

PRODUCT SPECIFICATIONS FOR TAILOR-MADE DERIVATIVES

1. SUMMARY

This Appendix provides Product Specifications for Tailor-made Derivatives ("TM Derivatives") that are subject to Clearing at OSLO CLEARING.

OSLO CLEARING provides Clearing for the following types of TM Derivatives, with the detailed terms and conditions set out below in this Appendix:

1. Stock Options
2. Stock Index Options
3. Stock Forwards and Futures
4. Stock Index Forwards and Futures

OSLO CLEARING may also permit the Clearing of other TM Derivatives.

TM Derivatives may have such Underlying Instruments as are approved from time to time by OSLO CLEARING as shown on the Clearing List on the OSLO CLEARING website at www.osloclearing.no. OSLO CLEARING reserves the right to delete Underlying Instruments from the Clearing List with such deletion taking effect for new Clearing Transactions, and may also permit Clearing of TM Derivatives with Underlying Instruments that are not included on the Clearing List.

TM Derivatives as mentioned above may also be subject to Contract Administration.

2. SUPPLEMENTARY TERMS AND CONDITIONS IN THE CONTRACT DOCUMENT

The Product Specification applying to a contract is supplemented by a separate Contract Document, in which the Counterparties agree the specific terms and conditions for the contract. The Contract Document must be submitted to OSLO CLEARING by electronic means as specified in Appendix 3 (Supplementary rules for Clearing Requests) or via Edge (Contract Administration).

3. SUBSEQUENT CONTRACT ADJUSTMENTS IN THE EVENT OF CHANGES IN CAPITAL

If there are changes affecting the capital of the company that has issued underlying stocks for TM Derivatives, the contractual terms and conditions for existing but not yet settled Options and Forwards/Futures for which such stocks are Underlying Instruments shall be adjusted in accordance with the rules on contract adjustment in Appendix 2.1 A (Rules on Contract Adjustments for Listed Derivatives).

Contract Adjustments are implemented by OSLO CLEARING. OSLO CLEARING reserves the right to consult with Oslo Børs.

In the event of any legal proceedings brought before a court over the implementation of a contract adjustment, OSLO CLEARING shall be entitled to join into the proceedings all the parties to similar Clearing Transactions by giving notice to this effect to the Clearing Members affected. If the contract adjustment is changed as a result of a subsequent court ruling or settlement, OSLO CLEARING shall calculate revised settlement figures and stipulate a Settlement Day for the revised settlement. OSLO CLEARING shall not be liable for any loss or damage caused to any party as a result of contract adjustments or deficiencies in the implementation of a contract adjustment.

4. SUSPENSION OR DELETION FROM QUOTATION OF THE UNDERLYING INSTRUMENT

If an Underlying Instrument is suspended from quotation by an exchange or marketplace approved by OSLO CLEARING on which the instrument was quoted at the time the Clearing Transaction was registered, the following rules shall apply:

- a. The Expiration Date remains unchanged
- b. Automatic Exercise of Options shall not take place, hence all Exercise must take place manually.
- c. Delivery of the Underlying Instruments shall be deferred until the suspension is lifted, such that the delivery transaction shall be registered on the first Trading Day on which the Underlying Instrument is again quoted, with the Settlement date being the third Trading Day thereafter.

If an Underlying Instrument is deleted or temporarily deleted from quotation by an exchange approved by OSLO CLEARING on which the instrument was quoted at the time the Clearing Transaction was registered, the following rules shall apply:

- a. OSLO CLEARING reserves the right to change the Expiration Date.
- b. OSLO CLEARING can decide that Expiry Cash Settlement shall be conducted for Derivatives for which the Contract Document specifies Delivery Settlement. The Fixing Value shall be calculated in accordance with the Clearing Rules, but with the provision that OSLO CLEARING shall be entitled to use a different Fixing Value if it is clearly apparent that the calculated Fixing Value does not represent the true value of the Underlying Instrument. OSLO CLEARING shall notify the settlement amount to the Clearing Representatives, and settlement shall take place on the second subsequent trading day over the Settlement Accounts of such Clearing Representatives.
- c. OSLO CLEARING can decide that only Delivery Settlement shall take place against payment of the Forward Price for a Forward/Future for which the Contract Document specifies that Expiry Cash Settlement shall also take place. OSLO CLEARING shall decide the Settlement date.

