



**Report to the directors of PRIMA Regulated Markets (the “Company” or “PRIMA”) in respect of Company’s statement of adherence to the Principles for Oil Price reporting Agencies as at 19 July 2018.**

**1. PRICE ASSESSMENT FRAMEWORK OVERVIEW**

The International Organisation of Securities Commissions (“IOSCO”) published a set of Principles (the “Principles”) for oil price reporting agencies (“PRAs”) on 5 October 2012. These were consequently endorsed by the G20 in November 2012. They cover governance, control, integrity and conflict management in relation to commodity benchmark price assessments published by PRAs. IOSCO, in its Principles for PRAs, encouraged the extension of the principles to other commodity benchmarks, not just those relating to that oil.

Dominy Law Limited (“Dominy Legal”) has undertaken a reasonable assurance engagement in respect of the Company’s detailed statement of adherence to the IOSCO Principles. Principle 2.20 is not in scope of this report as the principle is a statement of intention.

This report is made solely to the Company in connection with Principle 2.21 of the PRA Principles. Dominy Legal’s work has been undertaken so that we might state to the directors those matters we are required to state in an independent assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors and to the Company for our work, for this report, or for the conclusion we have formed, save where we have expressly agreed in writing.

The two benchmarks in scope of this report are Korea B Grade Ethanol and LCFS Certificates.

**2. RESPECTIVE RESPONSIBILITIES OF THE COMPANY AND DOMINY LEGAL**

The directors of the company are responsible for ensuring that the Company designs, implements and monitors compliance with methodologies, policies and procedures that adhere with the PRA Principles.

Our responsibilities for this engagement are established in the United Kingdom by our profession’s ethical guidance and are to undertake a reasonable engagement and report in connection with the directors’ statement of adherence to the PRA Principles as at 19 July 2018. We report to you whether in our opinion, based on the results of our work (which is further described below) the Company’s detailed statement of its methodologies, policies and processes in respect of its adherence to the PRA Principles is fairly stated, in all material respects.



### 3. OUR APPROACH

We conducted our engagement with regard to the International Standard on Assurance Engagements 3000 issued by the IAASB and with regard to TECH 02/14 FSF issued by ICAEW. We performed a reasonable assurance engagement as defined in the IAASB's International Framework for Assurance Engagements and with regard to with TECH 02/14 FSF.

The objective of a reasonable assurance engagement is to perform such procedures on a sample basis so as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express our conclusion. The extent of procedures performed is greater than for a limited assurance engagement, and therefore more assurance is obtained.

Our engagement includes examination, on a test basis, of evidence relevant to assessing the Company's statement of their adherence to the PRA Principles, excluding Principle 2.20. Our procedures are described in the appendix to this report (the "Appendix").

Our procedures were sufficient to enable us to provide reasonable assurance in all material respects on the design and operating effectiveness of the relevant internal controls and processes or operation of policies or controls in place to address the PRA Principles.

### 4. INHERENT LIMITATIONS

The validity and reliability of price assessments is dependent on both (i) those who submit information to the PRAs, for which the submitters are solely responsible, and (ii) the procedures performed by the PRAs to analyse that information. Submitters of information are not subject to the PRA Principles and we are unable to comment on source data submitted by those parties.

Control procedures designed to address specified control objectives are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Such control procedures cannot guarantee protection against (among other things) fraudulent collusion especially on the part of those holding positions of authority or trust. Furthermore, our conclusion is based on historical information, as well as selected timeframes in relation to price assessment samples, and the projection of any information or conclusions in the attached report to any future periods would be inappropriate.

### 5. CONCLUSION

In our opinion, based on the results of our procedures, samples provided by the Company, in all material respects:



- The Company's detailed response to the PRA Principles in respect of benchmarks set out below has been prepared in accordance with the PRA Principles; and
- The policy and methodology has existed, in line with what has been described in the Company's detailed response, and the processes and control activities have operated as described throughout the period 16 June 2017 to 12 July 2018 (the Review Period), except in respect of price assessments which we can confirm have operated as described on the specified seven review periods as further described below.

DocuSigned by:  
*Stephanie Dominy*  
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Dominy Law Limited

Date: 7/23/2018 3:20:00 AM PDT



### **Director's Statement of Adherence**

PRIMA Markets confirms that it has designed, implemented, operated and monitored compliance with policies and procedures that adhere to the Principles of Oil Price Reporting Agencies published by the International Organisation of Securities Commissions on 5 October 2012 (the PRA Principles) as further described in "PRIMA response" column of the Appendix for the benchmarks in scope of the review.

The Directors of PRIMA Markets are, and shall be, responsible for this Statement and the continued operation of the policies and procedures designed to address the PRA Principles.

A handwritten signature in black ink that reads "Matthew Stone". The signature is written in a cursive style.

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Name: Matthew Stone

Position: Managing Director

Signed on behalf of PRIMA Regulated Markets



## APPENDIX

IOSCO Principle	PRIMA response	Dominy Legal Testing
Quality and integrity of PRA Methodologies		
<i>1 Methodology</i>		
1.1 A PRA should formalize, document, and make public any methodology that it uses for a price assessment.	All of PRIMA's assessments are undertaken according to a documented price assessment methodology, which is publicly available on PRIMA's website at <a href="http://www.prima-markets.com/about-us/methodology">www.prima-markets.com/about-us/methodology</a>	Dominy Legal inspected PRIMA's price assessment methodology dated 13 June 2016 (the Methodology Document) and noted they are as described in PRIMA's response to Principle 1.1 and published on PRIMA's website.
1.2 A methodology should aim to achieve price assessments which are reliable indicators of oil market values, free from distortion and representative of the particular market to which they relate.	<p>PRIMA's assessment methodologies are market-specific. Assessments are based in order of priority on trade, bid/offer, shifts in netback values and replacement market fundamentals in order to accurately reflect the daily market clearing price. Anomalous inputs are discounted.</p> <p>The parameters of each named assessment, including specification, dates, location, volume and currency, are determined by PRIMA staff experienced in benchmarking and indexation in partnership with industry participants.</p> <p>PRIMA's assessors are expected to extend contact to the largest array of counterparties ("CPs") and intermediaries deemed to be in scope of the market being assessed. This is to ensure that the resulting assessments are representative of the market.</p>	Dominy Legal inspected the Methodology Document and confirm that the processes described therein are as described in PRIMA's response to Principle 1.2.



