Guide to Baltic Asia Indices

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Document History

Version	Action *(Amendment/update/new release)*	Author & Title *(Name of person responsible for action)*	Date *(Date of action)*	Comment
1.0	New Release	Abi Aluko- Head of Compliance	May 2023	
1.1	Amendment	Abi Aluko- Head of Compliance	Sept 2023	Update made by Mark Read to section 6.13.1
1.2	Amendment	Abi Aluko- Head of Compliance	Nov Dec 2023	- Addition of BSPA, BSRA and BOPEX and the publishing times into this guide under Appendix 2. - Added the Operating Costs (OPEX) under the General Guidance to Panellists in Appendix 4.
1.3	Amendment	Abi Aluko- Head of Compliance	June 2024	- Inclusion of the change and cessation policy into Section 4. - Minor format and numbering updates and updates to the titles given to the involved parties in Appendix 5 Section 8. - Correction of description used in LPG and LNG vessels under BOPEX: Basis the Baltic Standard LPG/LNG Vessel. - Removal of BNBI, BOPEX, BSRA and BSPA headline indices.
1.4	Update	Abi Aluko- Head of Compliance	September 2024	- Addition of Bunker Report and EUA Carbon Report to the appendix.

			December 2024	- EUA units changed from MT to € - Addition of $ Priced EUA Assessments

Preface

The Baltic Exchange Asia Pte. Ltd (**BEA**) Indices (the **BEA Indices**) are administered from Singapore and primarily focused on producing Indices that are of interest for, and provide transparency to, the Asia market.

This Guide reflects recent developments in the markets, and it ensures compliance with the **Principles for Financial Benchmarks** issued by the International Organisation of Securities Commissions (IOSCO).

The Baltic Exchange has thirty years of experience in the field of benchmark production and is the preeminent provider of global freight indices that are widely used as settlement mechanisms in derivatives and physical markets for billions of dollars' worth of ocean bulk freight transactions.

BEA as an index administrator ensures that the BEA Indices are produced in accordance with rules which ensure their accuracy, integrity, continuity and reliability. The Baltic has recognised the importance of all these aims from the inception of its activity in this field since 1985.

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1 Introduction to the Guide to Baltic Asia Indices

1.1 About the Baltic Exchange (Asia) Pte. Ltd.

1.1.1 The Baltic Exchange (Asia) Pte. Ltd. (**BEA**) is a wholly owned subsidiary of Baltic Exchange Limited, London (**BEL**) which in turn is a wholly owned subsidiary of the Singapore Exchange Limited (**SGX**). Apart from the administration of certain Baltic indices, it is responsible for driving business development activities for the Baltic in Asia including membership engagement and growth; and promoting services such as escrow, education and dispute resolution.

1.1.2 BEA publishes a wide range of market data on a daily and (in some cases) weekly basis. for this purpose, BEA licences from BEL the rights to make use of its brand name in the production and publication of the data. BEL is not directly involved in the production, management or distribution of the data and it is BEA which is herein documenting its processes. References to the Baltic refer to BEL and all its subsidiaries, including BEA.

1.1.3 BEA publishes a series of assessments of the prevailing market rate. Each individual assessment represents the combined (simple arithmetical average) view of Baltic Panellists (Submitters – see Section 6 of this document). Most of the individual route assessments are used as component parts in the formation of specific indices that are weighted averages. BEA is aware that some of its benchmarks and indices are routinely used by Baltic members and non-members in the shipping market and the wider financial community for managing risks in their day-to-day business, however, BEA cannot have any confidence it is aware of all of the uses to which its data is put.

1.2 About the Guide to BEA Indices

1.2.1 The Guide to BEA Indices is concerned with the process for the definition, determination, and management of BEA Indices.

1.2.2 The Guide to BEA Indices will be updated as required to reflect necessary changes to practice, including any regulatory changes and in accordance with Section 17.1.5 (*Review of the Guide to BEA Indices*).

2 Governance Structure

2.1 Overview of governance arrangements

2.1.1 BEA maintains robust governance arrangements to protect the integrity of the BEA indices and to address conflicts of interests. The management body is the BEA Board of Directors (the **BEA Board**).

2.1.2 The oversight function for the BEA Indices is exercised by the BEA Oversight Function, which is an independent committee composed of external industry participants who are not directly involved in provision of indices.

2.1.3 BEA governance arrangements for BEA Indices provision, including all relevant policies and procedures, are described in more detail in the following sections of the Guide to BEA Indices.

2.1.4 Terms of Reference and minutes for the BEA Board and BEA Oversight Function are available upon request.

2.2 The BEA Board

Role and responsibilities

2.2.1 The overall responsibility for all aspects of the administration of the BEA Indices belongs to the BEA Board.

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

(1) Set the definition of the BEA Indices and BEA Indices methodology;

(2) Ensure the determination of the BEA Indices in accordance with this Guide to BEA Indices;

(3) Oversee BEA management decision-making;

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

(i) Ensuring the timely compilation, publication and distribution of the BEA Indices; and

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

(5) Establishing credible and transparent governance, oversight and accountability procedures for BEA Indices.

Composition and decision-making

2.2.3 The BEA Board is composed of two directors. Its decision-making, rules of proceedings and procedures for appointment are set out in the BEA's Articles of Association.

2.3 BEA Oversight Function

Role and responsibilities

2.3.1 The IOSCO Principles for Financial Benchmarks require BEA to establish an oversight function. Such a function for BEA Indices is performed by the BEA Oversight Function. The BEA Oversight Function is responsible for reviewing and providing challenge on all aspects of the BEA Indices determination process. While undertaking its role the BEA Oversight Function is

cognizant of all the features and intended, expected or known usage of the BEA Indices and the materiality of existing or potential conflicts of interests identified.

2.3.2 The BEA Oversight Function Terms of Reference documenting the committee's selection criteria, process for election, nomination or removal and replacement of committee members, summary details of membership and summary process of proceedings of the committee is made available to stakeholders on the Baltic website. Any identified conflicts of interest of the BEA Oversight Function are declared on the Baltic website.

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

(1) Oversee the integrity of the BEA Indices determination and control framework, including by:

(i) Overseeing the management and operation of the BEA Indices, including activities related to index determination undertaken by a third party;

(ii) Considering the results of internal and external audits and following up on the implementation of remedial actions required; and

(iii) Overseeing any exercise of Expert Judgment by BEA and ensuring adherence to the published methodologies.

(2) Oversee the BEA Index design, including:

(i) Periodic review of the definition of the BEA Indices and their Methodologies;

(ii) Taking measures to remain informed about issues and risks to the BEA Indices, as well as commissioning external reviews of the BEA Indices (as appropriate);

(iii) Overseeing any changes to the BEA Indices methodology, including assessing whether the methodology continues to appropriately measure the underlying interest, reviewing proposed and implemented changes to the methodology, and authorising or requesting BEA to undertake a consultation with stakeholders on such changes to the methodology;

(iv) Reviewing and approving procedures for termination of the BEA Indices, including guidelines that set out how BEA should consult with stakeholders about such cessation.

(3) Oversee the submission process and review the panellist's performance in submitting Input Data, including by:

(i) Overseeing and reviewing the monitoring process of Input Data by BEA;

(ii) Reviewing the conduct and performance of Panellists;

(iii) Reviewing the effectiveness of arrangements addressing breaches of the Code of Conduct by Panellists; and

(iv) Reviewing measures to detect potential anomalous or suspicious submissions and report any discovery of suspicious activities to the relevant regulatory authorities.

Composition

2.3.3 The composition of the BEA Oversight Function shall be organised in a form of a committee, independent from the composition of the BEA Board. Members of the BEA Oversight Function cannot be involved in the provision of a BEA Indices, subject to oversight and/or any governance

arrangements concerning the BEA Indices and must maintain independence to ensure effective scrutiny of BEA.

2.4 Outsourcing arrangements

2.4.1 For the purpose of the BEA Indices determination process BEA outsources certain limited information technology functions and other functions to external or intragroup service providers. The identity and roles of any service providers who participate in the determination of the BEA Indices will be made available to stakeholders on request.

2.4.2 The relevant outsourcing arrangements allow BEA to maintain appropriate oversight of external service providers. Each outsourcing arrangement clearly defines the roles and obligations of the external or intragroup service providers and includes standards or service levels to which BEA monitors the service providers' adherence.

3 Overview of Indices Methodologies

3.1 Key elements of the BEA Indices methodology

3.1.1 BEA's index 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. In the case of Sale and Purchase and Recycling assessments, the judgement is of the current value of the defined vessel. All panels of Panellists for each BEA Index are an appropriately representative group of participants in the specific market or economic reality which the BEA Index intends to measure. See **Appendix 1** for assessment times and reporting windows.

3.1.2 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 BEA's route definitions. Where active markets exist, assessments 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.

3.1.3 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 BEA 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 6.6 and 6.7 below.

3.1.4 While the criteria set out in Sections 3.2 (*Index determination criteria*) and 3.3 (*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, BEA will adjust its methodologies to ensure that the index continues to represent the economic reality it intends to measure (see Section 4 (*Index Change and Cessation*) below).

3.2 Index determination criteria

3.2.1 The criteria for selecting routes for the purpose of index 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.

(2) **Transparency** - A reasonable volume[1] of accurately reported fixtures should be available.

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

3.3 Elements of methodology

3.3.1 **Baskets and geographical balance:** BEA 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

[1]Please note that what constitutes a "reasonable volume" will differ between BEA's different indices. 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.

composition of these rates aims to meet the needs of market participants, who are consulted on their design.

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

3.4 **Calculation of the indices**

General rules

3.4.1 As a general rule, the BEA Indices are 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. For exceptions to this general rule, please see the appendix applicable to each BEA Index.

3.4.2 BEA will not normally create an index where it is unable to (a) create a panel of at least three Panellists who are considered to meet the criteria set out in Section 7 (*Selection of Panellists*) below for appointment; or (b) the average annual trade pattern is equivalent to less than two vessel voyages per week.

3.4.3 BEA 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 BEA as to its competence and suitability;

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

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

3.4.4 For further information regarding the methodology for each BEA Index, please see the relevant Appendix for that BEA Index.

3.4.5 Composition of Panellists

(1) BEA will not normally create an index for any route where it is unable to create a panel of at least three Panellists who are considered to meet the criteria set out in Section 7 (Selection of Panellists) below for appointment. In the event that less than three Panellists are able to contribute Input Data towards a rate, BEA 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.

(2) For existing routes, BEA will not normally publish an index where less than two Panellists are able to contribute Input Data towards a rate.

3.5 **Index determination in periods of market stress**

3.5.1 In the event of a route having less than 3 panellists' assessments the following steps will be taken in sequence:

(1) If two panellists assess the route, then the assessments provided will be validated by the assessor using market information gathered in the day.

(2) The ZBEX number will contribute to the index and the result validated by the assessor.

3.5.2 Where the above waterfall method is initiated and market information is received directly from a Principal, BEA should seek to corroborate this information from another source, if possible, in order to verify the accuracy of such information.

3.6 Verification and Validation

3.6.1 In order to determine Input Data and to ensure the integrity and accuracy of Input Data prior to its inclusion in BEA Indices, 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.

4 Index Change and Cessation

4.1 Overview of index change and cessation

4.1.1 BEA must ensure the continued integrity of its BEA Indices. It is under an obligation to ensure the BEA Indices are a reliable representation of the economic realities they seek to measure and to eliminate factors that might result in a distortion of the value of an index. In doing so, it needs to take into the account the characteristics of the relevant physical shipping and shipping derivatives markets. It is a characteristic of the shipping marketplace that trade patterns change and develop over time, all of which are reflected in the BEA Index methodologies.

4.1.2 In respect of derivatives market, BEA 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.

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

4.1.4 Index cessation shall be the permanent discontinuation of the determination and administration of a BEA Index.

4.2 Internal review

4.2.1 The BEA Index methodologies are reviewed by the Senior Assessor on a periodic basis to ensure that they remain a reliable representation of the relevant market and economic reality it intends to measure. They are approved by the BEA Board.

4.2.2 When undertaking its internal review BEA shall consider a number of factors including, but not limited to:

(1) Market dynamics and the extent to which the BEA Index remains representative of the market which it intends to measure;

(2) The structure and liquidity of the market underlying each BEA Index;

(3) The size of the underlying market in relation to the volume of trading in the market that references the BEA Index;

(4) The market concentration, i.e. the distribution of trading among market participants; and

(5) The adequacy of the sample used to represent the market.

(6) The availability of sufficient Panellists to assess an index.

4.3 Index change and cessation procedure

4.3.1 When BEA determines that a BEA Index no longer is a reliable representation of the economic realities of the market it seeks to measure it will initiate the change and cessation procedure set out below giving due consideration to the particular BEA Index's use and the nature of the stakeholders:

(1) **Internal analysis and review –** A Senior Assessor shall carry out an analysis and consider the impact that could result from a change to or cessation of the BEA Index. The Senior Assessor will consult the BEA Oversight Function regarding whether the proposed change or cessation is deemed material. Where the proposed change or cessation does

not constitute a material change to the BEA Index methodology, BEA shall amend and publish the revised BEA Index methodology.

(2) **Consultations –** Where the proposed change is deemed material BEA may conduct consultations with stakeholders if deemed necessary. At the start of any consultation BEA will disclose the key elements of the methodology that would be affected by the proposed material change and a clear timeframe which gives sufficient opportunity to analyse and comment on the impact of such proposed material change.

(3) **Board approval –** Once a proposed material change has been agreed between BEA and the relevant stakeholders, the proposed change or cessation will be approved by the BEA Board.

(4) **Provision of adequate notice –** Where a consultation was not deemed necessary, or following any consultation, BEA shall inform the stakeholders of the implementation date of the proposed material change or cessation at least 30 days prior to an index being terminated. The consultation notice will detail the change or cessation and allow feedback from stakeholders.

(5) **Records –** Any comments received during a stakeholder consultation for index change and BEA's responses, shall be accessible after the consultation except where confidentiality has been requested by the entity originally providing comments.

(6) **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.

4.4 **Index methodology change: materiality**

4.4.1 BEA considers a material change to be to be a change which may result in a change to the published value or any other change deemed material as determined on a case-by-case basis.

4.4.2 BEA will consult the BEA Oversight Function as to whether a proposed change should be deemed to be material.

4.5 **Allocation of Responsibilities and Index Change or Cessation Procedure**

Roles and responsibilities

Upon encountering circumstances for a proposed material change to or cessation of its indices, BEA shall execute its responsibilities as outlined in Section 4.5.1 below.

