



OIL PRICE INFORMATION SERVICE (OPIS) – BENCHMARK STATEMENT

1. General Disclosures	
Benchmark family name	Oil Price Information Service (OPIS)
Date of initial publication of this document	9 July 2018
Date of last update to this document	9 July 2018
ISIN (where available)	There are presently no ISINs available or accessible for the benchmarks covered by this Benchmark Statement
Determination by contributions of input data	The administrator receives contributions of data from market participants in relation to this family of commodity benchmarks.
Qualification of the benchmark family	OPIS is a family of commodity benchmarks.
2. Key terms relating to the benchmark or family of benchmarks	
General description of the market or economic reality	<p>OPIS tracks current and historical pricing for oil products across the entire fuel supply chain. OPIS provides pricing reports for the spot (also referred to as “bulk”), wholesale rack and retail fuel markets.</p> <p>Commodity pricing including gasoline, diesel, biofuels, NGL/LPG, natural gas, jet fuel, crude oil and feedstocks.</p>
Geographical boundaries of the market or economic reality	OPIS benchmarks cover the US, Europe and Asia.

Other relevant information relating to the market or economic reality	N/A
3. The potential limitations of the benchmark and the circumstances in which the measurement of the market or economic reality may become unreliable	
Circumstances in which we would lack sufficient input data to determine the benchmark according to the methodology	OPIS's publically available methodology states that we may assess markets in the absence of liquidity by discovering bid/offer ranges or by applying historically demonstrable and defensible differentials to related, more liquid markets. The only circumstance in which a benchmark could no longer be provided would be if the commodity being assessed became no longer economically viable to trade or value due to changing regulatory requirements.
Circumstances in which the degree of liquidity of the underlying market becomes insufficient to ensure the integrity and reliability of the benchmark determination according to the methodology	See above
4. The controls and rules that govern the exercise of judgment or discretion in the calculation of the benchmark or family of benchmarks	
Position of each function or body that may exercise discretion in the calculation of a benchmark	Discretion and judgment may be exercised by market assessors (see below) and the approach to such judgment and discretion is regularly reviewed by the Board of the administrator and the Benchmark Oversight Committee.
Governing the exercise of judgement or discretion	OPIS reserves the right to exercise editorial judgment in cases where input data appears to be outlying information that cannot be verified with other market sources by press time, is provided from a source not approved for data submission or does not otherwise fit our methodology which is publically available on our website here: https://www.opisnet.com/about/methodology/ . Market assessors may choose to exclude data on that basis, however, that data exclusion must be logged and approved by a senior editor prior to publication of the day's ranges.

Ex-post evaluation process	When a correction is requested by a subscriber an investigation is launched by the market assessor and a senior editor to determine whether the correction request has merit. If the correction request is deemed to be a valid concern, a correction notice is posted in the next available publication.
5. Review of the methodology and changes to, or cessation of, the benchmark or family of benchmarks	
The methodology	<ol style="list-style-type: none"> 1. OPIS methodologies are crafted and adopted with stakeholder input in accordance with our global compliance policy and IOSCO Principles for Oil Price Reporting Agencies. Any material change to a methodology is subject to a sufficient period of public comment usually four to six weeks in duration. Further, quarterly ‘open season’ notices are run to encourage stakeholders to voice their opinions about our methodologies and suggest any changes if they so desire. The methodology is subject to at least annual review by the administrator. Such review is carried out by the Board of the administrator and the Benchmark Oversight Committee. 2. Our benchmarks are determined by combinations of market survey, observances of trading screen activity, application of historically demonstrable differentials and formulaic calculations and/or submission of back office deal sheets; in most cases priority is given to transactions followed by bid/offer ranges followed by notional but historically demonstrable formulaic calculations; the latter of which can be applied to days of little or no liquidity. Further detail of specific models and methods use to extrapolate market value can be found described on our publically available website: https://www.opisnet.com/about/methodology/. 3. While OPIS market assessors are trained to use editorial judgment when necessary to exclude data that cannot be verified by press time or otherwise does not fit our methodology, any data exclusion must be reviewed and approved by a senior editor prior to publication of the price assessment. 4. Historically demonstrable differentials may be applied to assessments in the absence of liquidity. These differentials are subject to internal and external review through the quarterly review and open season processes as described above and OPIS’ publically available website: https://www.opisnet.com/about/methodology/.

	<p>5. Corrections that are determined to be necessary either from internal or external discovery are performed by the market assessor assigned to the day's report but must be approved by a senior editor prior to re-publication. Corrections occurring the day of publication may trigger a re-publication of the assessment, Corrections discovered to be necessary the day after publication or thereafter are described in correction notices attached to subsequent days reports; and</p> <p>6. Low liquidity days do not preclude publication of a benchmark if the methodology proscribes a means of applying a historically demonstrable differential to a related more liquid product. No limitation is based on data submitters for volume of trades done.</p>
Possible impacts of changes to, or the cessation of the benchmarks upon the financial contracts, financial instruments that reference the benchmark or the measurement of the performance of investment funds	<p>It is possible that factors, including external factors beyond the control of the administrator, may necessitate changes to, or the cessation of an OPIS benchmark.</p> <p>It is possible that changes to, or the cessation of, the OPIS Indices may have an impact upon the financial instruments that reference the benchmarks.</p>
6. Commodity benchmarks	
Qualification as a commodity benchmark	OPIS benchmarks are commodity benchmarks.
Title II or Annex II regime	OPIS benchmarks are commodity benchmarks and Annex II of the BMR applies.
Criteria that define the relevant underlying physical commodity	OPIS benchmarks and the underlying physical commodities include refined products, natural gas liquids, renewable fuels and clean carbon credits as described in OPIS' publically available website here: https://www.opisnet.com/about/methodology/ .
Publication of information relating to commodity benchmark	OPIS benchmark information and related calculations are explained and published in its nightly reports available to subscribers. The methodologies relating to the OPIS benchmarks are explained on our publicly available website: https://www.opisnet.com/about/methodology

Additional information	
	<p>OPIS's IOSCO audit results are available here: https://notices.opisnet.com/IOSCO.</p> <p>The methodologies relating to the OPIS benchmarks are explained on our publicly available website: https://www.opisnet.com/about/methodology</p>

IMPORTANT:

This Benchmark Statement will be updated whenever the information it provides is no longer correct or sufficiently precise and at least where:

- (a) there is a change in the type of the benchmark;
- (b) there is a material change in the methodology for determining the benchmark or, where the benchmark statement refers to a family of benchmarks, in the methodology for determining any benchmark within the family of benchmarks.

This Benchmark Statement will be updated at least every two years.

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CONTACT US

For more information, including methodology documents please visit <https://www.opisnet.com/about/methodology> or contact us at customercare@ihsmarkit.com

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