	Further, assessments are fully documented and reviewed to ensure that they accurately reflect the breadth of participation in the market.	
<p>1.3 At a minimum, a methodology should contain and describe:</p> <p>a) All criteria and procedures that are used to develop an assessment including how the PRA uses the specific volume, concluded and reported transactions, bids, offers and any other market information (collectively “market data”) in its assessment and/or assessment time periods (i.e. windows), why a specific reference unit is used (i.e. barrels of oil), how the PRA collects such market data, the guidelines that control the exercise of judgment by assessors and any other information, such as assumptions, models and/or extrapolation from collected data that are considered in making an assessment;</p>	<p>PRIMA’s published methodology contains and describes all relevant criteria and procedures used in developing an assessment, including how PRIMA uses:</p> <ul style="list-style-type: none"> <li>● The specified volume;</li> <li>● Concluded and reported transactions;</li> <li>● Bids, offers; and</li> <li>● Any other market information (‘market data’) in its assessment and or assessment time periods.</li> </ul> <p>PRIMA’s methodologies explain:</p> <ul style="list-style-type: none"> <li>● Why the specific reference units are used;</li> <li>● How PRIMA collects market data;</li> <li>● The guidelines controlling the exercise of judgment by the assessors; and</li> <li>● Other information such as assumptions models and/or extrapolation from collected data that are considered in the course of making an assessment.</li> </ul>	Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.3(a).
<p>b) Its procedures and practices that are designed to ensure consistency between its assessors in exercising their judgment;</p>	<p>PRIMA considers price contributions towards its assessments according to a strict hierarchy.</p> <p>In order of priority, named trades, then firm named bids or offers, satisfying the specifications of PRIMA’s price assessment, will be included towards the formation of individual pricing benchmarks.</p> <p>PRIMA’s methodology provides that benchmark assessments are to be accompanied by a full written rationale describing the logic used</p>	Dominy Legal inspected the Methodology Document and noted it is as described in PRIMA’s response to Principle 1.3(b).



	<p>in arriving at the day's price fixing. PRIMA employs an assessment peer review workflow which requires each assessment to be peer-reviewed prior to publication.</p> <p>In the event that a PRIMA assessor is uncertain how to process all or part of the information received on any given day towards an assessment, the assessor may approach an experienced PRIMA peer reviewer or manager for guidance. The PRIMA peer reviewer manager will document his or her guidance on the day's assessment through a recorded channel, typically email.</p> <p>In the event an assessment is not approved, it is passed back to the analyst for further explanation and peer review until the assessment is approved for publication.</p>	
<p>c) The relative importance that generally will be assigned to each criterion used in forming the price assessment (i.e., type of market data used, type of criterion used to guide judgment). This is not intended to restrict the specific application of the relevant methodology but is to ensure the quality and integrity of the price assessment.</p>	<p>The Methodology Document provides for a strict price assessment input hierarchy. Assessors are to accord greater priority to reported deals done confirmed by named counterparties or an intermediary broker. In the absence of this information, PRIMA analysts are directed to look to other market data in a descending order of priority.</p>	<p>Dominy Legal inspected the Methodology Document and noted it is as described in PRIMA's response to Principle 1.3(c).</p>
<p>d) Criteria that identify the minimum amount of transaction data (i.e., completed transactions) required for a particular price assessment (the "transaction data threshold"). If no such threshold exists, the reasons why a minimum threshold is not established should be explained, including procedures where there is no transaction data;</p>	<p>Given the lack of consistent liquidity prevalent in many niche markets falling under PRIMA's core biofuels, agricultural and energy umbrella, PRIMA does not set any overarching minimum data thresholds for its named assessments.</p> <p>PRIMA considers price contributions towards its assessments according to a strict hierarchy.</p>	<p>Dominy Legal inspected the Methodology Document and noted it is as described in PRIMA's response to Principle 1.3(d).</p>



	<p>In order of priority, named trades, then firm named bids or offers, satisfying the specifications of PRIMA's price assessment, will be included towards the formation of individual pricing benchmarks.</p> <p>PRIMA's price assessment methodology does not employ a minimum transaction data threshold due to the characteristics of the markets it assesses. This is explained in full in PRIMA's price assessment methodology.</p>	
<p>e) Criteria that address the assessment periods where the submitted data fall below the methodology's recommended transaction data threshold or the requisite PRA's quality standards, including any alternative methods of assessment (i.e., theoretical estimation models). That criteria should explain the procedures used where no transaction data exists;</p>	<p>In the event that no transaction data exists, PRIMA's price assessment methodology provides for use of background inputs in the assessment which could reasonably be considered to determine price formation, for example replacement cost and legislative change. PRIMA's published methodology requires that a decision to move price assessments based on such market contextual information will be fully documented with supporting data inputs, rationale and calculations (if appropriate).</p>	<p>Dominy Legal inspected the Methodology Document and noted it is as described in PRIMA's response to Principle 1.3(e).</p>
<p>f) Criteria for timeliness of market data submissions and the means for such submissions (i.e., electronically, via telephone, etc.);</p>	<p>PRIMA's price assessment methodologies contain and describe criteria for timeliness of market submissions for each benchmark in scope. Asia-Pacific biofuels and feedstocks and US biofuels, certificates and feedstocks assess inputs reported for the full trading day, between 08.30 – 17.30 Singapore time and 08.30 – 16.30 Eastern Standard Time respectively. PRIMA's methodology provides that all assessments are made based on the information available to PRIMA prior to the time cut-off for each assessment; no information submitted after the cut-off may be considered retroactively towards an assessment.</p> <p>The means for submissions are instant messenger, telephone, email correspondence and face to face conversations.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA's response to Principle 1.3(f).</p>





<p>g) Criteria and procedures that address assessment periods where one or more reporting entity submits market data that constitute a significant proportion of the total data upon which the assessment is based (i.e. key submitter dependency). The PRA should also define in its criteria and procedures for what constitutes a “significant proportion” for each price assessment;</p>	<p>In order to reduce the risk of key submitter dependency, PRIMA assessors will endeavour each day to gauge the depth of the market across a varied and representative spread of participants. Assessors are expected to expand their array of approved contributors to the fullest extent consistent with the operation of the market. Contributions to assessments made by only one counterparty will still be fully weighted according to PRIMA’s hierarchy of inputs. Inputs will be presented to other CPs or intermediary brokers for corroboration or comment.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.3(g).</p>
<p>h) Criteria according to which transaction data may be excluded from a price assessment.</p>	<p>Anomalous as well as slightly inaccurate results which are reviewed and identified as exceptions are also excluded from assessments.</p> <p>The Methodology Document describes the criteria according to which transaction data may be excluded from a price assessment.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.3(h).</p>
<p>1.4 A PRA should describe and publish the: a) Rationale for adopting a particular methodology, including any price adjustment techniques and a justification of why the time period of window within which market data is accepted is a reliable indication of physical market values;</p>	<p>The Methodology Document is published on PRIMA’s website and included:</p> <ul style="list-style-type: none"> <li>● Why the particular methodology is considered appropriate;</li> <li>● The review process which applies to the methodology;</li> <li>● The process for external stakeholders to review and feed into the changed methodology.</li> </ul>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.4(a).</p>
<p>b) Procedure for <i>internal</i> review and approval of a given methodology, as well as the frequency of the review;</p>	<p>PRIMA’s benchmark methodologies are subject to initial and continuous ongoing review and approval by PRIMA’s editorial team and management.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.4(b).</p>
<p>c) Procedure for <i>external</i> review of a given methodology, including the procedures to gain market acceptance of the methodology through consultation with</p>	<p>PRIMA Markets published price assessment methodology ensures that any changes will only be made after substantive consultation with industry stakeholders. Proposed changes will first be published and subject to public scrutiny, giving stakeholders sufficient time to make fair comment ahead of any alteration coming into force.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.4(c).</p>