4.5.1 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 index:

Role	Responsibilities
BEA (Senior Managers/ Compliance Department and Senior Assessor)	**<u>Analysis and investigation</u>** BEA shall carry out an analysis and consider the index usage, in the underlying markets and availability of data from Data Providers, contracts and financial instruments that reference the index. **<u>Consultations</u>** Upon completing the analysis, BEA shall carry out its consultations as set out in Section 4.3.1(2) above. **<u>Index change or cessation plan</u>** BEA shall submit an index change or cessation plan ("Plan"), including timelines and process for consulting relevant stakeholders, to the BEA Board for approval. **<u>Notification</u>** Once the approval of the proposed material change or cessation has been given by the Board, BEA Oversight Function will be informed about the proposed material change or Cessation of the index.
BEA Board	Review and approve the Plan submitted by BEA. Implement the proposed material change to or cessation of the index in accordance with the agreed Plan.
BEA Oversight Function	Review the process followed for the material index change or cessation of the index in accordance with this document and the Plan submitted by BEA to the BEA Board.

4.6 **Emergency BEA Index change, cessation or suspension**

4.6.1 It is possible that in extreme circumstances beyond the control of BEA, it becomes necessary to cease, change or even suspend a BEA Index 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 BEA Index, and impossible to source alternative remedial action.

4.7 **Timing and notice**

4.7.1 Any proposed timing and notice by BEA shall take into account the following:

If the change or cessation of an index is a regulatory requirement or the effect of any regulatory, legal or other provisions;

(i) The urgency, if any, of changing, ceasing or where appropriate, suspending an index;

(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.

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

4.7.3 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.

4.8 **External Engagement**

4.8.1 In the process of implementing an index change or cessation procedure, BEA shall take all reasonable steps to maintain open and transparent communication with all relevant stakeholders, including index users and Baltic members.

4.9 **Record Keeping**

4.9.1 BEA shall maintain relevant records of all changes or cessations made to a BEA Index. These include (but are not limited to), records relating to the reason for a material change, cessation, relevant discussions, meeting minutes, key communications and consultation points shall be retained for a minimum of five years.

4.9.2 BEA will make available a summary of any review where material revisions are made to a BEA Index, including the rationale for the revisions.

4.10 **Document review and approval**

4.10.1 BEA shall review its approach to BEA Index change and cessations on a periodic basis or whenever a material change to or cessation of a BEA Index is undertaken.

5 BEA Indices Restatement

5.1 Purpose

5.1.1 BEA is committed to providing BEA Indices that are of the highest quality, and reliable. However, BEA recognises that in some situations inaccuracies can arise that may warrant a restatement of a BEA Index. Such inaccuracies may be caused by events such as incorrect application of the methodology or the submission of erroneous Input Data by a Panellist.

5.2 Restatement Circumstances

5.2.1 In the instance a BEA Index is published with an inaccuracy, BEA shall review the impact on affected BEA Index values in determining whether to restate the BEA Index.

5.3 Restatement Action

5.3.1 The type of restatement action taken by BEA shall depend on the nature, scope and period of the BEA Index inaccuracy.

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

(1) Historical restatement of BEA Index level;

(2) Correction only to the BEA Index level going forward;

(3) Historical restatement and correction to BEA Index level going forward; or

(4) No restatement action taken.

5.3.3 Where necessary, BEA will publish a circular, providing the reason for the restatement action as set out in together with any relevant revised material.

5.4 Documentation and Audit Trail

5.4.1 All documents relating to BEA Indices restatements shall be retained for a minimum of five years.

6 Guidance for Panellists

6.1 The role of Panellists

6.1.1 The determination of the BEA Indices is reliant the submission of Input Data by Panellists. The integrity and accuracy of the BEA Indices determination process depends on the integrity and accuracy of the Input Data submitted by Panellists.

6.1.2 The contributions made by a Panellist relate to Input Data that is not readily available to BEA and the requirements imposed on the Panellist are intended to be consistent with BEA's methodology and the controls BEA 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 BEA Indices.

6.2 Panellist framework

6.2.1 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.

6.2.2 Panellist's participation in the index determination process includes the following:

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

(2) A Panellist shall provide their submissions of all Input 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 reliably represent the market and economic reality that the BEA Index intends to measure.

6.3 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 an index for reasons of misconduct.

(3) A Panellist shall provide appropriate training to any 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 Input Data submission process, and who provide internal sign off of Input Data contributions and post-contribution reviews.

6.4 **Transmission of Input Data**

6.4.1 BEA shall operate and provide its Panellists access to its own bespoke web application, BDP, in order to receive all Input Data contributions safely and securely. BEA 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.

6.5 **Panellist's systems and controls**

6.5.1 A Panellist shall ensure all Input Data is contributed to BEA in line with BEA's methodologies. 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 submission of Input Data.

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 Input Data contributions, including reviewing contributions with respect to their integrity and accuracy and ensuring multiple reviews of Input Data by senior staff. This shall include procedures to detect, evaluate, investigate and report suspicious input, behaviour or events, including intra-group transactions and to report without delay such anomalous or suspicious inputs to their internal compliance function, BEA and to any regulatory authority as may be appropriate;

(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 BEA Indices 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 Input Data to BEA provided by BEA's 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 BEA. In doing so, a Panellist shall ensure sufficient information to uphold an assessment is provided to BEA in order for BEA 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 BEA 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 BEA Index and (iv) following publication of the relevant BEA Index.

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 BEA, 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.

6.5.2 Anomalous or suspicious submissions:

(3) 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 and BEA or any other regulatory authority as may be appropriate.

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

(i) Suspected or potential manipulation of a BEA Index;

(ii) Manipulation of a BEA Index;

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

(5) A Panellist shall provide to BEA any supporting documentation and evidential information, and full details surrounding the suspicious Input Data, remedial action taken and progress of their implementation to BEA by email to be sent to compliance@balticexchange.com and balticbroker@balticexchange.com.

(6) 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.

6.6 Expert Judgement or use of discretion

6.6.1 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 as to the approach normally expected when they consider certain factors. Section 3 (*Overview of Indices Methodologies*) of this document provides the essential and overarching guidance to Panellists since it sets out the key principles followed by BEA in the determination of the BEA Indices.

6.6.2 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. 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 index vessel. When considering speed and consumption this will include the likely steaming speed and consumption of the 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 vessels balanced against cargo demand.

6.6.3 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 vessels** (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 vessels 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.

(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 vessels 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, 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 marketplaces 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.

6.6.4 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 vessel has waited for a fixture.

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

6.7 **Additional Guidance 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:

6.7.1 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 vessels 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.

6.7.2 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.

(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 vessel ballasted from and the probability of actually being able to conclude business at the timecharter equivalent rate. Similar principles apply when vessels 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.

6.7.3 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.

6.7.4 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 BEA vessel (in the case of timecharter) and BEA 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 Panellists are expected to be competent in voyage estimating.

6.8 **Duties of Panellists**

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

(1) Adhere to the Guide to BEA Indices annually and whenever a change to the Guide to BEA Indices has occurred, accept the rules and procedures included in the Guide to BEA Indices.

(2) Continue to satisfy BEA 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 representatives who are responsible to BEA for the performance of their firm's obligations as Panellists. Such persons shall have the expertise acceptable to BEA and will be replaced if reasonably required by BEA.

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

(6) An audit cycle which will take place every three years with a meeting with the Senior Assessor and/or Assessors for the purpose of reviewing the Input Data submission quality, accuracy and compliance with the Guide to BEA Indices. The audit will generally be classified into operational, staff capacity, quality of market assessment, and commercial viability.

(7) On request confirm to BEA's external auditor that the meeting set out at (6) has taken place.

(8) For the purposes of assessing suitability and competence of a firm to be a Panellist or to continue to be a Panellist, BEA 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 BEA 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.The ability of the Panellist firm to

meet these requirements forms a part of the three yearly audit visit by the Senior Assessor and/or Assessors, but the Panellist is required to notify BEA should it at any time consider that it may fail to meet these basic qualifications.

Criteria applicable to employees of Panellists authorised to contribute Input Data

6.8.2 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 route. The Panellist firm must notify BEA of the identity and seniority level of all employees who are authorised to contribute Input Data to BEA's Index administration process. Such employees should have an appropriate level of seniority and market experience in order to comply with the provisions of the Guide to BEA Indices.

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

6.8.4 The representative of the Panellist listed with BEA shall have a nominated deputy in his or her absence. The principal or deputy or nominee named to BEA should oversee the daily Input Data report for errors before it is submitted to BEA. 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.

6.9 Record Keeping

6.9.1 For a period of five years a Panellist shall keep an accurate and up-to-date record of

(1) All Input Data, market data and any other data or information sources relied upon for the BEA Index determination;

(2) Any exercise of Expert Judgement made by the Panellist;

(3) Any changes in or deviations from standard procedures;

(4) Records of Submitters who contribute and approve each Input Data submission of the Panellist;

(5) The procedures and methodologies governing the submission of Input Data;

(6) Relevant communication between any Submitters;

(7) Any queries received regarding Input Data or information provided to BEA;

(8) Declarations of any conflicts of interests; and

(9) Findings of internal or external audits relating to the submission of Input Data, remedial actions initiated and progress in implementing them.

6.9.2 All documentation subject to the record keeping requirements set out above shall be made available to any relevant regulatory authority on request.

6.10 Conflicts of interest

6.10.1 A Panellist shall maintain policies, procedures and controls that are reasonably designed to enable the identification, disclosure, management, mitigation and avoidance 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 BEA any actual or potential conflicts of interest concerning any of the Panellist's staff who are involved in the BEA Index Input Data submission process.

6.10.2 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, including potential conflicts of interest arising as a result of the Panellist's group structure or businesses or any of the group's clients or customers 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 manipulating or exercising inappropriate influence over the way in which staff involved in the Input Data submission carry out activities;

(iii) Remuneration policies for the Panellist's staff; and

(iv) Any segregation of duties and physical and operational separation between Submitters and other staff of the Panellist.

(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 maintained for a period of five years.

6.10.3 A Panellist shall ensure that staff members involved in the submission 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.

6.11 **Whistleblowing**

6.11.1 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.

6.12 **Annual Declaration of Compliance**

6.12.1 In order to remain compliant with the provisions of the IOSCO PFBs, BEA shall only use Input Data from a Panellist that adheres to the Guide to BEA Indices. Accordingly, a Panellist is required to confirm adherence to the Guide to BEA Indices on an annual basis or whenever there is a change to the Panellist Code of Conduct.

6.13 **Audit and quality control**

6.13.1 Each Panellist shall be audited regularly by the Senior Assessors or Assessors of BEA in order to carry out a systematic review of the Panellist. During this audit, the Panellist shall be required to confirm its adherence to the Guide to BEA Indices. The frequency of the audit will be carried out based on a risk-based assessment or at least once every 3 years. The Senior Assessors or Assessors shall have regard to the following factors in addition to the audit cycle criteria under section 6.8.1(6):

(1) **Market position**. BEA 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, BEA 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. BEA will treat all such information on a strictly confidential basis. Any information provided to the BEA Board will be in a form which avoids any threat to the confidentiality of this data.

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

(3) 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.

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

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

7 Selection of Panellists

7.1.1 The integrity of and respect for BEA Indices 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 BEA must satisfy itself that the Panellist is managing any resulting conflicts of interest appropriately.

7.1.2 BEA appoints Panellists in accordance with the following criteria:

(1) The main business of Panellist should be shipbroking.

(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. Each year they are reminded in writing of the key parts;

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

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

(2) Is a member of the Baltic; and

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

7.1.4 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.

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

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

8 Assessors

8.1 Role of the BEA Assessor

8.1.1 The primary responsibilities of a BEA Assessor is the daily determination activity and supervision of the BEA Indices. This includes monitoring Input Data received from Panellists, scrutinising and evaluating Input Data according to the prescribed quality and accuracy standards, as well as validating Input Data to identify errors and anomalies.

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

8.2 Assessor governance

8.2.1 BEA 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 BEA Indices determination process:

(4) not in possession of any interest or business relationship that would compromise the activities of BEA as index administrator;

(5) Are subject to effective procedures to control the exchange, of information with other employees of the BEA or with third parties involved in determination of the BEA Indices, which may create a risk of conflicts of interest, where that information may affect the BEA Indices provided by BEA;

(6) Subject to effective procedures to ensure the confidentiality of data, information and other inputs submitted to, received by or produced by BEA (subject to any applicable disclosure obligations); and

(7) Subject to effective procedures to ensure sign-off by an appropriately authorised and qualified Assessor before the dissemination of a BEA Index.

8.2.2 All Assessors possess the relevant levels of expertise to enable him or her to undertake his or her responsibilities and obligations in relation to the calculation of the BEA Indices.

8.2.3 Assessors and Senior Assessors are subject to periodic performance reviews.

8.2.4 In order to mitigate the risk of the loss of a Senior Assessor or any Assessor, the Senior Assessor is responsible for ensuring an even spread of work between Assessors. BEA 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 BEA Indices determination process.

8.2.5 Assessors are required to undertake all training deemed appropriate for their specific role, including ethics and conflicts of interest training.

8.3 **Validation of Input Data**

8.3.1 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. In order to ensure the integrity and accuracy of Input Data prior to its inclusion in the BEA Indices, 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.

8.3.2 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 BEA's defined route. However, BEA will never require a Panellist to change Input Data or impose such a change. There are other mechanisms (see especially Sections 7.1.3 and 7.1.5 above) for dealing with Panellists who are not considered able to submit Input Data professionally on a routine basis.

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

8.4 **BEA Index publication approval**

8.4.1 The publication of BEA Indices by BEA is authorised by an appropriately authorised and qualified Assessor following satisfactory verification and validation of Input Data.

9 Audits and Quality Control

9.1 Audits

9.1.1 A major accounting firm with appropriate experience and capability conducts periodic reviews of BEA's calculation of the BEA Indices and its adherence to the Guide to BEA Indices and to the IOSCO PFBs. The frequency of these audits is as deemed appropriate by the BEA Board in consideration of BEA's index administration operations and the breadth and depth of use of the BEA Indices by stakeholders.

Each Panellist is subject to the requirements as set out in Section 6.13.

9.2 Record Keeping

9.2.1 For a period of five years, BEA shall maintain written records of:

(1) All Input Data received from a Panellist;

(2) Any other information sources relied upon for BEA Index determination;

(3) Details concerning the exercise of Expert Judgment made by a Panellist or BEA (where the waterfall methodology is invoked) in the BEA Index determination process;

(4) Other changes in or deviations from standard procedures and methodologies, including those made during periods of market stress or disruption;

(5) The identity of each person involved in determining a BEA Index; and

(6) Any queries made and responses given relating to Input Data.

9.2.2 All documentation subject to the record keeping requirements set out above shall be made available to any relevant regulatory authority on request.

9.3 Conflicts of interest register

9.3.1 A conflicts of interest register shall be maintained by Baltic Compliance, and it 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.

