Guide to Market Benchmarks

Version 7.09 – December 2025

Published by

Baltic Exchange Information Services Ltd

Document History

Version	Action *(Amendment/update/new release)*	Author & Title *(Name of person responsible for action)*	Date *(Date of action)*	Comment
4	Amendment	Mark Jackson CEO	Jan 20	Endorse BMR requirements
4.1	Amendment	Deepa Lad Compliance	Mar 20	BOPEX calculation added (C15 route removed, Panamax and Supramax vessel specifications changed)
4.2	Amendment	Deepa Lad Compliance	Jan 21	- Regulation update (UK BMR). - Governance update. - Compliance update. - BCDRP: IT infrastructure update. - Change to record retention period for electronic communications for Panellist and BEISL.
4.3	Amendment	Mike Ackerman Assessor	Feb 21	- BLNGg1, BLNGg2, BLNGg3 added - LNG round voyage methodology updated - BLNG headline index added - BLPG headline index added - BLPG2, BLPG3 added - BLPG1-TCE, BLPG2-TCE, BLPG3-TCE added
4.4	Amendment	Deepa Lad Compliance	Dec 21	- Governance update - Compliance update - Conflicts of Interest update
4.4	Amendment, additions and deletions to Appendices	Mark Jackson CEO	Dec 21	- Index descriptions new format and grouping for clarity - TCE methodology set out in a new format. - Headline Index methodology set out in a new format - Added change methodology to headline indices - Panellist guidance amalgamated into one appendix - Forward curves updated to a new format.

				- Updated Panamax forward curves to reflect curves that are derived - Removed reference to C4TC-FFA and options and HS6TC-FFA - Added BLNGg1&2&3 and LPG3 forward curves - Reporting windows and publishing time in a new layout - Added BSPA, BRSA, BOPEX publishing times
4.5	Amendment to weightings and multiplier	Mark Jackson CEO	Apr 22	- Updated Long description of BDTI - Updated format of Headline Indices formula
4.6	Amendment	Mark Jackson CEO	June 22	- Amendments for BMR purposes and to align with other Guides - Amendment to P8 Index description
4.7	Amendment	Stephen Aitchison	Feb 2023	- Inclusion of TC11, TC18, TC20 & TD25 in the BFA Tanker appendix - Inclusion of P6 & P7 in the BFA Dry appendix - Change to BFA Dry unit from $/pd, to $/pt As per Circular 27/21 all tanker routes were changed to standard commission at 3.75% (from 2.5%)
4.8	Amendment	Matthew Cox	March 2023	- BCTI TC20 (Trial deleted from Short and Long Description)
4.9	Amendment	Matthew Cox	March 2023	- Amendment of BCI C3-description change from "…Laydays/cancelling 25/35 days from index date…." to "…Laydays/cancelling 20/30 days from index date…." - Addition of TC21-TCE and TC23-TCE and their description to BCTI.
5.0	Amendment	Stephen Aitchison	April 2023	- Amendment/Deletion of the word 'index' from COPEX- Capesize Operating Expense

5.1	Amendment	Mark Jackson	May 2023	- Updates to the glossary- Appendix 7 - TCEs added to all BITRA routes
5.2	Addition	Matthew Cox	June 2023	- Addition of section 3 (c) to the Headline Indices section under Appendix 3. - TC22 - 35k Clean S Korea - Australia added to BCTI - TC22-TCE -35k Clean S Korea - Australia (Yeosu to Botany Bay) added to BCTI
5.3	Amendment	Stephen Aitchison	June 2023	- Removed "Loss of Hire cover, Delays Cost" from Insurance Costs under BOPEX (Cape, Pmax, Supra, Handy)
5.4	Review	Abi Aluko	Sept 2023	- Annual review - Inclusion of the change and cessation policy into section 5 below - Correction to the new vessel BSI63 - Addition of VLCC and Suezmax to the BOPEX appendix - Amendment to the BOPEX definitions for Capesize (CDCC), Panamax (PDCC), Supramax (SDCC), Handyszie (HDCC) - Guidance included for Dirty and Clean tankers, LPG and LNG carriers
5.5	Amendment	Abi Aluko	Oct 2023	- Amendment to the Whistleblowing Prescribed Person's address (on page 60)
5.6	Amendment	Abi Aluko	Nov 2023	- Amendment to the address in the Complaints section
5.7	Amendment	Abi Aluko	Dec 2023	- Removal of publishing times for BSPA, BSRA & BOPEX in Appendix 1. - Minor updates to terminology used in Appendix 6
5.8	Addition	Abi Aluko	Dec 2023	- Addition of 174,000cbm vessel description and accompanying routes / Headline Index to be derived from the average of BLNG174 routes

5.9	Amendment	Abi Aluko	Jan 2024	- Updates to BDTI and BCTI- Appendix 2 - Changes to BDTI Standard vessel descriptions
6.0	Amendment	Abi Aluko	Jan 2024	- Amendments to BDTI
6.1	Amendment	Abi Aluko	March 2024	- Deletion of P7-FFA and addition of BLPG2 FFA
6.2	Amendment	Abi Aluko	March 2024	- Correction on vessel descriptions of BDTI (VLCC300 & SUEZ160) corrected from MGO to MFO - Correction on BDTI & BCTI
6.3	Amendment	Abi Aluko	April 2024	- Deletion of C4TC-FFA & S6TC-FFA under BFA as they are discontinued indices. I have also un-ticked the boxes marked CurQ - Correction under BCI. Differential for C4TC was incorrect and changed to 1,064 from 1,604 - Minor amendments to the wording in Section 5 - Inclusion of S11TC to BS163 (Supramax Index) and correction to the short codes - Amended the descriptions for MA2TCE & MP2TCE under BCTI - Correction to some BCTI short descriptions
6.4	Amendment	Abi Aluko	May 2024	- Correction to BLNG vessel- spelling of marine
6.5	Amendment	Abi Aluko	June 2024	- Slight amendments to BCTI and BDTI short descriptions.
6.6	Amendment/ Update	Abi Aluko	July 2024	- Added S3TC_63 to the BSI63 - Amended the long description of Aframax Time Charter under BDTI - Amended Short Description of TD19 (BDTI) from 130,000mt to 80.000mt
6.7	Addition/Update	Abi Aluko	Sept 2024	- Changes to the Baltic Exchange Supramax Index
6.8	Annual Review and Additions	Abi Aluko	Nov 2024	- Additions of routes TD27 and TD27 TCE to BDTI

				- Removal of 'cargo coal' from S15_63 under BSI. - Removed MA2TCE-FFA from BFA Tankers as this has now discontinued.
6.9	Amendments	Abi Aluko	Nov 2024	- Corrections to TC22-TCE and TC23-TCE on BCTI short descriptions - LNG methodology changed from speed /24 to * 24. - Corrected the long description for HNDC37 under BCTI.
7.0	Amendments / Corrections	Abi Aluko	Jan 2025	- Addition of: - $ suffix to BFA Clean short codes:- new Carbon exclusive Settlement Forward Curves - new Clean Carbon Exclusive Settlement Assessments - new Dirty Carbon Exclusive Settlement Assessment - Changes to BCI descriptions (C2, C3, C7 & C14)
7.01	Amendments / Corrections	Abi Aluko	Jan 2025	- Corrections to: - index families in the Appendices - long descriptions of TC19-TCE and TC23
7.02	Amendments	Abi Aluko	March 2025	- Amendments following an update to and approval of the operational benching process.
7.03	Amendments	Abi Aluko	April 2025	- Amendment to BLPG (VLGC84)

				- Amendment to Appendix (simplified the S11TC long description in BSI) - Amendment to BCI 182 (in the C5TC description)
7.04	Update	Abi Aluko	May 2025	- Update to Appendix 1 on publishing times. - Added *0.1 to BLNG at the end of the long description - Added BLPG2-FFA to the Settlement Index Table - BFA Tanker Weekly Settlement Curves removed/deleted - Addition of the S11TC-FFA to the BFADRY - Added the Settlement Index table for Capesize
7.05	Update	Abi Aluko	June 2025	- Amendment to section 10.2.1, removing the external auditor as this has now been replaced by the Error Free Rates process and the Baltic Quality Assurance team's calculations.
7.06	Update	Abi Aluko	July 2025	- Addition of Baltic Exchange Headline Index to the appendix.
7.07	Update	Abi Aluko	July 2025	- Correction to Cargo Size on Short Description (Changed from 37k to 38k) for TC18 (BCTI)
7.08	Update	Abi Aluko	August 2025	- Correction on route weightings for BCTI under the headline indices - MA2TCE deleted from Baltic Forward Assessments Clean Tanker
7.09	Update & Annual Review	Abi Aluko	Oct 2025	- Addition of TC24 to BCTI

				- Annual Review - Correction to BLNG174 routes - Cessation of BLNG160 indices

Preface

This Guide to Market Benchmarks is the successor to the Baltic's *Manual for Panellists* (the **Manual**). The Manual was originally published in 1999. It codified the principles underpinning the Baltic's market benchmarks which were initially produced in 1985.

The Baltic's market assessments have a wide range of applications. They are not only used by shipowners and charterers to assess market levels, and market trends, they may also be used to settle physical market transactions subject to the terms of the Baltic Code. Some of the market assessments are used as settlement mechanisms in the derivatives market, whilst others are used in dispute settlement; by economists, journalists, market analysts and others who may wish to monitor trends in the shipping markets.

The Guide to Market Benchmarks has built on the Baltic's 30 years of experience in the field of benchmarking. It reflects recent developments in the markets and it ensures compliance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the **EU BMR**).

Following the UK's departure from the European Union (EU) and the end of the EU Exit Transitional Period on 31 December 2020, the Guide to Market Benchmarks ensures compliance with the UK Benchmark Regulation (**UK BMR).**[1]

This latest version of the Guide to Market Benchmarks has been updated and amended in order to ensure compliance with Title II of the BMR and the requirements set out therein.

From inception the Baltic and its Panellists have recognised that the world of merchant shipping is extraordinarily complex, varied, and often very opaque. The Guide to Market Benchmarks has been developed with due regard to this knowledge and understanding.

Shipping contracts are private transactions between two parties. Contract terms are not standardised. The full terms and the exact time and date of transactions concluded pursuant to such contract are only known with certainty by the parties to such contracts. Rates and prices applicable to the contract may be agreed between the parties, subject to other conditions being fulfilled. Individual transactions made pursuant to these contracts are often of high value but may be very infrequent. Consequently, by the standards of financial markets shipping markets are illiquid. There is no obligatory reporting requirement for transactions concluded under shipping contracts, and therefore much remains unreported. However, shipping markets are also highly volatile and may move significantly in very short periods of time.

In addition, ships exist in a very large number of different types and sizes. The value of variances in design and performance of ships relative to a standardised benchmark varies from trade to trade, and in relation to other key inputs such as bunker prices. The quality of maintenance of ships and the creditworthiness and competence of shipowners may be a factor in the value the market places on a particular ship.

The same class of ship may carry a range of cargoes on a great variety of routes. Different ships, different trades, different cargo sizes, and a myriad different contract terms can all have a bearing on how individual transactions can be related to standardised market benchmarks. Different market participants may well place differing values on these variants.

The Guide to Market Benchmarks reflects the principle that the rationale for its methodology must be consistent with the character of the shipping market, whilst also being compliant with the BMR and the International Organization of Securities Commissions Principles for Financial Benchmarks.

It also recognises the principle that it is important to identify the potential limitations of a benchmark. Many of these have long been recognised in the Manual and are also reflected in the Guide to Market Benchmarks.

The Guide to Market Benchmarks makes clear that a great deal of due care is taken to ensure the daily route assessments provide a fair valuation of the current market. However, the Baltic has always explained that

[1] The UK BMR reflects the provisions of the EU BMR as part of the retained EU law applicable in the UK. Under the EU BMR, BEISL qualifies as a third country benchmark administrator but remains under the EU transitional provisions.

reporting panels exist because, ultimately, there is no independently verifiable 'right' or 'wrong' rate for index routes. Therefore, market levels at any particular time remain a matter of judgement.

Contents

Section		Page
1	Introduction to the Guide to Market Benchmarks	11
2	Governance Structure	12
3	Independence of the Administration of BEISL Benchmarks	17
4	Overview of Benchmark Methodologies	19
5	Benchmark Change and Cessation	21
6	Ocean Bulk Benchmark Restatement	27
7	Guidance for Panellists	29
8	Selection of Panellists	38
9	Assessors	39
10	Audits and Quality Control	42
11	Conflicts of Interest	46
12	Complaints	55
13	Whistleblowing	58
14	Prevention of market abuse and reporting of infringements	64
15	Confidentiality and Transparency	67
16	Operational Risks	68
17	Code of Conduct	70
18	Compliance	71
APPENDIX°1 Publishing times and reporting windows		73
APPENDIX°2 Index Specifications		74
5.	Baltic Exchange Supramax	80
APPENDIX°3 Calculation Methodologies		95
APPENDIX°4 General Guidance to Panellists		98
APPENDIX°5 Forward Curve Specifications		102
APPENDIX°6 Benchmark Business Continuity and Disaster Recovery Plan		111
APPENDIX°7 Glossary		117

1 Introduction to the Guide to Market Benchmarks

1.1 About the Baltic Exchange Limited

1.1.1 The Baltic Exchange Ltd is a wholly owned subsidiary of the Singapore Exchange Ltd (SGX). It operates as a membership organisation within the international shipping marketplace. Its revenues derive principally from membership subscriptions and payments by members to its subsidiary company, Baltic Exchange Information Services Ltd (**BEISL**), for access to its freight market information. The Baltic also derives revenues from licences for access to its information from clearing houses operating in the freight derivatives market and from information vendors and software application providers active in the financial markets.

1.1.2 BEISL publishes a wide range of shipping market reports, fixture lists and market rate indicators on a daily (in some cases) weekly and quarterly basis. For this purpose, BEISL licences from the Baltic the rights to make use of its brand name in the production and publication of the data. The Baltic Exchange is not directly involved in the production, management or distribution of the data and it is BEISL which is herein documenting its processes.

1.1.3 BEISL publishes a series of assessments of the prevailing market rate for a specified shipping route in the dry or wet bulk market as well as for forward assessments of the Forward Freight Agreement (**FFA**) market and associated options market. Each individual assessment represents the combined (simple arithmetical average) view of Baltic Panellists (Submitters – see Section 4.2 of this document). A single exception to this approach applies to forward curve assessments and is described at Section 4.4.4 below. Most of the individual route assessments are used as component parts in the formation of specific indices such as the Baltic Exchange Capesize Index (as is more fully set out below). BEISL is aware that some of its benchmarks and indices are routinely used by members and non-members in the shipping market and the wider financial community to settle freight derivatives as well as physical market contracts (typically contracts of affreightment and period hire contracts). However, BEISL cannot have any confidence it is aware of all of the uses to which its data is put.

1.2 About the Guide to Market Benchmarks

1.2.1 The Guide to Market Benchmarks is concerned with the process for the definition, determination, and management of BEISL Ocean Bulk benchmarks.

1.2.2 The Guide to Market Benchmarks will be updated as required to reflect necessary changes to practice, including any regulatory changes and in accordance with Section 18.1.5 (*Review of the Guide to Market Benchmarks*). In the event that BEISL proposes amendments which would impose a significant additional cost burden on Panellists, or which would have a significant impact on Panellists' underlying business, such changes will not be implemented without:

(1) consultation with all relevant market participants (described in Section 2 (*Governance Structure*)); and

(2) (save in respect of changes that result from a change in applicable law or regulation) receipt of the written consent of at least 75% (by number) of the respondents to a consultation. The respondents to such consultation will be those Panellists affected or potentially affected by such proposed amendments.

2 Governance Structure

2.1 Overview of governance arrangements

2.1.1 BEISL maintains robust and transparent governance arrangements for the provision of its benchmarks. The management body for the administrator is the BEISL Board of Directors (the **BEISL Board**). Certain aspects of the governance of BEISL benchmarks are provided jointly by the BEISL Board and by the Baltic Index Council (BIC). All benchmarks are based on contributions of Input Data provided by selected Panellists[2]. The benchmark determination process is managed by BEISL employees and, where applicable, other persons whose services are placed at BEISL's disposal for the purpose of benchmark provision. BEISL ensures that all its employees and other persons whose services are placed at BEISL's disposal and who are directly involved in the provision of benchmarks have the necessary skills, knowledge and experience as required by their duties and are aware of their responsibilities and of the procedures that must be followed for the proper discharge of those responsibilities. The oversight function for Ocean Bulk benchmarks provided by BEISL is exercised by the BEISL Oversight Function. This is an independent committee composed of representatives of the Baltic and SGX who are not directly involved in provision of benchmarks. Only the independent members of the BEISL Oversight Function are voting members. BEISL governance arrangements for benchmarks provision, including all relevant policies and procedures, are described in more detail in the following sections of the Guide to Market Benchmarks.

2.1.2 The overall governance structure is designed to eliminate situations where a person may exercise undue control or influence over the provision of benchmarks. Terms of Reference and minutes for the BEISL Board, BIC and BEISL Oversight Function are available upon request.

Delegation of Authority to the Chief Executive Officer (CEO) of BEISL

2.1.3 The day to day responsibility for the operation of BEISL and certain responsibilities of the BEISL Board are delegated to the CEO of BEISL, in accordance with such policies and directions as the BEISL Board determines appropriate. This includes (but is not limited to):

1. The appointment of new members to the BIC and BEISL Oversight Function;
2. The appointment of Chairperson to the BIC and BEISL Oversight Function;
3. Governing other changes to the Guide to Market Benchmarks, not relating to the benchmark methodology in accordance with Section 18.1.5 below.
4. Approval of Panellist conflict of interest resolutions determined (until ratified at the next BEISL Board meeting or by a circular requesting written resolution).

2.1.4 The CEO shall update the BEISL Board as required, on the delegated, operational and day to day activities.

2.2 The BEISL Board

Role and responsibilities

2.2.1 The overall responsibility for the administration of the Ocean Bulk benchmarks belongs to the BEISL Board, which as the key management body is responsible for establishing credible and transparent governance, oversight, and accountability procedures for the Ocean Bulk benchmarks. The BEISL Board is assisted by the BIC in its governance role in respect of all benchmarks provided by BEISL, as described in section 2.3 below.

2.2.2 In particular, it is the responsibility of the BEISL Board to:

[2]Panellists are "contributors" within the meaning of Article 3(1)(9) BMR.

(1) Set the strategy, objectives, and overall direction of BEISL as benchmark administrator;

(2) Oversee BEISL management decision-making;

(3) Govern the appointment of new members to the BIC, taking into account the recommendations of the BIC;

(4) Implement BEISL's control framework, including by:

(i) Ensuring the integrity of the benchmark determination process; and

(ii) Putting in place effective systems, arrangements, and procedures for the implementation of such control framework.

(5) Monitor and govern adherence to the Guide to Market Benchmarks by BEISL employees (including Assessors) and third parties involved in the provision of the Ocean Bulk benchmarks, and, if and when appropriate, make decisions about any remedial actions required, taking into account the recommendations of the BEISL Oversight Function;

(6) Monitor and govern adherence to the Guide to Market Benchmarks by Panellists and, if and when appropriate, make decisions about any remedial actions required, taking into account the recommendations of the BIC;

(7) Monitor and ensure BEISL's compliance with the Guide to Market Benchmarks, with the BMR and any other applicable legislation;

(8) Govern the changes to the Guide to Market Benchmarks, including in relation to:

(i) Benchmark changes, by:

(a) Implementing changes to existing benchmarks;

(b) Governing development of new benchmarks, by taking into account input from the BIC; and

(c) Implementing cessation of benchmarks.

(ii) Other changes to the Guide to Market Benchmarks, by:

(a) Governing changes to the Guide to Market Benchmarks relating to BEISL benchmark methodology, in conjunction with the BIC;

(b) Governing other changes to the Guide to Market Benchmarks, not relating to BEISL benchmark methodology, taking into account input from the BIC; and

(c) Conducting reviews of BEISL benchmark methodologies at least annually or as market conditions require.

(9) Implement the relevant policies and procedures preventing conflicts of interests in the determination of BEISL's benchmarks; and

(10) Investigate and manage cases of Complaints concerning BEISL, its benchmarks or benchmark methodologies.

Composition and decision-making

2.2.3 The BEISL Board is composed of a minimum of two directors and there is no maximum number of directors. Its decision-making, rules of proceedings and procedures for appointment are set out in the BEISL's Articles of Association.

2.3 The Baltic Index Council

2.3.1 The BIC assists the BEISL Board in administration of BEISL benchmarks by providing input to the BEISL Board or jointly performing certain governance functions, as described in the following section.

2.3.2 In particular, it is the responsibility of the BIC to:

(1) Provide input to the CEO of the Baltic, (in his/her capacity as a BEISL Board Director and with delegated responsibilities) on the appointment of new members to the BIC, including:

(i) Conducting suitable vetting processes on candidates; and

(ii) Providing recommendations to the CEO of the Baltic for their final review and appointment.

(2) Provide input to the BEISL Board and BEISL Oversight Function on adherence to the Guide to Market Benchmarks by Panellists, including by:

(i) Receiving periodic reports from the Senior Assessor about:

(a) The Panellists' adherence to the Guide to Market Benchmarks; and

(b) The quality of Input Data contributed by Panellists.

(ii) Reviewing the reports submitted by Assessors and, if and when appropriate:

(a) Formulate suitable recommendations to the BEISL Board; and/or

(b) Submit reports to the BEISL Oversight Function.

(3) Assist the BEISL Board on governing changes to the Guide to Market Benchmarks, including in relation to:

(i) Benchmark changes, by:

(a) Monitoring the market representativeness of existing benchmarks and governing changes to existing benchmarks, taking into account input from the BEISL Board, including by assessing the BEISL Board's adherence with the Guide to Market Benchmarks in implementing such changes;

(b) Providing input to the BEISL Board on development of new benchmarks; and

(c) Governing the process for cessation of benchmarks by putting forward specific recommendations to the BEISL Board.

(ii) Other changes to the Guide to Market Benchmarks, by:

(a) Governing changes to the Guide to Market Benchmarks relating to BEISL benchmark methodology, in conjunction with the BEISL Board;

(b) Providing input to the BEISL Board on other changes to the Guide to Market Benchmarks, not relating to BEISL benchmark methodology, including justifications thereof stemming from market developments.

(4) Submit regular reports to the BEISL Board on the relevant developments in ocean freight markets.

Composition

2.3.3 The BIC shall comprise:

(1) Five (5) persons, including a Chairman, who are representatives of the appropriate segments of the market (Market Representatives) and shall at least comprise a dry bulk, a wet bulk and a shipping derivatives broker and shall be independent from the management of the Baltic and its affiliates;

(2) One (1) director drawn from the Boards of the Baltic or its subsidiary companies; and

(3) The CEO of the Baltic (attending but not voting).

2.3.4 Detailed provisions regarding the BIC membership selection criteria and appointment procedure are set out in the Terms of Reference of the Baltic Index Council ("The BIC Terms of Reference"). Also included in the BIC Terms of Reference are organisational rules and procedures applicable to the BIC.

2.4 BEISL Oversight Function

Role and responsibilities

2.4.1 BEISL is obliged by law to establish an oversight function. Such a function for BEISL benchmarks is performed by the BEISL Oversight Function. The BEISL Oversight Function is responsible for providing oversight of the overall functioning of the BEISL benchmark administration business.

2.4.2 In particular, it is the responsibility of the BEISL Oversight Function to:

(1) Oversee the implementation of BEISL's control framework, including by overseeing

(i) The management and operation of benchmarks administered by BEISL;

(ii) The code of conduct for Panellists; and

(iii) BEISL's adherence to the published benchmark methodologies.

(2) Oversee adherence to the Guide to Market Benchmarks by BEISL employees (including Assessors) and third parties involved in the provision of benchmarks, including by:

(i) Conducting annual reviews of BEISL's arrangements with third parties, including providers of outsourced functions;

(ii) Receiving periodic reports from the Assessors regarding their compliance with the Guide to Market Benchmarks, and formulating recommendations to the BEISL Board if and when any remedial action is deemed necessary.

(3) Oversee adherence to the Guide to Market Benchmarks by Panellists, including by:

(i) Receiving periodic reports from the BIC about:

(a) The Panellists' adherence to the Guide to Market Benchmarks; and

(b) The quality of Input Data contributed by Panellists; and

(ii) Review the reports and, if and when appropriate:

(a) Taking effective measures in respect of any breaches of the Guide to Market Benchmarks by the Panellists by putting forward specific recommendations to the BEISL Board; and/or

(b) Reviewing actions of BEISL in challenging or validating contributions of Input Data.

(4) Assess internal and external audits and reviews, and monitor the implementation of remedial actions, if identified.

(5) Report to the Financial Conduct Authority any misconduct by Panellists, Assessors or BEISL, of which the BEISL Oversight Function becomes aware, and any anomalous or suspicious Input Data, unless such report has already been submitted by the Compliance Department.

(6) Oversee changes to the Guide to Market Benchmarks, including in relation to:

(i) Benchmark changes, by:

(a) Reviewing and approving procedures for making changes to existing benchmarks;

(b) Reviewing and approving procedures for development of new benchmarks; and

(c) Reviewing and approving the Cessation Policy; and

(ii) Changes to benchmark methodologies, by:

(a) Reviewing proposed changes to the benchmark methodologies and, if and as required, requesting the BEISL Board to consult the market on such changes; and

(b) Conducting reviews of the definition and methodologies of benchmarks administered by BEISL at least annually or as market conditions require.

(7) Review policies and procedures relating to the management of conflict of interests in relation to the determination of the BEISL benchmarks, and where necessary, raising specific issues for review by the BEISL Board.

(8) Review BEISL Board's adherence with the Guide to Market Benchmarks in implementing changes to, and cessation of, existing benchmarks.

Composition

2.4.3 The composition of the BEISL Oversight Function shall be independent from the composition of the BEISL Board and the BIC. Members of the BEISL Oversight Function cannot be involved in the provision of a benchmark subject to oversight and/or any governance arrangements concerning that benchmark.

2.4.4 The BEISL Oversight Function shall be organised in a form of a committee, composed of at least three voting members that meet the selection criteria as set out in the BEISL Oversight Function Terms of Reference and to ensure the function is composed of members who together have the skills and expertise appropriate to the oversight of the provision of the Ocean Bulk Benchmarks.

2.5 Outsourcing arrangements

2.5.1 For the purpose of the benchmark determination process BEISL outsources certain limited information technology functions to external service providers. The relevant outsourcing arrangements allow BEISL to maintain ultimate control over the provision of benchmarks. BEISL remains solely responsible for discharging all its responsibilities and regulatory obligations as a benchmark administrator. In particular, BEISL ensures that the service providers it engages with have the ability, capacity, and if relevant, any authorisation required by law, to perform the outsourced functions, services, or activities in a reliable and professional manner.

2.5.2 For the purposes of outsourcing of BEISL's technology provisions, details governing the outsourcing arrangements are set out in the Outsourcing Oversight and Third Party Risk Assessment policy.

3 Independence of the Administration of BEISL Benchmarks

3.1 Independence of benchmark governance

3.1.1 The methodology for the calculation of Ocean Bulk benchmarks administered by BEISL is more fully set out in Section 4. (Overview of Benchmark Methodologies) of this document.

3.1.2 Neither the Baltic Exchange nor any of its operating companies invests in or trades physical or financial shipping assets or rates. It does invest in shipping market infrastructure that directly or indirectly benefits its members. Its income structure is not dependent on the level of the market.

3.1.3 Conflicts of interests are managed in accordance with the Baltic's conflicts of interest policy set out in Section 11 (Conflicts of Interest) of this Guide to Market Benchmarks. They are also minimised by the establishment of the BIC which has responsibility for supporting the BEISL Board in the administration of BEISL's benchmarks. Furthermore, the diversity of interests represented on the BIC strengthens the independence of the benchmarks.

3.1.4 The BIC is not involved in the day-to-day index determination process. BIC members may be employed by Panellist companies and cannot be a Submitter but could be directly involved in the assessment process of the Panellist.

3.1.5 All Input Data received from the Panellists is treated in the strictest confidence by BEISL. Access to Input Data by the BIC members is not permitted except on a historic basis for forensic and audit purposes where it will be made anonymous to preserve confidentiality. The circumstances where such Input Data may not be anonymised are: (i) in the context of assisting the BEISL Board on governing changes to the Guide to Market Benchmarks in relation to providing input to the BEISL Board on development of new benchmarks, including whereby an existing Panellist is to contribute Input Data for a new segment[3]; or (ii) in order to comply with the BMR.

3.1.6 The Senior Assessors report directly to the Head of Benchmark Production who in turn reports to the CEO of the Baltic Exchange. Senior Assessors and the Head of Benchmark Production may raise any matters concerning the benchmarks in confidence with the CEO of the Baltic Exchange, the Chairman of the Baltic Exchange, the Compliance Department, the BIC, or BEISL Oversight Function.

3.1.7 The provision of the Ocean Bulk benchmarks is operationally separated from any other part of the Baltic's business that may create an actual or potential conflict of interest for BEISL.

3.2 Employees dealing restrictions

3.2.1 Employees of the Baltic are not permitted to invest in or trade freight derivatives. They are also not permitted to invest in private shipping market companies or indirect investment companies such as hedge funds and private equity firms which specifically target the shipping market. Investments managed at arms' length by a third party are not restricted by this section. Should an employee be in any doubt as to the acceptability of an investment then they are required to raise it with the Compliance Department.

3.2.2 Investment by employees in the shares of listed shipping companies, either directly or via collective investment vehicles (mutual funds) is acceptable as part of a long-term investment process subject to 3.2.4. Day trading or short-term investment is not appropriate nor is the use of spread betting or similar products where they relate to the shipping market.

3.2.3 All employee policies are contained within the Baltic *Group Staff Handbook*, a copy of which is provided to personnel when their employment commences. Amendments to the *Group Staff Handbook* are also distributed to employees as required.

[3]Existing segments are dry bulk, tankers, gas, sale and purchase, ship recycling and FFA. An example of a new segment would be containers or air freight.

3.2.4 The Senior Assessor, Assessors and all other applicable employees involved, either directly or indirectly in the provision of the Ocean Bulk benchmarks are required to declare their compliance with BEISL's Personal Account Dealing (PAD) policy annually.

3.3 Remuneration

3.3.1 The Baltic's staff remuneration policy provides for a clear remuneration framework for all persons directly involved in the provision of the Ocean Bulk benchmarks taking into account the functions and responsibilities allocated to them and ensures that there is no link between the performance of any of the benchmarks administered by BEISL and remuneration of employees and/or contractors involved in the provision of the benchmarks.

4 Overview of Benchmark Methodologies

4.1 Key elements of the Baltic's benchmarks methodology

4.1.1 BEISL's benchmark determination process is based on the confidential provision of Input Data by Panellists. The Input Data represents the professional judgement of the Panellist at the time of assessment of the prevailing open market level for the shipping route or (in the case of the forward curve) the instrument concerned.