<p>stakeholders on important changes to their price assessment processes.</p>	<p>PRIMA will publicly announce its methodological changes, accompanied by a firm, published date, from which PRIMA will apply the changes to individual assessments.</p>	
<p><i>Changes to Methodology</i></p>		
<p>1.5 A PRA should adopt and make public to stakeholders explicit procedures and rationale of any proposed material change in its methodology. Those procedures should be consistent with the overriding objective that a PRA must ensure the continued integrity of its price assessments and implement changes for good order of the particular market to which such changes relate. Such procedures should:</p>	<p>The Methodology Document acknowledges the need for periodic adjustments to be made to the methodology in order to keep pace with the market. PRIMA ensures that any such changes are made only after substantive consultation with industry stakeholders.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA's response to Principle 1.5.</p> <p>Through discussions with PRIMA and a review of PRIMA's records, we have not identified any material changes to the methodology for each of the benchmarks in scope during the Review Period.</p>
<p>a) Provide advance notice in a clear timeframe that gives stakeholders sufficient opportunity to analyse and comment on the impact of such proposed changes, having regard to the PRA's assessment of the overall circumstances;</p>	<p>PRIMA's price assessment methodology provides that any changes will be published sufficiently far in advance as to give stakeholders time to make fair comment about the proposed change ahead of any methodological alteration taking effect.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA's response to Principle 1.5(a).</p>
<p>b) Provide for stakeholders' comments, and the PRA's response to those comments, to be made accessible to all market stakeholders after any given consultation period, except where the commenter has requested confidentiality.</p>	<p>Individual CP and intermediary broker responses to consultations on methodology changes, and PRIMA's response to those comments, will be published on prima-markets.com, except where the commenter has requested confidentiality.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA's response to Principle 1.5(b).</p>



<p>1.6 A PRA should engage in the routine examination of its methodologies for the purpose of ensuring that they reliably reflect the physical market under assessment. This should include a process for taking into account the views of relevant stakeholders.</p>	<p>PRIMA recognises that its price assessment methodologies must be subject to periodic adjustments in order to accurately reflect conditions in the relevant markets.</p> <p>Benchmark methodologies are subject to initial and ongoing review and approval by PRIMA’s editorial team and management, taking into account views of relevant stakeholders.</p>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 1.6.</p> <p>Dominy Legal visited PRIMA’s premises on 12 July 2018 and reviewed the process which has been explained to us. From these discussions, PRIMA’s implementation appears to be in line with its response to Principle 1.6.</p>
<p><i>2 Quality and Integrity of Price Assessments</i></p>		
<p>2.1 A PRA should take measures that are intended to ensure the quality and integrity of the price assessment process.</p>	<p>PRIMA’s Methodology Document outlines measures intended to ensure the quality and integrity of the price assessment process. These include, but are not limited to:</p> <ul style="list-style-type: none"> <li>● The requirement that each assessment is peer-reviewed prior to publication;</li> <li>● The documented training programme for its analysts; and</li> <li>● The procedure for the identification and exclusion of exceptional anomalous inputs from the daily assessments.</li> </ul>	<p>Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA’s response to Principle 2.1. From a review of Sample Price Assessments (see more detail below), PRIMA’s procedures are in line with its response to Principle 2.1.</p>
<p><i>Market Data used in Price Assessments</i></p>		
<p>2.2 A PRA should:</p> <p>a) Specify with particularity the criteria that define the physical commodity that is the subject of a particular methodology;</p>	<p>PRIMA’s price methodologies include granular criteria which define the subject of each commodity:</p> <ul style="list-style-type: none"> <li>● The LCFS certificates benchmark is restricted to tradable certificates issued by the California Air Resources Board for compliance with the California Low Carbon Fuel Standard with specific price quotation and timing characteristics.</li> </ul>	<p>In respect of Principle 2.2, for each of the benchmarks within scope and in respect of the Sample Price Assessments, we have:</p> <ul style="list-style-type: none"> <li>● Obtained a copy of PRIMA’s Methodology document and other relevant policies and procedures</li> </ul>



	<ul style="list-style-type: none"> <li>The Korea Grade B ethanol benchmark is restricted to industrial meeting Korean B Grade specifications with certain basis, price quotation, timing and cargo size characteristics.</li> </ul> <p>These methodologies are applied consistently in each assessment for the relevant benchmark.</p>	<p>including the Submitter Code of Conduct and CoC..</p> <ul style="list-style-type: none"> <li>Been provided with sample data for each of the Sample Price Assessments 1-7 evidencing the process undertaken when each price assessment was made.</li> <li>Confirmed that the sample data appears to be consistent with the Methodology Document and those other policies and procedures.</li> <li>Confirmed that the Methodology Document and those policies and procedures are intended to address at least the minimum requirements set out in Principle 2.2(a)-(f).</li> </ul>
<p>b) Utilize its market data, giving priority in the following order, where consistent with the PRA's approach to ensuring the quality and integrity of a price assessment:</p> <ol style="list-style-type: none"> <li>1. Concluded and reported transactions;</li> <li>2. Bids and offers;</li> <li>3. Other market information.</li> </ol> <p>Nothing in this provision is intended to restrict a PRA's flexibility in using market data consistent with its methodologies. However, if concluded transactions are not given priority, the reasons should be explained as called for in 2.3(b).</p>	<p>PRIMA's price assessment methodology provides for the following hierarchy of market data, which observes the prescribed order of priority:</p> <ol style="list-style-type: none"> <li>1. Concluded and reported transactions within the parameters of the published methodology confirmed by counterparties or broker;</li> <li>2. Firm bids/offers reported within the parameters of the published methodology, confirmed by counterparties or broker;</li> <li>3. Indicative bids/offers reported within the parameters of the published methodology;</li> <li>4. Other market information.</li> </ol>	<p>In our onsite visit to PRIMA on 12 July 2018, PRIMA confirmed that there were no incidents of concluded transactions not being given priority. In the Sample Price Assessments 1-7 (see below for the individual time periods) samples we have been provided, it is noted that the priority was followed in compliance with Principle 2.2(b):</p> <ol style="list-style-type: none"> <li>(1) 8-10 May 2017</li> <li>(2) 13- 15 September 2017</li> <li>(3) 17-19 October 2017</li> <li>(4) 11-13 December 2017</li> <li>(5) 21-23 February 2018</li> </ol>