9.4 Whistleblowing register

9.4.1 A central and protected whistleblowing register shall be maintained by the RPP. All documents relating to the whistleblowing claim, including those submitted by the Whistleblower as well as BEA's own record of proceedings, shall be retained for a minimum of five years.

10 Conflicts of Interest

10.1 Definition of conflicts of interest

10.1.1 BEA 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 BEA Indices determination process.

10.2 Preventative measures in place to mitigate against conflicts of interest

10.2.1 Types of preventative measures undertaken by BEA to preserve the integrity of BEA Index calculations include:

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. Access to BEA's offices is restricted to authorised personnel through use of a swipe card entry system.
Contractual Arrangements	Certain types of conflicts of interest may be anticipated and contractual provisions which mitigate the risk or prevent the conflict are included in the documentation with the third party.
Remuneration Links	BEA ensures that there are no direct links in remuneration of individuals that may create a conflict of interest or influence an individual's conduct in relation to any aspect of the provision of BEA Indices.

Measure	Description
Segregation of duties	BEA organises tasks and duties of individuals involved in the BEA Indices determination process in a manner that prevents occurrence of a conflict of interest.
Ownership structure	BEA 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 BEA and SGX. The BEA Indices 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 BEA Indices administration business must disclose any actual, perceived or potential conflict of interest in accordance with the procedure set out in Section 10.7.1 below, including any such conflict stemming from the BEA ownership structure.

10.3 **Monitoring of conflicts of interest**

10.3.1 BEA takes steps to identify conflicts of interest issues and in doing so shall consider the level of risk that such a conflict may constitute or give rise to a material risk of damage to BEA and its BEA Indices.

10.3.2 BEA undertakes the following monitoring of conflicts of interest:

Role	Responsibilities
Panellist	Conflicts of interest to which any personnel 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 3 yearly audit conducted by BEA.
Baltic Compliance	**General** 1. Review operational and policy decisions made especially as they relate to the provision of BEA Indices with a view towards assessing the potential for conflicts of interest. 2. Perform yearly assessments of BEA Assessors and Senior Assessors, Panellists, the BEA Board with a view to identifying and considering any potential for conflicts of interest. 3. Consider communications, Complaints or other representations made by Whistleblowers through the Complaints handling and Whistleblowing policies set out in this Guide to BEA Indices.
	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. Further, the annual review of Panellists and their declaration of adherence to the Guide to BEA Indices further mitigates any risk.
	In respect of the BEA Board Identification of conflicts of interest to which a member of the BEA Board is party shall be carried out on an on-going basis. Further, Baltic Compliance reviews any declarations of interest provided by members of the BEA Board to identify actual, or potential conflict of interest.
The BEA Board	Implementation of all policies and procedures relating to management of conflict of interest relating to the determination of BEA Indices. This includes: 1 Providing advice to BEA Assessors and Senior Assessors and third parties involved in the BEA Indices determination processes on the identification of situations that may generate actual, perceived or potential conflicts of interest. 2 Discussing specific issues upon request from the BEA Oversight Function.

10.4 **Identified Conflicts of Interest**

10.4.1 **SGX group structure**

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

ownership of BEA by SGX or otherwise by virtue of its membership of the wider SGX group;

(2) The provision of the BEA Indices is operationally separated from any other part of SGX's business that may create an actual or potential conflict of interest for BEA;

(3) The Baltic does not have any business interests or connections which might compromise BEA's performance of its function as an index administrator.

(4) The Senior Assessors report directly to the Head of Benchmark Production who in turn reports to the Chief Executive Officer of the Baltic Exchange. Senior Assessors and the Head of Benchmark Production may raise any matters concerning the BEA Indices in confidence with the Chief Executive Officer of the Baltic Exchange, the Chairman of the Baltic Exchange, Baltic Compliance, or the BEA Oversight Function. The segregation of reporting lines within BEA and the clearly defined responsibility of each role prevents unnecessary conflicts of interest or the perception of such conflicts.

10.4.2 **BEA Assessors and Senior Assessors**

10.4.3 Baltic's Staff Handbook deals with conflicts of interest and applies to all BEA employees, including Assessors and Senior Assessors directly involved in the BEA Indices determination and administration process. The Baltic organises regular training for employees in respect of BEA's procedures for identifying, managing and escalating conflicts. All employees are made fully aware of the Baltic's conflicts of interest policy relevant to BEA as an index administrator.

10.4.4 Conflicts of interest may arise as a result of employment with BEA, 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 BEA's disposal and who are directly involved in the provision of the BEA Indices shall:

(1) Be subject to a remuneration and performance evaluation that does not create conflicts of interest affecting the integrity of the BEA Indices determination process;

(2) Be required to declare that they do not have any interests or business connections that may compromise BEA as an administrator and to disclose in their declaration of interest, any personal financial interest that may reference the BEA Indices;

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

(4) Be subject to employee dealing restrictions set out in the Baltic Personal Account Dealing (PAD) policy prohibiting them from investing in or trading freight derivatives; investing in private shipping market companies or indirectly investing via 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 Baltic Compliance. Employees are required to declare their compliance with Baltic's PAD policy annually.

10.4.5 **Confidentiality**

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

(2) BEA shall ensure the confidentiality of all information and data contributed to or produced by BEA as an index administrator, subject to disclosure and transparency obligations to which BEA is subject to.

10.5 **Identification, disclosure and management of conflicts of interest**

10.5.1 In the event an actual, perceived or potential conflict of interest is identified, BEA shall disclose and manage the conflict as set out below.

10.5.2 Disclosure of conflict of interest

BEA shall disclose material conflicts of interest to users of the BEA Indices. This information shall be available on the Baltic website in the form of a conflict of interest disclosure statement.

10.5.3 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 BEA, the following procedures shall apply:

Responsibilities
In respect of BEA Assessors and Senior Assessors The BEA Assessors and Senior Assessors shall immediately inform Baltic Compliance of any conflicts of interest in respect of BEA Indices administered by BEA. Baltic Compliance shall request for the employee to refrain from further activity in relation to the provision of the BEA indices until resolution is obtained by Baltic Compliance. Baltic Compliance shall record a summary of the conflict of interest in the Conflicts Register. **In respect of Panellist** Upon identification of an actual, perceived or potential conflict of interest concerning a Panellist, Baltic Compliance shall issue a letter to the Panellist involved in the conflict of interest requesting an explanatory response from Panellist within 21 working days and requesting that the Panellist concerned recuse itself from contribution of Input Data for the provision of the impacted BEA Index until the issue raised has reached an appropriate resolution approved by the BEA Board. **The BEA Board** Rules and procedures for managing directors' conflicts of interests, including disclosure thereof, are set out in BEA's Articles of Association and/or the conflict of interest disclosure statement. **In respect of the BEA Oversight Function** Upon identification of an actual, perceived, or potential conflict of interest Baltic Compliance shall review the conflict and determine an appropriate resolution which may include the recusal of the BEA Oversight Function member from BEA Oversight Function meetings or abstaining from voting relating to the actual, or perceived or potential conflict of interest. **General responsibilities** Upon identification of an actual, perceived, or potential conflict of interest relating to the determination of BEA Indices, Baltic Compliance shall review the conflict and determine an appropriate resolution which may include the implementation of management controls in response to the conflict. Baltic Compliance shall provide to the BEA Oversight Function an ad-hoc report detailing the status of any relevant conflicts of interest issues, any relevant remedial actions that have been

Responsibilities
approved, relevant management controls in place and any associated actions to be undertaken.
General The BEA 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.

10.6 **Declaration of conflicts of interest**

10.6.1 As a preventative measure and in order to facilitate the assessment of conflicts of interest, members of the BEA Board, Oversight Function, Assessors and Senior Assessors are required to provide BEA with a declaration of interest at the time of their appointment and on an annual basis or where appropriate, at the commencement of each meeting. Declarations of interests should be appropriately updated in the conflicts of interest register, in the event any change in the interests that may affect the BEA Indices.

10.7 **Method of disclosure**

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

Role	Method
Panellist and BEA Assessors and Senior Assessors	Disclosures of any actual, or perceived or potential conflict of interest or issues relating to potential conflicts of interest shall be addressed to Baltic Compliance.
The BEA Board	Rules and procedures for management of the conflict of interests, including disclosure thereof, by the BEA directors is set out in the BEA's Articles of Association.
BEA Oversight Function	Disclosures of any actual, perceived, or potential conflicts of interest or issues relating to potential conflicts of interest shall be addressed to the Chairperson and/or Baltic Compliance. The obligation to disclose a conflict of interest is set as a standing agenda item at each BEA Oversight Function meeting.

10.8 **Review**

10.8.1 The conflicts of interest policy and framework is reviewed on a periodic basis by Baltic Compliance.

11 Complaints

Complaints may be submitted in relation to matters including, but not limited to, whether a specific BEA Index calculation is representative of market value, applications of methodology in relation to a specific BEA Index calculation and other BEA decisions in relation to the BEA Index determination process.

11.1 Informal comments

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

11.1.2 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.

11.1.3 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 with the procedure set out under Section 11.2 (*Formal complaint*) below.

11.2 Formal complaint

11.2.1 A formal complaint can be made by email to complaint@balticexchange.com

11.2.2 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 BEA's role as an index administrator;

(6) The details of the relevant BEA Index;

(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, Baltic Compliance may not be able to fully assess a formal complaint. In such circumstances, Baltic Compliance may contact the Complainant to request further information. If Baltic Compliance does not deem a submitted query or dispute to rise to the level of a formal complaint, Baltic Compliance may contact the Complainant to discuss the matter.

11.2.3 **Investigating and providing a response to a formal complaint**

When the nature of the Complainant's formal complaint relates to BEA as an index administrator, then the following shall apply:

(1) A formal complaint in relation to BEA shall be reviewed by Baltic Compliance;

(2) Baltic Compliance shall seek to resolve a formal complaint in fair and timely manner;

(3) The investigation of a formal complaint shall be conducted by parties independent of those which are the subject of the complaint; and

(4) The Complainant shall be advised of the outcome of its investigations within a reasonable time period unless such communication would be contrary to the objectives of public policy or to other relevant conduct or market law or regulation.

11.2.4 **Escalation of a formal complaint**

11.2.5 In the event that the Complainant disagrees with the decision, the issue may be escalated to the BEA Board for investigation.

11.2.6 The decision of the BEA 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 BEA Board at which the decision was taken.

11.3 **Record keeping requirements**

11.3.1 Baltic Compliance shall maintain records of all informal comments or formal complaints received for a period of five years.

12 Whistleblowing

12.1.1 A whistleblowing claim may be made when a person becomes aware of or suspects that there may be any sort of malpractice occurring in relation to the BEA Indices determination or administration.

12.1.2 Whistleblowing claims received by BEA 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.

12.1.3 The whistleblowing claim shall be collected and processed by a person in BEA specifically appointed to hear whistleblowing claims. Accordingly, a Relevant Prescribed Person (**RPP**) is appointed and shall hold primary responsibility for receiving any whistleblowing claims and for ensuring the investigation and resolution of the whistleblowing claim.

12.1.4 A whistleblowing claim may be submitted by email to the RPP at: whistleblowing@balticexchange.com.

12.2 **Investigation and management of a whistleblowing claim**

(1) Upon receipt of the whistleblowing claim, the RPP shall notify the Head of Baltic Exchange Asia and Baltic Compliance, as appropriate.

(2) The BEA Board shall ensure that an investigation and detailed analysis into the whistleblowing claim is carried out. The BEA Board shall be supported by the RPP in the collection of the relevant documentation and evidence and in managing the relations with the Whistleblower.

(3) 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 BEA Board shall invite any of the person's involved to a hearing in front of the BEA Board.

(4) Following the investigation by the BEA Board and RPP, and taking into consideration the response of the relevant person(s) involved, the BEA Board shall produce a whistleblowing report in response to the whistleblowing claim.

(5) Where deemed appropriate and necessary, the BEA Board may refer the whistleblowing claim to external bodies (including legal advisors, the police or any relevant regulatory 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.

(6) All whistleblowing claims, investigations, escalations and resolutions shall be reported to BEA Oversight Function.

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

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

12.3 **Confidentiality of whistleblowing claims**

12.3.1 All whistleblowing claims that are received by BEA will be kept confidential at all stages of the process to the extent possible.

12.3.2 In particular, the identity of the Whistleblower shall not be disclosed to third parties, the accused party, or other Baltic Employees unless BEA is obliged to disclose their identity in the event of any subsequent judicial proceedings, court order or investigations undertaken by any regulatory authorities.

12.4 **Review**

12.4.1 BEA's framework for whistleblowing, as set out in this Guide to BEA Indices, shall be reviewed on a periodic basis.

13 Prevention of market abuse

13.1.1 The Baltic considers the proper functioning of the shipping markets to be of the upmost importance. All Panellists are subject to the Code of Conduct and are expected to operate under this basis.

14 Confidentiality and Transparency

14.1 High confidentiality and transparency standards

14.1.1 Confidentiality is vital to BEA's index 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.

14.1.2 BEA will never disclose Panellist Input Data or communication thereof except if required by order of a court or a Regulator exercising a statutory power.

14.1.3 Panellists may not disclose to any third party the Input Data they have contributed to BEA except if required by order of a court or a Regulator exercising a statutory power.

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

15 Operational Risks

15.1 Risks and control systems

15.1.1 BEA adopts the following definition of operational risk:

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

15.1.2 The processes involved in the provision of the BEA Indices 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.

15.1.3 In the normal course of business, the BEA Indices 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.

15.1.4 Input Data is used in the index determination process and any use of Expert Judgment or discretion is limited as set out in Section 6.6 of the Guide to BEA Indices.

15.1.5 To the extent that the Baltic engages any third party to provide services to BEA, the Baltic 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 index determination process. Further, the Baltic ensures it undertakes reasonable oversight in the BEA index determination process.

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

15.1.7 The Baltic and BEA maintain a disaster recovery plan which is set out in Appendix 5. This sets out how the company will react and recover from terrorist incidents, problems which render its premises inaccessible and major failures of infrastructure.

15.1.8 There is a certain level of risk to all computer systems from malicious attacks. Such attacks can be divided into three types. There may be specific attempts to invade a certain computer system to disrupt or manipulate services, or there 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. Baltic 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.

15.2 Personnel and Panellist risks

15.2.1 The Baltic 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.

15.2.2 It would be a cause of major disruption to the BEA Indices determination process if a critical number of Panellists withdrew from the provision of rates. If the criteria set out in Section 3.4.2 are no longer met in relation to a particular BEA Index, BEA might find itself unable to publish some or all of the BEA Indices. Continuous efforts are made to reduce the likelihood of this situation arising. Many of the routes have more than three Panellists providing Input Data, and BEA maintains a list of alternative Panellists that could be approached and alternative methodologies.

15.2.3 Indices can be implicated due to Panellist Input Data being 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 Assessors and Assessors. BEA also has internal built-in control systems to avoid such situations and to avoid incorrect data from being published.