OSLO CLEARING can also in other special circumstances decide that Expiry Cash Settlement shall take place in accordance with the rules above, including circumstances where the net open balance of Option and Forward/Future Classes with the same Underlying Instrument exceeds a level determined by OSLO CLEARING.

In the event of a bank strike or similar circumstances beyond the control of OSLO CLEARING which make it impossible to operate a well-functioning Clearing System, OSLO CLEARING may decide that settlement and Pledging of Collateral for Derivatives shall take place at an earlier or later time until the disturbance has ended, or shall be carried out in a manner other than that prescribed by these Standard Terms.

5. SPECIFIC PRODUCTS

A. STOCK OPTIONS

Contract type:	Tailor-made Options with Premium Settlement and Delivery Settlement.
Option style:	American or European as stated in the Contract Document.
Option Type:	Put Option or Call Option as stated in the Contract Document
Underlying Instrument:	Stocks as approved by OSLO CLEARING.
Contract Size:	100 underlying stocks.
Exercise Price:	Price per underlying stock as stated in the Contract Document.
Option Premium:	Agreed between buyer and seller and stated in the Contract Document as a premium calculated per underlying stock.
Fixing Value:	Calculated by OSLO CLEARING in accordance with the Standard Terms.
Final registration time:	Prior to the close of the Clearing System's Trading Hours on the Expiration Date.
Closing Trades:	Closing Trades may take place on any Trading Day up to and including the Expiration Date.
Exercise:	<p>In the case of American Options, Manual Exercise can take place on any Trading Day up to and including the Expiration Date.</p> <p>In the case of European Options, Automatic Exercise takes place on the Expiration Date unless the Contract Document specifies that Manual Exercise is permitted, in which case Manual Exercise will only be permitted on the Expiration Date.</p> <p>Automatic Exercise of Call Options requires that the Fixing Value of the underlying stock exceeds the Exercise Price by at least 1% of the Exercise Price, and for Put Options that the Fixing Value of the underlying stock is less than the Exercise Price by at least 1% of the Exercise Price.</p>
Premium Settlement:	If Premium Settlement is specified in the Contract Document, this shall take the form of cash settlement on the third Trading Day after the Transaction Date.
Delivery Settlement:	<p>Delivery Settlement through VPS as specified in the Contract Document, with delivery of the Underlying Instrument against payment of the Exercise Price.</p> <p>Delivery Settlement through VPS shall take place as a trade through VPS between such Clearing Members as OSLO CLEARING nominates, with OSLO CLEARING acting as Guarantor, and an equivalent transaction between the Clearing Member and the End-client. The settlement date is the fourth Trading Day after Exercise.</p>
Corporate actions:	The holder of a Call Option will only be registered as a holder of the underlying share on a "Record Date" if the option is exercised at least two Trading Days prior to the Ex-date for the corporate action for the underlying stock. OSLO CLEARING accepts no responsibility for members that fail to exercise options within this deadline. The adjustments made on the Ex-

date to derivatives contracts as a result of corporate actions are stipulated in Appendix 2.1 A, cf. section 3 above.

Expiration Date: The day shown in the Contract Document.

Expiration Month: The month shown in the Contract Document.

Expiration Year: The year shown in the Contract Document.