		(6) 10-12 April 2018 (7) 12-14 June 2018
c) Employ sufficient measures designed to use market data submitted and considered in a price assessment, which are <i>bona fide</i> , meaning that the parties submitting the market data have executed, or are prepared to execute, transactions generating such market data and the concluded transactions were executed at arms-length from each other. Particular attention should be made in this regard to inter-affiliate transactions.	<p>PRIMA's methodology outlines measures to be taken by assessors designed to assess the validity of market data. Such measures include:</p> <p>PRIMA endeavours to ensure that inputs towards its assessments are genuine arm's length trades or invitations to treat by a process of confirming or cross-verifying inputs with CPs and/or intermediary brokers. PRIMA will solicit CPs to confirm transaction data via confirmations of deals or other inputs, where possible through back office submissions. PRIMA will meanwhile canvas independent third party intermediary brokers to confirm transaction data.</p>	Dominy Legal inspected the Methodology Document and confirm it is as described in PRIMA's response.
d) Establish and employ procedures to identify anomalous (i.e., in the context of a PRA's methodology) or suspicious transaction data and keep records of decisions to exclude transaction data from the PRA's price assessment process.	PRIMA's price assessment methodology provides that all assessment inputs are fully documented and subject to frequent scrutiny. Those anomalous inputs deemed exceptional are recorded in an exceptions log.	<p>During the site visit, Dominy Legal obtained and reviewed the exceptions log in respect of each of the two benchmarks, LCFS certificates and Korea Grade B ethanol for the period 16 June 2017-10 July 2018.</p> <p>For LCFS certificates, we understand that all exceptions were recorded and can confirm from our inspection of the log that reasons for these exceptions were provided.</p> <p>For Korea Grade B ethanol, we understand that all exceptions were recorded and can confirm from our inspection of the log that reasons for these exceptions were provided.</p>
e) Encourage parties that submit any market data ("submitters") to submit <u>all</u> of their market data that falls within the	PRIMA has standards for the provision of information from market sources. These standards are contained in PRIMA's Submitter Code of Conduct which PRIMA flags to Submitters.	Dominy Legal inspected PRIMA's Submitter Code of Conduct and confirm that it meets



<p>PRA's criteria for that assessment. PRAs should seek, so far as they are able and is reasonable, that data submitted are representative of the submitters' actual concluded transactions.</p>	<p>PRIMA's Submitter Code of Conduct asks Submitters, so far as they are able, to submit all market data eligible for submission and ensure that submitted bid/offer and transaction data are true, accurate and complete.</p> <p>PRIMA will, where possible, solicit CPs to confirm transaction data via back office deal confirmations. Alternatively PRIMA will canvas third party intermediary brokers to confirm transaction data.</p>	<p>the minimum requirements of Principle 2.2(e).</p>
<p>f) Employ a system of appropriate measures so that, to the extent possible, submitters comply with the PRA's applicable quality and integrity standards for market data.</p>	<p>PRIMA uses a range of measures to ensure that, to the extent possible, its quality and integrity standards for market data are met by its sources. These include (but are not limited to):</p> <ol style="list-style-type: none"> <li>1. Setting out PRIMA's quality and integrity standards in the Submitter Code of conduct;</li> <li>2. Regularly flagging to Submitters a link to a publicly available electronic copy of the Submitter Code of Conduct;</li> <li>3. A methodology which identifies and excludes anomalous exceptions and makes contributors that repeatedly submit anomalous results subject to review and potential exclusion from submitting;</li> <li>4. An internal peer-review workflow for assessment inputs; and</li> <li>5. The expectation that PRIMA assessors contact counterparties and intermediary brokers for inclusion towards assessment input only if they meet PRIMA's market behavioural standards as set out in the Submitter Code of Conduct.</li> </ol>	<p>Dominy Legal inspected the link in the daily reports to the Submitters Code of Conduct on the daily benchmark pdf reports sent to contributors and subscribers and the evidence of this process has been included. We have seen the link to the Submitter Code of Conduct within the report.</p> <p>Dominy Legal reviewed written evidence (instant messenger, emails and call logs) of PRIMA's analysts engaging with market participants on methodology, of which the Submitter Code of Conduct is a major component.</p>



<p>2.3 A PRA should describe and publish with each assessment, to the extent reasonable without delaying a price reporting deadline:</p> <p>a) a concise explanation, sufficient to facilitate a PRA subscriber's or market authority's ability to understand how the assessment was developed, including, at a minimum, the size and liquidity of the physical market being assessed (meaning the number and volume of transactions submitted), the range and average volume and range and average of price, and indicative percentages of each type of market data that have been considered in an assessment terms referring to the pricing methodology that should be included (i.e., "transaction-based", "spread-based" or "interpolated/extrapolated");</p>	<p>Each price assessment is published and distributed via email as part of a daily report, which includes the concise explanations listed in Principles 2.3(a) and (b).</p>	<p>For the sample of price assessments, each included a narrative market commentary alongside the price assessment including a statement where prices remained unchanged as described in PRIMA's statement.</p> <p>For the reviewed price assessments, a Daily Report was produced.</p> <p>We have inspected the exceptions log and confirm exclusions were recorded in the exceptions log.</p>
<p>b) A concise explanation of the extent to which and the basis upon which judgment (i.e. exclusions of data which otherwise conformed to the requirements of the relevant methodology for that assessment, basing prices on spreads or interpolation/extrapolation, or weighting bids or offers higher than concluded transactions etc.), if any, was used in establishing an assessment.</p>		