15.3 **Third Party risks**

15.3.1 Day-to-day responsibility for managing operational risk is shared between Baltic Employees directly involved in provision of the BEA Indices (Senior Assessors and Assessors), Baltic Compliance and the Baltic IT Department.

16 Code of Conduct

16.1 Obligation to comply with the Code of Conduct

16.1.1 The duties of Panellists and BEA are clearly set out in this document, which constitutes a code of conduct for the determination of BEA Indices. 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*.

17 Compliance

17.1 Policies approval, monitoring and maintenance

17.1.1 The BEA Board is responsible for the Guide to BEA Indices, and for ensuring the compliance of the Guide to BEA Indices with any applicable requirements such as the IOSCO PFBs. The BEA Board may delegate this responsibility to Baltic Compliance.

17.1.2 Baltic Compliance is responsible for monitoring BEA's day-to-day compliance with the BEA Indices methodologies and with the IOSCO PFBs. It should report on such compliance to the BEA Board once a year.

17.1.3 Baltic Compliance is responsible for testing BEA's policies and procedures related to its BEA Indices administration activities as contained within the Guide to BEA Indices. Baltic Compliance shall adopt a compliance monitoring programme to support effective compliance and mitigate compliance risk.

17.1.4 Baltic Compliance shall carry out all necessary investigations upon identification of a breach of BEA's policy and procedures as contained within the Guide to BEA Indices. All BEA employees shall co-operate to their fullest with Baltic Compliance.

17.1.5 The Guide to BEA Indices shall be reviewed on a periodic basis and updated as appropriate.

17.2 Enforcement

17.2.1 In the event that the BEA Board becomes aware that BEA, any Baltic Employees or any third party involved in the provision of the BEA Indices has breached any provision of the Guide to BEA Indices, the relevant entity or individual may be suspended from their responsibilities in relation to the determination, assessment or other role in relation to BEA Indices or such other action may be taken as may be reasonable in the circumstances, on a case by case basis.

17.2.2 Senior management of BEA with assistance from Baltic Compliance will then conduct a review in relation to the alleged breach and present an analysis for review and consideration to the BEA Board. A copy of such analysis shall also be provided to the BEA Oversight Function. Following review and consideration by the BEA Board, the BEA 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 BEA Oversight Function may formulate recommendations to the BEA Board to this end.

APPENDIX 1

Publishing times and reporting windows

Data Group	Publishing Time	Reporting Window
BIIT	1300 SIN	Auto fill
BIID	1300 SIN	Auto fill
India Routes	1600 SIN	1530-1545 SIN
BSPA	1100 UK Friday	1600 Thursday -1000 Friday
BSRA	1100 UK Friday	1600 Thursday -1000 Friday
BNBI	1100 UK First Friday of month	1600 Thursday -1000 Friday
TI5TC	1600 UK Friday	1600 Thursday -1600 Friday
LNGPERIOD	1100 UK Wednesday	1100 Tuesday - 1100 Wednesday
BOPEX	1200 3rd Thursday of a Quarter	1000 Wednesday -1130 Thursday

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

APPENDIX 2

Index Specifications

Short Code	Unit	Short Description	Long Description
BEA	Index Number	Baltic Exchange Asia Routes	Composite Index: RoundedSum(P10_A*0.2, P5_82*0.2, S8_58*0.2, S11_A*0.2, S12_A*0.2)
C18A	$/mt	Capesize Gladstone to Dhamra	Gladstone to Dhamra, 150,000mt 10% coal more or less in owners' option, free in and out, trimmed. Scale load/ 40,000mt Sundays and holidays included discharge, 12hrs turn time at loading port, 24hrs turn time at discharge port. Laydays/ cancelling 20 /30 days from index date. Age max 15 years. 1.25% total commissions.
P9A	$/day	Panamax Gladstone to Dhamra	Gladstone to Dhamra, 80,000mt 10% coal more or less in owners' option, free in and out, trimmed. Scale load/ 40,000mt Sundays and holidays included discharge, 12hrs turn time at loading port, 24hrs turn time at discharge port. Laydays/ cancelling 20 /30 days from index date. Age max 15 years. 1.25% total commissions.
P10A	$/day	Panamax Persian Gulf to East Coast India	Delivery Passing Muscat, laydays 3/8 days from Index for 15-25 days trip redelivery East Coast India. 1.25% total commissions.
S11A	$/day	Supramax East Coast India/ China	Delivery East Coast India range, laydays 5/10 days from index for a trip via Singapore to Mid-China/ CJK, duration 20-25 Days. 1.25% total commissions.
S12A	$/day	Supramax East Coast India/ PG	Delivery East Coast India, laydays 3/8 days from index for 15-25 days trip redelivery Persian Gulf. 1.25% total commissions.
S14A	$/day	East Coast India to East Mediterranean	Delivery East Coast India, laydays 3/8 days from index for 30-40 days trip redelivery Passero-Canakkale range. 1.25% total commissions.
C18A-TCE	$/mt	Capesize Gladstone to Dhamra	Timecharter equivalent basis BCI180 Gladstone to Dhamra, 150,000mt 10% coal more or less in owners' option, free in and out, trimmed. Scale load/ 40,000mt Sundays and holidays included discharge, 12hrs turn time at loading port, 24hrs turn time at discharge port. Laydays/ cancelling 20 /30 days from index date. Age max 15 years. 1.25% total commissions.
P9A-TCE	$/day	Panamax Gladstone to Dhamra	Gladstone to Dhamra, 80,000mt 10% coal more or less in owners' option, free in and out, trimmed. Scale load/ 40,000mt Sundays and holidays included discharge, 12hrs turn time at loading port, 24hrs turn time at discharge port. Laydays/ cancelling 20 /30 days from index date. Age max 15 years. 1.25% total commissions.

Short Code	Unit	Short Description	Long Description
BCI180	Vessel	Baltic Standard Capesize	The Baltic capesize 2014 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.
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
BSI58	Vessel	Baltic Standard Supramax	Baltic Supramax vesssel for Timecharter routes is based on a non-scrubber fitted standard “Tess58 ” type vessel of the following description: 58,328mt dwt on 12.80 m ssw, Max age 15 yrs, LOA 189.99m, beam 32.26m, TPC 57.5, 72,360 cbm grain / 70,557 cbm bale, 5 holds/hatches, 4 x 30t Cr + 12 cbm grabs, 14 knots laden on 33mt fuel oil (380cst) or 14 knots ballast on 32mt fuel oil (380cst), no diesel at sea, 12 knots laden on 24mt fuel oil (380cst) or 12.5 knots ballast on 23mt fuel oil (380cst), no diesel at sea

Baltic Exchange Tanker Investor Index

Short Code	Unit	Short Description	Long Description
VTINBA	$	VLCC, New Building	SWS 320,000mt dwt crude oil tanker. LOA 333.00m, beam 60.00m, draft 22.50m. Cargo tank capacity 361,000cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
VTISPA	$	VLCC 5Y Old Price	The price to buy a VLCC Tanker, 5 years old: 305,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 332m, beam about 58m. Non coated. Not ice classed. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. *Index: VTSPA*1,000,000*
VTIOPEX	$/day	VLCC Daily Opex	The daily running costs of a VLCC vessel including crew cost, technical cost and insurance. *Composite Index: Sum(VTCC,VTTC, VTIC)*
VTTCEA	$/day	VLCC Implied Spot Timecharter Earnings	Implied spot timecharter earnings derived from the Timecharter Equivalent of two common VLCC voyage trading routes (TD1-TCE Middle East Gulf to US Gulf & TD3C-TCE Middle East Gulf to China). *Timecharter Equivalent Average: RoundedAverage(TD1-TCE, TD3C-TCE)*
VT5YTC	$/day	VLCC 5 Year Timecharter	The assessed value of a five year period timecharter for a VLCC vessel. This is assesed on a weekly basis and published every Friday at 1600.
VTRVI	$	VLCC Residual Value Index	The residual value is calculated by taking the written down cost of a 5-year-old vessel and deducting the net earnings from a five-year timecharter. The net earnings are calculated by taking the earnings from a five-year timecharter with 5% brokerage commission paid and deducting the operating costs over the 5-year period adjusted for 5% inflation year on year. A year of earnings is assumed to be 360 days whereas a year of operating costs is assumed to be a full calendar year (365 days). *Composite Index: VTISPA-((VT5YTC*0.95*360*5)-(VTIOPEX*365+(VTIOPEX*1.05*365)+(VTIOPEX*1.05^2*365)+(VTIOPEX*1.05^3*365)+(VTIOPEX*1.05^4*365)))*
VTISRA	$	VLCC Recycli	The sale price of a VLCC vessel for recycling, with a lightweight of 43,000 long tons, basis delivery Subcontinent. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.

		ng Value	*Composite Index: Average(LBTSRA, LITSRA, LPTSRA)*43,000*
VTRRI	Index Number	VLCC Residual Risk Index	Residual risk is the ratio of the residual value of the VLCC vessel against the recycling value. If the Residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *Composite Index: VTRVI/VTISRA * 1000-1000*
VTHEI	Index Number	VLCC Health of Earnings Index	VLCC health of earnings shows the ratio of earnings against operating costs. A negative number indicates that earnings are below operating costs. *Composite Index: (VTTCEA/VTIOPEX)*1000-1000*
STINBA	$	Suezmax, New Building	SWS 158,000mt dwt crude oil tanker. LOA 274.30m, beam 48.00m, draft 17.20m. Cargo capacity 175,000 cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
STISPA	$	Suezmax 5Y Old Price	The price to buy a Suezmax Tanker, 5 years old: 158,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 275m, beam about 48m. Non coated. Not ice classed. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. *Index: STSPA*1,000,000*
STIOPEX	$/day	Suezmax Daily Opex	The daily running costs of a Suezmax vessel including crew cost, technical cost and insurance. *Composite Index: Sum(STCC, STTC, STIC)*
STTCEA	$/day	Suezmax Implied Spot Timecharter Earnings	Implied spot timecharter earnings derived from the Time Charter Equivalent of two common Suezmax voyage trading routes (TD6-TCE Black Sea to Mediterranean & TD20-TCE West Africa to UK-Cont). *Timecharter Equivalent Average: RoundedAverage(TD6-TCE, TD20-TCE)*
ST5YTC	$/day	Suezmax 5 Year Timecharter	The assessed value of a five year period timecharter for a Suezmax vessel. This is assesed on a weekly basis and published every Friday at 1600.

STRVI	$	Suezmax Residual Value Index	The residual value is calculated by taking the written down cost of a 5-year-old vessel and deducting the net earnings from a five-year timecharter. The net earnings are calculated by taking the earnings from a five-year timecharter with 5% brokerage commission paid and deducting the operating costs over the 5-year period adjusted for 5% inflation year on year. A year of earnings is assumed to be 360 days whereas a year of operating costs is assumed to be a full calendar year (365 days). *Composite Index: STISPA-((ST5YTC*0.95*360*5)-(STIOPEX*365+(STIOPEX*1.05*365)+(STIOPEX*1.05^2*365)+(STIOPEX*1.05^3*365)+(STIOPEX*1.05^4*365)))*
STISRA	$	Suezmax Recycling Value	The sale price of a Suezmax vessel for recycling, with a lightweight of 22,000 long tons, basis delivery Subcontinent. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. *Composite Index: Average(MBTSRA, MITSRA, MPTSRA)*22,000*
STRRI	Index Number	Suezmax Residual Risk Index	Residual risk is the ratio of the residual value of the Suezmax vessel against the recycling value. If the residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *Composite Index: STRVI/STISRA*1000-1000*
STHEI	Index Number	Suezmax Health of Earnings Index	Suezmax health of earnings shows the ratio of earnings against operating costs. A negative number indicates that earnings are below operating costs. *Composite Index: (STTCEA/STIOPEX)*1000-1000*
ATINBA	$	Aframax, New Building	SWS 114,500mt dwt crude oil tanker. LOA 249.95m, beam 44.00m, draft 15.00m. Cargo capacity 130,000cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
ATISPA	$	Aframax 5Y Old Price	The price to buy a Aframax Tanker, 5 years old: 115,000 mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 248m, beam about 44m. Non coated. Not ice classed. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. *Index: ATSPA * 1,000,000*
ATIOPEX	$/day	Aframax Daily Opex	The daily running costs of an Aframax vessel including crew cost, technical cost and insurance. *Composite Index: Sum(ATCC, ATTC, ATIC)*

ATTCEA	$/day	Aframax Implied Spot Timecharter Earnings	Implied spot timecharter earnings derived from the Time Charter Equivalent of five common Aframax voyage trading routes listed below: TD7-TCE North Sea to Cont TD8-TCE Kuwait to Singapore TD9-TCE Caribbean to US Gulf TD14-TCE South East Asia to East Coast Australia TD19-TCE Cross Mediterranean *Timecharter Equivalent Average: RoundedAverage(TD7-TCE, TD8-TCE, TD9-TCE, TD14-TCE, TD19-TCE)*
AT5YTC	$/day	Aframax 5 Year Timecharter	The assessed value of a five year period timecharter for a Aframax vessel. This is assesed on a weekly basis and published every Friday at 1600.
ATRVI	$	Aframax Residual Value Index	The residual value is calculated by taking the written down cost of a 5-year-old vessel and deducting the net earnings from a five-year timecharter. The net earnings are calculated by taking the earnings from a five-year timecharter with 5% brokerage commission paid and deducting the operating costs over the 5-year period adjusted for 5% inflation year on year. A year of earnings is assumed to be 360 days whereas a year of operating costs is assumed to be a full calendar year (365 days). *Composite Index: ATISPA-((AT5YTC*0.95*360*5)-(ATIOPEX*365+(ATIOPEX*1.05*365)+(ATIOPEX*1.05^2*365)+(ATIOPEX*1.05^3*365)+(ATIOPEX*1.05^4*365)))*
ATISRA	$	Aframax Recycling Value	The sale price of a Aframax vessel for recycling, with a lightweight of 16,000 long tons, basis delivery Subcontinent. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. *Composite Index: Average(MBTSRA, MITSRA, MPTSRA)*16,000*
ATRRI	Index Number	Aframax Residual Risk Index	Residual risk is the ratio of the residual value of the vessel against the recycling value. If the residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *Composite Index: ATRVI/ATISRA*1000-1000*
ATHEI	Index Number	Aframax Health of Earnings Index	Aframax health of earnings shows the ratio of earnings against operating costs. A negative number indicates that earnings are below operating costs. *Composite Index: (ATTCEA/ATIOPEX)*1000-1000*
MTINBA	$	MR Product Carrier, New	GSI 50,000mt dwt IMO II/III Chemical/Product Tanker. LOA 183.00m, beam 32.00m, draft 13.40m. Cargo capacity 54,000 cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted.

