

Scan Risk Range - Initial Margin Rates and SPAN Parameters

Commodity	Code	Expiry Months	Price Scan Range (per lot)	Inter Month Spread Charge (per spread)	Volatility Scan Range	Short Option Minimum (per lot)
Milk Price Future	MKP	0-12 months	NZ\$1800	Tiered	34%	NZ\$150
Milk Price Future	MKP	13-24 months	NZ\$1800	Tiered	34%	NZ\$150
Milk Price Future	MKP	25-36 months	NZ\$1800	Tiered	34%	NZ\$150
Milk Price Future	MKP	37-48 months	NZ\$1800	Tiered	34%	NZ\$150

SPAN Tiered Inter-Month Spread Details

Milk Price Future	Months in Tier	Tier 1	Tier 2	Tier 3	Tier 4
Tier 1	0-12 months	NZ\$1800			
Tier 2	13-24 months	NZ\$2880	NZ\$1800		
Tier 3	25-36 months	NZ\$3240	NZ\$2880	NZ\$1800	
Tier 4	37-48 months	NZ\$3240	NZ\$3240	NZ\$2880	NZ\$1800

Notes:

1. All parameters are subject to change given such factors as market price, volatility and economic environment.
2. These parameters are effective from 27 May 2016 until further notice.