<i>Integrity of the Reporting Process</i>		
<p>2.4 A PRA should:</p> <p>a) Specify the criteria that define who may submit market data to the PRA;</p>	<p>PRIMA outlines the criteria for who may submit in the Methodology Document and the Submitter Code of conduct.</p> <p>Any CP or intermediary broker identified to a PRIMA analyst as being in possession of market relevant data may submit inputs to PRIMA.</p> <p>Amongst other circumstances, contributors may be excluded from submitting data to any or all of PML's assessments if PML is not satisfied that contributor would be able to meet the terms of the PML Submitter Code of Conduct at all times.</p>	<p>For each benchmark in scope, we have obtained a copy of PRIMA's Submitter Code of Conduct in respect of the integrity of the reporting process. The process was confirmed to Dominy Legal during the site visit. Both these checks confirm that they include at a minimum the requirements in Principle 2.4(a).</p>
<p>b) Have quality control procedures to evaluate the identity of a submitter and any employee(s) of a submitter who report market data and the authorization of such person(s) to report market data on behalf of a submitter;</p>	<p>PRIMA's price assessment methodology provides that each contact (including attempted contact) with or from a contributor is recorded together with the mode and name of the individual assessor. These records are intended to ease the post-assessment price formation audits.</p> <p>Any CP or intermediary broker identified to a PRIMA analyst as being in possession of market relevant data may submit inputs to PRIMA. PRIMA continuously reviews the array of participants in each named assessment market with existing CP and intermediary broker contributors to ensure it is canvassing input from the broadest possible number of contributors. PRIMA centrally maintains lists of authorized contributors for each named assessment. Contributors are authorized by PRIMA's management. PRIMA analysts will contact new CPs or intermediary broker and outline the nature of PRIMA's assessment activity. Inputs are recorded and cross-checked against other CP and intermediary broker sources to check their veracity, and PRIMA assessors are</p>	<p>For each benchmark in scope, we have obtained a copy of PRIMA's policies and procedures in respect of the integrity of the reporting process and have confirmed that they include at a minimum the requirements in Principle 2.4(b).</p> <p>For each of the benchmarks within scope and in respect of the reviewed period, we have:</p> <ol style="list-style-type: none"> <li>1) Obtained a copy of PRIMA's Methodology Document and other relevant policies and procedures.</li> <li>2) Been provided with sample data evidencing the process undertaken when each price assessment was made and evidence of supervising</li> </ol>





	<p>expected to make reasonable efforts to check the identity of inputters to ensure the integrity of their contributions.</p>	<p>editor approving the assessment prior to publication.</p> <p>3) Confirmed that the sample data appears to be consistent with the Methodology Document and those other policies and procedures.</p> <p>4) Confirmed that the Methodology Document and those policies and procedures are intended to address at least the minimum requirements set out in Principle 2.4(b).</p> <p>During the site visit, it was confirmed to us one new intermediary broker had become a submitter for Korea Grade B ethanol in the past 12 months. PRIMA confirmed the checks and due diligence that had taken place and we confirm that this process is in accordance with the minimum requirements set out in Principle 2.4(b).</p>
<p>c) Specify the criteria applied to employees of a submitter who are permitted to submit market data to a PRA on behalf of a submitter, encourage submitters to submit transaction data from back office functions and seek corroborating data from other sources when transaction data is received directly from a trader;</p>	<p>PRIMA includes in its submitter code of conduct and in its methodology the criteria applied to its sources.</p> <p>Such criterion requires individuals who provide information to be identified to the reporter as in possession of relevant market data. Such data is accepted according to its usual cross-verification procedures (e.g. PRIMA expects its assessors to extend contact to the largest selection of counterparties and intermediary brokers within the market possible).</p>	<p>For each benchmark in scope, we have obtained a copy of PRIMA's policies and procedures in respect of the integrity of the reporting process and have confirmed they include at a minimum the requirements in Principle 2.4(c).</p>



<p>d) Implement internal controls and written procedures to identify communications between submitters and assessors that attempt to influence an assessment for the benefit of any trading position (whether of the submitter, its employees or any third party), attempt to cause an assessor to violate the PRA's rules or guidelines or identify submitters that engage in a pattern of submitting anomalous or suspicious transaction data. Procedures should include provision for escalation by the PRA of inquiry within the submitter's company. Controls should include cross-checking market indicators to validate submitted information.</p>	<p>Any anomalous inputs deemed exceptional, and therefore discounted from inclusion towards a daily assessment, are individually recorded in an exceptions log.</p> <p>PRIMA assessors run through a checklist of controls to identify data which may be excluded. These checks include:</p> <ol style="list-style-type: none"> <li>1) Does the data meet the full specifications of PRIMA's methodology on timing, specification, location?</li> <li>2) Can the data be verified by other CPs or intermediary brokers?</li> <li>3) Has the data been submitted by an approved contributor?</li> <li>4) Does the data fall within a reasonable threshold relative to other contributions in the input hierarchy deemed fit for inclusion?</li> </ol> <p>PRIMA assessors may look to other CPs or intermediary brokers for corroboration or comment upon perceived anomalies. PRIMA editors may monitor assessors communications with CPs and intermediary brokers to watch for inappropriate patterns of contributor behaviour.</p> <p>Inputs failing these combined tests will be recorded in the exceptions log. Consistent patterns of anomalous data contribution may be escalated to PRIMA management for further review to determine action.</p> <p>PRIMA reserves the right to exclude contributors from its daily assessment process while it internally reviews the scope, and likely cause, of the anomalous input data reporting. Following internal</p>	<p>For each benchmark in scope, we have obtained a copy of PRIMA's policies and procedures in respect of the integrity of the reporting process and have confirmed that they include at a minimum the requirements in principle 2.4(d).</p> <p>We have obtained and reviewed a copy of the exceptions log and records documenting past exclusions to confirm that the policies and procedures are reflective of practice. During the site visit, it was confirmed to us the reasons for the past exclusions. Contributions are scanned for exceptions on a daily basis. We confirm exclusions in the exceptions log are as described in PRIMA's response to Principle 2.4(d).</p>
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	<p>review, any decision to exclude a contributor from submitting inputs to a PRIMA assessment or assessments for infringing PRIMA's Submitter Code of Conduct may be escalated to PRIMA Board level for a final ruling. CPs and intermediary brokers excluded from a PRIMA assessment, or assessments, have the right of written appeal to the PRIMA Board over the decision.</p> <p>PRIMA editors monitor assessors' communications with CPs and intermediary brokers to watch for inappropriate patterns of contributor behaviour including any attempts to unduly influence assessors.</p> <p>Internal procedures require the escalation of reasonable suspicions of attempted inappropriate influence on assessors. Through an escalation procedure this may be raised at the appropriate level with the contributor.</p>	
<i>Assessors</i>		
<p>2.5 A PRA should adopt and have explicit internal rules and guidelines for selecting assessors, including their minimum level of training, experience and skills, as well as the process for periodic review of their competence.</p>	<p>PRIMA's hiring and training guidelines detail the minimum levels of experience and skills required to be an assessor. PRIMA reviews the performance of its assessors annually.</p> <p>All editorial new joiners have to demonstrate adequate literacy and numerical skills by passing writing and maths (excel-based) tests as part of their recruitment process, in addition to two rounds of interviews. Once they successfully passed all of these stages, they are offered a position at PRIMA.</p> <p>The Managing Director and senior analysts mentor new assessors daily and in real time, replacing the need for formal internal</p>	<p>We have obtained a copy of PRIMA's policies and procedures in respect of analysts and assessors and confirm that they are as described in the response, which includes the requirements in Principle 2.5.</p> <p>During the site visit we interviewed the person in charge of recruitment who explained the process of advertisement, selection, interview and testing of candidates.</p>