		Building	Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
MTISPA	$	MR 5Y Old Price	The price to buy a MR Product Carrier, 5 years old: 51,000 mt dwt, built in "first class competitive yard", European standard B & W main engine. LOA about 183m, beam about 32.2m, draft about 13.2m. Coated, IMO 2/3, Deep Well. Not ice classed. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. *Index: MTSPA*1,000,000*
MTIOPEX	$/day	MR Daily Opex	The daily running costs of a MR Product Carrier including crew cost, technical cost and insurance. *Composite Index: Sum(MTCC, MTTC, MTIC)*
MTTCEA	$/day	MR Implied Spot Timecharter Earnings	Implied spot timecharter earnings derived from the Time Charter Equivalent of four common MR Product Carrier voyage trading routes listed below: TC2-TCE Cont. to US Atlantic coast TC14-TCE US Gulf to Cont. TC11-TCE South Korea to Singapore TC12-TCE West Coast India to Japan *Composite Index: RoundedAverage(Average(TC2-TCE, TC14-TCE), Average(TC11-TCE, TC12,TCE))*
MT5YTC	$/day	MR 5 Year Timecharter	The assessed value of a five year period timecharter for a MR Product Carrier. This is assesed on a weekly basis and published every Friday at 1600.
MTRVI	$	MR Residual Value Index	The residual value is calculated by taking the written down cost of a 5-year-old vessel and deducting the net earnings from a five-year timecharter. The net earnings are calculated by taking the earnings from a five-year timecharter with 5% brokerage commission paid and deducting the operating costs over the 5-year period adjusted for 5% inflation year on year. A year of earnings is assumed to be 360 days whereas a year of operating costs is assumed to be a full calendar year (365 days). *Index: MTISPA-((MT5YTC*0.95*360*5)-(MTIOPEX*365+(MTIOPEX*1.05*365)+(MTIOPEX*1.05^2*365)+(MTIOPEX*1.05^3*365)+(MTIOPEX*1.05^4*365)))*
MTISRA	$	MR Recycling Value	The sale price of a MR Product Carrier for recycling, with a lightweight of 10,000 long tons, basis delivery Subcontinent. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. *Index: Average(SBTSRA, SITSRA, SPTSRA)*10000*

MTRRI	Index Number	MR Residual Risk Index	Residual risk is the ratio of the residual value of the MR Product Carrier against the recycling value. If the residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *Composite Index: MTRVI/MTISRA*1000-1000*
MTHEI	Index Number	MR Health of Earnings Index	MR Product Carrier health of earnings shows the ratio of earnings against operating costs. A negative number indicates that earnings are below operating costs. *Composite Index: (MTTCEA/MTIOPEX)*1000-1000*

Baltic Exchange Investor Index Dry

Short Code	Unit	Short Description	Long Description
BDHEI	Index Number	Dry Health of Earnings Index	Dry sector health of earnings index. The average health of earnings of Cape(CDHEI), Panamax (PDHEI), Supramx (SDHEI) and Handysize (HDHEI) vessels. Health of earnings is a index representing the ratio of earnings against running cost. A negative number indicates that earnings are below operating costs. *Composite Index: =Average(CDHEI, PDHEI, SDHEI, HDHEI)*
BDRVI	Index Number	Dry Residual Value Index	Dry sector residual value index. The average residual value of Cape (CDRVI), Panamax (PDRVI), Supramax (SDRVI) and Handysize (HDRVI) vessels. Residual value for each vessel is calculated by taking the purchase price for a five year old vessel, and deducting the nett earnings over a five year period. The net earning being a five year timecharter less the daily operating costs. *Composite Index: =Average(CDRVI, PDRVI, SDRVI, HDRVI)*0.001*
BDRRI	Index Number	Dry Residual Risk Index	Dry sector residual risk index. The average residual risk of Cape (CDRRI), Panamax (PDRRI), Supramax (SDRRI) and Handysize (HDRRI) vessels. Residual risk is ratio of the residual value of the vessel against the recycling value. If the Residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *Composite Index: =Average(CDRRI, PDRRI, SDRRI, HDRRI)*
CDHEI	Index Number	Capesize Health of Earnings Index	Cape health of earnings shows the ratio of earnings against cost. A negative number indciates that earnings are below operating costs. *Composite Index: = (C5TC/CDOPEX)*1000-1000*

CDRVI	$ (thousands)	Capesize Residual Value Index	Residual value is calculated by taking the writing down the [written down] cost of a five year old vessel by fixing the earnings on the basis of a five year timecharter and adding back the operating costs. *USD Lumpsum Index: CDSPA+(CDIOPEX+((CDIOPEX*1.05)+(CDIOPEX*1.05^2)+(CDIOPEX*1.05^3)+(CDIOPEX*1.05^4))-(CDITC*0.95)*360*5)*
CDRRI	Index Number	Capesize Residual Risk Index	Residual risk is ratio of the residual value of the vessel against the recycling value. If the Residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *CDRVI/CDISRA-1000*
CDITC	$/day	Capesize 5 Year Timecharter	The implied value of a five year period timecharter. This is calculated from the forward curves from the FFA market. The physical marker normally trades in a 10% variance to the FFA market. *USD/pd: Average(Sum(60 MONTHS OF BFA 5TC_C)*360*5)*
CDI5TC	$/day	Capesize Spot Timecharter Earnings	Spot timecharter earnings derived from a weighted average of common trading routes. *C5TC Timecharter Weighted Average: Sum(C8_14*0.25, C9_14*0.125, C10_14*0.25, C14*0.25, C16*0.125)*
CDIOPEX	$/day	Capesize Daily Opex	The daily running cost taking in to account crewing (CDCC), insurance (CDIC), stores (CDTC), repairs (CDTC), expenses (CDTC) and management fees (CDTC). Cape daily OPEX = *Sum(CDCC, CDTC, CDIC)*
CDISPA	$	Capesize 5Y Old Price	The price to buy a Bulk Carrier Capesize, 5 years old: 180,000 mt dwt built in “first class competitive yard", European standard B & W main engine, 199,000cbm grain, LOA 290m, beam 45m, draft 18.2m SSW. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. =*CDSPA * 1,000,000*
CDISRA	$	Capesize Recycling Value	The sale price of a Capesize vessel for recycling, with a lightweight of 20,001 long tons, basis delivery Subcontinent. Gas free for man entry. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. USD Lumpsum Index: =*Average (LBDSRA, LIDSRA, LPDSRA)*lightweight*
PDHEI	Index Number	Panamax Health of Earnings Index	Panamax health of earnings shows the ratio of earnings against cost. A negative number indicates that earnings are below operating costs. *Composite Index: = (P5TC/PDOPEX)*1000-1000*

PDRVI	$	Panamax Residual Value Index	Residual value is calculated by taking the writing down the [written down] cost of a five year old vessel by fixing the earnings on the basis of a five year timecharter and adding back the operating costs. *USD Lumpsum Index: =PDSPA+(PDIOPEX+(PDIOPEX*1.05)+(PDIOPEX*1.05^2) +(PDIOPEX*1.05^3)+(PDIOPEX*1.05^4))-(PDITC*0.95)*
PDRRI	Index Number	Panamax Residual Risk Index	Residual risk is ratio of the residual value of the vessel against the recycling value. If the Residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. Composite Index: *PDRVI/PDISRA*1000-1000*
PDITC	$/day	Panamax Implied 5 Year Timecharter	The implied value of a five year period timecharter. This is calculated from the forward curves (BFA from the FFA market. The physical marker normally trades in a 10% variance to the FFA market. *Index $/pd: =Average(Sum(60 MONTHS OF BFA 5TC_P)*360*5)*
PDI5TC	$/day	Panamax Spot Timecharter Earnings	Spot timecharter earnings derived from a weighted average of common trading routes. *P5TC Timecharter Weighted Average: =Sum(P1A_82*0.25, P2A_82*0.1, P3A_82*0.25, P4_82*0.10, P6_82*0.30)*
PDIOPEX	$/day	Panamax Daily Opex	The daily running cost taking in to account crewing, insurance, stores, repairs, expenses and management fees. *PDOPEX - Panamax OPEX: Index $/pd =Sum(PDCC, PDTC, PDIC)*
PDISPA	$	Panamax 5Y Old Price	Bulk carrier Panamax, 5 years old: 82,500 mt dwt built in “first class competitive yard", European standard B & W main engine, 97,000cbm grain, LOA 229m, draft 14.43m. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. USD Lumpsum Index: *=PDSPA*1000000*
PDISRA	$	Panamax Recycling Value	Panamax vessel with a lightweight of 9,001-20,001 lt basis delivery Subcontinent. Gas free for man entry. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. USD Lumpsum Index: *=Average (MBDSRA, MIDSRA, MPDSRA)*lightweight*
SDHEI	Index Number	Supramax Health of Earnings Index	Supramax health of earnings shows the ratio of earning against cost. A negative number indciates that earnings are below operating costs. *Composite Index: = (105TC/SDOPEX)*1000-1000*

SDRVI	$	Supramax Residual Value Index	Residual value is calculated by taking the writing down the [written down] cost of a five year old vessel by fixing the earnings on the basis of a five year timecharter and adding back the operating costs. *USD Lumpsum Index: SDSPA+(SDIOPEX+(SDIOPEX*1.05)+(SDIOPEX*1.05^2)+(SDIOPEX*1.05^3)+(SDIOPEX*1.05^4))-(SDITC*0.95)*
SDRRI	Index Number	Supramax Residual Risk Index	Residual risk is ratio of the residual value of the vessel against the recycling value. If the Residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *SDRVI/SDISRA*1000-1000*
SDITC	$/day	Supramax Implied 5 Year Timecharter	The implied value of a five year period timecharter. This is calculated from the forward curves from the FFA market. The physical marker normally trades in a 10% variance to the FFA market. *USD/pd: Average(Sum(60 MONTHS OF BFA 10TC_S)*360*5)*
SDI10TC	$/day	Supramax Spot Timecharter Earnings	Spot timecharter earnings derived from a weighted average of common trading routes. *S10TC Timecharter Weighted Average: Sum(S1B_58*0.05, S1C_58*0.05, S2_58*0.20, S3_58*0.15, S4A_58*0.075, S4B_58*0.10, S5_58*0.05, S8_58*0.15, S9_58*0.075, S10_58*0.10)*
SDIOPEX	$/day	Supramax Daily Opex	The daily running cost taking in to account crewing, insurance, stores, repairs, expenses and management fees. *SDOPEX - Supramax OPEX: Sum(SDCC, SDTC, SDIC)*
SDISPA	$	Supramax 5Y Old Price	Bulk carrier Supramax, 5 years old: “Tess 58” type 58,328 mt dwt on 12.80m draft SSW built in a Japanese yard – European standard B&W main engine. LOA 189.99m, beam 32.26m, 72,360 cbm grain, 5 holds/hatches, 4 x 30mt cranes with 4 x 12cbm grabs. Not ice-classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2-3 months), charter free. 2% total commission. *SDSPA*1000000*
SDISRA	$	Supramax Recycling Value	Supramax vessel with a lightweight of 5,000-9,001 lt basis delivery Subcontinent. Gas free for man entry. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. *Average (SBDSRA, SIDSRA, SPDSRA)*lightweight*
HDHEI	Index Number	Handysize Health of Earnings Index	Handysize health of earnings shows the ratio of earning against cost. A negative number indciates that earnings are below operating costs. *Composite Index: = (H7TC/HDOPEX)*1000-1000*

HDRVI	$	Handysize Residual Value Index	Residual value is calculated by taking the writing down the [written down] cost of a five year old vessel by fixing the earnings on the basis of a five year timecharter and adding back the operating costs. *USD Lumpsum Index: HDSPA+(HDIOPEX+(HDIOPEX*1.05)+(HDIOPEX*1.05^2) +(HDIOPEX*1.05^3)+(HDIOPEX*1.05^4))-(HDITC*0.95)*
HDRRI	Index Number	Handysize Residual Risk Index	Residual risk is ratio of the residual value of the vessel against the recycling value. If the Residual value is lower than the recycling value the index will be negative, indicating a lower risk of the investment. *HDRVI/HDISRA*1000-1000*
HDITC	$/day	Handysize Implied 5 Year Timecharter	The implied value of a five year period timecharter. This is calculated from the forward curves from the FFA market. The physical marker normally trades in a 10% variance to the FFA market. *USD/pd: Average(Sum(60 MONTHS OF BFA 7TC_H)*360*5)*
HDI7TC	$/day	Handysize Spot Timecharter Earnings	Spot timecharter earnings derived from a weighted average of common trading routes. *H7TC 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*0.20)*
HDIOPEX	$/day	Handysize Daily Opex	The daily running cost taking in to account crewing, insurance, stores, repairs, expenses and management fees. *HDOPEX - Handysize OPEX: Sum(HDCC, HDTC, HDIC)*
HDISPA	$	Handysize 5Y Old Price	Bulk carrier Handymax, 5 years old: "Imabari 38" type. 38,200 mt dwt on 10.538m draft SSW built in a Japanese yard – European standard B&W main engine. LOA 180m, beam 29.8m, 47,125 cbm grain, 45,300 cbm bale, 5 holds/hatches, 4 x 30t cranes. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission. *USD Lumpsum Index: =HDSPA*1000000*
HDISRA	$	Handysize Recycling Value	Handysize vessel with a lightweight of 5,000-9,001 lt basis delivery Subcontinent. Gas free for man entry. Delivery 15/30 days, as is, under own power, cash price, basis standard commission. *USD Lumpsum Index: =Average (SBDSRA, SIDSRA, SPDSRA)*lightweight*

Baltic Exchange Tanker Period Index

Short Code	Unit	Short Description	Long Description
BTTC5	Index Number	Baltic 5 Year Time Charter Index	Composite Index: Average(VTTC5, STTC5, ATTC5,MTTC5)
VTTC5	$/Day	5 Year Time Charter, Tanker Very Large Crude Carrier, 5 years old	5 Year Time Charter, 305,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 332m, beam about 58m. Non coated. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
STTC5	$/Day	5 Year Time Charter, Tanker Suezmax, 5 years old	5 Year Time Charter, 158,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 275m, beam about 48m. Non coated. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
ATTC5	$/Day	5 Year Time Charter, Tanker Aframax , 5 years old	5 Year Time Charter, 115,000 mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 248m, beam about 44m. Non coated. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
MTTC5	$/Day	5 Year Time Charter, Tanker MR Product Carrier, 5 years old	5 Year Time Charter, 51,000 mt dwt, built in "first class competitive yard", European standard B & W main engine. LOA about 183m, beam about 32.2m, draft about 13.2m. Coated, IMO 2/3, Deep Well. Not ice classed. 5 years old Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.

