

Freddie Staermose,
Argus Media,
Lacon House, 84
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United Kingdom

25 January 2018

Dear Mr Staermose,

Following the proposal to amend the specifications for the Argus CIF ARA we would like to express our opinion on the subject.

Firstly, the proposed amendment, as it stated in the consultation notice, is due to be undertaken in order "to widen the pool of index-relevant trade", but the notice does not provide any evidence that the current price assessments are in any way flawed. No explanation is given how any possible defect would negatively affect the market. The proposal is only based on the assumption that a change is necessary to improve current methodology.

Secondly, it is not clear how the proposed changes would improve the accuracy and reliability of the indices. Without a detailed explanation of the rationale for the proposed amendment, it is extremely difficult for market participants to carefully weigh all pros and cons.

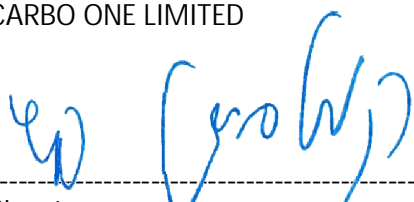
Thirdly, once put into effect the change in the methodology will definitely entail serious consequences for the whole market. Differently priced indices will inevitably affect those buyers and sellers who have entered long-term contracts. An artificial uncertainty caused by the proposed measure will challenge the reliability of the indices and be considered as an additional risk by those market participants who believe that current benchmark calculation is functioning well at present.

To sum up, we kindly ask you to reconsider the proposed changes in the calculation. A possible solution could be the introduction of another marker, which would cover the specifications in question. For example, two different physical products with minimum calorific values of 6,000 kcal/kg and 5,500 kcal/kg would provide market participants with a fair opportunity to determine whether the proposed changes are in fact necessary. Such an approach would enable the market to decide for itself what it thinks of the proposed amendment.

Your faithfully,

For and on behalf of

CARBO ONE LIMITED



Signature

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