



Appendix 2 to Fish Pool Rulebook

Calculation of settlement price

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General provisions:

The terms of this Calculation of settlement price Appendix will apply to all Financial Fish and Seafood Contracts Listed at Fish Pool. In the event of any conflict between the Rulebook and these terms, the Rulebook shall prevail.

Purpose of the Fish Pool Index TM (FPI)

The FPI is calculated every week and published on the Fish Pool Website. The FPI is calculated as a basket based on several price indexes with the aim of reflecting the correct market price for each week. The FPI aims at reflecting the market price for Superior gutted Salmon, iced and packed in boxes, reference Oslo. To reflect one market price for Salmon, an average of Salmon size 3-6 kg is established. The FPI has reference Exporters selling price Oslo.

Procedures for calculating the FPI

Price indexes used for calculating the FPI from 2016:

The following price indexes are included in the Fish Pool Index (FPI) with the following weighting:

Index	Description	Weighting from 2015
NASDAQ Exporters sales price	Average of achieved sales prices for exporters (Superior salmon 3-6 kilo).	85 %
Export index. Statistics from Statistics Norway.	Export price for fresh Salmon from Norway. Average of all sizes and qualities. Covers all export.	10 %
Fish Pool European Buyers Index	Purchase price reported by large European purchasers of Norwegian Salmon (Superior salmon 3-6 kilo).	5 %

Weight distribution for calculating FPI:

Some indexes reflect the prices of Salmon according to weights. To compute a total market price the following formula is used:

Index	Price by sizes	Weighting
Nasdaq Salmon Index.	Yes	30 % SUP3-4 40 % SUP4-5 30 % SUP5-6
SSB Export index.	No	None
Fish Pool European Buyers Index	Yes	30 % SUP 3-4 40 % SUP 4-5 30 % SUP 5-6

Mark-ups and deductions for calculating FPI from 2016:

FPI aims at reflecting the market price reference selling price Oslo. To compare prices with different currencies and points of deliveries fixed mark-ups and deductions are established. They will from 2015 be as follows:

Index	Currency	Mark-up	Deduction
Nasdaq Salmon Index	NOK	0	0
SSB Export index	NOK	0	0
Fish Pool European Buyers Index	NOK	0	0

Exchange rates:

To convert from NOK to EUR the weekly average of daily exchange rates published from Central Bank of Norway is used.

Lack of price information to calculate the FPI:

In the case of not available price information for a price used in the calculation of the FPI the weight of the other indexes will be increased proportionally. The Fish Pool Index Surveillance Board (ISB) may evaluate at its own discretion if the FPI shall be calculated according to this rule or use price from previous week(s) to reflect as good as possible the correct market price.

If lacking price information is expected to be long term, or has been lacking 3 weeks in a row, the ISB must be informed and a formal decision must be taken.

EU Minimum Import Prices or other regulations

To secure that the FPI correctly reflect market prices in case of regulations, the ISB has the authority to propose procedures to correctly reflect market prices. The

previous App 2 version 4.1 contains the procedures used for EU Minimum Import prices illustrating possible procedures to be followed in case of regulations to the market prices to specific markets.

Procedures for monitoring and changing the FPI

Operation of the FPI – The Index Surveillance board (ISB)

Fish Pool ASA is responsible for monitoring, supervising and changing the FPI. To secure the independent operation and trustworthiness of the FPI Fish Pool Board of Directors has appointed an independent Board, Fish Pool Index Surveillance Board (ISB).

The ISB shall be independent of the Fish Pool operations. The Fish Pool board of directors has appointed Oslo Børs as the ISB.

Index Surveillance Board (ISB) surveys the FPI and may decide temporary changes and propose permanent changes in the calculation of the FPI

Correction to the calculation of the FPI

The ISB is authorised to adjust the calculation of the FPI temporarily or permanently, according to the following procedures:

1. The ISB monitors the FPI. The ISB may decide to propose permanent corrections in this appendix to the rulebook to the Fish Pool board of directors.
2. The ISB may decide temporarily – up to 6 months – the following factors adjusting used for calculation of the FPI with the aim of better reflecting the market prices and avoid possible manipulation of the FPI.
 - a. the mark-up/deductions
 - b. the weightings
 - c. introduce a new or replace an existing index with a new index
3. The ISB may engage independent experts to conduct analysis of market prices as basis for decision-making

Procedures for decision making by the ISB

Temporary correction of calculation of the FPI:

The ISB may decide to temporarily correct the calculation of the FPI . This may be done for any week(s), including the weeks of the last month with executed settlement.

Permanent correction of the FPI

The ISB shall do its outmost to supervise the FPI and secure that the settlement price reflects the market prices for Salmon as defined in this appendix. At its own discretion the ISB may propose to change permanently:

- weighting of the price information used to calculate the FPI,
- the indexes in the basket, by replacing existing or introducing new indexes
- the weight distribution used for calculation of the indexes,
- the deductions/mark-ups for comparing to Oslo prices,
- the rules for currency conversion from EUR to NOK, or
- other rules necessary for reflecting the correct market price for Salmon.

Implementation of permanent corrections:

Permanent corrections proposed shall be calculated and compared to existing FPI using the latest complete calendar year available. The average absolute weekly correction in the 52 weeks in the previous year shall be calculated. A permanent correction in the FPI shall be implemented from the first week in a quarter.

For months, where trades have already been executed there is a notice time, unless a material change in one or more indexes occurs or the ISB evaluates an earlier correction as important to correctly reflect market prices. The notice time from the day the permanent correction decided by the Fish Pool board of directors was published on the Fish Pool Website, to the day of implementation will depend on average correction in the FPI.

Average absolute weekly change:	Min notice time
Less than 1%	1 months
Between 1% and 2%	6 months
More than 2%	12 months

Monthly settlement price for financial contracts

Procedures for calculating the monthly settlement price

Each Listed monthly product at Fish Pool shall clearly indicate which weeks are included in the monthly product. The monthly settlement price will be calculated as the simple average weekly price (not volume weighted) of the weeks included in the Listed monthly product. The monthly settlement price for Fish Pool contracts will be published by the 15th (or the next Trading day following the 15th) in the following month.

All prices, Nasdaq Salmon Index, SSB, Fish Pool European Buyers Index and currency rates will be registered with 2 decimals as basis for calculating the weekly Fish Pool Index.

Corrections in the Monthly Settlement Price (MSP):

In the event of later corrections of the indexes used for calculation of the FPI or in the event of calculation errors or other errors in computing the MSP are discovered, the MSP may be corrected according to the following rules:

Fish Pool may, in the event that it is discovered that a settlement was erroneous in a material manner because of an error in the Fish Pool Index TM monthly price calculation, decide that a correction shall be effected among the Trading Members involved in a bilateral trade according to this Appendix. In respect of Cleared Trades the Clearinghouse may perform a corrective Settlement based on the updated Index. This is governed by the Rulebook of the Clearinghouse.