Commodity and Index Rollover
Information & Calculation

1. Introduction

1.1. BluePine LTD (hereinafter 'the Company') operating under the trading name Seekapa.com is a Seychelles investment firm, authorized and regulated by the Financial Services Authority ("FSA") of Seychelles with license number SD183.

1.2. By opening an account on https://seekapa.com website, you accept and agree to comply and be bound by with this policy.

2. General

2.1. When a futures contract approaches its expiry date, Seekapa.com will rollover all open positions to the next tradable contract at the time specified in the CFD rollover dates section on the Trading Platform.

2.2. Rollover dates are unique to each type of contract being traded and vary in duration.

2.3. Clients with open positions who do not wish to have their positions rolled over onto the next contract should close their positions before the scheduled Rollover.

2.4. Clients will incur the same fees as closing an old contract and opening a new one manually. The fee includes the spread cost of closing the old contract and opening a new contract plus the overnight interest charge (These are the swaps long and swaps short amounts indicated in the asset specifications).

2.5. In most cases, the rate (bid/ask prices) of the new contract will be different from the old contract. Therefore, the company takes necessary precautions in order for the client not to be burdened with the price difference on his new position. As a result, an automatic rollover adjustment will be applied to the client's account to ensure that neither the client nor the company experiences any benefit or disadvantage from the rollover.

2.6. The general rule of thumb considered to decide if the amount will be debited or credited is:

2.6.1. If (new contract price < old contract price) debit for short, credit for long.

2.6.2. If (new contract price > old contract price) debit for long, credit for short.

3. Calculations

3.1. All Rollover Adjustments are calculated in the currency the Instrument is denominated in. If an account is denominated in a different currency the system will automatically convert this to the account's currency using the market rate at that time.

3.2. In order to calculate the rollover adjustment amount, the rates of the old contract and the new contract will be used at exactly the same time before the contract expires. Consequently, the price difference between contracts and the spread will be accounted for.
The resulting rollover amount will be then debited or credited to the client's account as a rollover adjustment. The calculation is as follows:

3.2.1. BUY position

(Volume in lots **x** (Bid price (new contract) **-** Bid price (old contract))) **+** (Volume in lots **-** Spread) **x** Conversion Rate

- <u>Example 1:</u>

A client with a GBP account holds a BUY position of 10 contracts on DAX performance Index (instrument currency EUR).
At the time of rollover, the DAX rates are as follows:

- Bid (<u>existing contract</u>) = 12,228.00
- Ask (<u>existing contract</u>) = 12,231.00

- Bid (<u>new contract</u>) = 12,232.00
- Ask (<u>new contract</u>) = 12,236.00

The formula would apply as follows:
(10 **x** (12,232 **-** 12,228)) **+** (10 **x** (12,232 **–** 12,236))) **x** 0.9 = **£72**

Volume (Lot)	x	Bid Price (NEW)	-	Bid Price (OLD)	+	Volume (Lot)	x	Spread	x	Conversion Rate
10	x	4			+	10	x	- 4	x	0.9

If the client continues to hold the same long position of 10 contracts of DAX, the account will be debited with £72.00.

3.2.2. SELL position:

(Volume in lots **x** (Ask price (new contract) **-** Ask price (old contract))) **+** (Volume **-** Spread) **x** Conversion Rate

- Example 2

A client with a GBP account holds a SELL position of 1000 barrels on Light Sweet Crude Oil (instrument currency USD).
At the time of rollover, the CL rates are as follows:

- Bid (existing contract) = 61.74
- Ask (existing contract) = 61.87

- Bid (new contract) = 61.95
- Ask (new contract) = 62.15

The formula would apply as follows:
(1000 **x** (62.15 – 61.87)) **+** (1000 **x** (61.95 – 62.15))) **x** 0.78 = **£62.4**

Volume (Lot)	x	Bid Price (NEW)	-	Bid Price (OLD)	+	Volume (Lot)	x	Spread	x	Conversion Rate
1000	x	0.28			+	1000	x	-0.2	x	0.78

If the client continues to hold the same short position of 1000 barrels of CL, the account will be credited with £62.40.