

**Contract Specifications of Refined Soy Oil**

<b>Symbol</b>	REFSOYOIL
<b>Description</b>	REFSOYOILMMYY
<b>Contract listing</b>	Contracts are available for all 12 calendar months in a year as per the Contract Launch Calendar.
<b>Last trading day</b>	20 <sup>th</sup> of contract month. If 20 <sup>th</sup> is holiday or Saturday then preceding working day.
<b>Trading</b>	
<b>Trading period</b>	Mondays through Saturdays
<b>Trading session</b>	Monday to Friday: 10.00 a.m. to 5.00 p.m. Saturday: 10.00 a.m. to 2.00 p.m.
<b>Trading unit</b>	10 MT
<b>Quotation / Base value</b>	Rs. per 10 kg
<b>Price Quote</b>	Ex- Indore (including all taxes, levies and sales tax/ VAT, as the case may be)
<b>Maximum order size</b>	300 MT
<b>Tick size (minimum price movement)</b>	5 paise
<b>Daily price limits</b>	The base price limit will be 3%. Whenever the base daily price limit is breached, the relaxation will be allowed upto the 4% with a cooling off period of 15 minutes
<b>Initial margin</b>	5%
<b>Special Margin</b>	In case of additional volatility, a special margin at such percentage, as deemed fit, will be imposed on both buy and sale side in respect of all outstanding positions, which will remain in force till volatility persists, after which the special margin will be relaxed.
<b>Maximum Allowable Open Position</b>	For individual clients: 20000 MT For a member collectively for all clients: 60000 MT or 15% of the market-wide open position, whichever is higher.  Near Month Limits For individual clients: 6000 MT For a member collectively for all clients: 18000 MT or 15% of the market-wide open position, whichever is higher
<b>Delivery</b>	
<b>Delivery unit</b>	10 MT (with tolerance limit of 250 kg) which means that if the seller delivers any quantity between 9.75

	MT to 10.25 MT, it will be construed as adequate discharge of his delivery obligation of 10 MT, though he will get the value only for actually quantity delivered by him.	
<b>Delivery center(s)</b>	Storage tanks located within 50 kilometers of Indore Municipal limits	
<b>Delivery period margin</b>	25% margin will be imposed on the date of expiry on both buyer and seller on matched quantity.	
<b>Quality specifications</b>		
1.	Moisture insoluble impurities	0.1% (maximum)
2.	Colour in Lovibond Scale Basic Unit Maximum acceptable with Rebate Units:	4 (maximum)
3.	Expressed as	Y + 5R in 1/4" cell
4.	Refractive Index @ 40°C	1.4650 to 1.4710
5.	Specific gravity @ 30°C @ 25/25	0.917 to 0.921
6.	Saponification value	189 to 195
7.	Iodine value (Wij's)	120 to 141
8.	Unsaponifiable matter % by wt.	1.5% (maximum)
9.	FFA % by wt. Basic	0.25 (maximum)
10.	Flash point pensky marten method °C 14:	250 (minimum)
11.	Refractro Meter Reading @ 40°C	58.5 to 68.0
<b>Delivery Logic</b>		Both Option

### Contract launch Calendar

Contract launch months	Contract expiry months
June 2010	September 2010
June 2010	October 2010
July 2010	November 2010
August 2010	December 2010