4.1.2 In conducting their assessments for the purpose of Input Data contribution, Panellists will take cognizance of the totality of market information known to them at the time of reporting, making any appropriate adjustment to accord with BEISL's route definitions. Where active markets exist, reports are expected to be informed by and thus anchored in fixtures and current negotiations (transactional data). However, the relatively limited liquidity of the shipping markets when compared to some financial markets, together with their underlying volatility, mean that it is essential Panellists have discretion over the relative value they attribute to transactional data, and to other data such as tonnage availability, order lists, sentiment and news flow in reaching their assessments.

4.1.3 It is a characteristic of the global freight market that, although a route may be routinely fixed (traded) and therefore meet the criteria for assessment by BEISL when first adopted, there may subsequently be little or no activity for a period of time. In these circumstances, Panellists cannot be guided by transactions specific to the route and will therefore use their Expert Judgement of the wider market to provide an appropriate assessment. For further information, please refer to Sections 7.3 and 7.4 below.

4.1.4 While the criteria set out in Sections 4.2 (*Benchmark determination criteria*) and 4.3 (*Elements of methodology*) are applied at the outset of any new route, markets may change over time such that the route no longer meets the criteria. In such cases, BEISL will adjust its methodologies to ensure that the benchmark continues to reliably represent the economic reality it intends to measure (see Section 5 (*Benchmark Change and Cessation*) below).

4.2 Benchmark determination criteria

4.2.1 The criteria for selecting routes for the purpose of benchmark determination include the following:

(1) **Trade Volume** - A steady and significant volume of trade on index routes or on routes related to them is important. Trades subject to seasonal closures (such as the Great Lakes in North America) are avoided;

(2) **Transparency** - A reasonable volume[4] of accurately reported fixtures should be available. Where possible, trades dominated by a sole or limited number of interests are avoided;

(3) **Standard Terms** - Voyage routes where business is largely concluded on standard terms are favoured.

4.3 Elements of methodology

Physical routes assessments

4.3.1 **Baskets and geographical balance:** BEISL provides calculations of composite rates which aim to reflect movements in the global or regional shipping market for the vessel types concerned. Weightings of routes used to create such a composite are not intended necessarily to reflect accurately actual underlying trade flows nor to be perfectly geographically balanced. The composition of these rates aims to meet the needs of market participants, who are consulted on their design.

[4]Please note that what constitutes a "reasonable volume" will differ between BEISL's different benchmarks. As a guide, a reasonable volume will be an average of two accurately reported fixtures per week measured over a period of 12 months as defined by the vessel size of the particular route.

4.3.2 **Vessels:** in defining timecharter routes, BEISL specifies the outline details of the vessel to be assessed. BEISL aims to base its description on a modern vessel design which can act as an appropriate benchmark for its category.

Forward assessments and volatility assessments

4.3.3 In order to support the shipping derivatives market and a mark-to-market or fair value disclosure calculation by market participants, BEISL provides end of day assessments of prices and/or volatilities for the FFA and options markets. In establishing such reporting activity BEISL applies rules which are generally more flexible than those for the physical market benchmarks. Such rules are more flexible to accommodate that such assessments are determined based on Input Data received from Panellists and from published transactions on CCP websites.

4.3.4 Prior to providing a forward curve for a new derivative contract listed by a trading venue, BEISL may receive input from entities such as the BIC, the FFABA, the Baltic Advisory Councils and the clearing houses which serve the financial shipping market.

4.4 Calculation of the benchmarks

General rules

4.4.1 The index, which is published by BEISL, is an arithmetical average of all Input Data received, provided that such Input Data complies with the applicable criteria and has been reviewed by an Assessor. A single exception to this rule is described in 4.4.4 below.

4.4.2 BEISL will not normally create an index for a physical market route where it is unable to (a) create a panel of at least five Panellists who are considered to meet the criteria set out in Section 8 (*Selection of Panellists*) below for appointment; or (b) the average annual trade pattern is equivalent to a minimum of two vessel voyages per week. In the event that less than five Panellists are able to contribute Input Data towards a rate for a physical market route, BEISL will endeavour to find additional Panellists as soon as reasonably practicable in order to mitigate any risk that the existing Panellists do not provide sufficient Input Data. BEISL will not normally publish an index where less than four Panellists are able to contribute Input Data towards a rate for a physical market route.

4.4.3 In the case of BEISL forward curve assessments, which aim to provide a forward curve to the market for risk management purposes, more flexibility is needed as there are, at times, as few as two Panellists engaged in transactions for specific contracts in the FFA market. In this case the assessment may be produced with as few as two Panellists providing Input Data. However, where this is the case, BEISL will take steps to ensure the less reliable nature of the data is drawn to the attention of the market and the BIC. This will specifically include statements on the Baltic website analysing the potential shortcomings of the data.

4.4.4 The forward curve assessments provided for the dry bulk market are an average of the Input Data by each of the Panellists. In the case of the wet bulk market the Input Data rates represent an average which is weighted according to the market share (based on data provided by the clearing houses) of each Panellist in the preceding month. This is intended to enhance the accuracy of the curve in a market where there are often few Panellists involved and widely varying expertise.

4.4.5 BEISL shall only use Input Data from a Panellist who satisfies the following conditions:

(1) A Panellist satisfies and, whenever required to do so, continues to satisfy BEISL as to its competence and suitability;

(2) The Panellist is a member of the Baltic Exchange Limited; and

(3) The Panellist performs the requirements of a Panellist diligently and adheres to the Guide to Market Benchmarks. BEISL shall monitor and record such adherence by the Panellist.

5 Benchmark Change and Cessation

5.1 Overview of benchmark change and cessation

5.1.1 As a Benchmark Administrator BEISL is under an obligation to ensure integrity of the benchmarks it provides. In doing so, it needs to take into account the characteristics of the physical freight and freight derivatives markets. It is a characteristic of the shipping marketplace that trade patterns change and vessel types and sizes develop over time, all of which are reflected in the Ocean Bulk benchmark methodologies. In respect of derivatives market, BEISL takes due account of the outstanding open interest in the derivatives market as well as the usage made of the route assessments and averages in the conclusion of long-term physical deals.

5.1.2 Ocean Bulk benchmark methodologies are subject to annual reviews to ensure that they continue to meet the requirements of the Guide to Market Benchmarks and to set a high standard in BEISL's benchmarking activities.

5.1.3 While BEISL seeks to ensure that all relevant characteristics of the shipping market are reflected in the benchmark methodologies, it is possible that certain factors will necessitate changes to, or cessation of, one or more of the Ocean Bulk benchmarks administered by BEISL. These circumstances may be due to external factors beyond the control of BEISL, internal strategic decisions or voluntary discontinuations.

5.1.4 Benchmark cessation shall be the permanent discontinuation of the determination and administration of a benchmark.

5.2 Internal review

5.2.1 The Ocean benchmark methodologies are reviewed on an annual basis by the Senior Assessors and BIC to ensure that they remain representative of the relevant market and economic reality and continue to meet the requirements of the Guide to Market Benchmarks and deemed fit for purpose and present their findings to the BEISL Board for ratification.

5.3 Potential reasons for benchmark change or cessation

5.3.1 This section applies to instances in which it might become necessary or appropriate to change any of the benchmark calculation, definition or publication due to circumstances, including but not limited to:

(1) Legislative or regulatory change that would deem further provision of a benchmark impossible or otherwise unsustainable;

(2) Changes in the underlying market which result in a benchmark becoming no longer representative of the economic reality it intends to measure or no longer appropriate as a reference for financial instruments, due to factors including (but not limited to) lack of sufficient data;

(3) Request from an applicable regulatory body requiring BEISL to change the benchmark methodology;

(4) A prolonged implementation of a contingency measure where remediation is no longer possible or achievable;

(5) BEISL becoming unable to continue to determine the benchmark in a reliable fashion;

(6) A benchmark provision becoming economically unsustainable;

(7) Limited or no use of a benchmark as a reference in financial instruments;

(8) Change in economic reality, market demand or product strategies affecting BEISL's benchmark administration activities for the Ocean Bulk benchmark;

(9) On the recommendation of the BEISL Board or BEISL Oversight Function; and

(10) Issues raised by stakeholders including users and subscribers of the Ocean Bulk benchmarks.

5.3.2 BEISL shall keep under review:

(1) The representativeness of the market;

(2) The users of an Ocean Bulk benchmark and the use to which they apply the Ocean Bulk benchmarks;

(3) The structure and liquidity of the market underlying each benchmark; and

(4) Whether any priority should be given to different types of Input Data.

5.3.3 In its review at section 5.3.2 above, BEISL may take the view that an Ocean Bulk benchmark is no longer representative of its intended interest, and that this cannot be remedied by a corrective change to the Ocean Bulk benchmark.

5.4 General Principles

5.4.1 BEISL shall have regard to the following general principles when considering or executing a proposed material change to, or cessation of its Ocean Bulk benchmarks listed in this Guide to Market Benchmarks:

(1) Consideration to be given to a potential impact on stability of the financial market;

(2) Consideration to be given to the potential economic and financial impact;

(3) Recognition that for a specific shipping route, trade patterns change over time which shall be reflected in the Ocean Bulk benchmark methodology;

(4) Recognition that in respect of derivatives market, FFA consideration to be given to outstanding open interest as well as the usage made of long-term physical deals;

(5) Consideration of any applicable regulatory and/or financial implications that may result from contracts and financial instruments that reference the Ocean Bulk benchmarks; and

(6) The practicality of maintaining parallel benchmarks (where feasible) in order to accommodate an orderly transition to a new Ocean Bulk benchmark.

5.5 Benchmark change and cessation plan

5.5.1 When BEISL determines a proposed material change to one of its Ocean Bulk benchmarks, BEISL will proceed with the execution of a change plan in accordance with the table set out in Section 5.7.1 below. To this end, BEISL will give due consideration to the following:

(1) **Consultations**- BEISL shall conduct necessary consultations with market participants, Baltic members and other stakeholder groups, as appropriate. At the start of any consultation BEISL will disclose the key elements of the methodology that would be affected by the proposed material change.

(2) **Provision of adequate notice**- Where possible, BEISL shall inform the market at least 30 days prior to an index being terminated. The consultation notice will detail the change and allow feedback from stakeholders. Such notice shall be given by way of circulars that are directly distributed to members of the Baltic Exchange and also published on the Baltic website or any third-party platforms. BEISL may also communicate through the Baltic Advisory Councils, forums and newsletters. Any comments received during a market consultation for benchmark change or cessation and the Benchmark Administrator's responses, shall be accessible after the consultation except where confidentiality has been requested by the entity originally providing comments.

(3) **Provision of interim arrangements**– If deemed appropriate, BEISL shall develop interim procedures and practices to ensure that the determination and administration of Ocean Bulk benchmarks is continued over set period of time in order to permit existing contracts to migrate where necessary.

(4) **Relevant third parties and stakeholders**- Where appropriate, relevant third parties shall be incorporated into the planning, design, and implementation phases that may reduce transition risks.

5.6 Benchmark methodology change: materiality

5.6.1 In determining a material change, BEISL shall have regard to:

(1) Any fundamental change to the definition or determination process of an Ocean Bulk benchmark methodology;

(2) A significant change related to a potential cessation of an Ocean Bulk benchmark, including interim arrangements to a new Ocean Bulk benchmark;

(3) the impact to any listed contract which references an Ocean Bulk benchmark;

(4) The extent to which the Ocean Bulk benchmark no longer represents the underlying market and its appropriateness as a reference for financial instruments and contracts; or

(5) Any other change deemed material as determined on a case-by-case basis.

5.6.2 Changes to document formatting shall not constitute a material change to the Ocean Bulk benchmark methodology and shall not be subject to the roles and responsibilities outlined in Section 5.7.1. If BEISL determines that a proposed change is appropriate to the quality and representativeness of the Ocean Bulk benchmark but does not constitute a material change to the Ocean Bulk benchmark methodology, BEISL shall amend and publish the Ocean Bulk benchmark methodology.

5.6.3 If BEISL determines that a proposed change is appropriate to the quality and representativeness of the Ocean Bulk benchmark and does constitute a material change to the Ocean Bulk benchmark methodology, BEISL shall execute the steps outlined in Section 5.7.1 below.

5.7 Allocation of responsibilities and benchmark change and cessation procedure

5.7.1 The following table provides an overview of the roles and responsibilities to be executed in the event of a proposed material change to or cessation of an Ocean Bulk benchmark. The procedure outlined in 5.7.1 shall apply to material changes to or the cessation of benchmarks as defined by the UK BMR; the UK BMR defines a 'benchmark' as "any index by reference to which the amount payable under a financial instrument or a financial contract, or the value of a financial instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees"[5] :

[5] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014

Role	Responsibilities
BEISL (Senior Managers/ Compliance Department and Senior Assessor)	**Analysis and investigation** BEISL shall carry out an analysis and consider the Ocean Bulk benchmark usage, liquidity in the underlying markets and availability of data, contracts and financial instruments that reference the benchmark, and the impact on economic and financial stability that might result from a material change to or cessation of the benchmark. **Benchmark change or cessation plan** BEISL shall submit a benchmark change or cessation plan (the **Plan**), including timelines and process for consulting relevant stakeholders, to the BEISL Board for approval. **Consultation** Upon completing the analysis, BEISL shall inform the BIC and carry out its consultations as set out in Section 5.5.1(1) above. **Notification** Once the approval of the proposed material change or cessation given by the BIC, inform BEISL Oversight Function about the proposed material change of the benchmark.
Baltic Index Council (BIC)	Provide comments and recommendations to the BEISL Board on the consultation.
BEISL Board	Review and approve the Plan submitted by BEISL. Implement the proposed material change to or cessation of the benchmark in accordance with the agreed Plan and in coordination with the BIC.
BEISL Oversight Function	Review the process followed for the benchmark cessation or material benchmark change in accordance with this document and the Plan submitted by BEISL to the BEISL Board.

5.7.2 The following table outlined in 5.7.2 provides an overview of the roles and responsibilities to be executed in the event of a proposed material change to or cessation of FFAs, forward curves and non-listed routes:

Role	Responsibilities
BEISL (Senior Managers/ Compliance Department and Senior Assessor)	**Analysis and investigation** BEISL shall carry out an analysis and consider the Ocean Bulk benchmark usage, liquidity in the underlying markets and availability of data, contracts and financial instruments that reference the benchmark, and the impact on economic and financial stability that might result from a material change to or cessation of the benchmark. **Benchmark change or cessation plan** BEISL shall submit a benchmark change or cessation plan (the **Plan**), including timelines and process for consulting relevant stakeholders to the BEISL Board for approval. **Consultation** Upon completing the analysis, BEISL shall inform the BIC and carry out its consultations as set out in Section 5.5.1(1) above. **Notification** Once the approval of the proposed material change or cessation given by the BIC, inform BEISL Oversight Function about the proposed material change of the benchmark.
Baltic Index Council (BIC)	Provide comments and recommendations to the BEISL Board on the consultation.
BEISL Board	Review and approve the Plan submitted by BEISL. Implement the proposed material change to or cessation of the benchmark in accordance with the agreed Plan and in coordination with the BIC.
BEISL Oversight Function	Notified of the process followed for the benchmark cessation or material benchmark change.

5.8 Emergency benchmark change, cessation or suspension

5.8.1 It is possible that in extreme circumstances beyond the control of BEISL, it becomes necessary to change or even suspend a benchmark with little notice and consultation. This may include (but is not limited to) a sudden change in circumstances or markets resulting in it being impossible to produce a viable Ocean Bulk benchmark, and impossible to source alternative remedial action.

5.8.2 Under these extreme circumstances, BEISL will ensure that all relevant information including back-up plans, and where possible and appropriate, information on alternative benchmarks is published for users and stakeholders as soon as practically possible. BEISL will also ensure that updates are given promptly as circumstances evolve.

5.9 Timing and notice

5.9.1 Any proposed timing and notice by BEISL shall take into account the following:

(1) If the change of an Ocean Bulk benchmark is a regulatory requirement or the effect of any regulatory, legal or other provisions;

(i) The urgency, if any, of changing or where appropriate, suspending an Ocean Bulk benchmark;

(ii) The extent and impact, if any, of IT and operational issues;

(iii) The duration of any consultations;

(iv) The amount of notice to be given to the marketplace in order to allow them to take appropriate action; and

(v) To the extent a third-party service provider is involved, the extent and impact, if any, on the services provided.

5.9.2 The published consultation notice concerning any proposed changes to an index, or its methodology shall invite feedback from stakeholders for at least 14 days.

5.9.3 In order to provide users with sufficient notice to transition to an alternative index, an index cessation announcement shall be made at least 30 days prior to the index being terminated. The notice shall include details of alternative indices if they exist in the market.

5.10 External Engagement

5.10.1 In the process of implementing an Ocean Bulk benchmark change procedure, BEISL shall take all reasonable steps to maintain open and transparent communication with all relevant stakeholders, including Ocean Bulk benchmark users and Baltic Exchange members.

5.11 Record Keeping

5.11.1 BEISL shall maintain relevant records if it intends to implement a material change to or cessation of an Ocean Bulk benchmark. In particular (but not limited to), records relating to the reason for a material change, relevant discussions, meeting minutes, key communications and consultation documentation shall be retained for a minimum of five years.

5.12 Document review and approval

5.12.1 BEISL shall review its approach to Ocean Bulk benchmark change and cessation on an annual basis or whenever a material change or cessation of an Ocean Bulk benchmark is undertaken.

6 Ocean Bulk Benchmark Restatement

6.1 Purpose

6.1.1 BEISL is committed to providing Ocean Bulk benchmarks that are of the highest quality and reliable whilst executing its responsibilities with integrity.

6.1.2 BEISL recognises, however, that in some situations inaccuracies can arise that may warrant a restatement of the Ocean Bulk benchmark. Such inaccuracies may be caused by events such as incorrect application of the methodology or the submission of erroneous Input Data by a Panellist. BEISL has set out the circumstances below in which the Ocean Bulk benchmarks shall be restated together with the procedure to be followed to ensure the restatement process is managed appropriately.

6.2 Restatement Circumstances

6.2.1 In the instance the Ocean Bulk benchmark is published with an inaccuracy, BEISL shall review the impact on affected Ocean Bulk benchmark values in determining whether to restate the benchmark.

6.2.2 In doing so, BEISL shall take the following into consideration:

(1) The size of the deviation between the published Ocean Bulk benchmark and the updated Ocean Bulk benchmark level;

(2) When the inaccuracy occurred and was discovered;

(3) The number of Ocean Bulk benchmark (and sub-indices) affected; and

(4) The impact to open interest.

6.3 Restatement Action

6.3.1 The type of restatement action taken by BEISL shall depend on the nature, scope and period of the Ocean Bulk benchmark inaccuracy.

6.3.2 The types of restatement action shall be (but not limited to):

(1) Historical restatement of Ocean Bulk benchmark level;

(2) Correction only to the Ocean Bulk benchmark level going forward;

(3) Historical restatement and correction to Ocean Bulk benchmark level going forward; or

(4) No restatement action taken.

6.4 Procedure

6.4.1 In the event that BEISL becomes aware of an inaccuracy, or possible error requiring investigation, BEISL shall:

(1) Investigate the incident and circumstances giving rise to a possible index error or inaccuracy as soon as reasonably practical;

(2) Review the impact on affected Ocean Bulk benchmark(s) taking into account Section 6.2.2 above;

(3) Determine the restatement action as set out in Section 6.3 above; and

(4) Where necessary, publish a circular, providing the reason the restatement action as set out in Section 6.3 above together with any relevant revised material.

6.4.2 Where necessary, BEISL shall produce a market incident report to be submitted to Compliance Department, summarising the inaccuracy, root cause and remedial actions where applicable.

6.4.3 The relevant fields of the report and investigation will be updated by the Compliance Department if necessary.

6.4.4 Not all inaccuracies warrant an Ocean Bulk benchmark restatement, and some incidents may be more determinative than others. In complex circumstances, BEISL may consult market participants and/or BIC in order to determine the most appropriate course of action.

6.4.5 The BEISL Board, the BEISL Oversight Function and the BIC shall be made aware of any restatement or underlying issues, of which they would reasonably expect to be informed.

6.5 Documentation and Audit Trail

6.5.1 All documents relating to Ocean Bulk benchmark restatement shall be retained for a minimum of five years.

7 Guidance for Panellists

7.1 The role of a Panellist

7.1.1 For the purposes of the Guide to Market Benchmarks, a Panellist is regarded as a 'Contributor' as defined by Article 3(1)(9) of the BMR.

7.1.2 A Panellist's responsibilities fall within the areas of governance, systems and controls, review, and oversight function to ensure reliability of the Input Data contributed to BEISL.

7.1.3 The integrity and accuracy of an Administrator's benchmark determination process depends on the integrity and accuracy of the Input Data submitted by Panellists. A Panellist is required to confirm adherence to the Guide to Market Benchmarks annually and whenever a change to the Guide to Market Benchmarks has occurred.

7.1.4 The contributions made by a Panellist relate to Input Data that is not readily available to BEISL and the requirements imposed on the Panellist is intended to be consistent with BEISL's methodology and the controls BEISL performs with regards to the Input Data received. It is expected that a Panellist shall undertake internal checks and reviews to ensure that they achieve compliance with the Guide to Market Benchmarks.

7.2 Panellist framework

7.2.1 A Panellist must establish and maintain adequate and effective governance arrangements for the Input Data contribution process. This is designed to ensure that a Panellist provides all relevant Input Data.

7.2.2 Panellist's participation in the benchmark determination process includes the following:

(1) A Panellist is required on each trade date, to provide all Relevant Data to BEISL in accordance with the contractual obligations as contained within the Panellist Agreement and the Guide to Market Benchmarks.

(2) A Panellist shall provide their submissions of all Relevant Data in a timely and consistent manner pursuant to the assessment times and reporting window reproduced at Appendix 1.

(3) A Panellist's submission should be sufficient to accurately and reliably represent the input to the benchmark taking into account the market and economic reality that the benchmark intends to measure.

7.2.3 Panellist's due diligence includes the following:

(1) A Panellist shall have in place an adequate due diligence process to be undertaken to ensure that only appropriately qualified Submitters with the necessary skills, knowledge, training and experience can submit Input Data on the Panellist's behalf.

(2) A Panellist's due diligence process shall include undertaking checks to verify:

(i) The identity of the potential Submitter;

(ii) The qualifications of the potential Submitter; and

(iii) The reputation of the potential Submitter, including whether the potential Submitter has previously been excluded by any party from submitting Input Data to a benchmark for reasons of misconduct.

(3) A Panellist shall provide appropriate training for new staff prior to designating them as a Submitter.

(4) A Panellist shall have in place appropriate reporting lines and designated individuals at the appropriate level of seniority within the Panellist's firm, who are responsible for the oversight of the submission process, Input Data contributions and post-contribution reviews. Pre-contribution validation of Input Data shall be overseen by a senior member of the Panellist's staff.

7.2.4 Panellist's Input Data

A Panellist shall ensure all relevant Input Data is contributed to BEISL. A Panellist shall give consideration to data to be taken into account when determining the Input Data contribution and the types of data that a Panellist may exclude from a Contribution of Input Data.

7.2.5 Transmission of Input Data

BEISL shall operate and provide its Panellists access to its own bespoke web application in order to receive all Input Data contributions safely and securely. BEISL shall have in place a contingency plan for receiving Input Data from Panellists and this shall cover technical and operational difficulties. It is the Panellist's responsibility to have appropriate procedures in place to account for the temporary absence of a Submitter required by the methodology.

A Panellist shall maintain internal reporting procedures for reporting any operational problems in the contribution process as soon as they arise.

7.2.6 Panellist systems and controls

A Panellist shall have in place and maintain adequate and effective systems and controls to provide for:

(1) Pre-contribution checks: Panellists shall have measures to effectively monitor, scrutinise and validate contributions, including reviewing contributions with respect to their integrity and accuracy. This shall include pre-contribution monitoring to identify and evaluate suspicious inputs, unusual data values and to avoid errors in Input Data;

(2) Post-contribution checks: Panellists shall have measures in place to verify the Input Data has been contributed in accordance with the requirements of the Guide to Market Benchmarks and the Panellist Agreement, as well as ex-post analysis of outliers and to identify suspicious Input Data; and

(3) Monitoring checks: Monitoring of the safe transfer of Relevant Data to BEISL provided by BEISL's own bespoke web application and performing checks on the controls exercised under (1) and (2) above.

A Panellist shall provide an adequate explanation to back up outliers or unusual data when requested by BEISL. In doing so, a Panellist shall ensure sufficient information to uphold an assessment is provided to BEISL in order for BEISL to conduct appropriate checks on the Contribution of Input Data.

In order to ensure the Input Data is appropriate and verifiable, Panellists shall be expected to explain what factors were considered when arriving at their assessment.

A Panellist shall promptly inform BEISL if the Panellist becomes aware of an error in the Input Data during the course of the checks set out in paragraphs (1) to (3) above or as it otherwise may become aware, including (without limitation): (i) when making a Contribution of Input Data, (ii) following the Contribution of Input Data, (iii) prior to publication of the relevant benchmark and (iv) following publication of the relevant benchmark.

A Panellist shall maintain procedures governing the means of cooperation and flow of information between the three control functions set out in (1), (2) and (3) above; the regular reporting to senior management on the duties carried out by these control functions and communication to BEISL, if requested, regarding the internal oversight and verification procedures and review, at least annually, their systems and controls established in relation to the Contribution of Input Data.

7.2.7 Anomalous or suspicious submissions

(1) A Panellist shall have in place robust rules and escalation procedures to detect, evaluate, and report suspicious input, behaviour or events which they detect in the course of their Input Data contribution process. A Panellist shall report without delay to their internal compliance function, BEISL and to the Financial Conduct Authority or any other regulatory authority as may be appropriate.

(2) The circumstances in which a Panellist, without delay, is required to report suspicious Input Data to BEISL shall include, but is not limited to:

(i) Suspected or potential manipulation of a benchmark;

(ii) Manipulation of a benchmark;

(iii) Any other conduct that may involve manipulation or attempted manipulation of a benchmark.

(3) A Panellist shall provide to BEISL any supporting documentation and evidential information, and full details surrounding the suspicious Input Data, remedial action taken and progress of their implementation to BEISL's registered address followed by an electronic communication to be sent to compliance@balticexchange.com and balticbroker@balticexchange.com.

(4) A Panellist shall have in place a disciplinary procedure and action to be taken against the individual if it is established that they have acted improperly in respect of the process of making Input Data submissions.

7.3 Expert Judgement or use of discretion

7.3.1 Panellists retain discretion to decide the respective importance of the factors they have considered in reaching their assessment. However, the following sections provide guidance to Panellists on the approach normally expected when they consider certain factors. Section 4 (*Overview of Benchmark Methodologies*) of this document provides the essential and overarching guidance to Panellists since it sets out the key principles followed by BEISL in the determination of the benchmarks.

7.3.2 Where Expert Judgement or use of discretion has been used by a Panellist to determine the Input Data, the Panellist shall refer to the guidance provided by the Senior Assessor given to the Panellist. This guidance will take a note of but is not limited to:

(1) Recently concluded fixtures, making their own judgements in respect of the relevance of the information in the case of business fixed with outstanding subjects, and any unusual contract terms;

(2) In reporting on timecharter routes Panellists are expected to relate all relevant aspects of reported transactions and market activity to the benchmark ship. When considering speed and consumption this will include the likely steaming speed and consumption of BEISL defined vessel in the prevailing environment for freight rates and bunker costs;

(3) Current negotiations, bearing in mind they may frequently be a more immediate reflection of the market than previously concluded business;

(4) The supply of ships balanced against cargo demand.

7.3.3 In addition, in adjusting fixtures or negotiations which vary from route or vessel definitions, Panellists are expected to assess the relevance of any deviation from the route definitions.

These include:

(1) **Specification of ships** (timecharter routes). Panellists should use their Expert Judgement as to the relevance or otherwise of any deviation from the standard specification given in the route definitions. This commonly includes deadweight, draft, cubic capacity, age, LOA, speed and consumption.

(2) **Laycan**. Where ships are fixed either with laydays commencing before, and/or cancelling dates later than the time specified in the route definitions, Panellists are expected to assess the extent to which this is material.

(3) **Delivery and redelivery positions** (for timecharter routes). Where delivery and/or redelivery positions fall outside the ranges specified in the route definitions, but are nonetheless considered relevant to the assessment, Panellists should use their Expert Judgement in respect of the appropriate premium or discount which the market would apply on account of the difference. For example, where a route definition states "delivery Antwerp/Hamburg for a round voyage redelivery Skaw/Gib" and a ship is fixed on these terms except with redelivery Passero, Panellists are expected to judge the market value of the difference.

(4) **Duration** (for timecharter routes). Where fixtures are concluded which, in the Panellists' Expert Judgement, fall outside the route definition, Panellists are expected to assess the significance of any deviation. This is particularly important when ships are fixed from strong areas to weak areas and vice versa, but may also be relevant when business is fixed on a point-to-point basis, for example trans-Atlantic rounds or trans Pacific rounds, at a time when the market structure reflects expectation of market movement such as seasonal strength or weakness.

(5) **Commission**. Route definitions state the commission at which the business is expected to be quoted by usual channels to active market participants. As such, Panellists are expected to make allowance for any variation in the rate of commission, for example increased or reduced address commissions at which the business is quoted in the market.

(6) **Load/discharge terms** (voyage charters). Where these differ from the route descriptions, Panellists should assess the value the market places on any variation.

(7) **Load/discharge ports** (voyage charters). Where fixtures are concluded from load or discharge ports which are outside the route definitions, but deemed relevant to them, Panellists must assess the market significance of the difference. This will normally reflect factors such as port costs, relevant drafts, extra/reduced steaming, and the value or otherwise of geographical position.

(8) **Cargo size/type** (voyage charters). Where cargoes are fixed for quantities which fall outside the specified margins /specifications of the route description, or for types of cargo which usually command a premium or discounted rate, Panellists are expected to make an assessment of the market significance of the variation. However, the critical criterion is always that, in the opinion of the Panellist, the fixture being considered remains of direct relevance to the route being assessed. In assessing voyage freight Panellists should not modify reported rates to take account of the actual quantity of cargo expected to be loaded, provided it comes within the routes specification.

(9) **Material deviation from normal charter terms**. If the Panellists are aware of any charterparty term that is materially at variance with the market norm, they are entitled to make an appropriate adjustment.

(10) **Motives**. Panellists are not expected to consider the motives underlying any bona fide, properly reported market activity.

7.3.4 Panellists shall not be influenced or guided by:

(1) Movement in the derivatives markets or period market, unrelated to the positions being assessed.

(2) How many days a ship has waited for a fixture.

7.3.5 A Panellist shall provide an adequate explanation, if applicable, to back up the use of Expert Judgement or discretion when requested by BEISL.