	<p>training courses. PRIMA also endeavours for all new benchmark hires to attend external conferences and industry events.</p>	<p>We have undertaken a sample review of two candidates' selection and confirm that it appears to be consistent with PRIMA's response to Principle 2.5.</p> <p>No annual performance reviews have been conducted this year but PRIMA has confirmed that they undertake a process of continuous feedback and review, dealing with issues in real time.</p>
<p>2.6 A PRA should have arrangements to ensure its assessments can be produced on a consistent and regular basis.</p>	<p>PRIMA's assessments reflect a consistent approach to price assessment as detailed on PRIMA's hierarchy of inputs. PRIMA's assessors are cross-trained in named benchmark assessment to ensure that each assessment has several levels of built in redundancy to ensure continuity of assessment production.</p> <p>A published hierarchy outlines "on call" cover redundancy in the event of sickness or other absences.</p> <p>PRIMA assessors have access to centrally stored instruction manuals on how to produce individual assessments specific to each benchmark, complete with market contact details to ensure continuity of assessment production.</p>	<p>We have obtained a copy of PRIMA's relevant policies and procedures and confirm that they are as described in the response, which includes the requirements of Principle 2.6. In relation to business continuity, PRIMA's systems are accessible by assessors remotely which ensures business continuity in the event of its premises becoming inaccessible.</p> <p>For the benchmarks in scope of this assessment, we have confirmed that assessments have been produced on a regular and consistent basis during the review periods.</p> <p>In relation to covers during absences or sickness, it has been confirmed to us during our onsite visit to PRIMA on 12 July 2018, that the hierarchy is being followed. There have been no examples of on calls during the Sample Price Assessments.</p>



<p>2.7 A PRA should maintain continuity and succession planning in respect of its assessors in order to ensure that assessments are made consistently and by employees who possess the relevant levels of expertise.</p>	<p>In an event where the main PRIMA assessor is unavailable to complete the assessment, the next available trained PRIMA assessor according to table 1, Appendix 4 in the PRIMA Management System will fulfil the duties, in accordance with the PRIMA manual guidelines for the relevant assessment (Appendices 6 and 7). Each PRIMA assessor for each market has been trained according to the PRIMA training guidelines (Appendix 5).</p> <p>PRIMA focuses on providing an intense one-to-one mentoring. The Managing Director is in daily contact with PRIMA staff and their respective workflows either face-to-face or by video, phone and messaging systems. A new senior assessor in the USA was appointed for the LCFS benchmark during the Review Period, to replace an assessor who left to take up a position in Singapore</p>	<p>Dominy Legal inspected a copy of the PRIMA Management System and confirm are as described in PRIMA's response, which includes the requirements of Principle 2.7.</p> <p>During the site visit, we confirmed with the Managing Director how succession planning had been managed in the transfer of the assessor to Singapore and the appointment of her successor, and we have verified that the succession planning process indicated by PRIMA was followed.</p>
<p><i>Supervision of Assessors</i></p>		
<p>2.8 A PRA should institute internal control procedures to ensure the integrity and reliability of assessments. At a minimum, such internal controls and procedures should require:</p> <p>a) The ongoing supervision of individual assessors to ensure that the methodology was properly applied;</p>	<p>PRIMA has instituted a peer-review workflow to ensure consistency in the application of the appropriate methodology. Each assessment is subject to peer review.</p> <p>An accountability matrix included as an appendix to the PRIMA methodology outlines the core areas of responsibility in the production of each named assessment. Workflow is operated in accordance with the structures illustrated in the accountability matrix detailed in the PRIMA Management System, and peer review of every daily assessment ensures correct application of the methodology. PRIMA's matrix of daily input assessments allows at a glance review of the depth and breadth of market coverage and facilitates easy review of daily communications between assessor and Submitter.</p>	<p>Dominy Legal inspected a copy of PRIMA's policies and procedures in relation to the assessment process in the Administrator's Code of Conduct and confirm that they are as described in the response to Principle 2.8.</p> <p>For the Sample Price Assessments and in relation to the benchmarks in scope of this assessment, we have obtained documentary support to evidence the ongoing supervision of individual reporters and the internal sign off prior to releasing price assessments to the market.</p>



	<p>Further, PRIMA has instituted training procedures to ensure all assessments are undertaken in compliance with the published methodology. Each market analyst is mentored daily by an analyst and price assessor with over ten years’ experience of benchmarking and price formation.</p>	<p>During our onsite visit to PRIMA on 12 July 2018, we observed how supervision of individual assessors is implemented in practice by listening to live calls and reviewing the messages between assessors and supervisors, including how draft assessments are reviewed and redrafted by peers prior to publication.</p>
<p>b) Procedures for internal sign-off by a supervisor prior to releasing prices for dissemination to the market.</p>	<p>PRIMA’s methodology provides that benchmark assessments are to be accompanied by a full written rationale describing the logic used in arriving at the day’s price fixing. PRIMA employs an assessment peer review workflow which requires each assessment to be peer-reviewed prior to publication.</p> <p>Each peer review is recorded and these records are retained for a period of 5 years.</p> <p>In the event an assessment is not approved, it is passed back to the analyst for further explanation and repeated review until the assessment is approved for publication. No assessment can be published without first having passed the review process.</p>	
<p><i>Audit Trails</i></p>		



<p>2.9 A PRA should have rules and procedures in place to document contemporaneously relevant information, including:</p> <p>a) All market data;</p> <p>b) The judgments that are made by assessors in reaching each price assessment;</p> <p>c) Whether an assessment excluded a particular transaction, which otherwise conformed to the requirements of the relevant methodology for that assessment and the rationale for doing so;</p> <p>d) The identity of each assessor and of any other person who submitted or otherwise generated any of the above information.</p>	<p>PRIMA operates its business in line with its Record Keeping policy. This requires that the assessor records:</p> <ul style="list-style-type: none"> <li>● All market data, submissions and any other data and information sources relied upon for Benchmark determination;</li> <li>● The exercise of expert judgment made by the Administrator assessor in reaching a Benchmark determination;</li> <li>● Whether an assessment excluded a particular transaction, which otherwise conformed to the requirements of the relevant methodology of that assessment and the rationale for doing so;</li> <li>● The written rationale which accompanies each assessment as required by the assessment methodology;</li> <li>● The identity of each assessor and of any other person who submitted or otherwise generated any of the above information;</li> <li>● Any other information required to document the construction of each Benchmark assessment.</li> </ul>	<p>Dominy Legal obtained a copy of PRIMA's CoC and have confirmed that they are as described in the PRIMA's response Principle 2.9</p> <p>The CoC contains some minor incomplete sections. We recommend that PRIMA reviews this document and prepares a final version.</p> <p>For the Sample Price Assessments and in relation to the benchmarks in scope of this assessment, we have obtained documentary support which appears consistent with PRIMA's response to Principle 2.9.</p>
<p>2.10 A PRA should have rules and procedures in place to ensure that an audit trail of relevant information is retained for at least five (5) years in order to document the construction of its assessments.</p>	<p>All of the information referred to in PRIMA's response to Principle 2.9 is retained for 5 years.</p> <p>PRIMA maintains electronic daily entries which are backed up to servers which are mirrored globally. These back-up records are retained for 5 years as documented in the Management System document.</p>	<p>Dominy Legal inspected a copy of PRIMA's policies and procedures, specifically the CoC, and confirm that they are as described in PRIMA's response to Principle 2.10. During our onsite visit to PRIMA on 12 July 2018, we were given a demonstration of how all files and records are kept for the period going back to when the IOSCO compliance for benchmarks administered by PRIMA began.</p>