### Delivery and Settlement procedure for Refined Soy Oil

<b>Delivery logic</b>	<b>Both Option</b>
<b>Tender day</b>	1 <sup>st</sup> working day after expiry of contract
<b>Tender and delivery period</b>	1 <sup>st</sup> to 2nd working days after expiry of the contract.
<b>Buyer's and Seller's Intention</b>	On the contract expiry day by 12.00 noon. Seller will submit copies of relevant documents as a proof of holding stock at the time of giving his intention.
<b>Mode of communication</b>	Fax / Courier
<b>Matching of Buyer's and Seller's intention</b>	On the basis of intention received from the buyers and sellers, the Exchange will match the total quantity offered by the buyers and sellers and with respect to the matched quantity, the allocation of delivery between the buyers and sellers will be done. The unmatched quantity of open position will be closed out as per DDR and actual delivery will be effected only to the extent of matched quantity.
<b>Dissemination of the information on delivery intention on TWS</b>	On the contract expiry day by 1.00 p.m.
<b>Delivery period margin</b>	25% margin will be imposed during tender and delivery period on both buyers and sellers on matched quantity.
<b>Exemption from delivery period margin</b>	Delivery period margin is exempted if the Seller provides documentary proof of delivery at the Exchange's designated delivery center.
<b>Delivery allocation</b> - Date - Rate	On expiry date of the Contract At due date rate (DDR)
<b>Delivery pay-in</b>	E+1 working day by 5.00 p.m. (E stands for expiry)
<b>Delivery pay-out</b>	E+2 working day by 5.00 p.m.
<b>Pay-in of funds</b>	E+2 working day by 11.00 a.m.
<b>Pay-out of funds</b>	E+2 working day after 2.00 p.m.
<b>Penal provisions</b>	<p>After getting (matching) intentions from the buyer and seller to take or give delivery, if any of the party fails to honour his obligations, a penalty of 2.5% of the DDR will be imposed on him.</p> <p>Additionally, a replacement cost of 4% will be recovered from the defaulting buyer / seller.</p> <p>Out of the penalty, 2% will be credited to IPF and 0.5% will be credited to the counter party. While, out of the replacement cost recovered, 90% will be passed on to the counterparty and 10% will be retained by the Exchange.</p>
<b>Taxes, duties, cess and levies</b>	Ex – Indore (inclusive of all taxes, levies and sales tax / VAT, as the case may be ) The seller will pay the sales tax / VAT and all the applicable duties and levies.

<b>Close out of open positions</b>	All outstanding positions on the expiry date of the contract which does not result into delivery, shall be closed out at DDR and respective pay-in and pay-out of funds of such close out shall be effected on 1 <sup>st</sup> working day after the last trading day by 11.00 a.m.
<b>Due date rate (DDR)</b>	Exchange shall take spot prices from a panel of different entities from spot market and shall compute the daily average price. DDR will be calculated by way of taking simple average of last 3 days of the spot market prices so computed.
<b>Adjustment of transportation charges</b>	Not applicable
<b>Warehouse, Fumigation, Insurance and Transportation charges</b>	-Borne by the seller upto commodity pay-out date -Borne by the buyer after commodity pay-out date
<b>Buyer's option for lifting of delivery</b>	Buyer will not have any option about choosing the place of delivery and will have to accept the delivery as per allocation made by the Exchange.
<b>Delivery center</b>	Deliveries can be effected either from Exchange designated Warehouse at Storage tanks located within 50 km of Indore Municipal limits., which may be Central Warehousing Corporation or a private warehouse or from seller's storage tanks.
<b>Delivery Order</b>	<p>Good delivery order will be submitted in specified format giving details of members / registered non-members who shall perform delivery.</p> <p>Each delivery order issued shall be in multiples of minimum delivery lots and shall be designated for only one delivery center and one location in such center.</p> <p>It will be accompanied with Warehouse Receipt, Invoice and Good Delivery Quality Certificate as per contract specifications from Exchange designated certifier, Delivery Order once submitted cannot be withdrawn or cancelled or changed unless so agreed by the Exchange in writing. Members tendering the delivery order shall clearly specify the grade and shall be in conformity with the surveyor's certificate accompanied with the delivery document and cannot be changed subsequently.</p>
<b>Delivery Grades</b>	The members tendering delivery will have the option of delivering such grades of goods as permitted by the Exchange under the contract specifications. The Buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the Exchange shall be binding on him.
<b>Evidence of Stock in possession</b>	At the time of issuing delivery order, members must prove to the Exchange that he holds stocks of the quantity and quality specified in the delivery order at the declared delivery center. This should be substantiated by way of producing warehouse receipt