B. Stock Forwards

Contract type:	Tailor-made Forward with Delivery Settlement through VPS and Expiry Cash Settlement for Norwegian Derivatives.
Underlying Instrument:	Stocks as approved by OSLO CLEARING.
Contract Size:	100 stocks.
Forward price:	Price per share as stated in the Contract Document.
Final registration time:	Prior to the close of the Clearing System's Trading Hours on the Expiration Date.
Fixing Value:	Calculated by OSLO CLEARING in accordance with the Standard Terms.
Balancing Trades:	Closing Trades are not permitted. However, Balancing Trades may be carried out on each Trading Day up to and including the Expiration Date.
Delivery Settlement:	<p>Delivery Settlement through VPS for Norwegian Derivatives, with delivery of the Underlying Instruments against payment of the traded amount.</p> <p>Delivery Settlement through VPS shall take place as a trade through VPS between such Clearing Members as OSLO CLEARING nominates, with OSLO CLEARING acting as Guarantor, and an equivalent transaction between the Clearing Member and the End-client. The settlement date is the fourth Trading Day after the Expiration Date.</p>
Expiry Cash Settlement:	Cash settlement for Norwegian Derivatives of the difference between the Fixing Value and the Forward Price. The settlement date is the fourth Trading Day after the Expiration Date if the underlying stock is registered with VPS.
Dividend Adjustment:	The Forward Price shall be adjusted for any dividend for which the Ex-date precedes the Expiration Date, subject to "Dividend Adjustment" being specified in the Contract Document. In other cases, the adjustment rules of Appendix 2.1 A shall apply.
Expiration Date:	The day shown in the Contract Document.
Expiration Month:	The month shown in the Contract Document.
Expiration Year:	The year shown in the Contract Document.

C. STOCK INDEX OPTIONS

Contract type:	Option with Expiry Cash Settlement.
Option style:	American or European as stated in the Contract Document
Option Type:	Put Option or Call Option as stated in the Contract Document
Underlying Instrument:	A Stock Index approved by OSLO CLEARING.
Contract Size:	100 (nominal amount).
Exercise Price:	Nominal amount as stated in the Contract Document.
Option Premium:	Agreed between buyer and seller and stated in the Contract Document as a price per Underlying Instrument.
Final registration time:	Prior to the close of the Clearing System's Trading Hours on the Expiration Date.
Closing Trades:	Closing Trades may take place on any Trading Day up to and including the latest Registration Date.
Exercise:	<p>In the case of American Options, Manual Exercise can take place on any Trading Day up to and including the Expiration Date.</p> <p>In the case of European Options, Automatic Exercise takes place on the Expiration Date unless the Contract Document specifies that Manual Exercise is permitted, in which case Manual Exercise will only be permitted on the Expiration Date.</p> <p>Automatic Exercise requires that the Expiry Cash Settlement is positive for the holder, taking into account fees.</p>
Premium Settlement:	If Premium Settlement is specified in the Contract Document, this shall take the form of cash settlement on the third Trading Day after the Transaction Date.
Expiry Cash Settlement:	The issuer of a Call Option shall pay the holder any positive difference between the Closing Index Value and the Exercise Price. The issuer of a Put Option shall pay the holder any positive difference between the Exercise Price and the Closing Index Value. The settlement date is the fourth Trading Day after Exercise in the case of a Norwegian underlying index.
Closing Index Value:	The official closing value of the underlying index on the Expiration Date.
Expiration Date:	The day shown in the Contract Document.
Expiration Month:	The month shown in the Contract Document.
Expiration Year:	The year shown in the Contract Document.

D. STOCK INDEX FORWARDS/FUTURES

Contract type:	Forward/Future with Expiry Cash Settlement (Forward) or Daily Market Cash Settlement (Future).
Underlying Instrument:	Stock Index approved by OSLO CLEARING.
Contract Size:	100 (nominal amount).
Forward Price:	Price per underlying stock as stated in the Contract Document.
Final registration time:	Prior to the close of the Clearing System's Trading Hours on the Expiration Date.
Closing Trades:	Closing Trades for Futures may take place on any Trading Day up to and including the Expiration Date. Closing is not permitted for Forwards, however Offsetting Trades can be carried out on each Trading Day up to and including the Expiration Date.
Daily Market Cash Settlement:	Cash payment with settlement every Trading Day up to and including the first Trading Day following the Expiration Date, subject to the Contract Document specifying that the contract is a Future. More detailed requirements are set out in the Standard Terms.
Expiry Cash Settlement:	Cash settlement of the difference between the Fixing Value and the Forward Price, subject to the Contract Document specifying that the contract is a Future. The settlement date is the fourth Trading Day after the Expiration Date in the case of a Norwegian underlying index.
Closing Index Value:	The official closing value of the underlying index on the Expiration Date.
Expiration Date:	The day shown in the Contract Document.
Expiration Month:	The month shown in the Contract Document.
Expiration Year:	The year shown in the Contract Document.