7.4 Additional criteria for Panellists

In addition to the criteria listed above, the Panellists are required to consider the following for the purpose of their input data contribution:

7.4.1 Age-related factors

(1) Definitions for all timecharter routes, and some voyage routes, stipulate a maximum age. In noting any timecharter market activity that is transacted by ships that are older than the specified maximum, Panellists are expected to use their discretion in adjusting these rates to the route definitions.

(2) Where voyage routes stipulate a maximum age, Panellists are expected to make an allowance for any premium or discount applicable as a result of the age of the vessel.

(3) Where the voyage route does not specify the maximum age, the Panellist is expected to adjust rates to reflect the rate for modern tonnage.

7.4.2 Assessing timecharter fixtures concluded on APS terms

(1) Route definitions make certain assumptions about delivery positions which are not always reflected in the terms of fixtures concluded in the market. For example, a route definition may call for a rate based on delivery South Korea/Japan range for a Pacific round voyage with redelivery South Korea/Japan, whereas in practice ships may be fixed with delivery Arrival Pilot Station (**APS**) Australia (or North Pacific) at a fixed rate of hire with or without a ballast bonus.

(2) Panellists take due account of all such market activity, using their Expert Judgement in assessing the relevance of such information to their daily returns.

(3) Panellists are entitled (and expected) to take a number of factors into account including but not limited to:

(i) The timecharter equivalent (see following section) of a reported fixture. In making this assessment, Panellists exercise discretion in determining applicable bunker prices, the duration of paid leg, and appropriate allowances (such as a bad weather allowance) to the ballast leg;

(ii) The extent to which a fixture is relevant to the route in question. Factors to be considered include the incidence of such fixtures relative to fixtures on such route definitions; where the ship ballasted from and the probability of actually being able to conclude business at the timecharter equivalent rate. Similar principles apply when ships are fixed on APS terms with no ballast bonuses. Typically, the fixtures are concluded at apparently high rates which need adjusting to take account of ballast time and expenses incurred by owners.

In summary, such fixtures can be expected to form a persuasive but not necessarily definitive element in route assessments.

7.4.3 Timecharter Equivalent Calculations

In assessing timecharter equivalent yields, net income less costs is divided by total round voyage duration, where:

(1) Net income equals (net daily hire rate x days on hire) plus any ballast bonus if any;

(2) Cost is the cost of bunkers consumed plus any other relevant expenses on ballast passage; and

(3) Total duration is the ballast time plus days on hire.

The resulting net figure is then grossed up by the relevant commission to give the applicable gross round voyage equivalent.

7.4.4 Extrapolation of implied timecharter rates from voyage fixtures

Occasions arise when there is a lack of underlying fixing on timecharter terms in trades covered by timecharter route descriptions, even though comparable trades are being fixed on voyage basis. On other occasions the reverse will be true.

In these circumstances, Panellists are encouraged to consider the timecharter equivalent returns of the voyages being fixed, or alternatively the implied voyage rate for a timecharter fixture, and to take this assessment into account in deciding their returns.

Voyage calculations may also be appropriate to assist Panellists in adjusting fixtures to the equivalent of BEISL vessel (in the case of timecharter) and BEISL load/discharge port, delivery, or redelivery area, and duration as appropriate.

However, it is recognised that, just as voyage estimating varies amongst principals, so too will it vary between Panellists and, in addition, it is recognised that such assessments will seldom be the only factors influencing the Panellists' returns.

All physical market Panellists are expected to be competent in voyage estimating.

7.4.5 Forward Curve Reporting

All FFABA members can be Baltic FFA Panellists. Panellists are asked to submit the mid-price between the best bid and the best offer at the time of the assessment (see **Appendix 1**).

If at the time of assessment there is no firm two-way market, the Panellist will use his/her market expertise, being guided by market sentiment, other vessel sizes and routes as well as last completed transactions.

7.5 Duties of Panellists

7.5.1 On appointment as a Panellist, the Panellist firm commits to:

(1) Accept the rules and procedures included in the Guide to Market Benchmarks.

(2) Continuing to satisfy BEISL as to its competence and suitability to contribute Input Data.

(3) Carry out a process of self-assessment at regular intervals during its appointment having regard to relevant factors, such as the number of employees in their employment with special knowledge and experience on each route being reported.

(4) Appoint a manager and a deputy to be the representative and who are responsible to BEISL for the performance of their firm's obligations as Panellists. Such persons shall have the expertise acceptable to BEISL and will be replaced if reasonably required by BEISL.

(5) Accept that all information provided by the Panellist to BEISL remains confidential between the Panellist and BEISL, except where access is necessary for audit purposes, investigation purposes or purposes required by law.

(6) Hold an annual audit meeting with the Senior Assessor or Assessors and participate in the Operational Benching process to review the Input Data submission quality and accuracy, and compliance with the Guide to Market Benchmarks.

(7) On request confirm to BEISL's index external auditor that the meeting set out at Section 7.10 (*Audit and quality control*) has taken place.

7.5.2 For the purposes of assessing suitability and competence of a firm to be a Panellist or to continue to be a Panellist, BEISL requires the firm to apply a process of self-assessment prior to consideration of the firm for appointment, at regular intervals during an appointment and prior to an appointment being renewed, having regard to a number of factors that may be considered relevant, including (but not limited to):

(1) Whether the firm has sufficient personnel who are acceptable to BEISL and who have adequate knowledge and experience to report on the agreed routes.

(2) The location of the firm and its ability to report at the times stated in **Appendix 1**.

(3) The ability of the relevant panel reporters to converse using the English language.

(4) The ability of the Panellist firm to meet these requirements forms a part of the annual audit visit by the Senior Assessor and/or Assessors, but BEISL should be notified by the Panellist without prompting if at any time it considers it may fail to meet these basic qualifications.

Criteria applicable to employees of Panellist authorised to contribute Input Data

7.5.3 Responsibility for contributing Input Data for the voyage and timecharter routes should be allocated to individual persons in each Panellist company who have special knowledge of the specific trade. The Panellist firm must notify BEISL the identity and seniority level of all employees who are authorised to contribute Input Data to BEISL's benchmark-setting process. Such employees should have an appropriate level of seniority and market experience in order to comply with the provisions of the Guide to Market Benchmarks and be informed of their obligations pursuant to the BMR.

7.5.4 Even if the Input Data is contributed by a junior employee, the route assessments shall always be decided at a level of appropriate competence.

7.5.5 The representative of the Panellist listed with BEISL shall have a nominated deputy in his or her absence. The principal or deputy or nominee named to BEISL should oversee the daily Input Data report for errors before it is submitted to BEISL. A nominee from each Panellist should always be available between the reporting window and the publication time as set out in **Appendix 1** for consultation with the Senior Assessor or Assessor as required.

7.6 Record Keeping

7.6.1 A Panellist shall keep an accurate and up-to-date record of all relevant aspects pertaining to the Input Data contribution process (to include records of telephone conversations or electronic communications) for a minimum of five years on a medium that allows the storage of information to be accessible for future reference and deliverable upon request to BEISL within a reasonable timeframe. The records to be retained shall include (but are not limited to):

(1) Communications between the Panellist and BEISL;

(2) A register of the Submitters permissioned by the Panellist to contribute Input Data to BEISL;

(3) Records of individuals who contribute and/or approve each daily Input Data submission of the Panellist;

(4) Records of any intervention in the daily determination of BEISL benchmarks including (but not limited to) contributions "on behalf", the disregard of any Input Data and the rationale for such disregard and other changes in or deviations from standard procedure;

(5) All documentation relating to any complaint or whistleblowing alerts; and

(6) All documents including policies, procedures and codes of conduct describing the Panellist's contributions to BEISL.

7.7 Conflicts of interest

7.7.1 A Panellist shall maintain policies, procedures and controls that are reasonably designed to enable the identification and management of any conflicts of interests which may arise from the process of making Input Data contributions and to prevent the manipulation thereof by those involved in the contribution process. A Panellist must disclose to BEISL any actual or potential conflicts of interest concerning any of the Panellist's staff who are involved in the benchmark contribution process.

7.7.2 These arrangements shall include, but are not limited to:

(1) A conflicts of interest policy that addresses:

(i) The identification and internal escalation of conflicts of interest that may arise along with the procedures to be followed and measures to be adopted, in order to manage such conflicts;

(ii) Measures to prevent any person from exercising inappropriate influence over the way in which staff involved in the Input Data submission carry out activities

(iii) The recruitment process for Submitters;

(iv) Remuneration policies for the Panellist's staff, ensuring there is no direct or indirect link between the remuneration of a submitter and the value or performance of the benchmark or of the Panellist;

(v) Potential conflicts of interest arising from the Panellist's management structure;

(vi) Internal communications and effective controls over the exchange of information between the Submitter's and the Panellist's other staff including contingency provisions in case of any temporary disruption of these controls;

(vii) Any segregation of duties and physical and operational separation between Submitter's and other staff of the Panellist; and

(viii) The Panellist's exposure to a financial instrument which uses the benchmark that the Panellist contributes Input Data to as a reference.

(2) A register of conflicts of interest that shall be kept up-to-date and used to record any conflicts of interest identified and any measures taken to manage them. The register shall be accessible by internal or external auditors and retained in accordance with Section 6.5 (*Duties of Panellists*) above.

7.7.3 A Panellist shall ensure that staff members involved in the Contribution of Input Data process are trained in relation to all policies, procedures and controls relating to the identification, prevention or management of conflicts of interest.

7.8 Whistleblowing

7.8.1 A Panellist shall establish an effective whistleblowing mechanism which includes appropriate safeguards for whistleblowers, to facilitate early awareness of any potential misconduct or other irregularities in respect of the submission process that may arise.

7.9 Annual Declaration of Compliance

7.9.1 In order to remain compliant with the provisions of the IOSCO PFBs and the BMR, BEISL shall only use Input Data from a Panellist that adheres to the Guide to Market Benchmarks. Accordingly, a Panellist is required to confirm adherence to the Guide to Market Benchmarks and this shall be performed annually.

7.10 Audit and quality control

7.10.1 Each Panellist shall be audited at least annually by the Senior Assessor or Assessors and participate in the Operational Benching process. During this audit, the Panellist shall be required to confirm its adherence to the Guide to Market Benchmarks. The Senior Assessor or Assessors shall have regard to the following factors:

(1) **Market position**. BEISL will from time-to-time establish quantitative criteria as a qualification for serving as a Panellist. The criteria will normally relate to the number of fixtures of the vessel type or route the Panellist has concluded in a preceding period. Alternatively, BEISL may ask a Panellist simply to provide information covering relevant routes, such as how many fixtures have been concluded or negotiations engaged in. In some cases, it will suffice for the Panellist to confirm that their level of market activity exceeds a specific threshold set by the Senior Assessor. BEISL will treat all such information on a strictly confidential basis. Any information provided to the BEISL Board will be in a form which avoids any threat to the confidentiality of this data and will not be provided to the BIC.

(2) **Staff levels**. Are there sufficient senior staff members to ensure that the routes agreed upon can be reported every index day?

(3) Has a senior staff member who is a member of the Baltic been nominated for each category of routes (e.g. Cape, Panamax etc.) as the responsible Panellist?

(4) Confirm that no changes to the nature of the business have taken place which give rise to new conflicts of interest and that the Panellist still meets all the criteria for appointment.

(5) Confirm that the Panellist has contributed Input Data on the agreed routes on each index day and to note and explain any exception.

7.10.2 BEISL operates “Operational Benching,” an audit and quality control process that confirms a panellist's suitability. The process can result in a panellist being benched. A benched panellist continues to contribute assessments, but their contributions are not included in the index calculation.

7.10.3 Baltic's accounting firm reviews BEISL's records each year to confirm that this review process has been conducted with each Panellist.

8 Selection of Panellists

8.1.1 The integrity of and respect for BEISL indices and benchmarks are the result of the quality and nature of the panel reporting companies (**Panellists**) and the reporting process itself. Above all is the criterion that Panellists must be competitive shipbrokers who do not invest in the markets they report and are therefore free from conflicts of interest. On rare occasions investment firms may exist within the same group as Panellists. Where this is the case BEISL must satisfy itself that the Panellist is managing any resulting conflicts of interest appropriately.

8.1.2 BEISL appoints Panellists in accordance with the following criteria:

(1) The main business of Panellists should be shipbroking. Principals cannot be Panellists;

(2) Panellists must be recognised as competent, professional firms, actively engaged in the markets they report, with adequate personnel deemed qualified to perform the role of Panellist;

(3) Panellists must be members of the Baltic Exchange, meeting all relevant membership criteria;

(4) Panellists are bound by all of the relevant terms of this document, the terms of the Panellist Agreement and any other terms applicable by virtue of their appointment as Panellist and as a member of the Baltic Exchange Limited. Each year they are reminded in writing of the key parts;

(5) BEISL aims to maintain a geographical spread of Panellists;

(6) Panellists should not be reliant on a single client

(7) BEISL will not appoint as a Panellist a firm which is dependent for its business on a particularly small number of clients; and

(8) BEISL will generally not appoint as a Panellist a firm which engages in principal trading (as opposed to broking) in the freight derivatives market.

8.1.3 No firm shall continue to be a Panellist unless the firm:

(1) Satisfies and, whenever required to do so, continues to satisfy BEISL as to the suitability and competence of the firm to contribute Input Data;

(2) Is a member of the Baltic Exchange Limited; and

(3) Having received notice of the responsibilities of a Panellist, as amended from time-to-time, performs the task of Panellist diligently and in accordance with the Guide to Market Benchmarks.

8.1.4 Panellists are appointed for an indefinite period of time. Their appointment is formally reviewed each year, but can also be reviewed at any other time.

8.1.5 The appointment and removal of Panellists is the responsibility of BEISL, which will be advised by the Senior Assessor and the Assessors. The decision to remove a Panellist rests with BEISL alone and BEISL is not obliged to provide reasons for the removal or to enter into any correspondence on the matter.

8.1.6 Every Panellist is required to sign a Panellist Agreement with BEISL in accordance with the standard form (with any logical alterations). The standard form may be amended from time to time in order to ensure compliance with all applicable laws and regulations including (without limitation) the BMR. As members of the Baltic Exchange, Panellists are also obliged to comply with the Baltic Code and other applicable policies that apply to all members of the Baltic Exchange, including (without limitation) the terms and conditions of the Baltic Exchange and the Baltic Data Policy.

9 Assessors

9.1 Overview of the role of the BEISL Assessor

9.1.1 The primary responsibilities of a BEISL Assessor are the daily determination activity and supervision of the benchmarks. This includes monitoring and validating Input Data received from Panellists and evaluating Input Data according to the prescribed quality and accuracy standards.

9.1.2 As such, BEISL Assessors perform a control function which is critical for the day-to-day determination process of the Ocean Bulk benchmark to ensure their accuracy and reliability. It is therefore vital that, together with their expert knowledge and skills, BEISL Assessors are expected to uphold and exercise the highest standards of professional integrity.

9.1.3 BEISL Assessors also provide views and recommendations regarding the reporting of new routes, problems with the reporting of existing routes and the quality and reliability of Panellists (including of any employees authorised to submit data on behalf of a Panellist in accordance with Section 7.5 (*Duties of Panellists*) above).

9.2 Assessor selection criteria

9.2.1 **Senior Assessor:** BEISL considers it vital to the accuracy and reliability of its benchmarks that it has in place an effective daily monitoring and supervision process managed by the Senior Assessor. However, it is also essential that the role of the Senior Assessor does not influence the outcome of the benchmark calculation. The Senior Assessor is an individual with a broad experience of the shipping marketplace. The experience of the Senior Assessor is supplemented by the Assessor team as a whole which contains the necessary mix of skills and experience. Taken together the team has a wide experience of the dry bulk and tanker markets, of principal activity and knowledge of the shipping market.

9.2.2 **Assessors:** As a minimum, an Assessor must:

(1) Have received training by virtue of their employment as an Assessor encompassing all Ocean Bulk reported routes (as set out in Appendix 2), benchmark determination process, benchmark methodology and BEISL's bespoke applications; and

(2) Possess the necessary skills, knowledge, and experience to enable him or her to undertake his or her responsibilities and obligations in relation to the calculation of Ocean Bulk benchmarks.

9.3 Governance requirements

9.3.1 BEISL ensures that its Assessors are:

(1) Subject to effective day-to-day management and supervision, including clear reporting lines, and well-developed sign-off procedures;

(2) not subject to undue influence or conflict of interest;

(3) not remunerated in a way, or subject to performance evaluation, that would create conflicts of interest or otherwise impinge upon the integrity of the BEISL Ocean Bulk benchmarks determination process;

(4) not in possession of any interest or business relationship that would compromise the activities of BEISL as benchmark Administrator ;

(5) Are prohibited from contributing to BEISL benchmark determination process;

(6) Are subject to effective procedures to control the exchange, of information with other employees of the Benchmark Administrator or with third parties involved in determination of the ocean Bulk

benchmarks, which may create a risk of conflicts of interest, where that information may affect the benchmark provided by BEISL; and

(7) Subject to specific internal control procedures to ensure their integrity and reliability, and including procedures concerning four eyes sign-off, before dissemination of an Ocean Bulk benchmark.

9.3.2 An Assessor will be subject to an annual performance review undertaken by the Senior Assessor, and is obliged to undertake additional training to the extent necessary in order to perform his or her responsibilities and obligations in relation to the determination of BEISL's benchmarks.

9.3.3 Senior Assessors will be subject to an annual performance review undertaken by the Head of Benchmark Production.

9.3.4 In order to mitigate the risk of the loss of a Senior Assessor or any Assessor, the Head of Benchmark Production is responsible for ensuring an even spread of work between Assessors. BEISL also implements succession planning in relation to the Assessor team and has performed stress tests to identify the minimum number of staff required to continue full operation of the benchmark determination process.

9.4 Management of benchmark calculation process

9.4.1 The BEISL determination method requires that each Panellist who has agreed to contribute Input Data regarding a specific route does so on every reporting day, so the primary responsibility of the Assessors is to ensure that the Input Data is received from each Panellist each day by the designated reporting window. The Assessors may review the reference fixtures chosen by a Panellist and ask the Panellist to provide reasons for the assessment of such reference fixture. Panellists are exempted from contributing Input Data on local public holidays even when it is an official reporting day for the relevant benchmark.

9.4.2 If for whatever reason a Panellist exceptionally fails to contribute Input Data on a given day for one or more routes for which they are on the panel, this must be documented and as a minimum reported to the BEISL Board and to the BOF at its next meeting. Persistent failure by a Panellist to contribute Input Data will lead to suspension from the panel. This approach ensures that the Assessors can never "cherry-pick" rates to form the averages.

9.4.3 It is an important part of BEISL's process that the Assessors are familiar with the activity in all relevant markets. The daily determination of the dry bulk fixture list and market reports are part of this process are continuous discussions with panel and non-panel brokers as well as with principals. The reporting of fixtures to BEISL, either for publication or on a private and confidential basis is of considerable assistance to the Assessors and helps to support the accuracy of the benchmarks. All Baltic members are encouraged to disclose fixture information to BEISL.

9.5 Validation of Input Data

9.5.1 In order to determine Input Data and to ensure the integrity and accuracy of Input Data prior to its inclusion in the Ocean Bulk benchmark, the Assessor shall check Input Data received against other available indicators or data. To this end, the Assessor shall use his or her knowledge of the relevant shipping market, as well as publicly available information, reports and data. If an Assessor considers that Input Data may contain an error or omission or is significantly different from other corroborative sources, or is otherwise suspicious, he or she will contact the Panellist to request clarification.

9.5.2 The Panellist may advise that the Input Data contains an error and offer to correct it. Alternatively, the Panellist and the Assessor may hold a discussion about the relevance of certain transactions and other relevant data to BEISL's defined route. However, BEISL will never require a Panellist to change Input Data or impose such a change. There are other mechanisms (see especially Sections 8.1.3 and 8.1.5 above) for dealing with Panellists who are not considered able to submit Input Data professionally on a routine basis.

9.5.3 All contact between BEISL and Panellists are noted and are retained with all other records (including individual Panellist inputs) for five years.

9.5.4 A Panellist may ask the Assessor to make the correction to the Input Data contributed. Where the Assessor makes such an intervention this is recorded by the computer system and the Assessor is required to note the instruction from the Panellist. The Panellist is encouraged to do the same.

Benchmark publication approval

9.5.5 The Assessor is in regular contact with all Panellists. It is not possible, necessary or desirable to contact every Panellist on every route every day. The Assessor will normally allocate resources according to the following priorities:

(1) Missing Input Data where the Panellist has failed to contribute;

(2) Input Data falling outside a predetermined tolerance range and therefore highlighted by BEISL's computer system. This will vary from route to route but is intended quickly to highlight what appear to be obvious input errors;

(3) Routes which are currently relatively illiquid or for some other reason difficult to assess and are therefore worthy of specific attention; and

(4) Input Data where the Assessor is concerned the Panellist may not be sufficiently attentive to the task. In conducting this assessment, the Assessor will conduct cross-checks against market indicators to validate information submitted by the relevant Panellist.

9.5.6 The publication of assessments by BEISL is authorised by the Senior Assessor only following satisfactory validation of Input Data.

9.5.7 All Assessors are managed, supervised by, and report to Senior Assessors. Senior Assessors are managed, supervised by and report to the Head of Benchmark Production, who in turn reports to the CEO of BEISL. All Ocean Bulk benchmarks are verified and signed off by **a** Senior Assessor prior to dissemination to the market.

10 Audits and Quality Control

10.1 Communications between Assessors and Panellists

10.1.1 The daily interaction between the Assessors and the Panellists is an important part of the audit and quality control process. This interaction helps to ensure the compliance of Input Data and the Panellists with the criteria set out in this Guide to Market Benchmarks and to preserve the integrity of the benchmarks.

10.1.2 Communication between the Assessors and Panellists is recorded, and monitored by the Senior Assessor and BEISL's compliance department to, amongst other things, identify:

(1) Any communication between Panellists and Assessors that influence or attempt to influence the calculation of any benchmark for the benefit of any trading position;

(2) Any attempt by any Panellist to cause the Assessor to violate the Guide to Market Benchmarks or any applicable law, including the BMR; and

(3) Panellists that engage in a pattern of contributing anomalous or suspicious Input Data.

10.1.3 In the event that any such activity or communication is identified by the Senior Assessor or BEISL's compliance department (as applicable) in accordance with Section 10.1.2 above, they shall report to the BEISL Board and BOF. The BEISL Board (or any person appointed by it) may review contributions and Input Data submitted by the relevant Panellist and put forward recommendations to BEISL for suitable remedial action.

10.1.4 In addition, the Senior Assessors shall periodically report to the BIC on the Panellists' adherence to the Guide Market Benchmarks and on the quality of Input Data contributed.

10.1.5 Taking into account information provided by the Senior Assessor, the BIC should periodically, or on an *ad-hoc* basis if required, report to the BEISL Oversight Function on the Panellists' adherence to the Guide to Market Benchmarks, and on the quality of Input Data contributed. If and when appropriate, the BIC shall also put forward specific recommendations to the BEISL Board.

10.2 Audits

10.2.1 The Baltic Quality Assurance team conducts a review on a daily and quarterly basis of the calculation of the benchmarks determined by BEISL's computer system. It inputs the raw data into a separate system and uses that to make the same calculation.

10.2.2 A major accounting firm shall also be appointed annually to review the Guide to Market Benchmarks in order to ensure that it complies with the requirements of the IOSCO PFBs, the BMR and to confirm that BEISL is also complying with the processes and procedures set out therein.

10.2.3 Finally, each Panellist is visited by the Senior Assessor or the Assessors each year as set out in Section 7.10 (*Audit and quality control*) above.

10.3 Record Keeping

10.3.1 Principles: BEISL as a benchmark Administrator shall observe the following principles in relation to the maintenance of records:

(1) Maintaining complete and transparent records of all aspects relating to the governance, methodology, and benchmark determination process.

(2) Ensuring that each participant involved in the provision of benchmark and its determination process, including but not limited to each Panellist and BEISL as Administrator shall retain all records relevant to their responsibilities within the benchmark process.

(3) Maintaining Records in a readily accessible medium and format for future reference. Records shall be provided to authorised personnel, external auditors, the Financial Conduct Authority or any other supervisory authority in a timely manner should they be requested.

(4) Maintaining Records in a medium that complies with BEISL's confidentiality requirements.

(5) Ensuring appropriate and effective security measures are in place so that Records cannot be altered or manipulated, including retaining information and records within an environment that is secure and monitored regularly.

(6) Ensuring that appropriate and effective back-up arrangements are in place and operational should any Records need to be recovered if, for instance, BEISL's primary databases fail or are breached in any way.

(7) Ensuring physical, electronic records, records of telephone conversations or electronic communications shall be kept for at least five years. BEISL shall consider and exercise discretion to extend such period of retention having regard to instances such as (but not limited to) anticipated litigation and/or agreements with other parties.

(8) Holding any third-party agents that maintain Records on behalf of BEISL subject to the above principles.

10.3.2 The Benchmark Administrator shall maintain complete records of all aspects relating to the determination and provision of the Ocean Bulk benchmarks including the items set out at Section 10.5.2 below:

(1) BEISL as a benchmark Administrator shall retain the following records:

(i) All Input Data including its use;

(ii) The methodology used for the determination of an Ocean Bulk benchmark

(iii) Any exercise of judgement or discretion by BEISL or, in the case of the Panellists, Expert Judgement, including the reasoning for the judgement or discretion;

(iv) The disregard of any Input Data, in particular where it conformed to the requirements of the benchmark methodology, and the rationale for the disregard;

(v) Other changes in or deviations from standard procedures and methodology including those made during period of market disruption;

(vi) The identities of the Submitters as communicated to BEISL by the Panellists, as well as the identities of all persons employed by BEISL for the purpose of the provision of benchmarks;

(vii) All documents relating to any complaint and whistleblowing, including those submitted by the Complainant as well as BEISL's records;

(viii) Telephone conversations or electronic communications between BEISL and the Panellists and any authorised Submitters on behalf of the Panellists;

(ix) Minutes of all BEISL Board, the BIC and BEISL Oversight Function meetings;

(x) All queries made and responses given relating to Input Data;

(xi) Periodic and special review reports of BEISL's benchmark quality;

(xii) Audit trail of the calculation of the Ocean Bulk benchmarks; and

(xiii) Resilience and back-testing results, and

(xiv) Periodic and special audit reports, including those prepared of the conduct of BEISL's benchmark activities at the Panellists, any independent external reports and internal Compliance Department reports as described in section 10.4 below,

For at least five years.

10.3.3 Record keeping procedures

(1) BEISL shall maintain a retention register identifying each category of records to be retained according to this Guide to Market Benchmarks. The retention register shall identify for each category of records, the storage location, and the Baltic member of staff/ department responsible for the management and retention of that record.

(2) BEISL shall ensure responsibility is delegated to the appropriate person for the storage location and accessibility of the retention register and that such register is up-to-date and maintained.

(3) BEISL, through its responsibility of ensuring compliance with relevant record keeping requirements, will manage the storage of records in clearly organised and specific electronic or physical storage. The organisation of electronic and/or physical storage shall be managed by the IT or any other appropriate department determined by BEISL management and/or compliance department.

(4) The Compliance Department shall ensure the internal review of the maintenance of the retention register and compliance with the relevant record keeping requirements.

(5) The Compliance Department shall monitor relevant changes to applicable regulations including (but not limited to) the BMR and IOSCO PFBs in relation to the record keeping requirements that may impact BEISL.

(6) The Compliance Department shall be responsible for periodically reviewing and amending the requirements for record retention applicable to certain documents as directed by events such as litigation proceedings and/or agreements with third parties.

(7) Access to the relevant electronic or physical storage must be limited and determined at the discretion of BEISL management.

(8) BEISL shall review the record keeping procedures of third parties in respect of records held on BEISL's behalf.

10.3.4 Conflicts of interest register

A conflicts of interest register shall be maintained by BEISL's Compliance Department, and it shall record, among other things, the following information:

(1) Name of the individual disclosing a conflict of interest;

(2) The disclosures made of conflicts of interest;

(3) Date of disclosure of the conflicts of interest;

(4) The appropriate measures and controls put in place; and

(5) The conflicts of interest register shall be maintained and updated on a regular basis and all associated documentation and communication involved shall be retained for a minimum period of five years.

10.3.5 Record keeping of Complaints

BEISL shall keep all records and correspondence relating to Complaints for a period of five years.

10.3.6 Whistleblowing register

(1) A central and protected whistleblowing register shall be maintained by the RPP (as defined under section 12.3 below) and following receipt a whistleblowing claim, relevant information in relation to a claim shall be recorded in the whistleblowing register,

(2) The RPP (as defined under section 12.3 below) shall also store in a protected and secure location all documents, data and information related to the whistleblowing claim, including all evidence collected during the investigation phase, the minutes of all meetings and the final resolution determined.

(3) All documents relating to the whistleblowing claim, including those submitted by the Whistleblower as well as BEISL's own record of proceedings, shall be retained for a minimum of five years.

10.4 Internal monitoring by compliance

The Compliance Department is responsible for ensuring the continuous monitoring of BEISL's compliance with the provisions of BMR and this Guide to Market Benchmarks. The Compliance Department shall report at least annually on such compliance to the BEISL Board, including on remedial actions, if applicable. The Compliance Department should make copy of such report available to the BEISL Oversight Function.

11 Conflicts of Interest

11.1 Definition of conflicts of interest

11.1.1 BEISL adopts the following definition of conflicts of interest:

(1) An actual conflict of interest refers to a situation where the impartiality and objectivity of a decision, opinion, action or recommendation of a person or a body is compromised or improperly influenced by the private interest of that person or body, whether a commercial or personal business relationship or an interest between such a person or its affiliates, its personnel, its clients, any market participants or any persons connected with them.

(2) A perceived conflict of interest refers to a situation where the impartiality and objectivity of a decision, opinion, action, or recommendation of a person or a body might be perceived as being compromised or improperly influenced by the private interest of that person or body, whether a commercial or personal business relationship or an interest between such person or its affiliates, its personnel, its clients, any market participants or any persons connected with them.

(3) A potential conflict of interest refers to a situation where the impartiality and objectivity of a decision, opinion, action, or recommendation of a person or a body might potentially be compromised or improperly influenced by the private interest of that person or body, whether a commercial or personal business relationship or an interest between such person or its affiliates, its personnel, its clients, any market participants or any person connected with them.

(4) In the context of the above definitions, "private interest" is not limited to financial or pecuniary interests, or those interest which generate a direct personal benefit to the individual. A conflict of interest may involve otherwise legitimate private-capacity activity, personal affiliations and associations and family interests, if those interests could compromise or improperly influence the individual's performance of his or her duty in the benchmark determination process or benchmark administration process for BEISL.

