| Annex I | Notification of Completion of Physical Delivery |
| Annex J | Penalty for Late Delivery |
| Annex K | EFP Application Form |
| Annex L | ADP Application Form |