

# IMAREX launches trading in TC2 freight options

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IMAREX and NOS are pleased to announce that clearing is now available for freight options on the TC2 clean tanker route from Rotterdam to New York.

This will be the very first clean tanker freight option available for clearing.

Clearing is available to all members with immediate effect.

IMAREX / NOS has developed this product in order to offer a wider service to our members, and to continue offering an ever widening range of products to the market.

Margining of TC2 freight options will be based on the new margining curves released 2nd May 2006.

For more detailed information about margining and the margin curves, please contact your broker or the NOS freight desk.

NOS will clear the Options according to Appendix 5 of the NOS / IMAREX Rulebook.

The updated Rulebook and Notice 03/2006 with the amendments to the Rulebook related to

introduction of TC2 options is available:

- [HERE](#)

## TC2 FREIGHT OPTIONS STRUCTURE:

- TC2 freight options will be available for trading and clearing for all NOS members.
- TC2 freight options will be structured as monthly Call and Put options for the term of the entire Imarex forward curve.
- TC2 freight options will be “Asian style” with automatic exercise by NOS. All freight options will be settled against the arithmetic average of the
- Spot Prices for the relevant Underlying Product over the number of Index Days in the month.
- The minimum contract size for TC2 freight options will be 5 lots.
- The clearing fee for TC2 options will be 1.5% of the option premium.
- The strikes will initially move in steps of 5 World Scale points on tanker options (i.e. 75, 80, 85 etc). All strikes may be cleared.
- All option contracts will be registered on the member’s ordinary clearing account with NOS. Option premiums will be settled in cash between buyer and seller the trading day. At expiration, all in-the-money options will be automatically settled against the average spot index for delivery period.
- The settlement amount - the positive difference between the average index value and the option strike, will be booked the last business day of the month.

For more detailed information regarding TC2 freight options, please see the Rulebook and Appendix 5 (Product Specifications).

- See: [Appendix 5](#)

For more detailed information regarding margin curves used in the margining calculation, please visit our web site.

- See: [Margin Curves](#)

No  
No relation

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