11.2 Identification of conflicts of interest

11.2.1 For the purposes of identifying the types of conflicts of interest that arise, or may arise, the following should be taken into account:

(1) BEISL is part of the wider SGX group and actual, perceived or potential conflicts may therefore arise through its ownership. However, BEISL shall disclose to any relevant stakeholder as soon as it becomes aware of a conflict of interest arising from the ownership of BEISL by SGX or otherwise by virtue of its membership of the wider SGX group; and

(2) BEISL may be party to confidential information in its activities related to the benchmark administration process and as such a potential conflict of interest may arise in the use of that confidential information.

11.2.2 To the extent that any of the circumstances above represent an actual, perceived or potential conflict of interest for BEISL or for any individuals connected with BEISL, such conflict shall be managed adequately through the application of measures and internal controls and corporate governance structures implemented by BEISL.

11.3 Baltic Employees directly involved in the benchmark determination and administration process

11.3.1 The Baltic's Staff Handbook deals with conflicts of interest and applies to all Baltic Employees. The Baltic shall organise regular training for employees in respect of BEISL's procedures for identifying, managing and escalating conflicts. All employees are made fully aware of BEISL's conflicts of interest policy relevant to BEISL as a benchmark administrator.

11.3.2 Conflicts of interest may arise as a result of employment with BEISL or they may be influenced by external factors such as personal relations of an employee. The employees or any other natural person

whose services are placed at BEISL's disposal and who are directly involved in the provision of a benchmark shall:

(1) Not be subject to a remuneration and performance evaluation that would create conflicts of interest affecting the integrity of the benchmark process;

(2) Be required to declare that they do not have any interests or business connections that may compromise BEISL as an Administrator and to disclose in their declaration of interest, any personal financial interest that may reference BEISL's benchmarks; and

(3) Be prohibited from contributing to a benchmark determination by way of engaging in bids, offers and trades on a personal basis or on behalf of market participants.

11.4 Conflicts of interest concerning the administration of BEISL benchmarks

Role	Responsibilities
Panellist	Conflicts of interest to which any Submitter of the Panellist is party to, should be identified by internal controls and procedures implemented by each Panellist. These controls and procedures are subject to review during the annual review conducted by BEISL.
Senior Manager/ Compliance Department	**General** 1. Review operational and policy decisions made especially as they relate to the provision of benchmarks with a view towards assessing the potential for conflicts of interest. 2. Perform yearly assessments of Baltic Employees, Panellists, the BEISL Board and the BIC with a view to identifying and considering any potential for conflicts of interest. 3. Considering communications, Complaints or other representations made by Whistleblowers through the Baltic Complaints handling and whistleblowing policies. **In respect of a Panellist** Identification of conflicts of interest to which a Panellist is party shall be carried out on an on-going basis with respect to the following areas of focus and against the management, control, and resolution of the conflicts of interest pursuant to Section 10.3 (Identification m*anagement and disclosure of conflicts of interest*): 1. The roles and responsibilities of Panellists, especially as they relate to the business relationship with the Baltic. 2. Annual review of Panellists and declaration of adherence to the Guide to Market Benchmarks.

In respect of the BEISL Board

Identification of conflicts of interest to which a member of the BEISL Board is party shall be carried out on an on-going basis with respect to the following areas of focus and against the management, control, and resolution of the conflicts of interest pursuant to Section 10.3 (Identification m*anagement and disclosure of conflicts of interest*):

1. Providing advice on the identification and monitoring of situations that may generate an actual, perceived or potential conflict of interest.

2. Reviewing the declarations of interest (if any) provided by members of the BEISL Board to identify actual, or potential conflict of interest.

In respect of the BIC

Identification of conflicts of interest within the BIC shall be carried out on an on-going basis with respect to the following areas of focus and against the management, control, and resolution of the conflicts of interest pursuant to Section 10.3 (Identification m*anagement and disclosure of conflicts of interest*):

1. The roles and responsibilities of BIC members, especially as they relate to the activities constituting joint governance of the provision of benchmark. Checks shall be performed whenever new members are appointed onto the BIC.

2. Providing advice on the identification and monitoring of situations that may generate an actual, perceived or potential conflict of interest.

3. Reviewing the declarations of conflicts of interest (if any) provided by the BIC members.

In case any such conflicts of interest are identified by BEISL, they are addressed according to the procedure described in Section 10.3 (Identification m*anagement and disclosure of conflicts of interest*).

The BEISL Board	1	Implementation of all policies and procedures relating to management of conflict of interest relating to the determination of BEISL benchmarks. This includes:
	2	Providing advice to BEISL employees and third parties involved in benchmark-setting processes on the identification of situations that may generate actual, perceived or potential conflicts of interest.
	3	Discussing specific issues upon request from the BEISL Oversight Function.

11.5 Management and disclosure of conflicts of interest

11.5.1 Obligations in respect of management of conflicts of interest

BEISL shall take all reasonable steps to identify conflicts of interest issues and in doing so shall consider:

(1) The level of risk that such a conflict may constitute or give rise to a material risk of damage to BEISL and its benchmarks;

(2) The nature, scale and complexity of the business; and

(3) The nature and range of BEISL's benchmarks.

In the event an actual, perceived or potential conflict of interest is identified, BEISL shall execute the following procedure in Section 11.5.4 (*Internal management, control, and resolution of conflicts of interest*) to ensure that the identified conflict is managed and monitored. BEISL shall ensure the confidentiality of information relating to the identification, management and mitigation of any such actual, perceived or potential conflict of interests (including the confidentiality of information contributed to or produced by the Benchmark Administrator), subject to disclosure and transparency obligations dictated by BMR and/or any applicable law or regulation.

11.5.2 Types of preventative measures undertaken by BEISL to preserve the integrity of benchmark calculations:

Measure	Description
Control of information	Measures taken to prevent or control the exchange of information between parties that are conflicted. Such measures shall include establishing a Chinese wall. BEISL ensures that staff members involved in the benchmark determination process are physically separated from the operations of the Baltic Exchange and other business functions within the Baltic. Access to BEISL's offices is restricted to authorised personnel through use of a swipe card entry system.
Contractual Arrangements	Terms incorporated into contractual arrangements shall be a measure undertaken by BEISL in avoiding conflicts of interest. There may be certain types of conflicts of interest that are anticipated in contractual provisions by BEISL.
Remuneration Links	BEISL ensures that there are no direct links in remuneration of individuals that may create actual, perceived or potential conflicts of interest or influence an individual's conduct in relation to any aspect of the provision of benchmarks. Baltic Employees' remuneration is not linked to BEISL's benchmark determination process and/or publication.
Segregation of duties	BEISL organises tasks and duties of individuals involved in benchmark determination process in a manner that prevents occurrence of a conflict of interest.
Ownership structure	BEISL ensures that conflicts of interests that may arise due to its ownership by SGX are appropriately managed. This includes the effective separation of business functions

between BEISL and SGX. The BEISL benchmark business is subject to governance arrangements that are separate from any parts of the business of SGX and any of its affiliates. Members of governance bodies of BEISL benchmark administration business must disclose any actual, perceived or potential conflict of interest in accordance with the procedure set out in section 10.6.4 below, including any such conflict stemming from the BEISL ownership structure.

11.5.3 Disclosure of conflict of interest

BEISL shall disclose all existing or potential conflicts of interest, including conflicts stemming from BEISL's ownership by SGX, to users of its benchmarks and the Panellists. This information shall be available on the Baltic website in the form of a conflict of interest disclosure statement. BEISL shall disclose such conflicts of interest to the Financial Conduct Authority without undue delay and by means of email communication with the relevant supervision team members.

11.5.4 Internal management, control and resolution of conflicts of interest

In the event an actual, perceived or potential conflict of interest is identified or disclosed to BEISL, the following procedure shall apply:

Responsibilities

In respect of Baltic Employee

Baltic Employee shall immediately inform the Compliance Department or a Senior Manager of any conflicts of interest in respect of a benchmark administered by BEISL.

Upon identification of an actual, perceived, or potential conflict of interest or upon disclosure of conflicts of interest, BEISL shall:

1. Record a summary of the actual, perceived or potential conflict of interest and any supporting evidence;

2. request for the employee concerned to refrain from further activity in relation to the provision of benchmark for BEISL, until the issue concerning the actual, perceived, or potential conflict of interest has reached an appropriate resolution by the Compliance Department.

3. BEISL shall provide to the BEISL Oversight Function an ad-hoc report detailing the status of any conflicts of interest issues, any resolutions to include management control that have been implemented, and any associated actions to be undertaken.

Escalation for further advice

If the Compliance Department or a Senior Manager is unable to determine an appropriate resolution or appropriate implementation of management controls in response to the conflict of interest disclosed by an employee, the issue shall be escalated to the BEISL Board and shall be recorded in the Conflicts of Interest register.

In respect of Panellists

Upon identification of an actual, perceived or potential conflict of interest or upon disclosure of conflicts of interest or issues relating to the potential conflicts of interest by a Panellist, BEISL shall issue a letter to the Panellist involved in the conflict of interest. The letter shall include:

Responsibilities

1. A summary of the actual, potential or conflict of interest and any supporting evidence;

2. Where an actual, perceived or potential conflict of interest is identified, a request for a response from the Panellist within a specified timeframe of 21 working days; and

3. A request for the Panellist concerned to recuse itself from contribution of data for the provision of benchmark for BEISL, until the issue raised concerning the actual, perceived or potential conflict of interest has reached an appropriate resolution approved by the BEISL Board.

If a response is received from the Panellist concerned in relation to the actual, perceived, or potential conflict of interest identified, a review shall be conducted by BEISL and a resolution report shall aim to be prepared within 30 working days of receipt of the response. The report shall include:

1. A summary of the actual, perceived or potential conflict of interest identified;

2. A summary of the response received from the Panellist concerned;

3. Any relevant consideration of statutory, procedural or regulatory guidelines/provisions;

4. Any relevant consultative input or escalation for an advisory opinion relating to the actionable steps to be undertaken by BEISL where deemed appropriate; and

5. The resolution determined and procedures for monitoring and managing the conflict where deemed appropriate.

The Compliance Department shall provide to the BEISL Oversight Function an ad-hoc report detailing the status of any relevant conflicts of interest issues, any relevant remedial actions that have been approved, relevant management controls in place and any associated actions to be undertaken.

Escalation for further advice

In circumstances where a resolution cannot be reached by the Compliance Department or Senior Manager, the matter may be escalated to the BEISL Board or where considered appropriate, referred to external bodies (including legal representatives of BEISL and, the Financial Conduct Authority) in order to assist and/or advise on the resolution of the conflict of interest.

The BEISL Board

Rules and procedures for managing directors' conflicts of interests, including disclosure thereof, are set out in BEISL's Articles of Association, Terms of Reference and/or the conflicts of interest disclosure statement.

In respect of the BIC

Upon identification of an actual, perceived or potential conflict of interest or upon disclosure of conflicts of interest, the Compliance Department shall review the conflict and determine an appropriate resolution which may include the recusal of the BIC member from BIC meetings, discussions and abstain from voting relating to the actual, or perceived or potential conflict of interest.

Responsibilities

Further information on conflict management/arrangements for the BIC are set out in the conflicts of interest disclosure statement.

Escalation for further advice

In circumstances where a resolution cannot be reached by the Compliance Department or Senior Manager, the matter may be escalated to the BEISL Board or where considered appropriate, referred to external bodies (including legal representatives of BEISL and, the Financial Conduct Authority) in order to assist and/or advise on the resolution of the conflict of interest.

In respect of the BEISL Oversight Function (BOF)

Upon identification of an actual, perceived, or potential conflict of interest or upon disclosure of conflicts of interest, the Compliance Department shall review the conflict and determine an appropriate resolution which may include the recusal of the BOF member from BOF meetings, discussions and abstain from voting relating to the actual, or perceived or potential conflict of interest.

Further information on conflict management/arrangements for the BOF are set out in the conflict of interest disclosure statement.

General responsibilities

Upon identification of an actual, perceived, or potential conflict of interest or upon disclosure of conflicts of interest or issues relating to the potential conflicts of interest related to the administration of benchmarks, the Compliance Department shall review the conflict and determine an appropriate resolution which may include the implementation of management controls in response to the conflict.

In some instances (for example, where management controls are inadequate), the Compliance Department may request for the individual concerned to refrain from further activity in relation to the administration of benchmarks for BEISL, until the issue concerning the actual, perceived, or potential conflict of interest has reached an appropriate resolution.

The Compliance Department shall provide to the BEISL Oversight Function an ad-hoc report detailing the status of any relevant conflicts of interest issues, any relevant remedial actions that have been approved, relevant management controls in place and any associated actions to be undertaken.

Escalation for further advice

If the Compliance Department or a Senior Manager is unable to determine an appropriate resolution in response to the conflict of interest disclosed or identified by an individual involved in the administration of benchmarks, the issue may be escalated to the BEISL Board or where considered appropriate, referred to external bodies (including legal representatives of BEISL and, the Financial Conduct Authority) in order to assist and/or advise on the resolution of the conflict of interest.

General

The BEISL Oversight Function shall be informed of the status of any relevant conflicts of interest issues, any relevant remedial actions that have been approved, relevant management controls in place and any associated actions to be undertaken.

Responsibilities
General In the event of an escalation by the Compliance Department of any identified cases of actual, perceived or potential conflict of interests, the BEISL Board shall be ultimately responsible for adopting suitable remedial actions.

11.6 Declaration of conflicts of interest

11.6.1 As a preventative measure and in order to facilitate the assessment of conflicts of interest, members of the BIC, the BEISL Board, and Baltic Employees are required to provide BEISL with a declaration of interest at the time of their appointment and on an annual basis or where appropriate, at the commencement of each council/board meetings. Declarations of interests should be appropriately updated in the conflicts of interest register, in the event any change in the interests that may affect BEISL's Ocean Bulk benchmarks.

11.7 Method of disclosure

11.7.1 Any actual, perceived or potential conflict of interest shall be disclosed through the following channels:

Role	Method
Panellist and Baltic Employees	Disclosures of any actual, or perceived or potential conflict of interest or issues relating to potential conflicts of interest shall be addressed to the compliance department of BEISL. Where relevant, disclosures can be made pursuant to BEISL's Complaints handling policy or whistleblowing policy as set out Sections 12 (*Complaints*) and 13 (*Whistleblowing*) below.
The BEISL Board	Rules and procedures for management of the conflict of interests, including disclosure thereof, by the BEISL directors is set out in the BEISL's Articles of Association.
The BIC	Disclosures of any actual, perceived or potential conflict of interest or issues relating to potential conflicts of interest shall be addressed to the Chairperson and/or the Compliance Department. The obligation to disclose a conflict of interest is set as a standing agenda item at each BIC meeting. Where relevant, disclosures can be made pursuant to BEISL's Complaints handling policy or whistleblowing policy, as set out under Sections 12 (*Complaints*) and 13 (*Whistleblowing*) below.
BEISL Oversight Function	Disclosures of any actual, perceived, or potential conflict of interest or issues relating to potential conflicts of interest shall be addressed to the Chairperson and/or the Compliance Department.

Role	Method
	The obligation to disclose a conflict of interest is set as a standing agenda item at each BEISL Oversight Function meeting.

11.8 Review

11.8.1 BEISL's conflicts of interest policy and framework shall be reviewed annually by Senior Management and the Compliance Department and any recommended changes shall be brought to the attention of Senior Management of BEISL, the BEISL Board and the BEISL Oversight Function.

12 Complaints

Since the shipping market is an opaque market there are on any given day a range of views of the value of each route assessed by BEISL, which is why the panel process is used. It is inevitable therefore that the process will give rise to informal comment and, on occasions, more formal complaints. Complaints may be submitted in relation (but not limited to) matters such as whether a specific benchmark calculation is representative of market value, proposed benchmark calculation changes, applications of methodology in relation to a specific benchmark calculation and other editorial decisions in relation to the benchmark calculation process.

12.1 Informal comments

12.1.1 Informal comments or queries will be handled most efficiently by liaising with the Senior Assessor and team via telephone or by emailing: balticbroker@balticexchange.com.

12.1.2 Upon receiving an informal comment, the Senior Assessor will consider the nature of the comment and assess the merit fairly. The Senior Assessor will provide a response to a Complainant and shall endeavour to do so in a timely manner. The Senior Assessor will also consider if an escalation of the informal comment is required.

12.1.3 If the informal comment is not addressed to the satisfaction of the Complainant, then the Complainant will be provided with information setting out how to initiate a formal complaint in accordance procedure set out under Section 12.2 (*Formal complaint*) below.

12.2 Formal complaint

12.2.1 A formal complaint can be made:

By email to complaint@balticexchange.com; or

By post to: The Baltic Exchange Limited, Complaints, 77 Leadenhall Street, EC3A 3DE.

If a Complainant uses another method other than the ones listed above, in order to ensure the communication is treated as a formal complaint in accordance with this Guide, the Complainant should clearly mark "complaint" on the communication.

12.2.2 Content of a formal complaint

A formal complaint shall include:

(1) The contact details of the Complainant (including full name, address, telephone number and a valid email address);

(2) The company name of the Complainant;

(3) The nature of the formal complaint;

(4) A detailed description of the issue or concern;

(5) Whether the formal complaint refers to BEISL's role as a Benchmark Administrator;

(6) The details of the relevant index/benchmark;

(7) The date of the incident if applicable; and

(8) The date of the formal complaint.

If any of the information required above is missing, BEISL may not be able to fully assess a formal complaint. In such circumstances, BEISL may contact the Complainant to request further information.

If BEISL does not deem a submitted query or dispute to rise to the level of a formal complaint, BEISL may contact the Complainant to discuss the matter.

12.2.3 **Obligations of BEISL to the Complainant submitting a formal complaint**

A formal complaint may relate to any aspect of BEISL's benchmark determination and administration process and BEISL shall ensure:

(1) All investigations of a formal complaint made by a Complainant to BEISL shall be handled in a fair and timely manner;

(2) The investigation of a formal complaint shall be conducted by parties independent of those involved in the subject of the complaint; and

(3) Resolution of the formal complaint shall be communicated to the Complainant, once BEISL's decision has been finalised.

12.2.4 Procedure for receiving and investigating a formal complaint

(1) Upon receiving a formal complaint, BEISL will escalate the issue to the relevant department best placed to address the formal complaint and shall investigate, assess fairly, consistently, and promptly:

(i) The subject matter of a formal complaint;

(ii) Whether the formal complaint should be upheld; and

(iii) The final resolution determined.

(2) When making the above assessments, BEISL shall take into account all relevant factors including but not limited to:

(i) All evidence available and the particular circumstances of the formal complaint;

(ii) Similarities with any other formal complaint received by BEISL; and

(iii) Relevant guidance published by the Financial Conduct Authority or that of any other relevant regulatory authority

(3) The resolution time for a formal complaint will vary according to the nature of the issue and the level of investigation it may require. Where BEISL receives and investigates a formal complaint, BEISL shall:

(i) Investigate the complaint competently, diligently and impartially, obtaining all additional information as deemed necessary;

(ii) Send the Complainant a prompt written acknowledgment of receipt of a formal complaint;

(iii) Provide regular updates as to the status of the issue and anticipated timescale to resolution; and

(iv) Provide the Complainant a final or other response within the anticipated timescale.

(4) Following an investigation of a formal complaint, BEISL shall explain to the Complainant promptly and, in a way that is fair, clear and not misleading, BEISL's assessment of the formal complaint and its decision on the formal complaint, unless such communication would be contrary to the objectives of public policy or to provisions of Regulation (EU) No 596/2014 on market abuse (**MAR**), or other relevant conduct or market law or regulation.

12.2.5 Escalation of a formal complaint

A written response to a formal complaint will be provided to the Complainant by BEISL. In the event that the Complainant disagrees with the decision, the issue will be escalated to the BEISL Board for investigation.

The decision of the BEISL Board shall be delivered within six months from the date of the formal complaint and shall be final. The Complainant shall be notified of the outcome without undue delay following the meeting of the BEISL Board at which such decision was taken.

12.3 Formal complaint in relation to BEISL as Administrator

When the nature of the Complainant's formal complaint relates to BEISL as an Administrator, then the following shall apply:

(1) A formal complaint in relation to BEISL as a benchmark Administrator shall be reviewed by the Compliance Department;

(2) BEISL's Compliance Department, shall seek to resolve a formal complaint in relation to BEISL as a benchmark Administrator, as soon as reasonably practicable;

(3) The Complainant shall be advised of the outcome of its investigations within a reasonable time period unless such communication shall be contrary to the BMR; and

(4) BEISL's Compliance Department shall report to the BEISL Board and the BEISL Oversight Function on the investigation, management and outcome of the formal complaint.

12.4 At all times, BEISL shall ensure the investigation of a formal complaint in relation to BEISL as a benchmark Administrator shall be conducted by parties independent of those involved in the subject of the formal complaint.

12.5 Record keeping requirements

12.5.1 BEISL shall maintain records of all informal comments or formal complaints received for a period of five years.

13 Whistleblowing

13.1 Whistleblowing claims

13.1.1 Whistleblowing claims may be related (but not limited) to the following circumstances:

(1) Infringement of the BMR;

(2) Infringement of any other legislative provision applicable to BEISL;

(3) Collusion or suspected collusion aimed at manipulating or attempting to manipulate BEISL benchmarks;

(4) Any other instances of suspicious and manipulative conduct which affects or may affect the determination and publication of BEISL's benchmarks;

(5) Claims concerning BEISL as an Administrator;

(6) With regard to the functioning of BEISL and malpractice within BEISL:

(7) Any fraud or corruption;

(8) Any irregularities involving BEISL's benchmark determination process or other benchmark related misconduct

(9) The commission of any criminal offence;

(10) Any dishonesty or other irregularities in the benchmark determination process or publication of a benchmark;

(11) Conduct which endangers the health and safety of Baltic Employees and others working for BEISL;

(12) A miscarriage of justice has occurred, is occurring or is likely to occur;

(13) Any failure to comply with legal obligations to which Baltic Employees or others working for BEISL are subject (including but not limited to failure to comply with the rules and requirements of the Financial Conduct Authority);

(14) Misuse or abuse of BEISL's assets;

(15) Any violation of any other policy of BEISL; and

(16) Any attempt to conceal information relating to any of the whistleblowing claims or sorts of malpractice mentioned above.

13.2 Key principles

13.2.1 The following principles shall apply to whistleblowing claims raised with BEISL:

(1) All whistleblowing claims raised with BEISL shall be independently assessed by a RPP (as defined under section 13.3below) in order to ensure that all claims are properly considered and handled fairly;

(2) BEISL shall treat all disclosures consistently and fairly;

(3) BEISL shall take all reasonable steps to maintain the confidentiality of the Whistleblower (unless it is required by law to break that confidentiality);

(4) BEISL shall not tolerate the harassment or victimisation of anyone reporting a genuine concern. Any instances of victimisation shall be taken seriously and managed appropriately; and

(5) No individual making a whistleblowing claim shall suffer reprisal (even if the individual making a whistleblowing claim is mistaken) as a result of reporting a genuine concern in the public interest, and that the individual reasonably believes that making the disclosure tends to show past, present or likely future wrongdoing. This assurance, however, does not apply to anyone making a whistleblowing claim with the intention to provide information they know or reasonably believe to be untrue. Personal grievances and Complaints shall not be covered by this Policy. Baltic Employees may be subject to disciplinary action for making such claims.

13.3 Relevant Prescribed Person (RPP)

13.3.1 Whistleblowing claims received by BEISL shall be investigated and resolved on a consistent and fair basis by personnel who are independent of any personnel who may be or may have been involved in the subject of the whistleblowing claim.

13.3.2 The whistleblowing claim shall be collected and processed by a person in BEISL specifically appointed to hear whistleblowing claims. Accordingly, an RPP, is appointed and shall hold primary responsibility for monitoring the communication channels by which individuals may submit whistleblowing claims and for ensuring the investigation and resolution of the whistleblowing claim as described below in Section 12.6 (*Investigation and management of a whistleblowing claim*).

13.3.3 The RPP is bound by professional confidentiality when processing the whistleblowing claim. The RPP shall work with sufficient autonomy with respect to BEISL, and where appropriate, may be questioned in his or her capacity as an RPP.

13.3.4 If the RPP is a party to a whistleblowing claim made by a Whistleblower, he/she shall recuse himself or herself and BEISL shall appoint an alternative RPP independent of the whistleblowing claim.

13.4 Whistleblowing framework

13.4.1 *When to make a disclosure*: if you are aware or suspect that there may be any sort of malpractice occurring pursuant to Section 12.1 (*Whistleblowing claims*) above.

13.4.2 *Why you should make a disclosure*: prompt disclosure is important because it helps to ensure that BEISL takes the necessary measures, with a view to avoiding or minimising damage, loss, liability and/or criticism.

It is important that an individual submits a whistleblowing claim to BEISL pursuant to this Section 12.4, in order to give BEISL the opportunity to investigate and manage the whistleblowing claim consistently and fairly.

13.4.3 *Procedure to make a disclosure*: BEISL will investigate all whistleblowing claims that are raised, even if they are raised anonymously. Whistleblowing claims may be submitted through the following communication channels:

(1) Typed report in a letter to the RPP;

(2) Telephone to the RPP; or

(3) Email to the RPP at: whistleblowing@balticexchange.com

If a whistleblowing claim is to be made in confidence and anonymously, the individual shall make their submission in a typed report addressed to the RPP in a sealed envelope. That sealed envelope shall be submitted via post in order to ensure that it is not traceable. The contact address that shall be used is:

Relevant Prescribed Person, Benchmark Whistleblowing, The Baltic Exchange Ltd, 77 Leadenhall Street, EC3A 3DE BEISL would, however, encourage an individual making a whistleblowing claim to give as much detailed information about their concern including their name and details of the malpractice, including comments as to how the individual has been able to find out about the malpractice.

The more information that can be provided to BEISL, the easier it is for BEISL to progress the investigations into the whistleblowing claim. BEISL will ensure that if an individual does provide their name, the person conducting the investigation will consider the procedures that they will put in place to protect the identity of the individual, although in some circumstances this may not be possible. If an individual does raise a concern on an anonymous basis, that individual should be aware that this may make it impossible for BEISL to fully investigate their concerns and that they would not ordinarily be able to receive feedback and any action taken by BEISL to look into the disclosure may be limited.

13.5 Receipt of whistleblowing claim

13.5.1 The RPP shall regularly monitor the communication channels by which individuals and Baltic Employees may submit whistleblowing claims.

13.5.2 In the event a whistleblowing claim is filed with BEISL, the RPP shall notify the Whistleblower via any of the communication channels provided by the Whistleblower, that the claim has been received and that a resolution shall aim to be provided within 90 days of receipt, given that BEISL is able to acquire the necessary documents, evidence, and statements in a timely manner. BEISL shall also inform the Whistleblower that follow-up enquiries may be necessary to clarify the whistleblowing claim and documentations may need to be provided to substantiate the claim. BEISL, however, notes that providing documentation to substantiate the whistleblowing claim shall not be a requirement in order for BEISL to look into the concerns raised.

13.5.3 The RPP shall record relevant details of the claim and on the Whistleblower in a secure whistleblowing register pursuant to BEISL's record keeping requirements.

13.6 Investigation and management of a whistleblowing claim

13.6.1 BEISL shall investigate all whistleblowing claims made concerning BEISL as a benchmark Administrator in accordance with the following framework:

Role	Action to be carried out
RPP	The RPP upon receipt of the whistleblowing claim, shall notify the CEO, the Compliance Department and the Chief Financial Officer, as appropriate. The RPP shall escalate the whistleblowing claim to the BEISL Board, with the BEISL Board acting in its capacity as the Administrator's management body. Depending on the severity of the claim or breach by the Administrator, ad hoc BEISL Board meetings can be convened. If the whistleblowing claim involves any of the BEISL directors, those directors shall be asked to excuse themselves from all sessions and meetings at which the whistleblowing claim is to be discussed or actioned. For the avoidance of doubt, where a whistleblowing claim has been made against the Administrator, such claim shall be escalated by RPP to the BEISL Oversight Function for review

Role	Action to be carried out
	and resolution. In such case, procedures set out in the subsequent paragraphs shall apply mutatis mutandis.
The BEISL Board	**Investigation into a whistleblowing claim** The BEISL Board is to ensure that an investigation and detailed analysis into the whistleblowing claim is carried out. This includes but is not limited to: 1. Follow-up with the Whistleblower to clarify the alleged activity and answer any questions which the BIC may have in relation to the whistleblowing claim; and 2. Collection and review of relevant documentation and evidence. The BEISL Board shall be supported by the RPP in the collection of the relevant documentation and evidence and in managing the relations with the Whistleblower. All documentation and evidence that is reviewed and communications that are conducted as part of the investigation into the whistleblowing claim shall be recorded in the whistleblowing register. **Hearing with the accused party** Following the review of the evidence and claim provided by the Whistleblower and of any additional documentation and evidence identified throughout the investigation stage, the BEISL Board shall invite any of the person's involved to a hearing in front of the BEISL Board. The invitation to appear in front of the BEISL Board shall be sent at least 14 days before the scheduled hearing. In the event that such person is unable to attend the hearing, the hearing shall be rescheduled with minimum delay in order for the whistleblowing claim to be dealt with in a timely manner. In the event that such a person is unable or unwilling to attend the hearing, he or she may submit a written response to the alleged activity. The BEISL Board shall adhere to the strictest standards of confidentiality and respect the Whistleblower's preference for anonymity where it has been indicated by the Whistleblower, throughout the processing and investigation stage and subsequently **Issue a whistleblowing report** Following the investigation by the BEISL Board and RPP, and taking into consideration the response of the relevant person(s) involved, the BEISL Board shall produce a whistleblowing report in response to the whistleblowing claim. The whistleblowing report shall include but is not limited to:

Role	Action to be carried out
	1. A summary of the whistleblowing claim; 2. The BEISL Board's response to the whistleblowing claim based on the investigations carried out; and 3. Any remedial actions that may be taken to address the alleged claim. The whistleblowing report, upon finalisation by the BEISL Board, shall aim to be delivered to the Whistleblower within 90 days of receipt of the whistleblowing claim given that the BEISL Board is able to acquire the necessary documents, evidence and statements in a timely manner. **Escalation for further advice** Where deemed appropriate and necessary, the BEISL Board may refer the whistleblowing claim to external bodies (including legal advisors, the police or the Financial Conduct Authority) to investigate and/or advise on the whistleblowing claim or part of it including the investigation itself, acquisition of documentation, evidence and statements together with the processing of the whistleblowing claim. All decisions of the BEISL Board in this respect shall be documented in the form of resolutions. If the BEISL Board is unable to agree on a final resolution for the whistleblowing report, the claim can be escalated to the BEL Board for review if considered appropriate. The escalation of the whistleblowing claim to the BEL Board shall be recorded in the whistleblowing register. The BEL Board shall review the documentation, evidence and statements collected by the BEISL Board. The BEL Board shall draft and approve a decision to be provided to BEISL.
BEISL Oversight Function	**Review the BEISL Board investigation** All whistleblowing claims, investigations, escalations and resolutions shall be reported to BEISL Oversight Function. BEISL Oversight Function shall oversee the adherence of the whistleblowing framework and, where appropriate, take effective measures in the reporting of any findings and monitor the implementation of any remedial actions where identified. If the BEISL Oversight Function is not scheduled to meet within the 90-day period allowed for a response to a whistleblowing claim, then an ad hoc meeting can be scheduled.
The BEL Board	**Review the BEISL Board investigation and approve a decision** In the event of an escalation by the BEISL of the whistleblowing claim to BEL, acting in the capacity of BEISL's

Role	Action to be carried out
	parent company the BEL Board shall review the documentation, evidence and statements collected by the BEISL Board. The BEL Board shall draft and approve a decision to be provided to BEISL. If the BEL Board is not scheduled to meet within the 90-day period allowed for a response to a whistleblowing claim, then an *ad hoc* meeting can be scheduled.