<i>Conflicts of Interest</i>		
<p>2.11 A PRA should document, implement and enforce comprehensive policies and procedures for the identification, disclosure, management and avoidance of conflicts of interest and the protection of integrity and independence of assessments. The policies and procedures should be kept up to date.</p>	<p>PRIMA sets out in the Administrator Code of Conduct (“CoC” ) its conflicts procedures to identify, manage and avoid conflicts of interest. These procedures seek to maintain the integrity and independence of assessments.</p> <p>The conflicts policy is reviewed on at least an annual basis.</p>	<p>Dominy Legal inspected a copy of PRIMA’s policies and procedures, specifically the CoC, and confirm they are as described in PRIMA’s response to Principle 2.11.</p> <p>During the site visit to PRIMA on 12 July 2018, the Managing Director was interviewed in order to test different conflict scenarios and how they would be dealt with in practice. The process complies with Principle 2.11.</p>
<p>2.12 At a minimum, those policies and procedures should:</p> <p>a) Ensure that price assessments are not influenced by the existence of, or potential for, a commercial or personal business relationship or interest between the PRA (or its affiliates), its personnel, clients, any market participant or person connected with them;</p>	<p>PRIMA’s conflicts of interest policy requires that assessors declare to the business commercial, personal and business relationships which may affect their assessments on an annual basis, or at the time PRIMA enters into a material new commercial relationship.</p>	<p>Dominy Legal inspected a copy of PRIMA’s policies and procedures, specifically the CoC, in respect of conflicts of interest and have confirm they are as described in PRIMA’s response in relation to Principle 2.12(a).</p> <p>During our onsite visit to PRIMA on 12 July 2018, it has been confirmed to us that there have been no reported conflicts of interest incidents during the Review Period. Therefore, we have not been able to test the implementation of PRIMA’s conflicts policy in practice.</p>
<p>b) Ensure that PRA personnel’s personal interests and business connections are not permitted to compromise the PRA’s functions, including outside employment, travel, and acceptance of entertainment,</p>	<p>Assessors may not accept hospitality or gifts above a de minimis value without consulting PRIMA’s compliance department. Such entertainment, gifts and hospitality accepted are logged by compliance, with confirmation that there is no conflict of interest.</p>	<p>We inspected the CoCt which sets out the procedures for accepting and declaring gifts and hospitality. It was also confirmed to us, during our onsite visit to PRIMA on 12 July 2018, that there have been no reported gifts,</p>





<p>gifts and hospitality provided by PRA clients or other oil market participants;</p>		<p>entertainment or hospitality cases in the Review Period.</p>
<p>c) Ensure, in respect of identified conflicts, appropriate segregation of functions within the PRA by way of supervision, compensation, systems access and information flows.</p>	<p>PRIMA's CoC sets out measures to address conflicts identified.</p>	<p>Dominy Legal inspected a copy of PRIMA's policies and procedures, specifically the CoCt, as well as the organizational structure chart, in respect of conflicts of interest and have confirmed that they include provisions which are consistent with the documentation requirements in, and PRIMA's response in relation to, Principle 2.12(c).</p> <p>During our onsite visit to PRIMA on 12 July 2018, it has been confirmed to us that there have been no reported conflicts of interest incidents during the General Review Period. Therefore we have not been able to test the implementation of PRIMA's conflicts of interest policy in practice.</p>
<p>d) Protect the confidentiality of information submitted to or produced by the PRA, subject to the disclosure obligations to the PRA;</p>	<p>PRIMA employees are required to keep confidential the information communicated by Submitters concerning matters in the scope of their confidential relationship, subject to legal disclosure obligations. PRIMA's policies require that information submitted is kept confidential from its shareholders, any other market participant, submitter or any other person with the exception of any shareholder representative on the compliance and benchmark oversight committee.</p>	<p>Dominy Legal inspected a copy of PRIMA's policies and procedures, specifically the CoC, as well as the organizational structure chart, in respect of conflicts of interest and have confirmed that they include provisions which are consistent with the documentation requirements in, and PRIMA's response in relation to, Principle 2.12(d).</p> <p>During our onsite visit to PRIMA, it has been confirmed to us that the team are aware of the confidentiality policy and that there are security measures in place to ensure there is</p>



		no unauthorised access to any data through password protections.
e) Prohibit PRA managers, assessors and other employees from contributing to a price assessment by way of engaging in bids, offers and trades on either a personal basis or on behalf of market participants.	<p>PRIMA's employees must refrain from engaging in any activity which may give the impression of compromising the independence of the benchmark determination process.</p> <p>PRIMA's employees (including assessors) may not participate in markets which they assess. To this end, PRIMA's employees are all obliged to sign the annual confirmation to this effect.</p>	<p>Dominy Legal obtained and reviewed a copy of PRIMA's CoC in respect of personal account dealing and have confirmed that they include provisions which are consistent with the requirement in, and PRIMA's response in relation to, Principle 2.12(e).</p> <p>Dominy Legal viewed signed annual declarations confirming that staff have not entered into any personal account dealings prohibited by PRIMA and that their brokerage accounts remain the same as when last disclosed. Two members of staff had outstanding declarations but have now confirmed they have not entered into any personal account dealings. These declarations and the statements serve as evidence of PRIMA's compliance with Principle 2.12(e).</p> <p>We recommend that PRIMA completes and logs signed declarations from all staff, without exception.</p>
f) Effectively address identified conflicts of interest which may exist between its price assessment business (including all staff who perform or otherwise participate in price assessment responsibilities), and any other business of the PRA.	PRIMA does not have any business operations other than price assessment.	Not applicable.