Baltic Exchange LNG Period Index

Short Code	Unit	Short Description	Long Description
BLNGTC	Index Number		
BLNG1TC	$/Day	12 Month Time Charter, LNG Carrier, 5 years old	12 Month Time Charter, LNG Carrier 174 cbm 2-Stroke 0.085% Boil off built in “first class competitive yard”, LOA about 295m, beam about 47m. 5 years old. Laden 17knots 75-80 tons of FOE /day Ballast 16 knots 65-70 tons of FOE/Day Delivery Prompt (1 Month ahead), charter free. 2% total Commission.
BLNG3TC	$/Day	3 Year Time Charter, LNG Carrier, 5 years old	3-Year Time Charter, LNG Carrier 174 cbm 2-Stroke 0.085% Boil off built in “first class competitive yard”, LOA about 295m, beam about 47m. 5 years old. Laden 17knots 75-80 tons of FOE /day Ballast 16 knots 65-70 tons of FOE/Day Delivery Prompt (1 Month ahead), charter free. 2% total Commission.
BLNG5TC	$/Day	5 Year Time Charter, LNG Carrier, 5 years old	5-Year Time Charter, LNG Carrier 174 cbm 2-Stroke 0.085% Boil off built in “first class competitive yard”, LOA about 295m, beam about 47m. 5 years old. Laden 17knots 75-80 tons of FOE /day Ballast 16 knots 65-70 tons of FOE/Day Delivery Prompt (1 Month ahead), charter free. 2% total Commission.

Baltic Exchange New Building Assessments Family

Short Code	Unit	Short Description	Long Description
TNBI	Index Number	Tanker New Building Index	Composite Index: Average(VTNBA, STNBA, ATNBA, LTNBA, MTNBA)/0.01
DNBI	Index Number	Dry New Building Index	Composite Index: Average(NDNBA, CDNBA, PDNBA, SDNBA, HDNBA)/0.01

CNBI	Index Number	ContainerNew Building Index	Composite Index: Average(BCNBA, FCNBA, PCNBA, LCNBA)/0.01
GNBI	Index Number	Gas New Building Index	Composite Index: Average(LNGNBA, LPGNBA)/0.01
VTNBA	$	Tanker Very Large Crude Carrier,New Building	SWS 320,000 mt dwt crude oil tanker. LOA 333.00m, beam 60.00m, draft 22.50m. Cargo tank capacity 361,000cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
STNBA	$	Tanker Suezmax, New Building	SWS 158,000 mt dwt crude oil tanker. LOA 274.30m, beam 48.00m, draft 17.20m. Cargo capacity 175,000 cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
ATNBA	$	Tanker Aframax, New Building	SWS 114,500 mt dwt crude oil tanker. LOA 249.95m, beam 44.00m, draft 15.00m. Cargo capacity 130,000cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
LTNBA	$	Tanker LR2 Product Tanker, New Building	SWS 114,500 mt dwt coated oil product tanker, LOA 249.95m, beam 44.00m, draft 15.00m. Cargo capacity 130,000cbm. Coated cargo tanks. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
MTNBA	$	Tanker MR Product Carrier, New Building	GSI 50,000 mt dwt IMO II/III Chemical/Product Tanker. LOA 183.00m, beam 32.00m, draft 13.40m. Cargo capacity 54,000 cbm. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.

NDNBA	$	Bulk Carrier Newcastlemax, New Building	CSSC/SWS specification. 210,000 mt dwt, LOA 299.98m, beam 50.00m, draft 18.60m European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
CDNBA	$	Bulk Carrier Capesize, New Building	CSSC/SWS specification. 180,000 mt dwt, LOA 292.00m, beam 45.00m, draft 18.30m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
PDNBA	$	Bulk Carrier Panamax, New Building	SDARI specification Kamsarmax. 82,000 mt dwt, LOA 229.00m, beam 32.26m, draft 14.45m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
SDNBA	$	Bulk Carrier Supramax, New Building	SDARI specification Ultramax. 64,000 mt dwt, LOA 199.90m, beam 32.26m, Draft 13.50m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
HDNBA	$	Bulk Carrier Handysize, New Building	SDARI specification handysize. 40,000 mt dwt, LOA 180.00m, beam 32.00m, 10.50m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
LNGNBA	$	LNG Carrier, New Building	Hudong 174,000cbm, two-stroke main engine. LOA 290.00, beam 46.95m, draft 12.50m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.

LPGNBA	$	LPG Carrier, New Building	84,000cbm capacity, 54,500mt DWT on 12m ssa, LOA 225m, Beam 36.5m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
BCNBA	$	Container 1,900 TEU Bangkokmax, New Building	Hudong 1,900 TEU container feeder, gearless. LOA 172.00m, beam 27.50m, draft 10.00m, 24,400 DWT. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
FCNBA	$	Container 2,700 TEU Feeder, New Building	Hudong 2,700 TEU container vessel. LOA 188.80m, beam 32.20m, draft 11.50m, 34,500 DWT. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
PCNBA	$	Container 7,000 TEU Panamax, New Building	7,000 TEU container vessel. LOA 272.50m, beam 42.80m, draft 14.55m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.
LCNBA	$	Container Large 15,000 TEU, New Building	CSSC 15,000 TEU. LOA 366.00m, beam 51.00m, draft 16.00m. European standard B&W main engine, Tier III. Not ice classed. Conventional propulsion (non-dual fuel), Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery within 24 months, charter free. 2% total commission. Built in First Class Chinese Shipyard. Payment terms 10/10/10/10/60%.

Baltic Exchange Operating Expense

Short Code	Unit	Short Description	Long Description
DOPEX	$/day	Baltic Operating Expense Index Dry	Dry Weighted Average: Average(CDOPEX, PDOPEX, SDOPEX, DHOPEX)
TOPEX	$/day	Baltic Operating Expense Index Tanker	Tanker Weighted Average: Average(ATOPEX, MTOPEX)

GOPEX	$/day	Baltic Operating Expense Index Gas	Gas Weighted Average: Average(LNGOPEX, LPGOPEX)
CDOPEX	$/day	Capesize Operating Expense	Capesize OPEX: Sum(CDCC, CDTC, CDIC)
PDOPEX	$/day	Panamax Operating Expense Index	Panamax OPEX: Sum(PDCC, PDTC, PDIC)
SDOPEX	$/day	Supramax Operating Expense Index	Supramax OPEX: Sum(SDCC, SDTC, SDIC)
HDOPEX	$/day	Handysize Operating Expense Index	Handysize OPEX: Sum(HDCC, HDTC, HDIC)
ATOPEX	$/day	Aframax Operating Expense Index	Aframax OPEX: Sum(ATCC,ATTC, ATIC)
MTOPEX	$/day	MR Operating Expense Index	MR OPEX: Sum(MTCC,MTTC,MTIC)
LNGOPEX	$/day	LNG Carrier Operating Expense Index	LNG OPEX: Sum(LNGCC,LNGTC,LNGIC)
LPGOPEX	$/day	LPG Carrier Operating Expense Index	LPG OPEX: Sum(LPGCC,LPGTC,LPGIC)
CDCC	$/day	Capesize Crew Cost	Crew cost for a BSPA Capesize vessel. Basis 19 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby) Unions, Dues, ITF, Victualling and domestic Provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Managers Fees relating to crewing, or an apportionment.
CDTC	$/day	Capesize Technical Cost	Technical cost for a BSPA Capesize vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Standard to maintain Rightship 3-star minimum. Stores: Deck, Engine, Stewards Lubricating Oils, Repairs: Deck, Electrical, Engine LSA, FFA Surveys, Flag, Class Spares, transportation, clearances Superintendent / technician travel and per diem / fees Owners protective Agents, husbandry fees, launches Expenses: All other general Expenses and unrecoverables, other than Insurance Managers Fees relating to Technical, or an apportionment.

CDIC	$/day	Capesize Insurance Cost	Insurance cost for a BSPA Capesize vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA Hull and Machinery including Disbursements or Freight Interest Insurance War and Strikes Risks Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal Freight, Demurrage and Defence of Baltic standard deductible incidents per period (E.g., one 30k HM incident every 5 years, plus one 8k Crew incident every 2 years, plus one other 10k incident every 2 years 41/day) Managers Fees relating to managing Insurance, or an apportionment.
CDDC	$/day	Capesize Dry Dock Cost	BSPA Capesize vessel on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo hold upgradation, the application of mid-to-high-range coating and AFS for 5 years full ranging of both anchor chains, boiler survey, docking special survey overhauls/ maintenance per maker/ flag guidelines for ME, MEAE turbochargers, governors, LSA, FFA, radio/nav equipment, BWTS overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis calibration of ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation)
PDCC	$/day	Panamax Crew Cost	Crew cost for a BSPA Panamax vessel. Basis 19 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby) Unions, Dues, ITF, Victualling and domestic Provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements) All other Manning expenses other than Insurance, Managers Fees relating to crewing, or an apportionment.

PDTC	$/day	Panamax Technical Cost	Technical cost for a BSPA Panamax vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Standard to maintain Rightship 3-star minimum. Stores: Deck, Engine, Stewards Lubricating Oils, Repairs: Deck, Electrical, Engine LSA, FFA Surveys, Flag, Class Spares, transportation, clearances Superintendent / technician travel and per diem / fees Owners protective Agents, husbandry fees, launches Expenses: All other general Expenses and unrecoverables, other than Insurance Managers Fees relating to Technical, or an apportionment.
PDIC	$/day	Panamax Insurance Cost	Insurance cost for a BSPA Panamax vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA Hull and Machinery including Disbursements or Freight Interest Insurance War and Strikes Risks Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal Freight, Demurrage and Defence of Baltic standard deductible incidents per period (E.g., one 30k HM incident every 5 years, plus one 8k Crew incident every 2 years, plus one other 10k incident every 2 years 41/day) Managers Fees relating to managing Insurance, or an apportionment.
PDDC	$/day	Panamax Dry Dock Cost	BSPA Panamax vessel on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo hold upgradation, the application of mid-to-high-range coating and AFS for 5 years full ranging of both anchor chains, boiler survey, docking special survey overhauls/ maintenance per maker/ flag guidelines for ME, MEAE turbochargers, governors, LSA, FFA, radio/nav equipment, BWTS overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis calibration of ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation)

SDCC	$/day	Supramax Crew Cost	Crew cost for a BSPA Supramax vessel. Basis 20 crew FOC with ITF approved agreement. One electrical officer in complement due to cranes, Wages fully loaded (national costs, agency, overtime, standby) Unions, Dues, ITF, Victualling and domestic Provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Managers Fees relating to crewing, or an apportionment.
SDTC	$/day	Supramax Technical Cost	Technical cost for a BSPA Supramax vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Standard to maintain Rightship 3-star minimum. Stores: Deck, Engine, Stewards Lubricating Oils, Repairs: Deck, Electrical, Engine LSA, FFA Surveys, Flag, Class Spares, transportation, clearances Superintendent / technician travel and per diem / fees Owners protective Agents, husbandry fees, launches Expenses: All other general Expenses and unrecoverables, other than Insurance Managers Fees relating to Technical, or an apportionment.
SDIC	$/day	Supramax Insurance Cost	Insurance cost for a BSPA Supramax vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA Hull and Machinery including Disbursements or Freight Interest Insurance War and Strikes Risks Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal Freight, Demurrage and Defence of Baltic standard deductible incidents per period (E.g., one 30k HM incident every 5 years, plus one 8k Crew incident every 2 years, plus one other 10k incident every 2 years 41/day) Managers Fees relating to managing Insurance, or an apportionment.

SDDC	$/day	Supramax Dry Dock Cost	BSPA Supramax vessel on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo hold upgradation, the application of mid-to-high-range coating and AFS for 5 years full ranging of both anchor chains, boiler survey, docking special survey overhauls/ maintenance per maker/ flag guidelines for ME, MEAE turbochargers, governors, LSA, FFA, radio/nav equipment, BWTS overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis calibration of ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation)
HDCC	$/day	Handysize Crew Cost	Crew cost for a BSPA Handysize vessel. Basis 20 crew FOC with ITF approved agreement. One electrical officer in complement due to cranes,Wages fully loaded (national costs, agency, overtime, standby) Unions, Dues, ITF, Victualling and domestic Provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Managers Fees relating to crewing, or an apportionment.
HDTC	$/day	Handysize Technical Cost	Technical cost for a BSPA Handysize vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Standard to maintain Rightship 3-star minimum. Stores: Deck, Engine, Stewards Lubricating Oils, Repairs: Deck, Electrical, Engine LSA, FFA Surveys, Flag, Class Spares, transportation, clearances Superintendent / technician travel and per diem / fees Owners protective Agents, husbandry fees, launches Expenses: All other general Expenses and unrecoverables, other than Insurance Managers Fees relating to Technical, or an apportionment.

HDIC	$/day	Handysize Insurance Cost	Insurance cost for a BSPA Handysize vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of INL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA Hull and Machinery including Disbursements or Freight Interest Insurance War and Strikes Risks Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal Freight, Demurrage and Defence of Baltic standard deductible incidents per period (E.g., one 30k HM incident every 5 years, plus one 8k Crew incident every 2 years, plus one other 10k incident every 2 years 41/day) Managers Fees relating to managing Insurance, or an apportionment.
HDDC	$/day	Handysize Dry Dock Cost	BSPA Handysize vessel on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo hold upgradation, the application of mid-to-high-range coating and AFS for 5 years full ranging of both anchor chains, boiler survey, docking special survey overhauls/ maintenance per maker/ flag guidelines for ME, MEAE turbochargers, governors, LSA, FFA, radio/nav equipment, BWTS overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis calibration of ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation).
VTCC	$/day	VLCC Crew Cost	Crew cost for a BSPA VLCC vessel. Basis 20 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby), Substance abuse testing programme, Union Dues, ITF, Victualling and domestic provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Manager's Fees relating to crewing, or an apportionment.

VTTC	$/day	VLCC Technical Cost	Technical cost for a BSPA VLCC vessel. Standard to maintain full OCIMF SIRE vetting; vessel trading to US, COFR in place Stores: Deck, Engine, Stewards' Lubricating Oils, Repairs: Deck, Engine, Electrical, LSA, FFA, Surveys, Flag, Class, OCIMF vetting, all calibrations, Spares, transportation, clearances, Superintendent/technician travel and per diem/fees, Owners' protective Agents, husbandry fees, launches. Expenses: All other General Expenses and unrecoverables, other than Insurance, Manager's Fees relating to Technical, or an apportionment.
VTIC	$/day	VLCC Insurance Cost	Insurance cost for a BSPA VLCC vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of IWL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA, Hull and Machinery including Disbursements or Freight Interest Insurance, War and Strike Risks, Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal, Freight, Demurrage and Defence, Cost of Baltic standard deductible incidents per period. Manager's Fees relating to managing Insurance, or an apportionment.
VTDC	$/day	VLCC Dry Dock Cost	BSPA VLCC on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China. 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo tank upgradation, overhaul of all cargo pumps, the application of mid-to-high range coating and Anti-Fouling System for 5 years; full ranging of both anchor chains, boiler survey, docking and special survey; overhauls/maintenance per maker/flag guidelines for Main Engine where applicable, Electric drives, VFDs; BOG, HD, LD Compressors, subcoolers, Main Engine and Auxiliary Engine turbochargers, engine governors, Life-Saving Appliances, Fire-Fighting Appliances, radio/nav equipment, Ballast Water Treatment System; overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis; calibration of cargo and ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation).