13.7 Escalation to the Regulators

13.7.1 In the event a whistleblowing claim is made with the Administrator or against BEISL pursuant to Section 12.6 (*Investigation and management of a whistleblowing claim*) and a finding of malpractice is determined, the Financial Conduct Authority shall be notified by the Compliance Department or the BEISL Oversight Function.

13.7.2 The Financial Conduct Authority, as the national competent authority for BEISL, shall be notified of the whistleblowing claim, the findings of any subsequent investigation and the whistleblowing report. Records, documentation, evidence and statements relating to all whistleblowing claims made may be shared with the Financial Conduct Authority upon request.

13.8 Confidentiality of whistleblowing claims

13.8.1 All whistleblowing claims that are received by BEISL shall be addressed and resolved in accordance with applicable UK legislation. The identity of the Whistleblower, as well as any element allowing for their identification, will be kept confidential at all stages of the process to the extent possible.

13.8.2 In particular, the identity of the Whistleblower shall not be disclosed to third parties, the accused party, or other Baltic Employees unless BEISL is obliged to disclose their identity in the event of any subsequent judicial proceedings, court order or investigations undertaken by the Financial Conduct Authority. The confidentiality of the accused party of any whistleblowing claim shall be respected, as appropriate.

13.8.3 All information relating to the whistleblowing claim including all documentation, evidence statements, whistleblowing report and any minutes of meetings convened shall be kept secured in relation to IT infrastructure.

13.9 Review

13.9.1 BEISL's framework for whistleblowing, as set out in this Guide, shall be reviewed annually by the Financial Controller or the Compliance Department and any recommended changes shall be brought to the attention of BEISL's senior management, BEISL Board and BEISL Oversight Function. The whistleblowing framework shall also be reviewed following any whistleblowing claim made.

14 Prevention of market abuse and reporting of infringements

Systems and procedures for prevention of benchmark manipulation

14.1 Overview

14.1.1 BEISL acknowledges that its benchmark determination processes are exposed to the risk of manipulation. The benchmark determination process involves the contribution of Input Data from a number of selected Panellists, who could be the target of data manipulation. The ability of Panellists to apply Expert Judgement and discretion in certain situations (in accordance with the Guidance set out above in Section 7.3) further exacerbates this risk. In addition, BEISL may also be at risk of market abuse or data manipulation through its systems which would affect the accuracy and integrity of its published indices.

14.1.2 To combat the risk of manipulation BEISL has put in place effective arrangements, oversight systems and procedures to ensure the quality of the Input Data of its benchmarks and to prevent the manipulation of its benchmarks. This includes systems and monitoring procedures that are designed to detect suspected manipulation or attempted manipulation of a benchmark in compliance with the provisions of Regulation (EU) No596/2014 on market abuse (MAR). There are four pillars of these arrangements:

(1) Surveillance: automated and manual surveillance of Input Data contributed by Panellists, which may result in internal reports of suspected benchmark manipulation requiring further investigation. The surveillance arrangements are described in detail in section 14.2below.

(2) Assessment: internal BEISL investigation and assessment of reports of suspected benchmark manipulation, with advice from external counsel and/or experts as needed. The assessment procedure is described in more detail in section 14.3 below.

(3) Oversight and approval: internal BEISL oversight of the provision of benchmark and approval process to the determined benchmark prior to benchmark publication or dissemination.

(4) Reporting: where following internal investigation of suspected market manipulation the Compliance Department forms a reasonable suspicion of market abuse, it will report the suspicion to the Financial Conduct Authority. The reporting procedure is described in more detail in section 14.4 below.

14.1.3 The Senior Assessor team are responsible for the systems and controls in place for prevention of benchmark manipulation. Please contact balticbroker@balticexchange.com for further information.

14.2 Surveillance arrangements

14.2.1 BEISL has established three surveillance channels, which may generate reports of suspected manipulation of a benchmark:

(1) Automated surveillance system

BEISL maintains bespoke IT systems and arrangements that analyse the Panellists submissions. This includes algorithms that analyse data submitted by the Panellists against a given set of parameters, including the benchmark methodology, previous day submissions and calculated averages. The automated system alerts the Assessors to anomalies in Input Data received.

(2) Manual surveillance procedure

BEISL Assessors remain in constant communication with the Panellists and other market participants throughout the business day. They also monitor all relevant developments in the market via various channels, including market reports. This allows the Assessors to formulate views on an acceptable price range. On receiving input data from Panellists, Assessors conduct review and analysis of the data in order to detect any anomalies. Assessors report all suspicious submissions to the Compliance Department without delay for further evaluation.

(3) Director and employee reporting

In addition, all BEISL directors and employees are obliged to report to the Compliance Department without delay any cases of suspected manipulation of BEISL benchmark(s) and/or any conduct that may give rise to such manipulation. This is to be done in accordance with general procedure for reporting BMR infringements as set out in section 13.6 (Internal reporting of BMR infringements) below.

14.3 Assessment procedure

14.3.1 All relevant information generated as a result of the surveillance arrangements described above is assessed in order to determine whether there is a reasonable suspicion of benchmark manipulation. This assessment entails the following steps:

14.3.2 Assessments are fact-based. Following detection of anomalies in data submitted, Assessors contact the relevant Panellist in order to verify the submission. If the Panellist cannot justify data submitted or the anomaly cannot be verified or otherwise explained following further monitoring, the matter shall be referred to the BEISL Compliance Department.

14.3.3 Upon receipt of information from the Assessors on anomalies, the Compliance Department conducts further verification thereof. The Compliance Department may collect further information in order to determine whether information included in the Assessor's report gives rise to a reasonable suspicion of benchmark manipulation. The Compliance Department may use all available and relevant information in the assessment and may seek information from directors and employees of the Panellist and Assessors. In the case when the Compliance Department finds a reasonable suspicion of benchmark manipulation, it is obliged to report such a case to the Financial Conduct Authority.

14.4 Reporting of suspected benchmark manipulation

14.4.1 In the event that it forms reasonable suspicion of benchmark manipulation, the Compliance Department reports this finding to the Financial Conduct Authority. Without prejudice to the responsibilities of the BEISL Oversight Function, the Compliance Department is the only department within BEISL authorised to submit such reports. It will make all reasonable efforts to ensure that any such report contains sufficient information for the Financial Conduct Authority to properly investigate.

14.4.2 As a general rule, all reports and any other communication with the Financial Conduct Authority must be submitted by the Compliance Department. Copies of such reports and other relevant communication shall be shared with the BEISL Oversight Function.

14.4.3 The Compliance Department will submit to the Financial Conduct Authority any information received after its original report has been submitted that may be relevant or useful for the regulator in investigating suspected benchmark manipulation.

14.4.4 BEISL will make all reasonable efforts to comply with any request for information from the Financial Conduct Authority concerning any report it submits.

14.5 Record keeping

14.5.1 BEISL records all alerts generated by the automated surveillance system, together with any Assessors' reports generated as a result of any manual surveillance procedures and director and employee reports of suspected benchmark manipulation. Written records are produced as reports of suspected benchmark manipulation are investigated and escalated internally. BEISL maintains copies of all such written records. in accordance with record keeping procedure set out in section 10.3 of the Guide to Market Benchmarks.

14.6 Risk assessment

14.6.1 The Benchmark Administrator shall on at least an annual basis assess the risk of manipulation of the Ocean Bulk benchmarks taking into account:

(1) The operations required to provide the Ocean Bulk benchmarks;

(2) The potential origin, nature, peculiarity and severity of the manipulation; and

(3) The measures envisaged to address the risk of manipulation, including safeguards, security measure and internal procedures.

14.6.2 Taking into account the assessment undertaken, the systems and procedures for the prevention of benchmark manipulation deployed by the Benchmark Administrator are reviewed at least annually and updated where necessary to ensure that they continue to be appropriate to the risk of manipulation which BEISL is subject.

14.7 Training

14.7.1 All BEISL directors and employees and any other natural persons whose services are placed at their disposal or under control of BEISL for the purposes of Ocean Bulk benchmark production and administration, undergo annual training in order to understand how to detect and identify any suspicious input data that could be the result of benchmark manipulation or attempted manipulation.

14.8 Internal reporting of BMR infringements

14.8.1 All BEISL directors and employees and any other natural persons whose services are placed at their disposal or under control of BEISL directors or employees, are obliged to report cases of suspected or actual infringement of BMR to the Compliance Department without delay. These reports are to be submitted at the department's dedicated email address: compliance@balticexchange.com

14.8.2 The report to the Compliance Department must include a brief description of the suspected BMR infringement, the unit and/or function responsible for the infringement, the name of primary contact person within the function and information on any immediate remediation that has been taken.

14.8.3 The Compliance Department is responsible for investigating any alleged infringement and adoption of remedial action. The Compliance Department shall notify the Financial Conduct Authority of any such infringement identified.

14.8.4 The Compliance Department shall keep the BEISL Oversight Function informed of all such identified cases of BMR infringement.

15 Confidentiality and Transparency

15.1 High confidentiality and transparency standards

15.1.1 Confidentiality is vital to BEISL's benchmark administration process and in ensuring that Panellists are free to contribute Input Data without any threat of interference or influence from any individual who may have a private interest.

15.1.2 BEISL will never disclose Panellist Input Data or communication thereof except if required by order of a court or a Regulator exercising a statutory power. BEISL also keeps confidential the details of which Panellists report on which specific routes. BEISL makes available general information regarding which firms submit Input Data.

15.1.3 Panellists may not disclose to any third party the Input Data they have contributed to BEISL except if required by order of a court or a Regulator exercising a statutory power. They should disclose to BEISL any inappropriate contact received from market participants who might represent an attempt to influence rates or probe their inputs.

15.1.4 To the extent BEISL engages a third party to provide services to BEISL, cooperate with BEISL or support BEISL's administration activities, BEISL requires that such third party has in place appropriate processes and controls to preserve the principle of confidentiality.

15.1.5 BEISL shall treat confidential information involved in the provision of benchmarks as commercially sensitive information.

16 Operational Risks

16.1 Risks and control systems

16.1.1 BEISL adopts the following definition of operational risk:

"Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events."

16.1.2 The processes involved in the provision of benchmarks is heavily dependent on a computer system which integrates the commercially sensitive information uploaded by Panellists, the processes managed by the Senior Assessor and the publication mechanism via the public website. Within the public website there are a number of levels of access, also controlled by password.

16.1.3 In the normal course of business BEISL's benchmark determination process is fully automated to ensure continuous delivery with automated processes from data ingestion to index production removing much of the risk and difficulty in index management.

16.1.4 Input Data is used in the benchmark determination process and any use of expert judgment or discretion is limited as set out in section 7.3 of the Guide to Market Benchmarks.

16.1.5 To the extent that BEISL engages any third party to provide services to BEISL, BEISL ensures it undertakes reasonable steps, including the establishment of appropriate contingency plans, to avoid undue operational risk related to the participation of the service provider in the benchmark determination process. Further, BEISL ensures it undertakes reasonable oversight and approval process in the benchmark determination process.

16.1.6 The software which supports BEISL is a proprietary system specifically developed for the Baltic Exchange Ltd and its affiliates. First line support in response to technical problems is provided by Baltic Exchange staff, second line by BEISL's software provider and third line is provided by the software providers development staff.

16.1.7 The Baltic Exchange Ltd and its affiliates maintain a disaster recovery plan which is set out Appendix 6. This sets out how the company will react and recover from terrorist incidents, problems which render its premises inaccessible and major failures of infrastructure.

16.1.8 There is a certain level of risk to all computer systems from malicious attack. Such attacks can be divided into three types. They may be specific attempts to invade a certain computer system to disrupt or manipulate services, or they may be more general "hacking" attacks where attempts are made to penetrate randomly selected computer systems. The third type is the very common "denial of service" attacks which seek to disable systems by overwhelming them with requests rather than by penetrating them. BEISL employs third party specialists to test its systems annually to analyse the first two risks. The third type of attack is defended against using sophisticated infrastructure provided by third party systems.

Personnel and Panellist risks

16.1.9 BEISL ensures that on any working day staff levels among the Assessors and technical staff members are sufficient to minimise risks brought about by unexpected absences. To reduce risks from global epidemics, staff are discouraged from attending the office when they are ill with contagious diseases such as (for example) Coronavirus or to implement a split team rota to attend the office in order to mitigate the risk of all Senior Assessor/ Assessors being unwell at the same time. In order to mitigate the risk of the loss of the Senior Assessor or any Assessor, the Senior Assessor is responsible for ensuring an even spread of work between Assessors. BEISL also implements succession planning in relation to the Assessor team and performs stress tests to identify the minimum number of staff required to continue full operation of the benchmark administration activities.

16.1.10 It would be a cause of major disruption to the benchmark determination process if a critical number of Panellists withdrew from the provision of rates. If the criteria set out in Section 4.4.2 are no longer met

in relation to a particular benchmark, BEISL might find itself unable to publish some or all of the benchmarks. Continuous efforts are made to reduce the likelihood of this situation arising. Many of the routes have more than five (5) Panellists providing Input Data, and BEISL maintains a list of alternative Panellists that could be approached and alternative methodologies.

16.1.11 Indices can be implicated due to Panellist data deliberately submitted incorrectly, which could lead to a lack of trust in the indices. This risk is mitigated by the monitoring of Input Data by the Senior Assessor and Assessors. BEISL also has internal built-in control systems to avoid such situations and to avoid incorrect data from being published.

Responsibility for managing operational risks

16.1.12 Day-to-day responsibility for managing operational risk is shared between BEISL Employees directly involved in provision of benchmarks (Senior Assessor and Assessors), the Compliance Department and the IT services department, led by the Chief Information Officer.

17 Code of Conduct

17.1 Obligation to comply with the Code of Conduct

17.1.1 The duties of Panellists and BEISL are clearly set out in this document, which constitutes a code of conduct for the determination of BEISL benchmarks. In addition, all members of the Baltic Exchange are required to comply with *The Baltic Code* which makes specific reference to Baltic Panellists in the section entitled *The Baltic Code of Ethics and Market Practice* as follows:

Persons who act as Baltic Panellists are required to pay careful attention to the guidance offered by the Guide to Market Benchmarks. Impeccable standards of honesty and integrity are critical to this role.

18 Compliance

18.1 Policies approval, monitoring and maintenance

18.1.1 The BEISL Board is responsible for the Guide to Market Benchmarks, and for ensuring the compliance of the Guide to Market Benchmarks with any applicable legislation (including, without limitation, the BMR). The BEISL Board may delegate this responsibility to the Compliance Department.

18.1.2 The Compliance Department is responsible for monitoring day-to-day BEISL's compliance with the benchmark methodologies and with the BMR. It should report on such compliance to the BEISL Board once a year. Copies of such reports can be made available to the Financial Conduct Authority upon request.

18.1.3 The Compliance Department is responsible for testing BEISL's policies and procedures related to its benchmark activities as contained within the Guide to Market Benchmarks. BEISL shall adopt a Compliance Monitoring Programme (CMP) to support effective compliance and mitigate its compliance risk.

18.1.4 The Compliance Department shall carry out all necessary investigations upon identification of a breach of BEISL's policy and procedures as contained within the Guide to Market Benchmarks. All BEISL employees shall co-operate to their fullest with the Compliance Department.

Review of the Guide to Market Benchmarks

18.1.5 The Guide to Market Benchmarks shall be reviewed every three years or as otherwise more regularly required in order to remain up to date including to maintain compliance with any change in applicable laws and regulation (including, without limitation, the BMR). The procedure for such review is as follows:

(1) The Compliance Department will conduct a review of the Guide to Market Benchmarks and prepare a proposal of amendments, if any (the **Proposal**).

(2) The Proposal is then submitted to the BEISL Board and BIC for review and approval.

(3) The Proposal shall also be communicated to the BEISL Oversight Function.

Following approval by the BEISL Board any amendments approved shall be included in an updated version of the Guide to Market Benchmarks.

18.2 Enforcement

18.2.1 In the event that the BEISL Board becomes aware that BEISL, the Baltic Exchange, any BEISL employees or any third party involved in the provision of the Ocean Bulk benchmarks has breached any provision of the Guide to Market Benchmarks, the relevant entity or individual may be suspended from their responsibilities in relation to the determination, assessment or other role in relation to BEISL's Ocean Bulk benchmarks or such other action may be taken as may be reasonable in the circumstances, on a case by case basis.

18.2.2 The Senior Managers with assistance from the Compliance Department will then conduct a review in relation to the alleged breach and present an analysis for review and consideration to the BEISL Board. Copy of such analysis shall also be provided to the BEISL Oversight Function. Following review and consideration by the BEISL Board, the BEISL Board will then decide whether to reinstate any suspended entity or individual, uphold or implement a suspension, or take any other reasonable actions as may be available in the circumstances, on a case by case basis. The BEISL Oversight Function may formulate recommendations to the BEISL Board to this end.

18.2.3 In the event of any alleged breach in relation to BEISL, the BEISL Oversight Function may also report to the Financial Conduct Authority, unless such report has been submitted by the BEISL Compliance Department. The BEISL Oversight Function and/or the Compliance Department will comply with any

requests for additional information and, if applicable, subsequent investigation conducted by the Financial Conduct Authority.

APPENDIX°1

Publishing times and reporting windows[6]

Data Group	Publishing Time[7]	Reporting Window
Tanker – BDTI	1600	1530-1545
Tanker – BCTI	1600	1530-1545
Tanker – BITRA	1600 (Singapore)	1530-1545 (Singapore)
Gas – LPG	1600	1530-1545
Gas – LNG	1100 Tuesday & Friday	1030-1045
Dry – Capesize	1100	1030-1045
Dry – Panamax except BEP	1300	1230-1245
Dry – Supramax except BES	1300	1230-1245
Dry – Handysize	1300	1230-1245
Dry – BES & BEP Asia	1300 (Singapore)	1230-1245 (Singapore)
Dry – BDI	1300	1230-1245
BFA	1700	1630-1645
BFA (Tanker Only)	17:15	16:45-17:00

A Panellist shall not be prohibited from contributing its Input Data outside of the "Reporting Window" if in the opinion of BEISL, that contribution of Input Data is the most accurate and reliable indicator to form part of BEISL's benchmark determination process.

[6] All times are quoted in local time (London) unless otherwise stated.
[7] Instances where a benchmark is published 15 minutes beyond the stipulated publishing time shall be deemed a late publication of a benchmark.

APPENDIX°2

Index Specifications

1 Baltic Exchange Headline Index

Short Code	Unit	Short Description	3 Indices
BDI	Index Number	Baltic Dry Index	The Baltic Dry Index is the successor to the Baltic Freight Index (BFI) and came into operation on 1 November 1999. The index is derived from a basket of Capesize, Panamax and Supramax Timecharter Averages: *Composite Index = RoundedSum(C5TC*0.40, P5TC*0.30, S11TC*0.30)*0.10*
BCI	Index Number	Baltic Capesize Index	Reflecting the Dry Capesize Market, derived from a basket of routes: Composite Index = RoundedSum(C8_14*0.25, C9_14*0.125, C10_14*0.25, C14*0.25, C16*0.125)*0.12058
BPI	Index Number	Baltic Panamax Index	Reflecting the Dry Panamax Market, derived from a basket of routes: Composite Index: RoundedSum(P1A_82*0.25, P2A_82*0.1, P3A_82*0.25, P4_82*0.10, P6_82*0.30)*0.111111
BSI	Index Number	Baltic Supramax Index	Reflecting the Dry Supramax market, derived from a basket of routes: Composite Index=RoundedSum(S1B_63*0.05, S1C_63*0.05, S2_63*0.15, S3_63*0.15, S4A_63*0.075, S4B_63*0.10, S5_63*0.05, S8_63*0.1, S9_63*0.075, S10_63*0.10, S15_63*0.10)*0.079112625
BHSI	Index Number	Baltic Handysize Index	Reflecting the Dry Handy Size Market, derived from a basket of routes: Composite Index: RoundedSum(HS1_38*0.125, HS2_38*0.125, HS3_38*0.125, HS4_38*0.125, HS5_38*0.20, HS6_38*0.20, HS7_38*0.10)*0.055556
BDTI	Index number	Baltic Dirty Tanker Index	Reflecting the Dirty Tanker Market, derived from a basket of routes: Composite Index: RoundedSum(TD2*0.0909090909, TD3C*0.0909090909, TD6*0.0909090909, TD7*0.0909090909, TD8*0.0909090909, TD9*0.0909090909, TD14*0.0909090909, TD15*0.0909090909, TD18*0.0909090909, TD19*0.0909090909, TD20*0.0909090909)*8.415737054
BCTI	Index number	Baltic Clean Tanker Index	Reflecting the Clean Tanker Market, derived from a basket of routes: Composite Index: RoundedSum (TC1*0.1666666667, TC2_37*0.1666666667, TC5*0.1666666667, TC6*0.1666666667, TC23*0.1666666667, TC16*0.1666666667)*4.540991088
BLPG	Index Number	Baltic LPG Index	Reflecting the Very Large Gas Carrier market, derived from a basket of Timecharter Equivalent routes. Composite Index = RoundedAverage (BLPG1-TCE, BLPG2-TCE BLPG3-TCE)*0.1
BLNG	Index number	Baltic LNG Index	Reflecting the Liquid Natural Gas Carrier market, derived from a basket of routes. Composit Index = RoundedAverage(BLNG1-174, BLNG2-174, BLNG3-174)*0.1

2. Baltic Exchange Capesize

Short Code	Unit	Short Description	Long Description

BCI	Index Number	Baltic Capesize Index	Composite Index: RoundedSum(C8_14*0.030145, C9_14*0.0150725, C10_14*0.030145, C14*0.030145, C16*0.0150725)
C5TC	$/day	Capesize Timecharter Average	Spot Timecharter earnings of a Capesize vessel derived from a weighted average of routes. The Baltic Capesize vessel (BCI180) is a non-scrubber fitted 180,000mt dwt on 18.2m SSW draft, Max age 10 yrs, LOA 290m, beam 45m, TPC 121, 198,000cbm grain, 14 knots laden or 15 knots ballast on 62mt fuel oil (380cst), no diesel at sea, 12 knots laden or 13 knots ballast on 43mt fuel oil (380cst), no diesel at sea. Timecharter Weighted Average = Sum(C8_14*0.25, C9_14*0.125, C10_14*0.25, C14*0.25, C16*0.125)
C2	$/mt	Tubarao to Rotterdam	Tubarao to Rotterdam. 170,000mt iron ore, 10% more or less in owner's option, free in and out. Laydays/cancelling 20/30 days from index date. 6 days, Sundays + holidays included all purposes. 6 hrs turn time at loading port, 6 hrs turn time at discharge port, 0.5% in lieu of weighing. Age max 18 yrs. 5% total commission.
C3	$/mt	Tubarao to Qingdao	Tubarao to Qingdao. 170,000mt iron ore, 10% more or less in owner's option, free in and out. Laydays/Cancelling 20/30 days from index date. Scale load/30,000mt Sundays + holidays included discharge. 6 hrs turn time at loading port, 24 hrs turn time at discharge port. Age max 18 yrs. 5% total commission.
C5	$/mt	West Australia to Qingdao	West Australia to Qingdao. 160,000mt or 170,000mt iron ore, 10% more or less in owner's option, free in and out. Laydays/Cancelling 12/17 days from index date. Scale load/30,000mt Sundays + holidays included discharge. 6 hrs turn time at loading port, 24 hrs turn time at discharge port. Age max 15 yrs. 5% total commission.
C7	$/mt	Bolivar to Rotterdam	Bolivar to Rotterdam. 160,000mt coal, 10% more or less in owner's option, free in and out, trimmed. Laydays/Cancelling 20/35 days from index date. 50,000mt, Sundays + holidays included load, 25,000mt Sundays + holidays included discharge. 12 hrs turn time at loading port, 12 hrs turn time at discharge port. Age max 15 yrs. 5% total commission.
C8_14	$/day	Gibraltar/Hamburg transatlantic round voyage	Delivery Gibraltar-Hamburg range, Laydays/Cancelling 3/10 days from index date, transatlantic round voyage, redelivery Gibraltar-Hamburg range, duration 30-45 days. Basis the Capesize vessel. 5% total commission.
C9_14	$/day	Cont-Med trip China-Japan	Delivery Amsterdam-Rotterdam-Antwerp range or passing Passero, Laydays/Cancelling 3/10 days from index date, redelivery China-Japan range, duration about 65 days. Basis the Baltic Capesize vessel. 5% total commission.
C10_14	$/day	China-Japan transpacific round voyage	Delivery Qingdao, Laydays/Cancelling 3/10 days from index date, redelivery China-Japan range, duration 35-45 days. Basis the Baltic Capesize vessel. 5% total commission.

C14	$/day	China-Brazil or West Africa round voyage	Delivery Qingdao 15-25 days after sailing Qingdao, round voyage via Brazil or West Africa, redelivery China-Japan range, duration 80-90 days. Basis the Baltic Capesize vessel. 5% total commission.
C16	$/day	Revised Backhaul	Delivery North China-South Japan range, 3-10 days from index date for a trip via Australia or Indonesia or US west coast or South Africa or Brazil, redelivery UK-Cont-Med within Skaw-Passero range, duration to be adjusted to 65 days. Basis the Baltic Capesize vessel. 5% total commission.
C17	$/mt	Saldanha Bay to Qingdao	Saldanha Bay to Qingdao. 170,000mt iron ore 10% more or less in owner's option, free in and out trimmed. Laydays/Cancelling 20/30 days from index date. 90,000 Sundays + holidays included load / 30,000 Sundays + holidays included discharge. 18 hrs turntime at loading port, 24 hrs turntime at discharge port. Max age 18 yrs. 5% total commission.
C4TC	$/day	Capesize 172 Timecharter Average	Derived value: C5TC-1,064
BCI180	Vessel	Baltic Standard Capesize	The Baltic capesize vessel for timecharter routes is a non-scrubber fitted vessel based on the following description: 180,000mt dwt on 18.2m SSW draft, Max age 10 yrs, LOA 290m, beam 45m, TPC 121, 198,000cbm grain, 14 knots laden or 15 knots ballast on 62mt fuel oil (380cst), no diesel at sea, 12 knots laden or 13 knots ballast on 43mt fuel oil (380cst), no diesel at sea.

3. Baltic Exchange Capesize Index Family (BCI 182)

Short Code	Unit	Short Description	Long Description
BCI	Index Number	Baltic Capesize Index	Composite Index: RoundedSum (TBC)
C5TC	$/day	Capesize Timecharter Average	Spot timecharter earnings of a Capesize vessel derived from a weighted average of routes. The Baltic Capesize vessel (BCI182) is a non-scrubber fitted 182,000mt dwt on 18.2m SSW draft, Max age 10 yrs, LOA 292m, beam 45m, TPC 123, 199,500cbm grain, Speed & Consumption: 14 knots on 52 MT Laden, 44 Ballast. MFO, 13 knots on 44 MT Laden, 36 Ballast. MFO, 12 knots on 36 MT Laden, 29 Ballast. MFO, 11 knots on 29 MT Laden, 23 Ballast. MFO, no diesel at sea. Timecharter Weighted Average = Sum(C8_182*0.15, C9_182*0.125, C10_182*0.35, C14_182*0.25, C16_182*0.125)
C8_182	$/day	Gibraltar/Hamburg transatlantic round voyage	Delivery Gibraltar-Hamburg range, Laydays/Cancelling 3/10 days from index date, transatlantic round voyage, redelivery Gibraltar-Hamburg range, duration 30-45 days. Basis the Baltic Capesize vessel. 5% total commission.

C9_182	$/day	Cont-Med trip China-Japan	Delivery Amsterdam-Rotterdam-Antwerp range or passing Passero, Laydays/Cancelling 3/10 days from index date, redelivery China-Japan range, duration about 65 days. Basis the Baltic Capesize vessel. 5% total commission.
C10_182	$/day	China-Japan transpacific round voyage	Delivery Qingdao, Laydays/Cancelling 3/10 days from index date, redelivery China-Japan range, duration 35-45 days. Basis the Baltic Capesize vessel. 5% total commission.
C14_182	$/day	China - Brazil or West Africa round voyage	Delivery Qingdao 15-25 days after sailing Qingdao, round voyage via Brazil or West Africa, redelivery China-Japan range, duration 80-90 days. Basis the Baltic Capesize vessel. 5% total commission.
C16_182	$/day	Far East-Atlantic Backhaul	Delivery North China-South Japan range, 3-10 days from index date for a trip via Australia or Indonesia or US west coast or South Africa or Brazil, redelivery UK-Cont-Med within Skaw-Passero range, duration to be adjusted to 65 days. Basis the Baltic Capesize vessel. 5% total commission.
BCI182	Vessel	Baltic Standard Capesize	The Baltic Capesize vessel (BCI182) for Timecharter routes is a non-scrubber fitted 182,000mt dwt on 18.2m SSW draft, Max age 10 yrs, LOA 292m, beam 45m, TPC 123, 199,500cbm grain, Speed & Consumption: 14 knots on 52 MT Laden, 44 Ballast. MFO, 13 knots on 44 MT Laden, 36 Ballast. MFO, 12 knots on 36 MT Laden, 29 Ballast. MFO, 11 knots on 29 MT Laden, 23 Ballast. MFO, no diesel at sea.