<p>2.14 A PRA should ensure that its other business operations have in place appropriate procedures and mechanisms designed to minimize the likelihood that conflicts of interest will affect the integrity of price assessments.</p>	<p>PRIMA does not have any business operations other than price assessment.</p>	<p>Not applicable.</p>
<p>2.15 A PRA should ensure that it has appropriate segregated reporting lines amongst its managers, assessors and other employees (as appropriate) and from the appropriate managers to the PRA's most senior level management and its Board (if any), designed to ensure (i) the PRA satisfactorily implements the requirements listed in these principles, and (ii) that responsibilities are clearly defined and do not conflict or cause a perception of conflict.</p>	<p>PRIMA has established segregated reporting lines for its management and employees to Board level. These are designed to ensure that no conflicts arise from PRIMA's management structure and that the requirements of Principle 2.15 are met.</p>	<p>Dominy Legal inspected PRIMA's organisational chart, CoC and documentation recording PRIMA's organisational structure and confirm that PRIMA has policies in place aimed at ensuring the objectives of Principle 2.15 and at least consistent with PRIMA's response to Principle 2.15.</p>
<p>2.16 A PRA should disclose to its stakeholders as soon as it becomes aware of a conflict of interest arising from the ownership of the PRA.</p>	<p>PRIMA's conflict of interest policy details the process for disclosure of conflicts of interest arising from ownership.</p> <p>PRIMA will disclose to stakeholders as soon as it becomes aware of a conflict of interest arising from its ownership.</p>	<p>Dominy Legal inspected PRIMA's CoC and confirm that PRIMA has policies in place aimed at ensuring the objectives of Principle 2.16 and are at least consistent with PRIMA's response to 2.16.</p> <p>During our onsite visit to PRIMA on 12 July 2018, it has been confirmed to us that there have been no reported conflict of interest incidents.</p>
<p><i>Complaints</i></p>		



<p>2.17 A PRA should have in place and publish written procedures for receiving, investigating and retaining records concerning complaints made about a PRA's assessment process.</p>	<p>PRIMA details procedures for dealing with complaints in its CoC. PRIMA's complaints procedure is also available on its website at <a href="http://www.prima-markets.com">www.prima-markets.com</a>.</p>	<p>Dominy Legal inspected PRIMA's policies and procedures on receiving, investigating and retaining records concerning complaints and confirmed that these have been made publicly available via publication on PRIMA's website which meet Principle 2.17.</p>
<p>2.18 Among other things, such complaint mechanism should ensure that: a) A PRA should have in place a mechanism detailed in a written complaints handling policy, by which its subscribers may submit complaints on whether a specific price assessment is representative of market value, proposed price assessment changes, applications of methodology in relation to a specific price assessment and other editorial decisions in relation to price assessment processes;</p>	<p>Formal complaints (including those regarding specific price assessments) to PRIMA may be submitted pursuant to the complaints procedure as set out in the Methodology.</p>	<p>Dominy Legal inspected a copy of PRIMA's policies and procedures on receiving, investigating and retaining records concerning complaints and confirmed that there have been made publicly available via publication on PRIMA's website which meet Principle 2.18(a)-(h).</p> <p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p>b) A PRA should ensure that its written complaints handling policy includes, among other things, the process and target timetable for handling of complaints;</p>	<p>Complaints once received are allocated promptly to the appropriate committee, either the Compliance Committee or the Benchmark Committee, depending on the subject matter of the complaint.</p> <p>PRIMA will respond to all complaints as quickly as possible, and will endeavor to respond as possible, and will endeavor to respond within ten working days of their original receipt. PRIMA aims to resolve all complaints in as timely a manner as possible, and will inform complainants of the outcome of its investigation as soon as reasonably practicable following its determination.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>



<p>c) Formal complaints made against a PRA and its personnel are investigated by that PRA in a timely and fair manner;</p>	<p>PRIMA responds to all complaints as quickly as possible and in any event no later than within ten working days of their receipt. PRIMA aims to resolve all complaints in as timely a manner as possible, and will inform complainants of the outcome of its investigation as soon as reasonably practicable following its determination.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p>d) The inquiry is conducted independently of any personnel who may be involved in the subject of the complaint;</p>	<p>All inquiry is to be conducted independently of any personnel who may be involved in the subject of the complaint.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p>e) A PRA aims to complete its investigation promptly;</p>	<p>PRIMA aims to resolve all complaints in as timely a manner as possible.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p>f) A PRA advises the complainant and any other relevant parties of the outcome of the investigation in writing and within a reasonable period;</p>	<p>PRIMA will inform complainants and any other relevant party of the outcome of its investigation as soon as reasonably practicable following its determination.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p>g) There is recourse to an independent third party appointed by the PRA should a complainant be dissatisfied with the way a complaint has been handled by the relevant PRA or the PRA's decision in the situation no later than six (6) months from the time of the original complaint;</p>	<p>Should a complainant be dissatisfied with the way a complaint has been handled or PRIMA's decision in the situation then, no later than six months from the time of the original complaint, PRIMA will appoint an independent third party arbitrator to hear the matter.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p>h) All documents relating to a complaint, including those submitted by the complainant as well as a PRA's own record, are retained for a minimum of five (5) years.</p>	<p>PRIMA keeps all communications and other documents relating to a complaint (including minutes of any compliance meetings and records of any formal appeals) for a period of five (5) years.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>



<p>2.19 Disputes as to daily pricing determinations, which are not formal complaints, shall be resolved by the PRA with reference to its standard appropriate procedures. If a complaint results in a change in price, that should be communicated to the market as soon as possible.</p>	<p>Disputes as to daily pricing determinations which fall short of fall complaints are handled according to PRIMA's price assessment methodology, which provides for a peer review procedure.</p> <p>If as a result of a complaint PRIMA determines that an incorrect assessment was published, PRIMA will issue a correction and notify its subscribers of the change to the assessed price point, including providing an explanation for the change.</p>	<p>PRIMA has confirmed during our onsite visit to their offices on 12 July 2018, that there were no complaints received during the General Review Period.</p>
<p><i>Cooperation with Regulatory Authorities</i></p>		
<p>2.20 Audit trails, other documentation required by these principles and all other relevant information shall be readily available to market authorities in carrying out their regulatory duties and handed over without delay in accordance with applicable law.</p>	<p>Out of scope for the purposes of this assurance statement.</p>	<p>Out of scope.</p>
<p><i>External Auditing</i></p>		
<p>2.21 A PRA should appoint an independent, external auditor with appropriate experience and capability to review and report on the PRA's adherence to its stated methodology criteria and with the requirements of the principles. The first resulting audit should be completed within one year of the publication of these principles by IOSCO and its results published within fifteen months of the publication of the principles. Subsequent audits should take place annually and be published three months after each audit is</p>	<p>PRIMA engaged Dominy Law Limited to carry out this reasonable assurance assessment with the signed and dated engagement letter retained by the individual responsible for PRIMA's adherence to the Principles.</p>	<p>We confirm that a signed and dated engagement letter exists.</p>



completed with further interim audits carried out as appropriate.		
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