



June 18, 2012

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: NYMEX Submission # 12- 214 -- Rule Changes to Implement Transfer of
Green Exchange Contracts to the New York Mercantile Exchange**

Dear Mr. Stawick:

On April 3, 2012 and May 18, 2012, CME Group, Inc. ("CME Group") and its wholly owned subsidiary, Chicago Mercantile Exchange Inc., notified the Commodity Futures Trading Commission ("CFTC" or the "Commission") that they had acquired a 100% equity interest in GreenX Holdings LLC ("GreenX Holdings"), the parent company of Green Exchange LLC ("GreenX"), and became the sole owner of the company. As part of the consummation of this transaction, we intend to migrate all GreenX contracts and open interest to the New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange"), and, upon consummation of that transfer, to vacate GreenX's existing Designated Contract Market ("DCM") license.

On May 3, 2012, NYMEX and GreenX requested that the Commission permit the transfer of all of the contracts listed on GreenX to be listed for trading on the NYMEX DCM. This rule submission provides those rule changes that will be necessary to implement the transfer of GreenX contracts to the NYMEX DCM. The rules will become effective on such date when certain former GreenX products are formally transitioned from GreenX to NYMEX; this date will be subsequently announced after the order permitting the migration and transfer of open interest is received by NYMEX from the Commission.

The rule changes have three main components:

- New Product Terms and Conditions and Position Limits
- Applicable Market Maker Programs
- Fee Schedule

I. New Product Terms and Conditions and Position Limits

Please find enclosed as Appendix A new NYMEX Chapters 1250 – 1274 which contain the new products which are being transferred from GreenX to NYMEX. The transferred products and the associated new NYMEX chapter numbers are as follows:

In Delivery Month European Union Allowance (EUA) Futures (Chapter 1250)
In Delivery Month European Union Allowance (EUA) Option (Chapter 1251)
In Delivery Month European Union Allowance (EUA) Serial Option (Chapter 1252)

In Delivery Month Certified Emission Reduction (CER) Futures (Chapter 1253)
In Delivery Month Certified Emission Reduction (CER) Option (Chapter 1254)

In Delivery Month Certified Emission Reduction (CER) Serial Option (Chapter 1255)

Certified Emission Reduction Plus (CERplussm) Futures (Chapter 1256)

European Union Aviation Allowance (EUAA) Futures (Chapter 1257)

Emission Reduction Unit (ERU) Futures (Chapter 1258)

Emission Reduction Unit (ERU) Option (Chapter 1259)

Daily European Union Allowance (EUA) Futures (Chapter 1260)

Climate Action Reserve (CAR) Futures (Chapter 1261)

Climate Action Reserve (CAR) Futures - Vintage 2009 (Chapter 1261)

Climate Action Reserve (CAR) Futures - Vintage 2010 (Chapter 1261)

Climate Action Reserve (CAR) Futures - Vintage 2011 (Chapter 1261)

Climate Action Reserve (CAR) Futures - Vintage 2012 (Chapter 1261)

Climate Action Reserve (CAR) Option (Chapter 1262)

Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures (Chapter 1263)

Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures Vintage 2009 Futures (Chapter 1263)

Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures Vintage 2010 Futures (Chapter 1263)

Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures Vintage 2011 Futures (Chapter 1263)

Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures Vintage 2012 Futures (Chapter 1263)

Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Option (Chapter 1264)

CSAPR TR SO₂ Group 1 Vintage 2012 Allowance Futures (Chapter 1265)

CSAPR TR SO₂ Group 2 Vintage 2012 Allowance Futures (Chapter 1266)

CSAPR TR NO_x Annual Vintage 2012 Allowance Futures (Chapter 1267)

CSAPR TR NO_x Ozone Season Vintage 2012 Allowance Futures (Chapter 1268)

European Union Allowance (EUA) Futures (Chapter 1269)

European Union Allowance (EUA) Option (Chapter 1270)

Certified Emission Reduction (CER) Futures (Chapter 1271)

Certified Emission Reduction (CER) Option (Chapter 1272)

California Carbon Allowance (CCA) Futures (Chapter 1273)

California Carbon Allowance (CCA) Option (Chapter 1274)

The structure of the product rules chapters has been harmonized to conform to the format of other CME Group DCM product chapters. The main substantive differences from the GreenX rules are that: (1) the exclusions of liability in the GreenX rules have been removed as they are no longer necessary and (2) the force majeure, late performance and failure to perform language contained in the GreenX rules have been eliminated as those sections are provided for elsewhere in the NYMEX rules.

With respect to position limits, upon the effective date of the transfer, NYMEX will adopt position limits identical to those currently in effect at GreenX. Please find enclosed as Appendix B a copy of proposed amendment to **Rule 5. INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 5, 5.C Position Limit and Reportable Level Table.**

With respect to the non-reviewable ranges contained in NYMEX Rule 588.G. ("Globex Non-Reviewable Trading Ranges"), there is no need for substantive changes to the rule. The only amendment is that the existing two references to GreenX in the chart will be eliminated.