4. Baltic Exchange Panamax

Short Code	Unit	Short Description	Long Description
BPI	Index Number	Baltic Panamax Index	Composite Index: RoundedSum(P1A_82*0.027777775, P2A_82*0.01111111, P3A_82*0.027777775, P4_82*0.01111111, P6_82*0.03333333)
P5TC	$/day	Panamax Timecharter Average	Spot Timecharter earnings of a Panamax vessel derived from a weighted average of routes. The Baltic Panamax vessel (BPI82) is a non-scrubber fitted vessel 82,500mt dwt on 14.43m SSW draft, Max age 12 yrs, LOA 229m, beam 32.25m, TPC 70.5, 97,000 cbm grain, 13.5 knots laden on 33mt fuel oil (380cs t) or 14 knots ballast on 31mt fuel oil (380cs t) + 0.1 MGO at sea, 11.5 knots laden on 22mt fuel oil (380cs t) or 12.5 knots ballast on 23mt fuel oil (380cs t) + 0.1 MGO at sea. Timecharter Weighted Average = Sum(P1A_82*0.25, P2A_82*0.1, P3A_82*0.25, P4_82*0.10, P6_82*0.30)
P1A_82	$/day	Skaw-Gibraltar transatlantic round voyage	Delivery Skaw-Gibraltar range, loading 15-20 days from the index date, for a transatlantic round voyage of 40-60 days, redelivery Skaw-Gibraltar range. 25% weighting. Basis the Baltic Panamax vessel. 5.00% total commission.

P2A_82	$/day	Skaw-Gibraltar trip to Taiwan-Japan	Delivery Skaw-Gibraltar range, loading 15-20 days from the index date, for a trip of 75-85 days, redelivery Hong Kong-South Korea range including Taiwan. 10% weighting. Basis the Baltic Panamax vessel. 5.00% total commission.
P3A_82	$/day	Japan-South Korea transpacific round voyage	Delivery Hong Kong-South Korea including Taiwan, loading 15-20 days from the index date, for a 35-50 days trip redelivery Hong Kong-South Korea including Taiwan. 25% weighting. Basis the Baltic Panamax vessel. 5.00% total commission.
P4_82	$/day	Japan-South Korea trip to Skaw-Passero	Delivery Hong Kong-South Korea including Taiwan, loading 15-20 days from the index date, for a 55-70 day trip redelivery Skaw-Gibraltar range. 10% weighting. Basis the Baltic Panamax vessel. 5.00% total commission.
P5_82	$/day	South China, Indonesian round voyage (BEP Asia)	Delivery South China (Fuzhou-Hong Kong range) or passing Taipei southbound, Laydays/Cancelling 5/10 days from index date, for a trip via Indonesia, redelivery South China (Fuzhou-Hong Kong range), duration 20-25 days. Basis the Baltic Panamax vessel. 5% total commission. Also know as BEP Asia
P6_82	$/day	Singapore round voyage via Atlantic	Delivery Singapore, loading 30-35 days from the index date, for a 90-105 day trip redelivery Hong Kong-South Korea including Taiwan. 30% weighting. Basis the Baltic Panamax vessel. 5% total commission.
P7	$/mt	US Gulf to Qingdao grain	Mississippi river to Qingdao (min 13m arrival draft). 66,000mt HSS, 10% more or less in owner's option, free in and out, trimmed. 10,000mt Saturdays, Sundays + holidays excluded loading, 8,000mt Saturdays, Sundays + holidays excluded discharge. 24 hrs turn time at loading port, 24 hrs turn time at discharge port. Loading 10/20 days from index date. Age max 15 years. 5% total commission.
P8	$/mt	Santos to Qingdao grain	Santos to Qingdao (min 13m arrival draft). 66,000mt HSS, 10% more or less in owner's option, free in and out, trimmed. 8,000mt Saturdays, Sundays + holidays excluded loading, 8,000mt Saturdays, Sundays + holidays excluded discharge. 24 hrs turn time at loading port, 12 hrs turn time at discharge port. Loading 30/35 days from index date. Age max 15 years. 5% total commission.
P4TC	$/day	Panamax 74 Timecharter Average	Derived value: *P5TC-1,336*
P1A_03	$/day	Panamax 74 Skaw-Gibraltar transatlantic round voyage	Derived value: *P1A_82-1,284*
P2A_03	$/day	Panamax 74 Skaw-Gibraltar trip to Taiwan-Japan	Derived value: *P2A_82-1,489*
P3A_03	$/day	Panamax 74 Japan-S. Korea Transpacific round voyage	Derived value: *P3A_82-1,302*

BPI82	Vessel	Baltic Standard Panamax	Baltic Panamax vessel for Timecharter routes is a non-scrubber fitted vessel based on the following description: 82,500mt dwt on 14.43m SSW draft, Max age 12 yrs, LOA 229m, beam 32.25m, TPC 70.5, 97,000 cbm grain, 13.5 knots laden on 33mt fuel oil (380cs t) or 14 knots ballast on 31mt fuel oil (380cs t) + 0.1 MGO at sea, 11.5 knots laden on 22mt fuel oil (380cs t) or 12.5 knots ballast on 23mt fuel oil (380cs t) + 0.1 MGO at sea

5. Baltic Exchange Supramax

Short Code	Unit	Short Description	Long Description
BSI	Index Number	Baltic Supramax Index	Composite Index=RoundedSum(S1B_63*0.05, S1C_63*0.05, S2_63*0.15, S3_63*0.15, S4A_63*0.075, S4B_63*0.10, S5_63*0.05, S8_63*0.1, S9_63*0.075, S10_63*0.10, S15_63*0.10)*0.079112625)
S11TC	$/day	Supramax Timecharter Average	Timecharter Weighted Average = Sum(S1B_63*0.05, S1C_63*0.05, S2_63*0.15, S3_63*0.15, S4A_63*0.075, S4B_63*0.10, S5_63*0.05, S8_63*0.1, S9_63*0.075, S10_63*0.10, S15_63*0.10). Representing the Spot Timecharter earnings of a Baltic Standard Supramax (BSI63).
S3TC_63	$/day	Baltic Supramax Asia Index (BES Asia)	Timecharter Weighted Average: *=sum(S2_63*0.42, S8_63*0.29, S10_63*0.29)* Also known as BES Asia
S10TC	$/day	Supramax 58 Timecharter Average	Derived value: S11TC-2,034
S6TC	$/day	Supramax 52 Timecharter Average	Derived value: *S10TC-293*
S1B_63	$/day	Canakkale trip via Mediterranean or Black Sea to China-South Korea	Delivery passing Canakkale, Laydays/Cancelling 5/10 days from index date, redelivery China-South Korea range, duration 40-50 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission
S1C_63	$/day	US Gulf trip to China-South Japan	Delivery South West Pass, Laydays/Cancelling 3/10 days from index date, redelivery north China-South Japan (Shanghai-Tokyo bay range), duration 50-55 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
S2_63	$/day	North China one Australian or Pacific round voyage	Delivery North China (Shanghai-Dalian range), Laydays/Cancelling 5/10 days from index date, for an Australian or transpacific round voyage, redelivery North China (Shanghai-Dalian range), duration 40-50 days. Basis the Baltic standard Supramax (BSI63) vessel. 5% total commission.

S3_63	$/day	North China trip to West Africa	Delivery North China (Shanghai-Dalian range), Laydays/Cancelling 5/10 days from index date, redelivery West Africa (Dakar-Douala range), duration 55-65 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
S4A_63	$/day	US Gulf trip to Skaw-Passero	Delivery US Gulf, Laydays/Cancelling 5/10 days from index date, redelivery Skaw-Passero range, duration 25-30 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
S4B_63	$/day	Skaw-Passero trip to US Gulf	Delivery Skaw-Passero range, Laydays/Cancelling 5/10 days from index date, redelivery US Gulf, duration 25-30 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
S5_63	$/day	West Africa trip via East Coast South America to North China	Delivery West Africa (Dakar-Douala range), Laydays/Cancelling 5/10 days from index date, trip via East Coast South America, redelivery North China (Shanghai-Dalian range), duration 60-65 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
S8_63	$/day	South China trip via Indonesia to East Coast India	Delivery South China (Fuzhou-Fangcheng range including Taiwan), Laydays/Cancelling 5/10 days from index date, trip via Indonesia, redelivery East Coast India (Chennai-Paradip range), duration 20-25 days. Basis the Baltic Standard Supramax (BSI63) vessel. Cargo basis coal. 5% total commission.
S9_63	$/day	West Africa trip via East Coast South America to Skaw-Passero	Delivery West Africa (Dakar-Douala range), Laydays/Cancelling 5/10 days from index date, trip via East Coast South America, redelivery Skaw-Passero range, duration 45-50 days. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
S10_63	$/day	South China trip via Indonesia to South China	Delivery South China (Fuzhou-Fangcheng range including Taiwan), laydays/cancelling 5/10 days from index date, trip via Indonesia, redelivery South China (Fangcheng-Fuzhou range), duration 20-25 days. Basis the Baltic Standard Supramax (BSI63) vessel. Cargo basis coal. 5% total commission.
S15_63	$/day	Indian Ocean trip via South Africa to the Far East	Delivery passing Colombo, laydays/cancelling 5/10 days from index date, via South Africa for a 40/50 day trip, redelivery China-South Korea. Basis the Baltic Standard Supramax (BSI63) vessel. 5% total commission.
BSI63	Vessel	Baltic Standard Supramax (BSI63)	Baltic Supramax (BSI63) vessel for Timecharter routes is a non-scrubber fitted vessel based on the following description: 63,500mt DWT on 13.418m SSW – TPC 61.4, Max 15 Years, LOA 199.98 M / Beam 32.24 M, GRAIN: 80,500cbm BALE: 76,200cbm, Cranes 4 x 30 MT with 4 x 12 CBM Grabs, 5 HO/HA, 14 knots on 29 mt laden, 25mt ballast. Marine Fuel Oil, no Marine Gas Oil at sea, 13 knots on 24 mt laden, 21mt ballast. Marine Fuel Oil, no Marine Gas Oil at sea, 12 knots on 20 mt laden, 17mt ballast. Marine Fuel Oil, no Marine Gas Oil at sea, 11 knots on 16.5 mt laden, 14mt ballast. Marine Fuel Oil, no Marine Gas Oil at sea

6. Baltic Exchange Handysize

Short Code	Unit	Short Description	Long Description
BHSI	Index Number	Baltic Handysize Index	Composite Index: Sum(HS1_38*0.006944444, HS2_38*0.006944444, HS3_38*0.006944444, HS4_38*0.006944444, HS5_38*0.011111111, HS6_38*0.011111111, HS7_38*0.005555556)
HS7TC	$/day	Handysize Timecharter Average	Spot timecharter earnings of a Handysize vessel derived from a weighted average of routes. The Baltic Standard Handysize (BHSI38) 38 vessel is a non-scrubber fitted vessel self-trimming geared bulk carrier, 38,200mt dwt on 10.538m SSW, Max Age 15 Years, LOA 180m / Beam 29.8m / TPC 49, 47,125 cbm grain / 45,300 cbm bale, 5 holds / 5 hatches, 4 x 30 ton cranes, 14 knots on 26mt IFO (380 CST) laden or 24mt IFO (380 CST) ballast + 0.1 MDO at sea, 12 knots on 18mt IFO (380 CST) laden or 17mt IFO (380 CST) ballast + 0.1 MDO at sea. Timecharter Weighted Average = Sum(HS1_38*0.125, HS2_38*0.125, HS3_38*0.125, HS4_38*0.125, HS5_38*0.20, HS6_38*0.20, HS7_38*0.10)
HS1_38	$/day	Skaw-Passero trip to Rio de Janeiro-Recalada	Delivery Skaw-Passero range, Laydays/Cancelling 5/10 days from index date, redelivery Recalada-Rio de Janeiro range, duration 35-45 days. Basis the Baltic Standard Handysize (BHSI38) 38 vessel. 5% total commission.
HS2_38	$/day	Skaw-Passero trip to Boston-Galveston	Delivery Skaw-Passero range, Laydays/Cancelling 5/10 days from index date, redelivery Boston-Galveston range. Duration 35-45 days. Basis the Baltic Standard Handysize (BHSI38) 38 vessel. 5% total commission.
HS3_38	$/day	Rio de Janeiro-Recalada trip to Skaw-Passero	Delivery Recalada-Rio de Janeiro range, Laydays/Cancelling 5/10 days from index date, redelivery Skaw-Passero range, duration 35-45 days. Basis the Baltic Standard Handysize (BHSI38) 38 vessel. 5% total commission.
HS4_38	$/day	US Gulf trip via US Gulf or North Coast South America to Skaw-Passero	Delivery Brownsville-Key West, Laydays/Cancelling 5/10 days from index date, for a trip via US Gulf or North Coast South America, redelivery Skaw-Passero range, duration 35-45 days. Basis the Baltic Standard Handysize (BHSI38) 38 vessel. 5% total commission.
HS5_38	$/day	South East Asia trip to Singapore-Japan	Delivery Krabi-Campha range including Malaysia, Indonesia & Philippines, Laydays/Cancelling 5/10 days from index date, for a 30-45 days trip, redelivery Singapore–Japan range including China. Basis the Baltic Standard Handysize (BHSI38) 38 vessel. 5% total commission.

HS6_38	$/day	North China-South Korea-Japan trip to North China-South Korea-Japan	Delivery North China-South Korea-Japan range, Laydays/ Cancelling 5/10 days from index date, for a 40-45 days trip, redelivery north China-South Korea-Japan range. Basis the Baltic Standard Handysize (BHSI38) 38 vessel. 5% total commission.
HS7_38	$/day	North China-South Korea-Japan trip to South East Asia	Delivery North China-South Korea-Japan range, Laydays/Cancelling 5/10 days from index date, for a 25-30 day trip, redelivery Krabi-Campha range including Malaysia, Indonesia & Philippines. Basis the Baltic Standard Handysize (BHSI38) vessel. 5% total commission.
HS6TC	$/day	Handysize 28 Timecharter Average	Derived value: HS7TC-1,966
BHSI38	Vessel	Baltic Standard Handysize	Baltic Handysize (BHSI38) 38 vessel for Timecharter routes is a non-scrubber fitted vessel based on the following description: self-trimming geared bulk carrier, 38,200mt dwt on 10.538m SSW, Max Age 15 Years, LOA 180m / Beam 29.8m / TPC 49, 47,125 cbm grain / 45,300 cbm bale, 5 holds / 5 hatches, 4 x 30 ton cranes, 14 knots on 26mt IFO (380 CST) laden or 24mt IFO (380 CST) ballast + 0.1 MDO at sea, 12 knots on 18mt IFO (380 CST) laden or 17mt IFO (380 CST) ballast + 0.1 MDO at sea

7. Baltic Exchange Dirty Tanker

Short Code	Unit	Short Description	Long Description
BDTI	Index number	Baltic Dirty Tanker Index	Composite Index: RoundedSum(TD2*0.0909090909, TD3C*0.0909090909, TD6*0.0909090909, TD7*0.0909090909, TD8*0.0909090909, TD9*0.0909090909, TD14*0.0909090909, TD15*0.0909090909, TD18*0.0909090909, TD19*0.0909090909, TD20*0.0909090909)*8.415737054
VLTCE	$/day	VLCC Time Charter Equivalent	Timecharter Equivalent Weighted Average: Average (TD3C-TCE, TD15-TCE & TD22-TCE)
SZTCE	$/day	Suezmax Time Charter Equivalent	Timecharter Equivalent Weighted Average: Average(TD6-TCE, TD20-TCE)
ATCE	$/day	Aframax Time Charter Equivalent	Timecharter Equivalent Weighted Average: RoundedAverage (TD7-TCE, TD8-TCE, TD14-TCE, TD19-TCE, TD25-TCE & TD26-TCE)
TD2	Worldscale	270K Middle East Gulf to Singapore	270,000mt. Middle East Gulf to Singapore (Ras Tanura to Singapore). Laydays/Cancelling 20/30 days from index date. Age max 15 years. 3.75% total commission.
TD3C	Worldscale	270K Middle East Gulf to China	270,000mt. Middle East Gulf to China (Ras Tanura to Ningbo). Laydays/Cancelling 15/30 days from index date. Age max 15 years. 3.75% total commission.

TD6	Worldscale	135K Black Sea to Mediterranean	135,000mt. Black Sea to Mediterranean (CPC to Augusta). Laydays/Cancelling 10/15 days from index date. Age max 15 years. 3.75% total commission.
TD7	Worldscale	80K North Sea to UK-Continent	80,000mt. North Sea to Continent (Hound Point to Wilhelmshaven). Laydays/Cancelling 7/14 days from index date. Age max 15 years. 3.75% total commission.
TD8	Worldscale	80K Kuwait to Singapore	80,000mt crude and/or DPP, heat 135F. Kuwait to Singapore (Mena al Ahmadi to Singapore). Laydays/Cancelling 20/25 days from index date. Double hull, age max 15 years. 3.75% total commission.
TD9	Worldscale	70K Caribbean to US Gulf	70,000mt. Caribbean to US Gulf (Covenas to Corpus Christi). Laydays/Cancelling 7/14 days from index date. Age max 15 years. Assessment basis Oil Pollution Act premium paid. 3.75% total commission.
TD14	Worldscale	80K South East Asia to East Coast Australia	80,000mt. South East Asia to East Coast Australia (Seria to Brisbane). Laydays/Cancelling 21/25 days from index date. Double hull, age max 15 years. 3.75% total commission.
TD15	Worldscale	260K West Africa to China	260,000mt. West Africa to China (Serpentina FPSO and Bonny Offshore Terminal to Ningbo). Laydays/Cancelling 20/30 days from index date. Double hull, age max 15 years. 3.75% total commission.
TD17	Worldscale	100K Baltic to UK-Continent	100,000mt. Baltic to UK-Contient (Primorsk to Wilhelmshaven). Great Belt laden/ballast. Laydays/Cancelling 10/20 days from index date. Double hull, age max 15 years. 3.75% total commission.
TD18	Worldscale	30K Baltic to UK-Continent	30,000mt fuel oil. Baltic to UK-Continent (Tallinn to Amsterdam). Laydays/Cancelling 10/15 days from index date. Double hull, age max 15 years. 3.75% total commission.
TD19	Worldscale	80K Cross Mediterranean	80,000mt. Cross Mediterranean (Ceyhan to Lavera). Laydays/Cancelling 10/15 days from index date. Age max 15 years. 3.75% total commission.
TD20	Worldscale	130K West Africa to UK-Continent	130,000mt. West Africa to UK-Continent (offshore terminal Bonny to Rotterdam). Laydays/Cancelling 15-20 days from the index date. Age max 15 years. 82,000grt. 3.75% total commission.
TD21	Worldscale	50K Caribbean to US Gulf	50,000mt fuel oil, Caribbean to US Gulf (Mamonal to Houston). Laydays/Cancelling 7/14 days from index date. Double hull, age max 15 years. 3.75% total commission.
TD22	$	270K US Gulf to China	270,000mt. US Gulf / China (Galveston O/S lightering area to Ningbo). Laydays/Cancelling 25/35 days from Index date. Double hull, age max 15 years. 3.75% total commission.
TD23	Worldscale	140K Middle East Gulf to Mediterranean	140,000mt. Middle East Gulf to Mediterranean (Basrah to Lavera). Laydays/Cancelling 20/30 days from Index date, Double hull, age max 15 years. 3.75% total commission.
TD24	$	100K Pacific Russia to China	100,000mt Russian Pacific to North China (Kozmino to Qingdao). Laydays/Cancelling, 10-20 days from

			Index date. Double hull, age max 15 years. 3.75% total commission.
TD25	Worldscale	70K US Gulf to UK-Continent	70,000mt. USG to Amsterdam-Rotterdam-Antwerp range (Houston to Rotterdam). Laydays/Cancelling 10/20 days from Index date. Double hull, age max 15 years. 3.75% total commission.
TD26	Worldscale	70K East Coast Mexico to US Gulf	70,000mt. East Coast Mexico to US Gulf (Dos Bocas or Cayo Arcas to Houston). Laydays/Cancelling 5-10 days from index date. Age max 15 yrs. Assessment basis Oil Pollution Act premium paid. 3.75% total commission.
TD27	Worldscale	130K Guyana to ARA	130,000mt. Guyana to Amsterdam-Rotterdam-Antwerp (Guyana to Rotterdam). Laydays/Cancelling 15-20 days from index date. Age max 15 yrs. Assessment basis Oil Pollution Act premium paid. 3.75% total commission.
TD2-TCE	$/day	VLCC Middle East Gulf to Singapore	Timecharter Equivalent basis a Baltic VLCC (VLCC300), delivery Singapore for a round voyage loading Ras Tanura. 2 days load. 2 days discharge. 1 day waiting
TD3C-TCE	$/day	VLCC Middle East Gulf to China	Timecharter Equivalent basis a Baltic VLCC (VLCC300), delivery Ningbo for a round voyage loading Ras Tanura. 2 days load. 2 days discharge. 2 days waiting.
TD6-TCE	$/day	SUEZMAX Black Sea to Mediterranean	Timecharter Equivalent basis a Baltic Suezmax (SUEZ160), delivery Augusta for a round voyage via Canakkale loading CPC. 2 days load. 2 days discharge. 2 days Turkish Straits transit. 1 day waiting
TD7-TCE	$/day	AFRAMAX North Sea to Cont	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Wilhelmshaven for a round voyage loading Hound Point. 2 days load. 2 days discharge. 0.5 days waiting
TD8-TCE	$/day	AFRAMAX Kuwait to Singapore	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Singapore for a round voyage loading Mina Al Ahmadi. 2 days load. 2 days discharge. 0.5 days waiting.
TD9-TCE	$/day	AFRAMAX Caribbean to US Gulf	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Corpus Christi for a round voyage loading Covenas. 2 days load. 2 days discharge. 0.5 days waiting.
TD14-TCE	$/day	AFRAMAX South East Asia to East Coast Australia	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Brisbane for a round voyage loading Seria. 2 days load. 2 days discharge. 0.5 days waiting.
TD15-TCE	$/day	VLCC West Africa to China	Timecharter Equivalent basis a Baltic VLCC (VLCC300), delivery Ningbo for a round voyage loading Serpentina FPSO and Bonny Offshore. 2 days load. 2 days discharge. 1 day waiting.

TD17-TCE	$/day	AFRAMAX Baltic to UK-Continent	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Wilhelmshaven for a round voyage loading Primorsk. 2 days load. 2 days discharge. 0.5 days waiting.
TD18-TCE	$/day	HANDY Baltic to UK-Continent	Timecharter Equivalent basis a Baltic Handy (HAND37), delivery Amsterdam for a round voyage loading Tallinn. 2 days load. 2 days discharge. 1 day waiting.
TD19-TCE	$/day	AFRAMAX Cross Mediterranean	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Lavera for a round voyage loading Ceyhan. 2 days load. 2 days discharge. 0.5 days waiting.
TD20-TCE	$/day	SUEZMAX West Africa to UK-Continent	Timecharter Equivalent basis a Baltic Suezmax (SUEZ160), delivery Rotterdam for a round voyage loading Offshore Bonny. 2 days load. 2 days discharge. 1 day waiting.
TD21-TCE	$/day	PANAMAX Caribbean to US Gulf	Timecharter Equivalent basis a Baltic Panamax (PANA75), delivery Houston for a round voyage loading Mamonal. 2 days load. 2 days discharge. 1 day waiting.
TD22-TCE	$/day	VLCC US Gulf to China	Timecharter Equivalent basis a Baltic VLCC (VLCC300), delivery Ningbo for a round voyage loading Galveston Offshore TSA1. 2 days load. 2 days discharge. 1 day waiting.
TD23-TCE	$/day	SUEZMAX Middle East Gulf to Mediterranean	Timecharter Equivalent basis a Baltic Suezmax (SUEZ160), delivery Lavera for a round voyage via Suez Canal loading Basrah. 2 days load. 2 days discharge. 2 days canal. 1 day waiting.
TD24-TCE	$/day	AFRAMAX Pacific Russia to China	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Qingdao for a round voyage loading Kozmino. 2 days load. 2 days discharge. 0.5 days waiting.
TD25-TCE	$/day	AFRAMAX US Gulf to Antwerp – Rotterdam - Amsterdam	Timecharter Equivalent basis a Baltic Aframax (AFRA105), delivery Rotterdam for a round voyage loading Houston. 2 days load. 2 days discharge. 0.5 days waiting.
TD26-TCE	$/day	AFRAMAX East Coast Mexico to US Gulf	Timecharter Equivalent basis a Baltic Aframax (AFRA115), delivery Houston for a round voyage loading Dos Bocas or Cayo Arcas. 2 days load. 2 days discharge. 0.5 days waiting.
TD27-TCE	$/day	SUEZMAX Guyana to ARA	Timecharter Equivalent basis a Baltic Suezmax (SUEZ160), delivery Rotterdam for a round voyage loading Guyana. 2 days load. 2 days discharge. 1 day waiting.
VLCC300	Vessel	Baltic Standard VLCC	300,000 DWT, non-scrubber fitted vessel, 13knts on 57.3mt MFO laden, 12knts on 39.5mt MFO ballast.11knts on 39.8mt MFO Eco Laden. 11kts on 28.5mt MFO Eco Ballast In port: 20mt MFO at load, 110mt MFO at discharge, 10mt MFO when waiting.

SUEZ160	Vessel	Baltic Standard Suezmax	160,000 DWT, non-scrubber fitted vessel, 13knts on 38.5mt MFO laden, 12knts on 28.5mt MFO ballast. 11knts on 30mt MFO Eco Laden. 11kts on 23.5mt MFO Eco Ballast. In port: 12mt MFO at load, 68mt MFO at discharge, 10mt MFO when waiting.
AFRA115	Vessel	Baltic Standard Aframax	115,000 DWT, non-scrubber fitted vessel, 13knts on 35.3mt MFO laden, 12knts on25.3mt MFO in ballast, 11knts on 27.0mt MFO Eco Laden. 11kts on 21.0mt MFO Eco Ballast 10mt at load, 55mt MFO discharge, 5mt MFO waiting.8mt when Heating.
PANA75	Vessel	Baltic Standard Panamax Tanker	75,000 DWT, non-scrubber fitted vessel, 13knts on 30.5mt MFO laden, 12knts on 24.5 mt MFO ballast. 11knts on 22.5mt MFO Eco Laden. 11kts on 20.5mt MFO Eco Ballast In port: 5mt MFO at load, 32mt MFO at discharge, 5mt MFO when waiting. 6mt MFO while Heating.
HAND37	Vessel	Baltic Standard Dirty Handy	37,800 DWT, non-scrubber fitted vessel, 13knts on 21.3mt MFO laden, 12knts on 16.8mt MFO in ballast. 11knts on 14.5mt MFO Eco Laden. 11kts on 12.8mt MFO Eco Ballast 5mt MFO at load, 20mt MFO discharge, 5mt MFO waiting. 6mt MFO Heating.

8. Baltic Exchange Clean Tanker

Short Code	Unit	Short Description	Long Description
BCTI	Index number	Baltic Clean Tanker Index	Composite Index: RoundedSum (TC1*0.1666, TC2_37*0.1666, TC5*0.1666, TC6*0.1666, TC23*0.1666, TC16*.167)*4.540991088
MA2TCE	$/day	MR Atlantic Basket	MA2TCE is a Timecharter Equivalent Average on triangulation basis of TC2_37 TCE, TC14 TCE
MP2TCE	$/day	MR Pacific Basket	MP2TCE is a Timecharter Equivalent Average on triangulation basis of TC11 TCE, TC12 TCE
TC1	Worldscale	75K Middle East Gulf to Japan	75,000mt CPP/Naphtha condensate. Middle East Gulf to Japan (Ras Tanura to Yokohama). Laydays/Cancelling 30/35 days from index date. Age max 15 years. 3.75% total commission.
TC2_37	Worldscale	37K UK-Continent to US Atlantic Coast	37,000mt CPP/UNL. Continent to US Atlantic coast (Rotterdam to New York). Laydays/Cancelling 10/14 days from index date. Age max 15 years. 3.75% total commission.
TC5	Worldscale	55K Middle East Gulf to Japan	55,000mt CPP/UNL naphtha condensate. Middle East Gulf to Japan (Ras Tanura to Yokohama). Laydays Cancelling 30/35 days from index date. Age max 15 years. 3.75% total commission.

TC6	Worldscale	30K Algeria to European Mediterranean	30,000mt CPP/UNL. Algeria to European Mediterranean (Skikda to Lavera). Laydays/Cancelling 7/14 days from index date. Age max 15 years. 3.75% total commission.
TC7	Worldscale	35K Singapore to East Coast Australia	35,000mt CPP. Singapore to East Coast Australia (Singapore to Sydney). Laydays/Cancelling 17/23 days from index date. Double hull, age max 15 yrs. 3.75% total commission.
TC8	$/mt	65K Middle East Gulf to UK-Continent	65,000mt CPP/UNL middle distillate. Middle East Gulf to UK-Continent (Jubail to Rotterdam). Laydays/Cancelling 20/30 days from index date. Double hull, age max 15 years. This route to be reported as US$ per mt. 3.75% total commission.
TC9	Worldscale	30K Baltic to UK-Continent	30,000mt CPP/UNL/ULSD middle distillate. Baltic to UK-Continent (Primorsk to Le Havre). Laydays/Cancelling 5/10 days from index date. Double hull, age max 15 years. 3.75% total commission.
TC10	$/mt	40K South Korea to North Pacific West Coast	40,000mt CPP/UNL. South Korea to West Coast North Pacific (Yeosu to Los Angeles). Laydays/Cancelling 14/21 days from index date. Double hull, age max 15 years. 3.75% total commission.
TC11	$/mt	40K South Korea to Singapore	40,000mt CPP. South Korea to Singapore (Yeosu to Singapore). Laydays/Cancelling 10/17 days from index date. Double hull, age max 15 years. 3.75% total commission.
TC12	Worldscale	35K West Coast India to Japan	35,000mt naphtha condensate. West Coast India to Japan (Sikka (Jamnagar) to Chiba). Laydays/Cancelling 7/14 days from index date. Double hull, age max 15 years. 3.75% total commission.
TC14	Worldscale	38K US Gulf to UK-Continent	38,000mt CPP/UNL/diesel. US Gulf to Continent (Houston to Amsterdam). Laydays/Cancelling 6/12 days from index date. Age max 15 years. 3.75% total commission.
TC15	$	80K Mediterranean to Far East	80,000mt naphtha. Mediterranean to Far East (Skikda to Chiba). Laydays/Cancelling 15/25 days from index date. This route to be reported on a US$ lumpsum basis. Age max 15 years. 3.75% total commission.
TC16	Worldscale	60K ARA to Offshore Lome	60,000mt CPP. Amsterdan-Rotterdam-Antwerp to West Africa (Amsterdam to offshore Lome). Laydays/Cancelling 10/14 days from index date. Age max 15 years, 3.75% total commission.