STCC	$/day	Suezmax Crew Cost	Crew cost for a BSPA Suezmax vessel. Basis 20 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby), Substance abuse testing programme, Union Dues, ITF, Victualling and domestic provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Manager's Fees relating to crewing, or an apportionment.
STTC	$/day	Suezmax Technical Cost	Technical cost for a BSPA Suezmax vessel. Standard to maintain full OCIMF SIRE vetting; vessel trading to US, COFR in place Stores: Deck, Engine, Stewards' Lubricating Oils, Repairs: Deck, Engine, Electrical, LSA, FFA, Surveys, Flag, Class, OCIMF vetting, all calibrations, Spares, transportation, clearances, Superintendent/technician travel and per diem/fees, Owners' protective Agents, husbandry fees, launches. Expenses: All other General Expenses and unrecoverables, other than Insurance, Manager's Fees relating to Technical, or an apportionment.
STIC	$/day	Suezmax Insurance Cost	Insurance cost for a BSPA Suezmax vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of IWL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA, Hull and Machinery including Disbursements or Freight Interest Insurance, War and Strike Risks, Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal, Freight, Demurrage and Defence, Cost of Baltic standard deductible incidents per period. Manager's Fees relating to managing Insurance, or an apportionment.

STDC	$/day	Suezmax Dry Dock Cost	BSPA Suezmax on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China. 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo tank upgradation, overhaul of all cargo pumps, the application of mid-to-high range coating and Anti-Fouling System for 5 years; full ranging of both anchor chains, boiler survey, docking and special survey; overhauls/maintenance per maker/flag guidelines for Main Engine where applicable, Electric drives, VFDs; BOG, HD, LD Compressors, subcoolers, Main Engine and Auxiliary Engine turbochargers, engine governors, Life-Saving Appliances, Fire-Fighting Appliances, radio/nav equipment, Ballast Water Treatment System; overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis; calibration of cargo and ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation).
ATCC	$/day	Aframax Crew Cost	Crew cost for a BSPA Aframax vessel. Basis 20 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby), Substance abuse testing programme, Union Dues, ITF, Victualling and domestic provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Manager's Fees relating to crewing, or an apportionment.
ATTC	$/day	Aframax Technical Cost	Technical cost for a BSPA Aframax vessel. Standard to maintain full OCIMF SIRE vetting; vessel trading to US, COFR in place Stores: Deck, Engine, Stewards' Lubricating Oils, Repairs: Deck, Engine, Electrical, LSA, FFA, Surveys, Flag, Class, OCIMF vetting, all calibrations, Spares, transportation, clearances, Superintendent/technician travel and per diem/fees, Owners' protective Agents, husbandry fees, launches. Expenses: All other General Expenses and unrecoverables, other than Insurance, Manager's Fees relating to Technical, or an apportionment.

ATIC	$/day	Aframax Insurance Cost	Insurance cost for a BSPA Aframax vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of IWL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA, Hull and Machinery including Disbursements or Freight Interest Insurance, War and Strike Risks, Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal, Freight, Demurrage and Defence, Cost of Baltic standard deductible incidents per period. Manager's Fees relating to managing Insurance, or an apportionment.
ATDC	$/day	Aframax Dry Dock Cost	BSPA Aframax on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China. 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo tank upgradation, overhaul of all cargo pumps, the application of mid-to-high range coating and Anti-Fouling System for 5 years; full ranging of both anchor chains, boiler survey, docking and special survey; overhauls/maintenance per maker/flag guidelines for Main Engine where applicable, Electric drives, VFDs; BOG, HD, LD Compressors, subcoolers, Main Engine and Auxiliary Engine turbochargers, engine governors, Life-Saving Appliances, Fire-Fighting Appliances, radio/nav equipment, Ballast Water Treatment System; overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis; calibration of cargo and ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation).
MTCC	$/day	MR Crew Cost	Crew cost for a BSPA MR vessel. Basis 21 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby), Substance abuse testing programme, Union Dues, ITF, Victualling and domestic provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Manager's Fees relating to crewing, or an apportionment.

MTTC	$/day	MR Technical Cost	Technical cost for a BSPA MR vessel. Standard to maintain full OCIMF SIRE vetting; vessel trading to US, COFR in place Stores: Deck, Engine, Stewards' Lubricating Oils, Repairs: Deck, Engine, Electrical, LSA, FFA, Surveys, Flag, Class, OCIMF vetting, all calibrations, Spares, transportation, clearances, Superintendent/technician travel and per diem/fees, Owners' protective Agents, husbandry fees, launches. Expenses: All other General Expenses and unrecoverables, other than Insurance, Manager's Fees relating to Technical, or an apportionment.
MTIC	$/day	MR Insurance Cost	Insurance cost for a BSPA MR vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of IWL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA, Hull and Machinery including Disbursements or Freight Interest Insurance, War and Strike Risks, Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal, Freight, Demurrage and Defence, Cost of Baltic standard deductible incidents per period. Manager's Fees relating to managing Insurance, or an apportionment.
MTDC	$/day	MR Dry Dock Cost	BSPA MR on a 5 year drydock regime otherwise In-Water Surveys, well-maintained steel and coating, being maintained to retain sale price. Drydocking in China. 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo tank upgradation, overhaul of all cargo pumps, the application of mid-to-high range coating and Anti-Fouling System for 5 years; full ranging of both anchor chains, boiler survey, docking and special survey; overhauls/maintenance per maker/flag guidelines for Main Engine where applicable, Electric drives, VFDs; BOG, HD, LD Compressors, subcoolers, Main Engine and Auxiliary Engine turbochargers, engine governors, Life-Saving Appliances, Fire-Fighting Appliances, radio/nav equipment, Ballast Water Treatment System; overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis; calibration of cargo and ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation).

LNGCC	$/day	LNG Carrier Crew Cost	Crew cost for an LNG vessel. Basis 24 crew FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby), Substance abuse testing programme, Union Dues, ITF, Victualling and domestic provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Manager's Fees relating to crewing, or an apportionment. Basis the Baltic Standard LNG Vessel.
LNGTC	$/day	LNG Carrier Technical Cost	Technical cost for an LNG vessel. Standard to maintain full OCIMF SIRE vetting; vessel trading to US, COFR in place Stores: Deck, Engine, Stewards' Lubricating Oils, Repairs: Deck, Engine, Electrical, LSA, FFA, Surveys, Flag, Class, OCIMF vetting, all calibrations, Spares, transportation, clearances, Superintendent/technician travel and per diem/fees, Owners' protective Agents, husbandry fees, launches. Expenses: All other General Expenses and unrecoverables, other than Insurance, Manager's Fees relating to Technical, or an apportionment. Basis the Baltic Standard LNG Vessel.
LNGIC	$/day	LNG Carrier Insurance Cost	Insurance cost for an LNG vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of IWL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA, Hull and Machinery including Disbursements or Freight Interest Insurance, War and Strike Risks, Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal, Freight, Demurrage and Defence, Cost of Baltic standard deductible incidents per period. Manager's Fees relating to managing Insurance, or an apportionment. Basis the Baltic Standard LNG Vessel.

LNGDC	$/day	LNG Carrier Dry Dock Cost	LNG 5-year drydocking in China. 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo tank upgradation, overhaul of all cargo pumps, the application of mid-to-high range coating and Anti-Fouling System for 5 years; full ranging of both anchor chains, boiler survey, docking and special survey; overhauls/maintenance per maker/flag guidelines for Main Engine where applicable, Electric drives, VFDs; BOG, HD, LD Compressors, subcoolers, Main Engine and Auxiliary Engine turbochargers, engine governors, Life-Saving Appliances, Fire-Fighting Appliances, radio/nav equipment, Ballast Water Treatment System; overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis; calibration of cargo and ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation). Basis the Baltic Standard LNG Vessel.
LPGCC	$/day	LPG Carrier Crew Cost	Crew cost for an LPG vessel. Basis 24 crew, FOC with ITF approved agreement. Wages fully loaded (national costs, agency, overtime, standby), Substance abuse testing programme, Union Dues, ITF, Victualling and domestic provisions, Travel, Medical, Training, STCW requirements, in-lieu-of-cadets training cost (cadets not in standard complements). All other Manning expenses other than Insurance, Manager's Fees relating to crewing, or an apportionment. Basis the Baltic Standard LPG Vessel.
LPGTC	$/day	LPG Carrier Technical Cost	Technical cost for an LPG vessel. Standard to maintain full OCIMF SIRE vetting; vessel trading to US, COFR in place Stores: Deck, Engine, Stewards' Lubricating Oils, Repairs: Deck, Engine, Electrical, LSA, FFA, Surveys, Flag, Class, OCIMF vetting, all calibrations, Spares, transportation, clearances, Superintendent/technician travel and per diem/fees, Owners' protective Agents, husbandry fees, launches. Expenses: All other General Expenses and unrecoverables, other than Insurance, Manager's Fees relating to Technical, or an apportionment. Basis the Baltic Standard LPG Vessel.

LPGIC	$/day	LPG Carrier Insurance Cost	Insurance cost for a Baltic LPG vessel. International Group P&I, first class H&M, Class with an IACS member. No breaches of IWL or Additional War Risks covered. Governing principle is inclusion of all cover required to present vessel for worldwide trading within INL and excluding HRA, Hull and Machinery including Disbursements or Freight Interest Insurance, War and Strike Risks, Protection and Indemnity including cargo, crew, third parties, stowaways, damage caused by vessel/FFO, pollution, wreck removal, Freight, Demurrage and Defence, Cost of Baltic standard deductible incidents per period. Manager's Fees relating to managing Insurance, or an apportionment. Basis the Baltic Standard LPG Vessel.
LPGDC	$/day	LPG Carrier Dry Dock Cost	LPG 5-year drydocking in China. 12 days at the yard of which 5 in dry dock, no steel exchange, no full blasting of the hull, no cargo tank upgradation, overhaul of all cargo pumps, the application of mid-to-high range coating and Anti-Fouling System for 5 years; full ranging of both anchor chains, boiler survey, docking and special survey; overhauls/maintenance per maker/flag guidelines for Main Engine where applicable, Electric drives, VFDs; BOG, HD, LD Compressors, subcoolers, Main Engine and Auxiliary Engine turbochargers, engine governors, Life-Saving Appliances, Fire-Fighting Appliances, radio/nav equipment, Ballast Water Treatment System; overhaul air circuit breakers, ballast and sea water pump, some motors, sea water pipes on condition basis; calibration of cargo and ballast tank gauges and water ingress system. Calculated from a lumpsum value ÷ 1825 days (5 years amortisation). Basis the Baltic Standard LPG Vessel.

Baltic Exchange Sale and Purchase

Short Code	Unit	Short Description	Long Description
TSPA	$	Tanker Sale and Purchase Index	Composite Index: Average(VTSPA, STSPA, ATSPA, MTSPA)/0.01
DSPA	$	Dry Sale and Purchase Index	Composite Index: Average(CDSPA, PDSPA, SDSPA, HDSPA)/0.01
VTSPA	$	VLCC, 5 years old	305,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 332m, beam about 58m. Non coated. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.

STSPA	$	Suezmax, 5 years old	158,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 275m, beam about 48m. Non coated. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
ATSPA	$	Aframax , 5 years old	115,000 mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 248m, beam about 44m. Non coated. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
MTSPA	$	MR Tanker, 5 years old	51,000 mt dwt, built in "first class competitive yard", European standard B & W main engine. LOA about 183m, beam about 32.2m, draft about 13.2m. Coated, IMO 2/3, Deep Well. Not ice classed. 5 years old Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
CDSPA	$	Capesize, 5 years old	180,000 mt dwt built in "first class competitive yard", European standard B & W main engine, 199,000cbm grain, LOA 290m, beam 45m, draft 18.2m SSW. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
PDSPA	$	Panamax, 5 years old	82,500 mt dwt built in "first class competitive yard", European standard B & W main engine, 97,000cbm grain, LOA 229m, draft 14.43m. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
SDSPA	$	Supramax, 5 years old	"Tess 58" type 58,328 mt dwt on 12.80m draft SSW built in a Japanese yard – European standard B&W main engine. LOA 189.99m, beam 32.26m, 72,360 cbm grain, 5 holds/hatches, 4 x 30mt cranes with 4 x 12cbm grabs. Not ice-classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2-3 months), charter free. 2% total commission.

UDSPA	$	Ultramax, 5 years old	63,500 mt dwt, Built in “first class competitive yard", European standard B & W main engine, 80,000cbm grain, LOA 199.98m, draft 13.418m. 5 holds/hatches, 4 x30T cranes. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
HDSPA	$	Handysize, 5 years old	"Imabari 38" type. 38,200 mt dwt on 10.538m draft SSW built in a Japanese yard – European standard B&W main engine. LOA 180m, beam 29.8m, 47,125 cbm grain, 45,300 cbm bale, 5 holds/hatches, 4 x 30t cranes. Not ice classed. 5 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.

VTSPA10	$ mil	VLCC, 10 years old	305,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 332m, beam about 58m. Non coated. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
STSPA10	$ mil	Suezmax, 10 years old	158,000mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 275m, beam about 48m. Non coated. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
ATSPA10	$ mil	Aframax, 10 years old	115,000 mt dwt built in "first class competitive yard", European standard B&W main engine. LOA about 248m, beam about 44m. Non coated. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
MTSPA10	$ mil	MR Tanker, 10 years old	51,000 mt dwt, built in "first class competitive yard”, European standard B & W main engine. LOA about 183m, beam about 32.2m, draft about 13.2m. Coated, IMO 2/3, Deep Well. Not ice classed. 10 years old Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.