<b>Endorsement of Delivery Order</b>	The buyer member can endorse delivery order to a client or any third party with full disclosure given to the Exchange. Responsibility for contractual liability would be with the original buyer member.
<b>Sampling and Analysis at the time of Delivery</b>	In case the buyer does not agree to the Surveyor's report as to the quality of the commodity, he shall desire for second sampling and intimate the Exchange in writing within 48 hours of the pay-out date.
<b>Sampling Procedure</b>	<p>The system of drawing of samples tendered for delivery will be as prescribed in the Bureau of Indian Standards procedure. Three samples shall be drawn as under:</p> <ul style="list-style-type: none"> <li>• First Sample – For the buyer</li> <li>• Second Sample – For the seller</li> <li>• Third Sample – For final reference, if necessary</li> </ul> <p>If the first sample collected by the buyer and analyzed by the surveyor appointed by him, conforms to the specifications, then the goods tendered for delivery shall be accepted and no subsequent claims from the buyer regarding quantum of rebate or any other indemnification shall be admissible nor sellers shall be obliged to pass any sealed samples to the buyer if requested subsequently. The sampling methods to be adopted for analysis will be decided by the Exchange.</p>
<b>Failing of first sample</b>	If the first sample as examined by the buyer's surveyor fails to conform to the quality standards specified, the Buyer shall intimate the seller within 72 hours of collection of sealed sample along with a copy of the analyst's report. The seller shall immediately send the second sealed sample to an approved laboratory, which is also agreed by the buyer. The result of the same shall be binding on both the parties. In the event the buyer and seller do not mutually reach agreement with the results of the second sample test, then the Exchange shall send the third sealed sample to any one of the approved laboratories / surveyor, as decided by the Exchange.
<b>Surveyor's Final report</b>	The analyst's report of the approved and agreed independent laboratory shall be forwarded by the Exchange to the parties immediately on receipt of the same. In such case, the final payment to the seller will be made on the basis of test report received by the Exchange pursuant to the third test. The Exchange will also direct the party, in whose favour the result is declared to collect the cost of tests and detention charges from the other party. In case the commodity stands rejected then it will tantamount to failure on the part of the seller to give delivery, which shall be closed out as per the Due date rate treating the same as shortage.
<b>Obligations of the independent analyst</b>	In order to ensure that tests are exactly comparable and that the results are consistent, the independent analyst shall determine the particular analytical test by applying the methods specified in relevant IS. The analyst shall be required to append a certificate to that effect to the analysis report issued by him.

<b>Commingling of Vegetable Stocks</b>	Members or their clients originating the delivery Order shall be permitted to hold commingled stocks of tender able grade of Oil covered by the said Delivery Order which shall mean that such stocks may be mixed or kept together with other stocks of the same grade of oil duly certified by approved Surveyors. However, the selling member will be responsible for any deterioration in quality, if it happens prior to giving delivery.
<b>Delivery from Seller's Tanker</b>	In case of delivery of vegetable oil against his position in a vegetable oil contract, if the seller tenders delivery from his own or private storage tank, the approved surveyors, certifying quality and weight, shall seal that particular tank at both inlet and outlet valves. However if the Seller opts to give delivery from an approved Tank Terminal, then the warehouse receipts duly issued and certified by the approved Tank Terminal and surveyors respectively shall accompany along with delivery order certifying quality and weight.
<b>Legal obligation</b>	Member will provide appropriate tax forms wherever required as per law and as customary. Neither of the parties will refuse to do so unreasonably.
<b>Extension of delivery period</b>	As per the Exchange decision due to a force majeure or otherwise.
<b>Applicability of Byelaws, Rules, Business Rules of the Exchange.</b>	The general provisions of Byelaws, Rules and Business Rules of the Exchange and decisions taken by Forward Markets Commission, Board of Directors and Executive Committee of the Exchange in respect of matters specified above will form and integral part of this contract. The Exchange or FMC as the case may be further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, risk management from time to time. The buyer shall have to lodge their claim against quality of goods / delivery allocated to them, if any, within 48 hours from the date of scheduled pay out of the Exchange and failing which, no claim shall be entertained by the Exchange thereafter. (The interpretation or clarification given by the Exchange on any terms of this contract shall be final and binding on the members and others.)