TC17	Worldscale	35K Middle East Gulf to East Africa	35,000mt Middle East Gulf to East Africa (Jubail to Dar es Salaam). Laydays/Cancelling 10/20 days from index date. Age max 15 years. 3.75% total commission.
TC18	Worldscale	38K US Gulf to Brazil	38,000mt CPP/UNL US Gulf to Brazil (Houston to Santos), Laydays/Cancelling 6-12 days from Index date. Age max 15 years. 3.75% total commission.
TC19	Worldscale	37K ARA to West Africa	37,000mt CPP, Amsterdan-Rotterdam-Antwerp to West Africa (Amsterdam to Lagos). Laydays/Cancelling 5/10 days from Index date. Age max 15 years. 3.75% total commission.
TC20	$	Clean 90k Middle East Gulf to UK-Continent	90,000mt CPP/UNL middle distillate. Middle East Gulf to UK-Continent (Jubail to Rotterdam). Laydays/Cancelling 15/20 days from index date. Double hull, age max 15 years. 3.75% total commission.
TC21	$	38k US Gulf to Caribbean	38,000mt CPP/UNL US Gulf to Caribbean (Houston to Pozos Colorados), Laydays/Cancelling 5-10 days from Index date. Double hull, age max 15 years. 3.75% total commission.
TC22	Worldscale	35k South Korea to Australia	35,000mt CPP/UNL South Korea to Australia (Yeosu to Botany Bay), Laydays/Cancelling 17-23 days from Index date. Age max 15 years. 3.75% total commission.
TC23	Worldscale	30k ARA - UK-Continent	30,000mt CPP/UNL/ULSD. Amsterdan-Rotterdam-Antwerp to UK Continent, Laydays/Cancelling 5/10 days from index date. Age Max 15 years. Total commission 3.75%
TC24	$	38k US Gulf to West Coast South America	38,000mt. US Gulf to West Coast South America. Laydays/Cancelling 5/10 days from index date. Double hull, age max 15 years. 3.75% total commission.
TC1-TCE	$/day	LR2 Middle East Gulf to Japan	Timecharter Equivalent basis LR2 (LR2-115), delivery Yokohama for a round voyage loading Ras Tanura. 2 days load. 2 days discharge. 0.5 days waiting.
TC2_37-TCE	$/day	MR Continent to US Atlantic Coast	Timecharter Equivalent basis MR (MR50), delivery New York for a round voyage loading Rotterdam. 2 days load. 2 days discharge. 1 day waiting.
TC5-TCE	$/day	LR1 Middle East Gulf to Japan	Timecharter Equivalent basis LR1 (LR1-75), delivery Yokohama for a round voyage loading Ras Tanura. 2 days load. 2 days discharge. 1 day waiting.

TC6-TCE	$/day	Handy Algeria to European Mediterranean	Timecharter Equivalent basis Handy (HANDC37), delivery Lavera for a round voyage loading Skikda. 2 days load. 2 days discharge. 1 day waiting.
TC7-TCE	$/day	MR Singapore to East Coast Australia	Timecharter Equivalent basis MR (MR50), delivery Sydney for a round voyage loading Singapore. 2 days load. 2 days discharge. 1 day waiting.
TC8-TCE	$/day	LR1 Middle East Gulf to UK-Continent	Timecharter Equivalent basis LR1 (LR1-75), delivery Rotterdam for a round voyage via Suez Canal loading Jubail. 2 days load. 2 days discharge. 2 days canal. 1 day waiting.
TC9-TCE	$/day	HANDY Baltic to UK-Continent	Timecharter Equivalent basis Handy (HANDC37), delivery Le Havre for a round voyage loading Primorsk. 2 days load. 2 days discharge. 1 day waiting.
TC10-TCE	$/day	MR South Korea to North Pacific West Coast	Timecharter Equivalent basis MR (MR50), delivery Los Angeles for a round voyage loading Yosu. 2 days load. 2 days discharge. 1 day waiting.
TC11-TCE	$/day	MR South Korea to Singapore	Timecharter Equivalent basis MR (MR50), delivery Singapore for a round voyage loading Yosu. 2 days load. 2 days discharge. 1 day waiting.
TC12-TCE	$/day	MR Sikka to Japan	Timecharter Equivalent basis MR (MR50), delivery Chiba for a round voyage loading Jamangar. 2 days load. 2 days discharge. 1 day waiting.
TC14-TCE	$/day	MR US Gulf to Continent	Timecharter Equivalent basis MR (MR50), delivery Amsterdam for a round voyage loading Houston. 2 days load. 2 days discharge. 1 day waiting.
TC15-TCE	$/day	LR2 Mediterranean to Far East	Timecharter Equivalent basis LR2 (LR2-115), delivery Chiba for a round voyage via Suez Canal loading Skikda. 2 days load. 2 days discharge. 2 days canal. 0.5 days waiting.
TC16-TCE	$/day	LR1 Amsterdam to offshore Lome	Timecharter Equivalent basis LR1 (LR1-75), delivery Off-shore Lome for a round voyage loading Amsterdam. 2 days load. 2 days discharge. 1 day waiting.
TC17-TCE	$/day	MR Middle East Gulf to East Africa	Timecharter Equivalent basis MR (MR50), delivery Dar-es-Salaam for a round voyage loading Jubail. 2 days load. 2 days discharge. 1 day waiting.
TC18-TCE	$/day	MR US Gulf to Brazil	Timecharter Equivalent basis MR (MR50), delivery Santos for a round voyage loading Houston. 2 days load. 2 days discharge. 1 day waiting.
TC19-TCE	$/day	MR Amsterdam to Lagos	Timecharter Equivalent basis MR (MR50), delivery Lagos for a round voyage loading 37,000mt CPP from Amsterdam. 2 days load. 2 days discharge. 1 day waiting.

TC20-TCE	$/day	LR2 Middle East Gulf to UK-Continent	Timecharter Equivalent basis LR2 (LR2-115), delivery Rotterdam for a round voyage via Suez Canal loading Jubail. 2 days load. 2 days discharge. 2 days canal. 1 day waiting.
TC21-TCE	$/day	MR US Gulf to Caribbean	Timecharter Equivalent basis Handy (MR50) delivery Pozos Colorados for a round trip loading Houston, 2 days loading, 2 days discharge, 1 day waiting
TC22-TCE	$/day	MR South Korea to Australia	Timecharter Equivalent basis MR (MR50) delivery Botany Bay for a round trip loading Yeosu, 2 days loading, 2 days discharge, 1 day waiting
TC23-TCE	$/day	Handy ARA to UK-Continent	Timecharter Equivalent basis Handy (HANDC37) delivery Le Havre for a round trip Loading Amsterdam, 2 days loading, 2 days discharge, 1 day waiting
LR2-115	Vessel	Baltic Standard LR2	115,000 DWT, non-scrubber fitted vessel, 13knts on 35.3mt MFO laden, 12knts on25.3mt MFO in ballast, 11knts on 27.0mt MFO Eco Laden. 11kts on 21.0mt MFO Eco Ballast 5mt MFO at load, 44mt MFO discharge, 6mt MFO waiting.
LR1-75	Vessel	Baltic Standard LR1	75,000 DWT, non-scrubber fitted vessel, 13knts on 30.5mt MFO laden,12knts on 24.5 MFO ballast, 11knts on 22.5mt MFO Eco Laden. 11kts on 20.5mt MFO Eco Ballast In port: 5mt MFO at load, 32mt MFO at discharge, 5mt MFO when waiting.
MR50	Vessel	Baltic Standard MR	50,000 DWT, not scrubber fitted, 13knts on 23.3mt MFO laden, 12 knts on 17.0mt MFO in ballast, 11knts on 18mt MFO Eco Laden. 11kts on 16.5mt MFO Eco Ballast. 5mt MFO at load, 25mt MFO discharge, 5mt MFO waiting.
HANDC37	Vessel	Baltic Standard Clean Handy (HANDC37)	37,800 DWT, not scrubber fitted, 13knts on 21.3mt MFO laden, 12knts on 16.8mt MFO in ballast, 11knts on 14.5mt MFO Eco Laden. 11kts on 12.8mt MFO Eco Ballast. 5mt MFO at load, 20mt MFO discharge, 5mt MFO waiting

9. Baltic Exchange Liquified Petroleum

Short Code	Unit	Short Description	Long description

BLPG	Index Number	Baltic LPG Index	Reflecting timecharter earnings of a Very Large Gas Carrier (VLGC84) derived from a weighted average of timecharter equivalent routes. The Baltic LPG Carrier a non-scrubber fitted Korean built HHI ecotype, 54,500mt DWT on 12m ssa, LOA 225m, Beam 36.5m, 84,000cbm capacity. 16kts ballast on 43mt MFO, 16kts laden on 48mt MFO, 13.5kts Ballast on 28mt MFO, 13.0kts Laden on 29mt MFO. 10.00 mt in port working, 5.00 mt idle. The Composite Index = Average (BLPG1-TCE, BLPG2-TCE BLPG3-TCE)*0.1
BLPG1	$/mt	LPG Middle East Gulf to Japan	44,000mt, 5% more or less in owner's option, 1 to 2 grades, fully refrigerated Liquefied Petroleum Gas, Laydays/Cancelling 10/30 days from index date. Middle East Gulf to Japan (Ras Tanura to Chiba). Laytime 96 hrs total. Age max 20 yrs. 1.25% total commission.
BLPG2	$/mt	LPG US Gulf to Continent	44,000mt, 5% more or less in owner's option, 1 to 2 grades, fully refrigerated liquefied petroleum gas, Laydays/Cancelling 15-40 days from index date. US Gulf to Continent (Houston to Flushing). Laytime 96 hrs total. Age max 20 yrs. 1.25% total commission.
BLPG3	$/mt	LPG US Gulf to Japan	44,000mt, 5% more or less in owner's option, 1 to 2 grades, fully refrigerated Liquefied Petroleum Gas, Laydays/Cancelling 15-45 days from index date. US Gulf to Japan (Houston to Chiba, routing via Panama Canal with 2 days total waiting included). Laytime 96 hrs total. Age max 20 yrs. 1.25% total commission
BLPG1-TCE	$/day	TCE LPG Middle East Gulf to Japan	Timecharter Equivalent basis VLGC84 delivery Ras Tanura for a round voyage discharging Chiba. 2 days load. 2 days discharge. 0.5 day waiting.
BLPG2-TCE	$/day	TCE LPG US Gulf to Continent	Timecharter Equivalent basis VLGC84 delivery Houston for a round voyage discharging Flushing. 2 days load. 2 days discharge. 0.5 day waiting.
BLPG3-TCE	$/day	TCE LPG US Gulf to Japan	Timecharter Equivalent basis VLGC84 delivery Houston for a round voyage discharging Chiba. 2 days load. 2 days discharge. 0.5 day waiting.
VLGC84	Vessel	Baltic standard LPG Carrier	Baltic standard LPG carrier based on a non-scrubber fitted, 54,500mt DWT on 12m ssa, LOA 225m, Beam 36.5m, 84,000cbm capacity. 16kts ballast on 43mt MFO, 16kts laden on 48mt MFO, 13.5kts Ballast on 28mt MFO, 13.0kts Laden on 29mt MFO. 10.00 mt in port working, 5.00 mt idle.

10. Baltic Exchange Liquified Natural Gas

Short Code	Unit	Short Description	Long description

BLNG1	$/day	LNG Australia to Japan Round Voyage	Delivery Gladstone cold ready to load, loading 25-40 days from Index date, for a derived round voyage via Tokyo of 22 days duration, with redelivery Gladstone, based on daily hire and lumpsum assessments with 1.25% total commission. Round voyage calculated basis the Baltic LNG carrier (LNGC160) burning marine fuel oil to reposition. See Appendix 3
BLNG2	$/day	LNG US Gulf to Continent Round Voyage	Delivery Sabine cold ready to load, loading 25-40 days from Index date, for a derived round voyage via Isle of Grain of 28 days duration, with redelivery Sabine, based on daily hire and lumpsum assessments with 1.25% total commission. Round voyage calculated basis the Baltic LNG carrier (LNGC160) burning marine fuel oil to reposition. See Appendix 3
BLNG3	$/day	LNG US Gulf to Japan Round Voyage	Delivery Sabine cold ready to load, loading 25-40 days from Index date, for a derived round voyage via Tokyo of 53 days duration (routing via Panama Canal), with redelivery Sabine, based on daily hire and lumpsum assessments with 1.25% total commission. Round voyage calculated basis the Baltic LNG carrier (LNGC160) burning marine fuel oil to reposition. See Appendix 3
BFLNG1	$/cbm	LNG DES Japan 30-45d	Price of LNG delivered ex ship Japan 30-45 days forward
BFLNG2	$/cbm	LNG DES UK 30-45d	Price of LNG delivered ex ship UK 30-45 days forward
BFLNG3	$/cbm	LNG DES Japan 60-75d	Price of LNG delivered ex ship Japan 60-75 days forward
BLNG	Index number	Baltic LNG Index	Spot timecharter earnings of a Baltic LNG carrier (BLNG174) derived from a weighted average of routes. The Baltic standard LNG carrier (BLNG174) is a 93,500 mt dwt 2-Stroke propulsion, 174,000cbm capacity, LOA abt 295m, Beam abt 47m, 0.085% Boil Off l, 17knts Laden: 69 mt/day Marine Fuel Oil or 137 cbm/day LNG , 17knts Ballast: 66 mt/day Marine Fuel Oil or 131 cbm/day LNG, Port Consumption working: 32 mt/day Marine Fuel Oil or 64 cbm/day LNG, Port consumption idle: 20 mt/day Marine Fuel Oil or 40 cbm/day LNG, Max age 20 Years. Weighted Timecharter Average = Average(BLNG1-174, BLNG2-174, BLNG3-174)*0.1

BLNG1-174	$/day	LNG Australia to Japan Round Voyage (174)	Delivery Gladstone, loading 25-40 days from Index date, for a derived round voyage via Tokyo of 22 days duration, with redelivery Gladstone, based on daily hire and lumpsum assessments with 1.25% total commission. Basis the Baltic 174k cmb LNG carrier burning LNG fuel, delivered cold ready to load. Round voyage methodology see Appendix 3
BLNG2-174	$/day	LNG US Gulf to Continent Round Voyage (174)	Delivery Sabine, loading 25-40 days from Index date, for a derived round voyage via Isle of Grain of 28 days duration, with redelivery Sabine, based on daily hire and lumpsum assessments with 1.25% total commission. Basis the Baltic 174k cmb LNG carrier burning LNG fuel, delivered cold ready to load. Round voyage methodology see Appendix 3
BLNG3-174	$/day	LNG US Gulf to Japan Round Voyage (174)	Delivery Sabine, loading 30-45 days from Index date, for a derived round voyage via Tokyo of 53 days duration (routing via Panama canal), with redelivery Sabine, based on daily hire and lumpsum assessments with 1.25% total commission. Basis the Baltic 174k cmb LNG carrier burning LNG fuel, delivered cold ready to load. Round voyage methodology see Appendix 3
LNGC174	Vessel	Baltic LNG 174 Carrier	93,500 mt dwt 2-Stroke propulsion, 174,000cbm capacity, LOA abt 295m, Beam abt 47m, 0.085% Boil Off l, 17knts Laden: 69 mt/day Marine Fuel Oil or 137 cbm/day LNG , 17knts Ballast: 66 mt/day Marine Fuel Oil or 131 cbm/day LNG, Port Consumption working: 32 mt/day Marine Fuel Oil or 64 cbm/day LNG, Port consumption idle: 20 mt/day Marine Fuel Oil or 40 cbm/day LNG, Max age 20 Years

APPENDIX°3

Calculation Methodologies

1 Tanker Timecharter equivalent (TCE) Calculations

The Baltic publishes Time Charter Equivalent values for various voyage route assessments. These are published as a net value.

$$TCE = \frac{GrossFreight - FuelCost - VoyCosts}{TotalVoyDur}$$

TCE	US$ per day (net of commissions)
GrossFreight	$Cargo \times \$mt$
FuelCost	$(LDays \times LCons \times Fprice) + (BDays \times BCons \times FPrice) + (PDays \times PCons \times FPrice)$
VoyCosts	$PortCosts + Commissions + Misc$
TotalVoyDur	$Ldays + BDays + Pdays$
Cargo	The total cargo loaded. As setout in the Voyage Route description, see appendix 2. Taking in to account the parameters of the voyage route description and physical restrictions, such as draft and stowage factors.
$mt	Rate published for the corresponding Voyage Route, see appendix 2 When published in worldscale[8] then first converted to $/mt
LDays	$\frac{Ldist \times (1 + Smargin)}{LSpeed \div 24}$
LCons	The quantity of fuel consumed daily (24hours) when laden, as specified in the vessel description, see Appendix 2
BDays	$\frac{Bdist \times (1 + SMargin)}{BSpeed \div 24}$
BCons	The quantity of fuel consumed daily (24hours) when in ballast as specified in the vessel description, see Appendix 2
PDays	Days per TCE route description representing the time required to load and discharge the cargo and any applicable waiting days or canal transit times as described in the vessel or TCE route description, see Appendix 2
PCons	The quantity of fuel consumed when in port per 24 hours, as described in the vessel or TCE route description, see Appendix 2
FuelPrice	The cost of the fuel at the main bunkering port closest to the load port. The grade of fuel related to the activity performed. Prices as published on the day of assessment by Prosmar
PCosts	Port costs in US$ associated with the loading or discharging of the cargo at the named ports and any canal costs. Port costs supplied by Cory Brothers Shipping
Commissions	Commissions as described in the route description and applicable on the **GrossFreight.** See Appendix 2
Misc	Additional expenses particular to the trade, such as but not limited to, additional insurance, cleaning costs, security guards and emission costs. See Appendix 2
Ldist	Distance from the load port to the discharge port as provided by AtoBviaC distance tables
LSpeed	The speed that the vessel sails laden as described in the vessel or TCE route description. See Appendix 2
BDist	Distance from the starting place named in the TCE description to the Load port. As provided by AtoBviaC distance tables
BSpeed	The speed that the vessel sails in ballast as described in the vessel or TCE route description. See Appendix 2
SMargin	5% weather allowance
24	24 hours in a day

[8] Worldscale assessment would be converted to $/mt by applying the applicable flat rate.
A lumpsum assessment would be divided by the loaded cargo quantity.

2 Baltic Exchange LNG Indices (BLNG)

The Panellist assessment is basis a laden voyage from a load port to a discharge port. The Index published by the Baltic is a **round voyage**, being a laden and repositioning leg (usually delivering and redelivering at the same port)

Panellist assessment:

Panellists submit a headline rate ($/day) plus a lumpsum. Assessment is basis delivery at the load port for a single trip to the discharge port. The lumpsum is based on the compensation to the Ship Owner for costs related to positioning or repositioning the vessel. In a fixture negotiation, the agreed lumpsum amount can be greater or less than actual positioning costs incurred by a vessel.

The lumpsum value provided by the Panellists reflects the current market at the time of assessment, e.g. if the market is firm (as in mid-Nov 2018), the lumpsum might represent more than the 100% of fuel and time required repositioning the vessel from discharge port back to load port, or a further repositioning port/place. Other times it might be representing 50% of the fuel costs only.

The rate submitted by the Panellist is the daily hire and the lumpsum including 1.25% commission on the basis Arrival load port and redelivery discharge port. Any variance from the delivery or redelivery ports for a reported fixture would be taken into account when assessing the Baltic voyage.

Round Voyage calculation

Total gross income less the cost of repositioning the vessel from the discharge port back to the load port divided by the total time taken

$$\boldsymbol{Round\ Voyage\ Daily\ Hire} = \frac{(\$\boldsymbol{pd} \times \boldsymbol{VDays} + \boldsymbol{LSum}) - \boldsymbol{Repos}}{\boldsymbol{TotalVoyDur}}$$

$pd	The gross daily hire assessment provided by the Panellist
VDays	$LDays + PDays$
LSum	The gross lumpsum assessment provided by the Panellists
Repos	$(RepDays \times Cons \times FuelPrice) + CanalCost$
TotalVoyDur	$Ldays + RepDays + Pdays + WDays$
LDays	$\frac{Ldist \times (1 + Smargin)}{LSpeed * 24}$
Cons	The quantity of fuel consumed on a daily (24hours) in ballast as described in the vessel description, see appendix 2
FuelPrice	IFO: Price of marine fuel on the day of publication. Prices supplied by Prosmar (acquired by Zero North). LNG: As published by the Baltic Exchange. Being the forward Delivered Ex Ship (DES) LNG price at discharge area, see appendix 2. Prices derived from forward LNG prices provided by broker assessments of DES prices.
CanalCost	The cost of transiting the Panama Canal
RepDays	$\frac{Bdist \times (1 + SMargin)}{(BSpeed * 24)}$
PDays	Time spent at load and discharge port
WDays	Time allowance for waiting at the Panama canal
Ldist	Distance from the load port to the discharge port as provided by AtoBviaC distance tables
LSpeed	The speed that the vessel sails laden as described in the vessel description
SMargin	6% weather allowance
24	24 hours in a day

Bdist	Distance from the Discharge port back to the load port, or the port defined in Appendix 2 route description
Bspeed	The speed that the vessel sails in ballast as described in the vessel description

3 Headline Indices

The Baltic publishes a variety of calculated Indices where the unit of measurement is an Index number. These composite indices are typically associated to an Index family and are calculated using some, or all the indices belonging to the Index family.

a. Headline indices (*HLAINDEX*) are derived using the same contributing routes as Timecharter Averages (*TCA*) a Multiplier (*M*) applied.

$$HLAINDEX = RoundedSum\big(Routes(n1 \text{ x } w1 \text{ x } \boldsymbol{M}..n)\big)$$

Where the weighting (w) is the value[9] allocated to a route contributing to the TCA. The multiplier started as 1.0 and is recalculated at the time of change, usually brought about by a major change to an underlying route(s) or vessel description.

When there is a major change a new multiplier is derived from the daily relationship between the current Headline index (*HLAINDEX*) and the new TCA (*NewTCA*) over a dual reporting period[10].

$$Multiplier = RoundedAverage\left(\sum_{i=1}^{d} \frac{HLAINDEX}{NewTCA}\ i\right)$$

The *HLAINDEX* is calculated using the same contributing routes as the new *TCA* and the new multiplier.

b. Headline indices (*HLINDEX*) not derived from *TCA* are calculated using routes selected by the Baltic with a multiplier applied.

$$HLINDEX = RoundedSum(Routes(n1 \text{ x } w1..n) \times Multiplier$$

Where the weighting (w) is the value[11] allocated to a route by the Baltic.

When there is a change to the composition of the Headline index a new multiplier is derived from the daily relationship between the current Headline index and the new weighted routes over the period set by the Baltic.

$$Differential = RoundedAverage\left(\sum_{i=1}^{d} \frac{HLINDEX}{Sum\big(ROUTES(n1 \text{ x } w1..n)\big)}\ i\right)$$

The *HLINDEX* is calculated using the new contributing routes and the new multiplier.

c. *Headline indices (HLINDEX) not derived from TCA as described in 3(b), published in the UK* may have contributing routes assessed by panellists not based in the UK. Where there is non-publication of a contributing route or routes due to local working practices or holidays, then the HLINDEX will be calculated using the previous published assessments for that route(s).

[9] TCA weighting values see Appendix 2
[10] Section 5 *Benchmark Change and Cessation*
[11] Weighting values see Appendix 2

APPENDIX°4

General Guidance to Panellists

Panellists are reminded that the elected port or ports for load or discharge in the route description must be the ones on which they base their assessments. This is particularly important when for whatever reason freight premiums are obtained over and above other ports in the area.

1) TIMECHARTER

a) Trading areas: All routes are as "always afloat within International Navigation Limits (I.N.L)".

b) Cargo and trading exclusions: Whilst no specific cargo and trading exclusions are included in route descriptions, Panellists will be aware of market norms at any time. Where fixtures have been concluded at rates which may appear to be particularly high (or low) because exceptional flexibility has been given to charterers (or exceptions restrictions imposed on them), Panellists will use their Expert Judgement to make appropriate adjustments.

c) Delivery Amsterdam-Rotterdam-Antwerp range or passing Passero: Panellists should note that ships fixed with delivery west of Cape Passero up to, but not including, Antwerp have not delivered in accordance with the route description. These positions are often more favourable to charterers as they are closer to most load ports. Panellists are expected to take this into account in adjusting fixtures to index terms.

d) Delivery Skaw-Passero: this covers both Mediterranean and Continent markets. There will inevitably be fluctuations in the relative strengths between these areas and when this occurs Panellists are expected to average their returns to reflect the overall value within the delivery range.

2) VOYAGE

a) Disbursements. Panellists should report on the basis of normal port disbursements at load and discharge ports. This figure is subject to periodic review by the Baltic and is usually guided by the underlying annual contracts of affreightment (COAs) contracted by the shippers/receivers.

b) Worldscale assessment: Panellists are required to report their assessments according to the current Worldscale rates prevailing up to the last reporting day of the year. Thereafter the next year's Worldscale rates will apply.

c) Load and discharge ports: Panellists are reminded that assessments should be normalised to reflect the port or ports for load or discharge in the route description.

3) OPERATING COSTS (OPEX)

a) Crewing Costs. Panellists should base their assessment on covering ITF requirement, and representative nationality to be Indian or Eastern European officers, ratings from the Philippines. No cadets, in-lieu training contribution embedded in crew cost.

b) Insurance. Panellists to include Hull & Machinery, Protection and Indemnity, NI, Standard War Risks (no breach IWL, Additional War Risks or HRA), FD&D. These should be based on International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks coveredPanellists should report on the basis of normal port disbursements at load and discharge ports. This figure is subject to periodic review by the Baltic and is usually guided by the underlying annual contracts.

c) Lubeoil and spares. Panellists to include lubeoil and spares under Technical basis 380 CST marine fuel oil or fuel compliant with MARPOL specifications at any time.

d) Hull & Machinery: Deductibles for H&M to be $150k, with one $30k incident every 5 years prorated into the Insurance OPEX daily figure. H&M value per current Baltic S&P.

e) Crew Deductibles. Decutables for Crew to be $8k, with one instance every 2 years prorated into the Insurance OpEx daily figure; one other claim (FFO, cargo, fines) $10k every 2 years also in insurance OpEx daily figure.

f) Capesize operating parameters
   i) ITF flag, standard to maintain Rightship 3-star minimum, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program, Owner's inventory for light intermediary hold cleaning only. Managers' fees included in costs.
   ii) Trading worldwide, 65% in Pacific/Indian, 35% in Atlantic
   iii) 60% days at sea, 40% in port, half of which in tropical waters.
   iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price, hold coating at N American grain standard
   v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time 380 CST marine fuel oil or fuel compliant with MARPOL specifications at any time
   vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

g) Panamax operating parameters
   i) ITF flag, standard to maintain Rightship 3-star minimum, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program, Owner's inventory for light intermediary hold cleaning only. Managers' fees included in costs.
   ii) Trading worldwide, 65% in Pacific/Indian, 35% in Atlantic
   iii) 60% days at sea, 40% in port, half of which in tropical waters.
   iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price, hold coating at N American grain standard
   v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time 380 CST marine fuel oil or fuel compliant with MARPOL specifications at any time
   vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

h) Supramax operating parameters
   i) ITF flag, standard to maintain Rightship 3-star minimum, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program, Owner's inventory for light intermediary hold cleaning only. Managers' fees included in costs.
   ii) Trading worldwide, 60% in Pacific/Indian, 40% in Atlantic
   iii) 60% days at sea, 40% in port, half of which in tropical waters.
   iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price, hold coating at N American grain standard
   v) 380 CST marine fuel oil or fuel compliant with MARPOL specifications at any time
   vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

i) Handysize operating parameters
   i) ITF flag, standard to maintain Rightship 3-star minimum, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program, Owner's inventory for light intermediary hold cleaning only. Managers' fees included in costs.
   ii) Trading worldwide, 50% in F East-SE Asia, 50% in Atlantic
   iii) 70% days at sea, 30% in port, half of which in tropical waters.
   iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price
   v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time
   vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

j) Dirty tanker operating parameters

   i) ITF flag, standard to maintain full OCIMF SIRE vetting, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program. Managers' fees included in costs.
   ii) Trading worldwide, including US

iii) 70% days at sea, 30% in port
iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price
v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time
vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

k) Clean tanker operating parameters

i) ITF flag, standard to maintain full OCIMF SIRE vetting, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program. Managers' fees included in costs.
ii) Trading worldwide, including US
iii) 70% days at sea, 30% in port
iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price
v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time
vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

l) LPG carrier operating parameters

i) ITF flag, standard to maintain full OCIMF vetting, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program. Managers' fees included in costs.
ii) Trading worldwide, including US
iii) 70% days at sea, 30% in port
iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price
v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time
vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

m) LNG carrier operating parameters

i) ITF flag, standard to maintain full OCIMF vetting, US/Australia Visa costs not covered; drug and alcohol testing program, bunker quality testing program. Managers' fees included in costs.
ii) Trading worldwide, including US
iii) 70% days at sea, 30% in port
iv) Vessel on 5-year DD regime otherwise IWS, well-maintained steel and coating, being maintained to retain sale price
v) 380 CST fuel oil or equivalent compliant with MARPOL specifications at any time
vi) International Group P&I, 1st class H&M, IACS. No breaches of IWL or Additional War Risks covered.

4) ASSETS (SALE AND PURCHASE, RECYCLING, NEWBUILDING)

a) Panellists should base their assessment on the current value of the defined vessels (Appendix no. 2, Sections 9 and 10) at the time of assessment. This should be on standard sale and purchase terms (for example 10/90 or 20/80 NSF, Nippon or Singapore Sales Forms), with 'prompt' charter free delivery, defined as within 2-3 months from index date.

b) When assessing vessels that are close to index type in terms of age or deadweight Panellists should use their expert judgment to make appropriate adjustments.

c) All standard Baltic vessels for sale and purchase assessments are described as built to a European standard at a Japanese yard. Where vessels are built elsewhere (South Korea, China for example) then Panellists should use their expert judgment to adjust accordingly.

d) Where vessels have high or extra specifications (scrubbers, BWTS, Ice class etc) then Panellists should adjust to a standard specification.

e) If a market sale is being referenced that has a forward delivery, or employment attached then Panellists should make appropriate adjustments to relate to the vessel description in making their assessment.

f) For recycling assessments Panellist should base their assessment on the relevant lightweights, noting vessel specifications and features such as stainless steel, and taking into account the delivery laycan as defined as delivery 15-30 days from index date.

g) Delivery for recycling vessels should be ‘under own power’ and delivery at India, Bangladesh or Pakistan. Where vessels are delivered ‘as is’ in Singapore for example then Panellists should use their expert judgement to make appropriate adjustments.

h) The Panellist is not being asked to assess on a ‘next done’ basis, the assessments should represents the panellist’s professional judgement at the time of the assessment given the prevailing market conditions.