CDSPA10	$ mil	Capesize, 10 years old	180,000 mt dwt built in “first class competitive yard", European standard B & W main engine, 199,000cbm grain, LOA 290m, beam 45m, draft 18.2m SSW. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
PDSPA10	$ mil	Panamax, 10 years old	82,500 mt dwt built in “first class competitive yard", European standard B & W main engine, 97,000cbm grain, LOA 229m, draft 14.43m. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
UDSPA10	$ mil	Ultramax, 10 years old	63,500 mt dwt, Built in “first class competitive yard", European standard B & W main engine, 80,000cbm grain, LOA 199.98m, draft 13.418m. 5 holds/hatches, 4 x30T cranes. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.
SDSPA10	$ mil	Supramax, 10 years old	“Tess 58” type 58,328 mt dwt on 12.80m draft SSW built in a Japanese yard – European standard B&W main engine. LOA 189.99m, beam 32.26m, 72,360 cbm grain, 5 holds/hatches, 4 x 30mt cranes with 4 x 12cbm grabs. Not ice-classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2-3 months), charter free. 2% total commission.
HDSPA10	$ mil	Handysize, 10 years old	"Imabari 38" type. 38,200 mt dwt on 10.538m draft SSW built in a Japanese yard – European standard B&W main engine. LOA 180m, beam 29.8m, 47,125 cbm grain, 45,300 cbm bale, 5 holds/hatches, 4 x 30t cranes. Not ice classed. 10 years old. Special survey passed. Marine Fuel Oil compliant with MARPOL specifications at any time when not burning Gas Oil. Not scrubber fitted. Delivery prompt (2/3 months), charter free. 2% total commission.

Baltic Exchange Ship Recycling

Short Code	Unit	Short Description	Long Description
BSRA	Index Number	Baltic Ship Recycling Index	Composite Index: Average(TSRA, DSRA)
TSRA	Index Number	Tanker Recycling Index	Composite Index: Average(LBTSRA*40,000, LITSRA*40,000, LPTSRA*40,000, MBTSRA*24,000, MITSRA*24,000, MPTSRA*24,000, SBTSRA*9500, SITSRA*9500, SPTSPA*9500)/1000

DSRA	Index Number	Dry Recycling Index	Composite Index: Average(LBTSRA*22,000, LITSRA*22,000, LPTSRA*22,000, MBTSRA*11,000, MITSRA*11,000, MPTSRA*11,000, SBTSRA*9000, SITSRA*9000, SPTSPA*9000)/1000
LBTSRA	$/LT	Large Tanker, Bangladesh	Large Tanker basis delivery Bangladesh, 30,001 long ton lightweight displacement and above. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
LITSRA	$/LT	Large Tanker, India	Large Tanker basis delivery India, 30,001 long ton lightweight displacement and above. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
LPTSRA	$/LT	Large Tanker, Pakistan	Large Tanker basis delivery Pakistan, 30,001 long ton lightweight displacement and above. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
MBTSRA	$/LT	Medium Tanker, Bangladesh	Medium Tanker basis delivery Bangladesh, 15,001 to 30,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
MITSRA	$/LT	Medium Tanker, India	Medium Tanker basis delivery India, 15,001 to 30,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
MPTSRA	$/LT	Medium Tanker, Pakistan	Medium Tanker basis delivery Pakistan, 15,001 to 30,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
SBTSRA	$/LT	Small Tanker, Bangladesh	Small Tanker basis delivery Bangladesh, 7,000 to 15,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
SITSRA	$/LT	Small Tanker, India	Small Tanker basis delivery India, 7,000 to 15,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
SPTSRA	$/LT	Small Tanker, Pakistan	Small Tanker basis delivery Pakistan, 7,000 to 15,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
LBDSRA	$/LT	Large Bulk Carrier, Bangladesh	Large Bulk Carrier basis delivery Bangladesh, 20,001 long ton lightweight displacement and above. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.

LIDSRA	$/LT	Large Bulk Carrier, India	Large Bulk Carrier basis delivery India, 20,001 long ton lightweight displacement and above. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
LPDSRA	$/LT	Large Bulk Carrier, Pakistan	Large Bulk Carrier basis delivery Pakistan, 20,001 long ton lightweight displacement and above. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
MBDSRA	$/LT	Medium Bulk Carrier, Bangladesh	Medium Bulk Carrier basis delivery Bangladesh, 9,001 to 20,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
MIDSRA	$/LT	Medium Bulk Carrier, India	Medium Bulk Carrier basis delivery India, 9,001 to 20,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
MPDSRA	$/LT	Medium Bulk Carrier, Pakistan	Medium Bulk Carrier basis delivery Pakistan, 9,001 to 20,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
SBDSRA	$/LT	Small Bulk Carrier, Bangladesh	Small Bulk Carrier basis delivery Bangladesh, 5,000 to 9,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
SIDSRA	$/LT	Small Bulk Carrier, India	Small Bulk Carrier basis delivery India, 5,000 to 9,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.
SPDSRA	$/LT	Small Bulk Carrier, Pakistan	Small Bulk Carrier basis delivery Pakistan, 5,000 to 9,001 long ton lightweight displacement. Gas free for hot works. Delivery 15/30 days, as is, under own power, cash price, basis standard commission.

Baltic Exchange Bunker Price Report

Short Code	Unit	Short Description	Long Description
RHSFOT	US$/mt	IFO 380 3.5% Sulphur, Rotterdam	ISO 8217:2010 : IFO 380 3.5% Sulphur Rotterdam - Waalhaven - Maasvlakte Range (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.

RVSFOT	US$/mt	IFO 380 0.5% Sulphur, Rotterdam	ISO 8217:2010 : 0.5% VLSFO Rotterdam - Waalhaven - Maasvlakte Range (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
RLSGOT	US$/mt	Marine Gas Oil (DMA) 0.1% Sulphur, Rotterdam	ISO 8217:2010 : MGO 0.1% Sulphur (DMA) Rotterdam - Waalhaven - Maasvlakte Range (Price Today). Stem of 100mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
HHSFOT	US$/mt	IFO 380 3.5% Sulphur, Houston	ISO 8217:2010 : IFO 380 3.5% Sulphur Houston - Houston Harbour (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
HVSFOT	US$/mt	IFO 380 0.5% Sulphur, Houston	ISO 8217:2010 : 0.5% VLSFO Houston - Houston Harbour. (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
HLSGOT	US$/mt	Marine Gas Oil (DMA) 0.1% Sulphur, Houston	ISO 8217:2010 : MGO 0.1% Sulphur (DMA) Houston - Houston Harbour (Price Today). Stem of 100mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
SHSFOT	US$/mt	IFO 380 3.5% Sulphur Singapore	ISO 8217:2010 : IFO 380 3.5% Sulphur Singapore Anchorage, under SBA Scheme (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.

SVSFOT	US$/mt	IFO 380 0.5% Sulphur, Singapore	ISO 8217:2010 : 0.5% VLSFO, Singapore Anchorage, under SBA Scheme. (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
SLSGOT	US$/mt	Marine Gas Oil (MDA) 0.1% Sulphur, Singapore	ISO 8217:2010 : MGO 0.1% Sulphur (DMA), Singapore Anchorage, under SBA Scheme (Price Today). Stem of 100mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
FHSFOT	US$/mt	IFO 380 3.5% Sulphur, Fujairah	ISO 8217:2010 : IFO 380 3.5% Sulphur, Fujairah offshore anchorage area (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days
FVSFOT	US$/mt	IFO 380 0.5% Sulphur, Fujairah	ISO 8217:2010 : 0.5% VLSFO, Fujairah offshore anchorage area . (Price Today). Stem of 800 - 1000mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days.
FLSGOT	US$/mt	Marine Gas Oil (MDA) 0.1% Sulphur, Fujairah	ISO 8217:2010 : MGO 0.1% Sulphur (DMA), Fujairah offshore anchorage area (Price Today). Stem of 100mt; All-in invoice price; delivered on board in 7-10 days, barging, taxes, fees, average hourly charges and overtimes. Credit worthy buyer, prompt payer, terms 30 days

Baltic Exchange EUA Carbon Report

Short Code	Unit	Short Description	Long Description
EUA_SPOT	€	EUA OTC spot price, delivered	EUA spot price for a 500mt carbon, delivered and excluding warehousing premium or any additional costs. Commission 0.1%

EUA_DEC	€	EUA December (current year) forward OTC contract, delivered	December OTC EUA forward contract for 1,000mt carbon, delivered and excluding warehousing premium or any additional costs. Commission 0.1%
EUA_+1CAL_DEC	€	EUA December (next year) forward OTC contract, delivered	Next year's December OTC EUA forward contract for 1,000mt carbon, delivered and excluding warehousing premium or any additional costs. Commission 0.1%
EUA_SPOT$	$	EUA OTC spot price, delivered (Priced in $)	EUA spot price for a 500mt carbon, delivered and excluding warehousing premium or any additional costs. Commission 0.1%
EUA_DEC$	$	EUA December (current year) forward OTC contract, delivered (Priced in $)	December OTC EUA forward contract for 1,000mt carbon, delivered and excluding warehousing premium or any additional costs. Commission 0.1%
EUA_+1CAL_DEC$	$	EUA December (next year) forward OTC contract, delivered (Priced in $)	Next year's December OTC EUA forward contract for 1,000mt carbon, delivered and excluding warehousing premium or any additional costs. Commission 0.1%

APPENDIX 3

Calculation Methodologies

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 "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 represent the Panellist’s professional judgement at the time of the assessment given prevailing market conditions.

APPENDIX 5

BEA Indices Business Continuity and Disaster Recovery Plan

1. Scope of the 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 BEA's index determination and administration process.

1.2. This BCDRP is designed to set out BEA's compliance pursuant to IOSCO PFBs with regards to the submissions made to the Administrator and the Administrator's index determination process.

2. Business impact assessment

2.1. Any disruption to the indices determination process for BEA should be considered as potentially critical to BEA'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 index determination process will quickly lead to a loss of confidence in BEA as an Administrator and could critically damage BEA's business and reputation.

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

2.3. Disruption to BEA's index 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 BEA 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 BEA staff and BEA Panellists to access the BDP and would therefore be likely to cause a disruption to Panellist's Contribution of Input Data and BEA's index determination process. On the other hand, a problem affecting the physical operation of BEA's business would not necessarily prevent BEA from obtaining Panellist's Contribution of Input Data as long as BEA Employees are trained and equipped with the resources to carry out the business function via alternative methods.

2.5. BEA'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 BEA's Recovery Time Objective (RTO) is the shortest amount of time required for BEA'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 BEA's business were to arise because of a suspected software defect, BEA 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 BEA shall not affect the index determination process. Baltic Employees shall be able to access the BDP from home or alternative premises without interruption.

3.4. In the event of an unrecoverable failure of the system software, BEA 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 BEA'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 BEA system backups shall be transferred to separate storage and the "live" site is regularly 'synced' to backup the failover server.

5.3. Electronic data storage:

All data related to BEA's index 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.

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

6. Internet connectivity defects

6.1. BEA'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 BEA's index 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 BEA's index determination process caused by an IT software or hardware problem:

1) An Assessor or Senior Assessor must immediately alert the Chief Information Officer, IT Manager and/or their 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 BEA incident report form as provided in Schedule 1 of this BCDRP.

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

7.2. **BEA offices inoperable:**

Emergency evacuation

7.2.1. In the event of an emergency that requires BEA's office to be evacuated immediately, all BEA 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 index determination process, the Assessors and Senior Assessors 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 BEA 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 3 of this BCDRP, then the Head of Benchmark Production must arrange for the index determination process to be halted.

7.2.4. If BEA'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 Assessor must immediately ensure that the Head of Benchmark Production, Chief Information Officer or IT Manager and the Compliance Department have been alerted.

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 BEA incident report form.

7.2.7. The Assessors shall inform BEA Panellists about the incident and provide an initial estimate of the likely duration of any disruption to the index 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 BEA about the incident. Where relevant, the notice should provide an estimate of the likely duration of any disruption to the index determination process. The notice shall be communicated to customers of BEA 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 BEA IT systems, for identifying deficiencies in procedures and for ensuring that remedial measures are implemented.

8.3. The Baltic 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, the Baltic will perform full regression testing using script-based scenarios.

9. Review of BEA'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 BEA Board. The BCDRP will also be reviewed following any incident which requires the BCDRP to be invoked.

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

Schedule 1 – BEA Incident Report Form

This form should be completed for all incidents that directly/indirectly affect the BEA Indices determination process in accordance with the BCDRP.

Date:	Time of Incident:
Detail description of incident	
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 (if applicable)? *(provide details below)*	
Any other comments *(provide details below)*	
Time incident resolved:	Name: *(state name of person completing this form)*

Glossary

Administrator	means BEA as the legal person that has control over the provision of an index.
Assessor	means an assessor employed by BEA, whose services are placed at BEA's disposal or under the control of BEA, 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 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 BEA and the Baltic.
Baltic Data Policy	means the policy that sets out the terms under which Baltic Data is provided. The policy is available on the Baltic website.
Baltic Exchange	means the Baltic Exchange Limited.
Baltic website	Means https://www.balticexchange.com
Baltic App	Means a web or native app based product that supports Baltic and Baltic Employees, Panellists and nominated users to provide a service to members and partners.
BCDRP	means the Business Continuity and Disaster Recovery Plan set out in Appendix 5.
BDP	means the Baltic data platform, the Baltic App used by BEA to receive index submissions from Panellists.
BEA	means The Baltic Exchange (Asia) Pte. Ltd.
Code of Conduct	Has the meaning set out in Section 15 of this Guide to BEA Indices.
Complainant	means a Baltic Exchange member, Submitter, 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 an index.
Expert Judgement	means the exercise of discretion by the Submitter 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.
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 BEA to determine an index.
Incident Co-ordinator	means a nominated staff member from the Baltic Technology team who will be responsible for managing an incident from when an incident is raised, resolved and reported.
IOSCO	The International Organisation of Securities Commissions.
IOSCO PFBs	means the International Organisation of Securities Commissions' Principles for Financial Benchmarks.
Panellist	has the meaning given to it in Section 7.1.1.
Office Apps	means online or local applications that are used for documentation, communication and collaboration. Includes the creation of documents, spreadsheets, emails and chats.
Panellist Agreement	means the agreement made between a Panellist and BEA, whereby a Panellist has agreed to provide Input Data to BEA, which BEA will be authorised to use for the compilation, publication, distribution, marketing and sale by BEA, of the BEA Indices and aggregated route assessments published by BEA.
Principal	means a vessel owner or a charterer with whom a broker fixes or acts on behalf of.
Provider	means Software Developer partners engaged by the Baltic to develop Baltic Apps
Record(s)	refers to BEA 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 BEA index information.
Regulator	means any relevant regulator.
RPP	has the meaning given to it in Section 12.1.4.
Senior Assessor	means a senior assessor of BEA whose services are placed at BEA's disposal or under the control of BEA, 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.
SGX	means Singapore Exchange Limited.
Submitter	means a natural person employed by the Panellist for the purpose of contributing Input Data.
Whistleblower	means Baltic Employees or any other individual making a whistleblowing claim.
Working Hours	means the office hours in the timezone where BEA operates

ZBEX	a control number based on information available to the Assessor an hour before publication.

Guide to Baltic Asia Indices