

**APPENDIX C**

**Proposed Amendments to  
TSR 20 Rubber Futures Contract Specifications**

Para		Current Specification		Para	Proposed Specifications		Reason
1.1	<b>Definition</b>	<b>Matching or Matched</b>	Shall have the meaning ascribed to it under Clause 3.4.1;	1.1	<b>Definition</b>		
					<b>Matching or Matched</b>	Shall have the meaning ascribed to it under Clause 3.3.1;	
3.4		<b>Matching and Notification by Clearing House</b>		3.3	<b>Matching and Notification by Clearing House</b>		Numbering of clauses have been amended for the revised contract specifications, i.e. clause 3.4 is now re-numbered as clause 3.3 and vice versa
3.4.1		<u>Matching by Clearing House.</u> The Clearing House shall match Buyers with Sellers via their respective Buying Members and Selling Members and notify the Buying Members and the Selling Members by 4.00 p.m on the second (2 <sup>nd</sup> ) Business Day following the Last Trading Day (“ <b>Matching</b> ” or “ <b>Matched</b> ”).		3.3.1	<u>Matching by Clearing House.</u> The Clearing House shall match Buyers with Sellers via their respective Buying Members and Selling Members and notify the Buying Members and the Selling Members by 4.00 p.m on the second (2 <sup>nd</sup> ) Business Day following the Last Trading Day (“ <b>Matching</b> ” or “ <b>Matched</b> ”).		
3.4.2		<u>Post Matching – Clearing House Not Counterparty.</u> Upon Matching the Clearing House ceases to be a central counterparty. For the avoidance of doubt, the Clearing House as provided under the Clearing Rules only guarantees the settlement of the Contract prior to Matching.					Since performance deposit is now collected after matching, the Clearing House is central counterparty until collection of performance deposit as provided for under the amended Rule
3.4.3		<u>Selling Member Guarantee.</u> The Selling Member shall guarantee and assume complete responsibility to the Buying Member for the performance		3.3.2	<u>Selling Member Guarantee.</u> The Selling Member shall guarantee and assume complete responsibility to the Buying Member for the performance of		

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3.4.4	<p>of all delivery obligations of the Delivery Units in accordance with the Rules and this Specifications.</p> <p><u>Buying Member Guarantee.</u> The Buying Member shall guarantee and assume complete responsibility to the Selling Member for the performance of all delivery obligations of the Delivery Units in accordance with the Rules and this Specifications.</p>	3.3.3	<p>all delivery obligations of the Delivery Units in accordance with the Rules and this Specifications.</p> <p><u>Buying Member Guarantee.</u> The Buying Member shall guarantee and assume complete responsibility to the Selling Member for the performance of all delivery obligations of the Delivery Units in accordance with the Rules and this Specifications.</p>	3.4.3. The previous Clause 3.4.2 is accordingly deleted.
3.4.5	<p><u>Apportionment of Costs.</u> All costs with respect to any Matched obligation shall be apportioned between the Buyer and the Seller by reference to Deemed Delivery. The Seller shall bear all costs up to the point of Deemed Delivery and Buyer shall bear all costs thereafter, except for terminal handling charges as specified in Clause 4.1.3, which shall be borne by the Buyer.</p>	3.3.4	<p><u>Apportionment of Costs.</u> All costs with respect to any Matched obligation shall be apportioned between the Buyer and the Seller by reference to Deemed Delivery. The Seller shall bear all costs up to the point of Deemed Delivery and Buyer shall bear all costs thereafter, except for terminal handling charges as specified in Clause 4.1.3, which shall be borne by the Buyer.</p>	
3.3	<p><b>Posting and Release of Performance Deposit with Clearing House</b></p>	3.4	<p><b>Posting and Release of Performance Deposit with Clearing House</b></p>	
3.3.1	<p><u>Quantum of Performance Deposit.</u> The amount of the Performance Deposit to be posted to the Clearing House shall be as follows:</p> <p>(a) the Selling Member shall post twenty percent (20%) of the Delivery Unit Value; and</p> <p>(b) the Buying Member shall post ten percent (10%) of the Delivery Unit Value.</p>	3.4.1	<p><u>Quantum of Performance Deposit.</u> The amount of the Performance Deposit to be posted with the Clearing House shall be at the discretion of the Clearing House.</p>	Amendment to provide for an adjustment of performance deposit quantum at the discretion of the Clearing House.
3.3.2	<p><u>Deadline for Posting Performance Deposit.</u> The Buying Member and Selling Member shall collect Performance Deposits from their respective Buyer and</p>	3.4.2	<p><u>Deadline for Posting Performance Deposit.</u> The Buying Member and the Selling Member shall post Performance Deposits with the Clearing House by the fifth</p>	Change in timing for posting of performance deposit.

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3.3.3	<p>Seller no later than 12.00 noon on the second (2<sup>nd</sup>) Business Day following the Last Trading Day. Thereafter, the Buying Member and the Selling Member shall post Performance Deposits with the Clearing House no later than 12.00 noon on the second (2<sup>nd</sup>) Business Day following the Last Trading Day and in accordance with the Clearing Rules.</p> <p><u>Release of Performance Deposit.</u> The Performance Deposit shall be held in escrow by the Clearing House and released only:</p> <p>(a) upon satisfactory delivery of the Delivery Unit(s) as contemplated in this Specifications;</p> <p>(b) upon election of Alternative Delivery Procedure and the furnishing of an indemnity as referred to under Clause 7.2.3;</p> <p>(c) as directed by the Award; or</p> <p>(d) pursuant to instructions jointly issued by the Buying Member and the Selling Member.</p> <p>When a Seller or Buyer is responsible for making or taking delivery with respect to multiple Delivery Units, Delivery Default with respect to one Delivery Unit shall have no bearing on the release of the Performance Deposit(s) with respect to other conforming Delivery Unit(s).</p>	3.4.3	<p>(5<sup>th</sup>) Business Day following the Last Trading Day of the matured Contract and in accordance with the Clearing Rules.</p> <p><u>Upon Posting of Performance Deposit – Clearing House not Counterparty.</u> Upon posting of the Performance Deposit by both the Buying Member and the Selling Member, the Clearing House shall cease to be a central counterparty.</p> <p><u>Release of Performance Deposit.</u> The Performance Deposit shall be held in escrow by the Clearing House and released only:</p> <p>(a) upon satisfactory delivery of the Delivery Unit(s) as contemplated in this Specifications;</p> <p>(b) upon election of Alternative Delivery Procedure and the furnishing of an indemnity as referred to under Clause 7.2.3;</p> <p>(c) as directed by the Award; or</p> <p>(d) pursuant to instructions jointly issued by the Buying Member and the Selling Member.</p> <p>When a Seller or Buyer is responsible for making or taking delivery with respect to multiple Delivery Units, Delivery Default with respect to one Delivery Unit shall have no bearing on the release of the Performance Deposit(s) with respect to other conforming Delivery Unit(s).</p>	<p>Since performance deposit is now collected after matching, Clearing House is central counterparty until collection of performance deposit as provided for under the amended Rule 3.4.3. The previous Clause 3.4.2 is accordingly deleted.</p>