APPENDIX°5

Forward Curve Specifications

1 Baltic Forward Assessments Capesize

Short Code	Unit	Short Description	Long Description
C5TC-FFA	$/pd	BFA of C5TC futures contract	C5TC-FFA Forward assessment of futures contract settling on C5TC. Settlement period(s) Month
C3-FFA	$/pt	BFA of C3 futures contract	C3-FFA Forward assessment of futures contract settling on C3. Settlement period(s) Month
C5-FFA	$/pt	BFA of C5 futures contract	C5-FFA Forward assessment of futures contract settling on C5. Settlement period(s) Month
C7-FFA	$/pt	BFA of C7 futures contract	C7-FFA Forward assessment of futures contract settling on C7. Settlement period(s) Month
C5TC-OPT	Vol %	BFA of C5TC options contract	C5TC-OPT Forward assessment of options contract settling on C5TC. Settlement period(s) Month

Settlement Index	C5TC	C3	C5	C7	C5	C5TC
Settlement Unit	$/pd	$/pt	$/pt	$/pt	Vol %	Vol %
Contract	Future	Future	Future	Future	Option	Option
Settlement Basis	Month	Month	Month	Month	Month	Month
Curmon	✔	✔	✔	✔	✔	✔
+1Mon	✔	✔	✔	✔	✔	✔
+2Mon	✔	✔	✔	✔	✔	✔
+3Mon	✔	✔	✔	✔		
+4Mon	✔	✔	✔	✔		
+5Mon	✔	✔	✔	✔		
CurQ	✔	✔	✔	✔		
+1Q	✔	✔	✔	✔	✔	✔
+2Q	✔	✔	✔	✔	✔	✔
+3Q	✔	✔	✔	✔	✔	✔
+4Q	✔	✔	✔	✔		
+5Q	✔	✔	✔	✔		
+6Q	✔	✔	✔	✔		
+1Cal	✔	✔	✔	✔	✔	✔
+2Cal	✔	✔		✔		✔
+3Cal	✔	✔		✔		✔
+4Cal	✔			✔		✔
+5Cal	✔			✔		
+6Cal	✔					
+7Cal	✔					

2 Baltic Forward Assessments Panamax

Short Code	Unit	Short Description	Long Description
P5TC-FFA	$/pd	BFA of P5TC futures contract	P5TC-FFA Forward assessment of futures contract settling on P5TC. Settlement period(s) Month
P6-FFA	$/pd	BFA of P6 futures contract	P6-FFA Forward assessment of futures contract settling on P6. Settlement period(s) Month
P8-FFA	$/pd	BFA of P8 futures contract	P8-FFA Forward assessment of futures contract settling on P8. Settlement period(s) Month
P4TC-FFA	$/pd	BFA of P4TC futures contract	Derived value: 'P5TC-FFA'-1,336
P1A_03-FFA	$/pt	BFA of P1A_03 futures contract	Derived value: 'P1A_82'-1,284
P2A_03-FFA	$/pt	BFA of P2A_03 futures contract	Derived value: 'P2A_82'-1,489
P3A_03-FFA	$/pt	BFA of P3A_03 futures contract	Derived value: 'P3A_82'-1,302
P1EA_03-FFA	$/pt	BFA of P1A_03 futures contract	Derived value: 'P1EA_82'-1,284
P2EA_03-FFA	$/pt	BFA of P2A_03 futures contract	Derived value: 'P2EA_82'-1,489
P3EA_03-FFA	$/pt	BFA of P3A_03 futures contract	Derived value: 'P3EA_82'-1,302
P1A_82-FFA	$/pd	BFA of P1A_82 futures contract	P1A_82-FFA Forward assessment of futures contract settling on P1A_82. Settlement period(s) Last 7 Days
P2A_82-FFA	$/pd	BFA of P2A_82 futures contract	P2A_82-FFA Forward assessment of futures contract settling on P2A_82. Settlement period(s) Last 7 Days
P3A_82-FFA	$/pd	BFA of P3A_82 futures contract	P3A_82-FFA Forward assessment of futures contract settling on P3A_82. Settlement period(s) Last 7 Days
P1EA_82-FFA	$/pd	BFA of P1A_82 futures contract	P1EA_82-FFA Forward assessment of futures contract settling on P1A_82. Settlement period(s) Month
P2EA_82-FFA	$/pd	BFA of P2A_82 futures contract	P2EA_82-FFA Forward assessment of futures contract settling on P2A_82. Settlement period(s) Month
P3EA_82-FFA	$/pd	BFA of P3A_82 futures contract	P3EA_82-FFA Forward assessment of futures contract settling on P3A_82. Settlement period(s) Month

Settlement Index	P1A_03	P2A_03	P3A_03	P1A_03	P2A_03	P3A_03	P5TC	P4TC
Settlement Unit	$/pt	$/pt	$/pt	$/pt	$/pt	$/pt	$/pd	$/pd
Contract	Future	Future	Future	Future	Future	Future	Option	Option
Settlement Basis	Month	Month	Month	Last 7 days	Last 7 days	Last 7 days	Month	Month
Curmon	✔	✔	✔	✔	✔	✔	✔	✔
+1Mon	✔	✔	✔	✔	✔	✔	✔	✔

+2Mon	✔	✔	✔	✔	✔	✔	✔	✔
+3Mon	✔	✔	✔	✔	✔	✔		
+4Mon	✔	✔	✔	✔	✔	✔		
+5Mon	✔	✔	✔	✔	✔	✔		
CurQ								
+1Q	✔	✔	✔	✔	✔	✔	✔	✔
+2Q	✔	✔	✔	✔	✔	✔	✔	✔
+3Q	✔	✔	✔	✔	✔	✔	✔	✔
+4Q	✔	✔	✔	✔	✔	✔	✔	✔
+5Q								
+6Q								
+1Cal	✔	✔	✔	✔	✔	✔	✔	✔
+2Cal	✔	✔	✔	✔	✔	✔	✔	✔
+3Cal	✔	✔	✔	✔	✔	✔	✔	✔
+4Cal							✔	✔
+5Cal								
+6Cal								
+7Cal								

3 Baltic Forward Assessments Supramax

Short Code	Unit	Short Description	Long Description
S10TC-FFA	$/pd	BFA of S10TC futures contract	S10TC-FFA Forward assessment of futures contract settling on S10TC. Settlement period(s) Month
S11TC-FFA	$/pd	BFA of S11TC futures contract	S11TC-FFA Forward assessment of futures contract settling on S11TC. Settlement period(s) Month
S10TC-OPT	Vol %	BFA of S10TC options contract	S10TC-OPT Forward assessment of options contract settling on S10TC. Settlement period(s) Month

Settlement Index	S10TC	S6TC	S10TC
Settlement Unit	$/pd	$/pd	Vol %
Contract	Future	Future	Option
Settlement Basis	Month	Month	Month
Curmon	✔		✔
+1Mon	✔		✔
+2Mon	✔		✔
+3Mon	✔		
+4Mon	✔		
+5Mon	✔		

CurQ			
+1Q	✔		✔
+2Q	✔		✔
+3Q	✔		✔
+4Q	✔		✔
+5Q			
+6Q			
+1Cal	✔		✔
+2Cal	✔		✔
+3Cal	✔		✔
+4Cal	✔		✔
+5Cal	✔		
+6Cal	✔		
+7Cal	✔		

4 Baltic Forward Assessments Handysize

Short Code	Unit	Short Description	Long Description
HS7TC-FFA	$/pd	BFA of HS7TC futures contract	HS7TC-FFA Forward assessment of futures contract settling on HS7TC. Settlement period(s) Month

Settlement Index	HS7TC
Settlement Unit	$/pd
Contract	Future
Settlement Basis	Month
Curmon	✔
+1Mon	✔
+2Mon	✔
+3Mon	✔
+4Mon	✔
+5Mon	✔
CurQ	
+1Q	✔
+2Q	✔
+3Q	✔
+4Q	✔
+5Q	
+6Q	
+1Cal	✔
+2Cal	✔
+3Cal	✔

+4Cal	✔
+5Cal	✔
+6Cal	✔
+7Cal	✔

5 Baltic Forward Assessments Dirty Tanker

Short Code	Unit	Short Description	Long Description
TD3$-FFA	$/mt	BFA of TD3C futures contract	TD3C-FFA Forward assessment of futures contract settling on TD3C. Settlement period(s) Month
TD7$-FFA	$/mt	BFA of TD7 futures contract	TD7-FFA Forward assessment of futures contract settling on TD7. Settlement period(s)Month
TD8$-FFA	$/mt	BFA of TD8 futures contract	TD8-FFA Forward assessment of futures contract settling on TD8. Settlement period(s) Month
TD19$-FFA	$/mt	BFA of TD19 futures contract	TD19-FFA Forward assessment of futures contract settling on TD19. Settlement period(s) Month
TD20$-FFA	$/mt	BFA of TD20 futures contract	TD20-FFA Forward assessment of futures contract settling on TD20. Settlement period(s) Month
TD22$-FFA	$/mt	BFA of TD22 futures contract	TD22-FFA Forward assessment of futures contract settling on TD22. Settlement period(s) Month
TD25$-FFA	$/mt	BFA of TD25 futures contract	TD25-FFA Forward assessment of futures contract settling on TD25. Settlement period(s) Month

Settlement Index	TD3C	TD7	TD8	TD19	TD20	TD22	TD25
Settlement Unit	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt
Contract	Future	Future	Future	Future	Future	Future	Future
Settlement Basis	Month	Month	Month	Month	Month	Month	Month
+2Week	✔	✔	✔	✔	✔		✔
+3Week	✔	✔	✔	✔	✔		✔
+4Week	✔	✔	✔	✔	✔		✔
+5Week	✔	✔	✔	✔	✔		✔
+6Week	✔	✔	✔	✔	✔		✔
Balmo	✔	✔	✔	✔	✔	✔	✔
Curmon	✔	✔	✔	✔	✔	✔	✔
+1Mon	✔	✔	✔	✔	✔	✔	✔
+2Mon	✔	✔	✔	✔	✔	✔	✔
+3Mon	✔	✔	✔	✔	✔	✔	✔
+4Mon	✔	✔	✔	✔	✔	✔	✔
+5Mon	✔	✔	✔	✔	✔	✔	✔
CurQ	✔	✔	✔	✔	✔	✔	✔

+1Q	✔	✔	✔	✔	✔	✔	✔
+2Q	✔	✔	✔	✔	✔	✔	✔
+3Q	✔	✔	✔	✔	✔	✔	✔
+4Q	✔	✔	✔	✔	✔	✔	✔
+5Q	✔	✔	✔	✔	✔	✔	✔
+6Q							
+1Cal	✔	✔	✔	✔	✔	✔	✔
+2Cal	✔	✔	✔	✔	✔	✔	✔
+3Cal	✔				✔		
+4Cal	✔						

6 Baltic Forward Assessments Clean Tanker

Short Code	Unit	Short Description	Long Description
TC2_37$-FFA	$/mt	BFA of TC2_37 futures contract	TC2_37-FFA Forward assessment of futures contract settling on TC2_37. Settlement period Month
TC5$-FFA	$/mt	BFA of TC5 futures contract	TC5-FFA Forward assessment of futures contract settling on TC5. Settlement period Month
TC6$-FFA	$/mt	BFA of TC6 futures contract	TC6-FFA Forward assessment of futures contract settling on TC6. Settlement period Month
TC7$-FFA	$/mt	BFA of TC7 futures contract	TC7-FFA Forward assessment of futures contract settling on TC7. Settlement period Month
TC11$-FFA	$/mt	BFA of TC11 futures contract	TC11-FFA Forward assessment of futures contract settling on TC11. Settlement period Month
TC12$-FFA	$/mt	BFA of TC12 futures contract	TC12-FFA Forward assessment of futures contract settling on TC12. Settlement period Month
TC14$-FFA	$/mt	BFA of TC14 futures contract	TC14-FFA Forward assessment of futures contract settling on TC14. Settlement period Month
TC15$-FFA	$/mt	BFA of TC15 futures contract	TC15-FFA Forward assessment of futures contract settling on TC15. Settlement period Month
TC17$-FFA	$/mt	BFA of TC17 futures contract	TC17-FFA Forward assessment of futures contract settling on TC17. Settlement period Month
TC18$-FFA	$/mt	BFA of TC18 futures contract	TC18-FFA Forward assessment of futures contract settling on TC18. Settlement period Month
TC20$-FFA	$/mt	BFA of TC20 futures contract	TC20-FFA Forward assessment of futures contract settling on TC20. Settlement period Month

Settlement Index	TC2_37	TC5	TC6	TC7	TC9	TC11	TC12	TC14	TC15	TC17
Settlement Unit	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt	$/mt

Contract	Future	Future								
Settlement Basis	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month
+2Week	✔	✔						✔		✔
+3Week	✔	✔						✔		✔
+4Week	✔	✔						✔		✔
+5Week	✔	✔						✔		✔
+6Week	✔	✔						✔		✔
Balmo	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Curmon	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+1Mon	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+2Mon	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+3Mon	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+4Mon	✔	✔	✔	✔	✔		✔	✔	✔	✔
+5Mon	✔	✔	✔	✔	✔		✔	✔	✔	✔
CurQ	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+1Q	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+2Q	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+3Q	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+4Q	✔	✔	✔	✔	✔		✔	✔	✔	✔
+5Q	✔	✔	✔	✔	✔		✔	✔	✔	✔
+6Q										
+1Cal	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+2Cal	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
+3Cal										
+4Cal										

Settlement Index	TC18	TC20
Settlement Unit	$/mt	$/mt
Contract		
Settlement Basis	Month	Month
+2Week		
+3Week		
+4Week		
+5Week		
+6Week		
Balmo	✔	✔
Curmon	✔	✔

7 Baltic Forward Assessments Gas

Short Code	Unit	Short Description	Long Description
BLNGg1-FFA	$/pd	BFA of BLNGg1 futures contract	BLNGg1-FFA Forward assessment of futures contract settling on BLNGg1. Settlement period(s) Month
BLNGg2-FFA	$/pd	BFA of BLNGg2 futures contract	BLNGg2-FFA Forward assessment of futures contract settling on BLNGg2. Settlement period(s) Month
BLNGg3-FFA	$/pd	BFA of BLNGg3 futures contract	BLNGg3-FFA Forward assessment of futures contract settling on BLNGg3. Settlement period(s) Month
BFA of BLNG1-174 futures contract	$/pd	BFA of BLNG1-174 futures contract	BFA of BLNG1-174 futures contract Forward assessment of futures contract settling on BLNG1-174. Settlement period(s) Month
BLNG2-174-FFA	$/pd	BFA of BLNG2-174 futures contract	BLNG2-174-FFA Forward assessment of futures contract settling on BLNG2-174. Settlement period(s) Month
BLNGg3-174-FFA	$/pd	BFA of BLNGg3-174 futures contract	BLNGg3-174-FFA Forward assessment of futures contract settling on BLNGg3-174. Settlement period(s) Month
BLPG1-FFA	$/mt	BFA of BLPG1 futures contract	BLPG1-FFA Forward assessment of futures contract settling on BLPG1. Settlement period(s) Month
BLPG2-FFA	$/mt	BFA of BLPG2 futures contract	BLPG2-FFA Forward assessment of futures contract settling on BLPG2. D11Settlement period(s) Month
BLPG3-FFA	$/mt	BFA of BLPG3 futures contract	BLPG3-FFA Forward assessment of futures contract settling on BLPG3. Settlement period(s) Month

Settlement Index	BLNGg1	BLNGg2	BLNGg3	BLPG1	BLPG2	BLPG3
Settlement Unit	$/pd	$/pd	$/pd	$/mt	$/mt	$/mt
Contract	Future	Future	Future	Future	Future	Future
Settlement Basis	Month	Month	Month	Month	Month	Month
Curmon	✔	✔	✔	✔	✔	✔
+1Mon	✔	✔	✔	✔	✔	✔
+2Mon	✔	✔	✔	✔	✔	✔
+3Mon	✔	✔	✔	✔	✔	✔
+4Mon	✔	✔	✔	✔	✔	✔
+5Mon	✔	✔	✔	✔	✔	✔
+6Mon						
CurQ	✔	✔	✔	✔	✔	✔
+1Q	✔	✔	✔	✔	✔	✔
+2Q	✔	✔	✔	✔	✔	✔
+3Q	✔	✔	✔	✔	✔	✔
+4Q	✔	✔	✔	✔	✔	✔
+5Q	✔	✔	✔	✔	✔	✔

+6Q						
+1Cal	✔	✔	✔	✔	✔	✔
+2Cal	✔	✔	✔	✔	✔	✔

APPENDIX°6

Benchmark Business Continuity and Disaster Recovery Plan

1 Scope of the Benchmark Business Continuity and Disaster Recovery Plan (BCDRP)

1.1 The aim of the BCDRP is to set out a framework for the review, management and control to any disruption of BEISL's benchmark determination and administration process.

1.2 This BCDRP is designed to set out the BEISL's compliance pursuant to Article 6 of the BMR with regards to the submission made to the Benchmark Administrator and the Benchmark Administrator's benchmark determination process.

2 Business impact assessment

2.1 Any disruption to the benchmark determination process for BEISL should be considered as potentially critical to BEISL's business. Although one off disruptions of relatively short duration would not in themselves be fatal, prolonged or frequent interruptions to the proper functioning of the benchmark determination process will quickly lead to a loss of confidence in BEISL as an Administrator and could critically damage BEISL's business and reputation.

2.2 BEISL's physical and IT infrastructure is therefore designed to ensure that disruptions to the operation of BEISL are extremely rare and that if a disruption does occur, arrangements are in place to enable BEISL to resume with a minimum of delay.

2.3 Disruption to BEISL's benchmark determination process could be caused by one of three types of problems relating to:

2.3.1. IT software;

2.3.2. IT hardware; and

2.3.3. The physical operation of BEISL business due to an incident such as flooding, fire, burglary, acts of terrorism, civil unrest, epidemic disease, cyber-attack, a loss of power, loss of communications or unscheduled absence of employees.

2.4 IT software and IT hardware problems are likely to affect the ability of all BEISL staff and BEISL Panellists to access the BDP and would therefore be likely to cause a disruption to Panellist's Contribution of Input Data and BEISL's benchmark determination process. On the other hand, a problem affecting the physical operation of BEISL's business would not necessarily prevent BEISL from obtaining Panellist's Contribution of Input Data as long as Baltic Employees are trained and equipped with the resources to carry out the business function via alternative methods.

2.5 BEISL's Recovery Point Objective (RPO) in the event of a disruption to its business is for all data to be recoverable and Panellist Contribution of Input Data to be obtainable while BEISL's Recovery Time Objective (RTO) is the shortest amount of time required for BEISL's business to be able to be resumed but is dependent on the type and severity of the relevant problem causing the disruption as set out below.

3 IT Software defects

3.1 The BDP system software that underpins the Panellist's Contribution of Input Data process, overall management of benchmark and benchmark determination is provided by a third-party Provider.

3.2 If a serious disruption to BEISL business were to arise because of a suspected software defect, BEISL shall immediately inform the Provider of the problem. The Provider will then immediately start problem identification and will use reasonable endeavours to deliver a system recovery workaround in a timely fashion.

3.3 Less critical software related problems and any local failure which does not cause an immediate disruption to BEISL shall not affect the benchmark determination process. Baltic Employees shall be able to access the BDP from home or new premises without interruption.

3.4 In the event of an unrecoverable failure of the system software, BEISL shall maintain Excel spreadsheets which shall be available in-house and remotely, as part of the company's office systems provision and shall be used to record Contribution of Input Data provided by Panellists over the telephone. The Senior Assessor shall maintain the master spreadsheets and ensure that these are up to date with regards to the Contribution of Input Data provided by Panellists, reporting routes, multipliers, calculations and any relevant changes to the benchmark methodology. The excel spreadsheets shall be backed up and recoverable as part of the BEISL's security and backup.

4 IT Hardware defects

4.1 The hardware infrastructure for the hosting of BDP is provided by AWS in ISO 27001 compliant data centres.

5 Web server security and failover procedures

5.1 All web systems are also protected by Intrusion Prevention which scan inbound requests for known malicious signatures. Any such requests matched will result in the sender being added to the real time blacklist blocking tables.

5.2 Daily BEISL system backups shall be transferred to redundant storage and the “live” site is regularly ‘synced’ to backup the failover server.

5.3 Electronic data storage:

5.3.1. All data related to BEISL’s benchmark determination process is stored in the MongoDB database in compliance with its record keeping obligations. In the event of a failover, there should be, at most, minimal loss of data.

5.3.2. Should there be any reported loss of Input Data by Panellists at the moment of failover, this shall be discovered through reconciliation by BEISL staff, monitoring the Panellist's Contribution Input Data.

6 Internet connectivity defects

6.1 BEISL's access to office systems use servers hosted by the Baltic Exchange on a cloud-based platform.

7 Actions to be taken in response to an incident

7.1 Disruption to BEISL's benchmark determination process caused by an IT software or hardware problem

7.1.1. The following actions are to be taken in the event of a disruption to BEISL's benchmark determination process caused by an IT software or hardware problem:

(1) An Assessor or the Senior Assessor must immediately alert the Chief Information Officer, IT Manager and or its delegates along with a Senior Manager. At least one Senior Manager shall be contactable at all times.

(2) The Chief Information Officer and IT Manager or its delegates must immediately liaise with the Provider about the incident, provide adequate information about the issue in question, obtain any further information from the Provider regarding the cause of the disruption, an estimated timeframe for its resolution and agree the necessary response.

(3) The Baltic shall determine whether if it is a serious incident and necessary to contact and inform the FCA and, if appropriate, coordinate a suitable response.

(4) The Chief Information Officer, IT Manager, a Senior Manager or the Compliance Department must complete and record details of the incident and any actions that have been taken in respect of the incident (including details of who has been contacted and at what time) in the BEISL incident report form as provided in Schedule 1 of this BCDRP.

(5) The Assessors shall inform BEISL Panellists about the incident and provide an initial estimate of the likely duration of any disruption to the benchmark determination process. Where applicable, the Assessors shall follow the manual continuity process pursuant to Section 3 of this BCDRP.

(6) The Chief Information Officer, IT Manager or a Senior Manager shall issue a notice to inform customers of the Baltic about the incident and provide an initial estimate of the likely duration of any disruption to the benchmark determination process. Such notice shall be communicated to customers of the Baltic by email and the Baltic website or any other available means.

(7) The Chief Information Officer, IT Manager or its delegates will work with the Provider, as appropriate depending on the cause of the outage, to restore any disruption as quickly as possible and to provide updates to the Senior Managers and Baltic Employees of the likely duration of the outage.

(8) The Assessors shall provide updates to BEISL Panellists and the Baltic shall provide updates to its customers and, if appropriate to other third parties (such as the FCA).

7.2 BEISL offices inoperable:

Emergency evacuation

7.2.1. In the event of an emergency that requires BEISL's offices to be evacuated immediately, all Baltic Employees should leave the building in accordance with the Baltic's standard evacuation procedures. Subject to any instructions to the contrary from security personnel, in the event of an emergency evacuation during the benchmark determination process, the Assessors and Senior Assessor shall take with them their laptop computers and go to the nearest available designated alternative location to access the BDP as quickly as possible to resume the benchmark determination process.

7.2.2. The objective is to allow BEISL to remain operational during an emergency evacuation.

7.2.3. Where, following an emergency evacuation, it is impossible for the benchmark determination process to be resumed or manual continuity process to be implemented pursuant to Section 8 of this BCDRP, then a Senior Manager must arrange for the benchmark determination process to be halted.

7.2.4. If BEISL's offices become inoperable, whether due to an incident necessitating an emergency evacuation or otherwise, Baltic Employees must immediately ensure that a Senior Manager, Chief Information Officer or IT Manager and the Compliance Department have been alerted.

7.2.5. A Senior Manager or the Compliance Department shall be responsible for contacting the FCA to inform them of the incident and, if appropriate, coordinating a suitable response.

7.2.6. The Chief Information Officer, IT Manager, a Senior Manager or the Compliance Department must complete and record details of the incident and any actions that have been taken in respect of the incident (including details of who has been contacted and at what time) in the BEISL incident report form.

7.2.7. The Assessors shall inform BEISL Panellists about the incident and provide an initial estimate of the likely duration of any disruption to the benchmark determination process. Such communication shall be made by telephone or other available means.

7.2.8. A Senior Manager shall be responsible for issuing a notice to inform customers of the Baltic about the incident. Where relevant, the notice should provide an estimate of the likely duration of any disruption to the benchmark determination process. The notice shall be communicated to customers of the Baltic

via email and the Baltic website or by any other available means. Further updates to customers of the Baltic should be provided as needed.

8 Testing

8.1 The following testing will be carried out as detailed below:

Test	Involved Parties	Dependency	Frequency
Failover from a primary instance to a secondary instance of the services	Chief Information Officer and IT personnel	Out of working hours	6 monthly
Data Restoration: BDP Disaster Recovery	Chief Information Officer and IT personnel	Out of working hours	6 monthly
External security checks	Chief Information Officer and IT personnel	Out of working hours	Quarterly
Run manual continuity process	Chief Information Officer and IT personnel	Work Hours	Annually

8.2 The Chief Information Officer and IT personnel are jointly responsible for reviewing the results of testing of BDP and other BEISL IT systems, for identifying deficiencies in BEISL's procedures and for ensuring that remedial measures are implemented.

8.3 BEISL may introduce new systems functionality in respect of the BDP from time to time. As part of the development phase of any new systems functionality, BEISL will perform full regression testing using script-based scenarios.

9 Review of BEISL's BCDRP

9.1 The BCDRP is reviewed at least annually by the Chief Information Officer and Compliance Department and any recommended changes are brought to the attention of the Senior Managers and the BEISL Board. The BCDRP will also be reviewed following any incident which required the BCDRP to be invoked.

9.2 Baltic Employees, in particular the Assessors, undergo training and testing at least annually on the BCDRP.

Schedule 1 – BEISL Incident Report Form

The form below is a reflection of the information that is captured internally at the Baltic for incidents that directly/indirectly affect the benchmark determination process.

Date:	Time of Incident:
Detail description of incident/Root cause analysis/Incident Impact	
Action Taken: *Incident reported to whom within the Baltic?* *(provide details below)*	
Incident reported to Neural Alpha or any other third-party provider? *(provide details below)*	
Incident reported to customers of the Baltic and the Regulator? *(provide details below)*	
Details of 'Lessons Learnt'	

Any other comments *(provide details below)*	
Time incident resolved:	Name: *(state name of person completing this form)*

APPENDIX°7

Glossary

APS	means Arrival Pilot Station.
Administrator	means BEISL as the legal person that has control over the provision of a benchmark.
Administrator's Data	means the indices and aggregated route assessments published by the Administrator, from Relevant Data submitted by Panellists.
Assessor	means an assessor employed by BEISL whose services are placed at BEISL's disposal or under the control of BEISL, and who is responsible for applying a methodology or judgement to Input Data and other information to reach a conclusive assessment about the price of a certain commodity.
the Baltic	means Baltic Exchange Limited and all its subsidiaries.
Baltic Advisory Councils	means the advisory councils, comprised of a maximum of 12 members drawn from shipowners, traders, cargo interests, FFA participants and shipbroking companies, through which the Baltic Exchange Limited can engage with its membership and serve as a conduit through which the Baltic can discuss the development of the BEISL benchmarks and receive feedback to proposed changes and new products. Members are appointed by the Baltic Exchange from amongst its membership and serve on the council for a minimum of one year. The four advisory councils are the Baltic Asia Advisory Council Dry, Baltic Asia Advisory Council Wet, Baltic European Advisory Council Dry and Baltic European Advisory Council Wet. They each meet a minimum of three times a year.
Baltic Code	means the code of business practice which ensures that best market practice is observed and forms the ethical foundation of the Baltic. On election to membership, all members undertake to observe the provisions of the code.
Baltic Employees	means employees of BEISL and the Baltic.
Baltic Exchange	means the Baltic Exchange Limited.
Baltic Forward Assessments	means end of day assessments of prices and/or volatilities for the FFA and options markets provided by BEISL in order to support the shipping derivatives market and a mark to market or fair value disclosure calculation by market participants.
BCDRP	means the Business Continuity and Disaster Recovery Plan set out in **Appendix 6.**
BDP	means the Baltic data platform, the bespoke web application used by BEISL to receive benchmark submissions from Panellists.
BEISL	means Baltic Exchange Information Services Limited.
BIC	means the Baltic Index Council.

BMR	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
CCP	means a Central Counterparty as defined in Article 2(1) of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
CEO	means the Chief Executive Officer of the Baltic Exchange.
Complainant	means a Baltic Exchange member, Panellist, benchmark user, market participant or other party raising Complaints.
Complaints	means an informal comment or formal complaint made by a Complainant.
Contribution of Input Data	means providing any Input Data not readily available to an Administrator, or to another person for the purposes of passing to an Administrator that is required in connection with the determination of a benchmark, and is provided for that purpose.
Expert Judgement	means the exercise of discretion by the Panellist and/ or Assessor with respect to the use of data in determining a benchmark or index production, including extrapolating values from prior or related transactions, adjusting values for factors that might influence the quality of data such as market events and weighting firms bids or offers greater than a particular concluded transaction.
FCA	means the Financial Conduct Authority.
FFA	means Forward Freight Agreement.
FFABA	means the Forward Freight Agreement Brokers' Association.
Input Data	data in respect of the value of one or more underlying assets, or prices, including estimated prices, quotes, committed quotes or other values, used by BEISL to determine a benchmark.
IOSCO	The International Organisation of Securities Commission.
IOSCO PFBs	means the International Organisation of Securities Commissions Principles for Financial Benchmarks.
Manual	means the Baltic's *Manual for Panellists*; the predecessor to the Guide to Market Benchmarks.
MAR	means Regulation (EU) No 596/2014 on market abuse (market abuse regulation).
Market Representatives	has the meaning given to it in Section 2.3.3
Panellist	has the meaning given to it in Section 7.1.1 A Panellist is regarded as a 'Contributor' as defined by Article 3(1)(9) BMR.

Panellist Agreement	means the agreement made between a Panellist and BEISL, whereby a Panellist has agreed to provide Relevant Data to BEISL, which BEISL will be authorised to use for the Relevant Purpose.
Provider	means Neural Alpha Ltd or any successor vendor and Calm Ray.
Record(s)	refers to BEISL work, papers, files, documents, communication and data in any form, whether in electronic, printed, in the form of video, audio or other media or any other mode of capturing BEISL benchmark information.
Regulator	means the FCA or any successor regulator.
Relevant Data	means any assessments (including route assessments, sale and purchase assessments, recycling assessments and forward assessments provided by the Panellist to BEISL for the Relevant Purpose and as further defined in the Panellist Agreement.
Relevant Purpose	means the compilation, publication, distribution, marketing and sale by BEISL, of the indices and aggregated route assessments published by BEISL.
RPP	has the meaning given to it in Section 13.3
Senior Assessor	means the senior assessor of BEISL whose services are placed at BEISL's disposal or under the control of BEISL, and who is responsible for applying a methodology or judgement to Input Data and other information to reach a conclusive assessment about the price of an underlying asset.
Senior Manager	means a senior manager as such term is defined in the FCA Handbook.
SGX	means Singapore Exchange Limited.
Submitter	means a natural person employed by the Panellist for the purpose of contributing Input Data as defined in the BMR.
Whistleblower	means Baltic Employees or any other individual making a whistleblowing claim.

Guide to Market Benchmarks

Copyright Baltic Exchange Information Services Ltd