II. Market Maker and Trading Incentive Programs

Upon the effective date of the transfer of the contracts, it is NYMEX's intention to maintain existing GreenX market maker and trading incentive programs for the Green product slate. These are being submitted today via separate submission and are referenced as follows (via submission number and title):

1. Submission No. 12-205: Legacy GreenX Broker Member Incentive Program (with supplement - Submission No. 12-205S)
2. Submission No. 12-206: Legacy GreenX CPC Incentive Program
3. Submission No. 12-207: NYMEX Early Adopter Liquidity Provider Program (with supplement - Submission No. 12-207S)
4. Submission No. 12-208: European Carbon Products Market Making Program
5. Submission No. 12-209: Legacy GreenX Volume and Liquidity Provider Program (with supplement - Submission No. 12-209S)
6. Submission No. 12-210: European Union Allowance and Certified Emission Reduction futures and spread contracts Market Making Program
7. Submission No. 12-211: Legacy GreenX Member Trader Incentive Program (with supplement - Submission No. 12-211S)

III. Fee Schedule

Please find enclosed as Appendix C the proposed NYMEX fee schedule for the legacy GreenX products. The fees are identical to the existing fees which are currently charged by GreenX.

IV. Core Principle Analysis

NYMEX staff reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX staff identified that the new products may have some bearing on the following Core Principles:

- Prevention of Market Disruption: Trading in these contracts will be subject to the NYMEX rules ("Rulebook") Chapters 4 and 7 which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group's DCMs, activity in the new products will be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department.
- Contracts not Readily Subject to Manipulation: The new contracts are not readily subject to manipulation due to the liquidity and robustness of the underlying cash market, which provides diverse participation and sufficient transactions to support the final settlement.
- Compliance with Rules: Trading in these contracts will be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading in this contract will also be subject to the full panoply of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group's DCMs, activity in the products will be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department. The Market

Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

- Position Limitations or Accountability: The spot month position limit for the new products is generally set at a conservative level that is approximately 16-18% of the monthly deliverable supply in the cash market; in any event, none of the spot month position limits for any of the contracts equals or exceeds the 25% threshold.
- Availability of General Information: The Exchange will publish information on the contracts' specifications on its website, together with daily trading volume, open interest and price information.
- Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange's website and via quote vendors.
- Financial Integrity of Contracts: All contracts traded on the Exchange will be cleared by the Clearing House of the Chicago Mercantile Exchange which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- Execution of Transactions: The new contracts are listed for trading on CME Globex and for submission for clearing through CME ClearPort. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers. The CME Globex electronic trading platform provides for a competitive and open execution of transactions due to its advanced functionality, high reliability and global connectivity. It runs continuously, so it is not restricted by borders or time zones. CME Globex remains among the fastest global electronic trading systems.
- Trade Information: All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- Protection of Market Participants: Rulebook Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of the Exchange's competitive trading venues and will be applicable to transactions in this product.
- Disciplinary Procedures: Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the Rulebook. Trading in these contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in this product are identified.
- Dispute Resolution: Disputes with respect to trading in these contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Regulation 40.2, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

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If you require any additional information, please do not hesitate to contact me at 212-299-2200 or via email at christopher.bowen@cmegroup.com. Please reference NYMEX Submission # 12-214 in any related correspondence.

Very truly yours,

/s/
Christopher Bowen
Managing Director,
Chief Regulatory Counsel

cc: Kari Larsen, GreenX

Attachments: Appendix A: New Product Rules
Appendix B: NYMEX Rulebook Chapter 5 Position Limit Table and
Amendment to NYMEX Rule 588.G
Appendix C: Fee Schedule

Appendix A

(All language is new and underlining is omitted for legibility purposes)

Chapter 1250 In Delivery Month European Union Allowance (EUA) Futures

1250100. SCOPE OF CHAPTER

This chapter is limited in application to In Delivery Month European Union Allowance (EUA) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all European Union Allowances bought or sold for future delivery on the Exchange with delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting allowances at the Registry (UK).

In January 2005, the European Union Emissions Trading Scheme ("EU ETS") commenced operation as the largest multi-country, multi-sector Greenhouse Gas emission trading scheme world-wide. It covers over 11,500 energy-intensive installations across the EU which represent approximately half of Europe's emissions of CO₂. These installations include combustion plants, oil refineries, coke ovens, iron and steel plants, and factories making cement, glass, lime, brick, ceramics, pulp and paper. The scheme is based on Directive 2003/87/EC, which entered into force on 25 October 2003.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean the International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of Directive 2003/87/EC, for the purpose of recording the issue, transfer and cancellation of EUAs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of EUAs between national registries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where Applicable).

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold EUAs and has Person Holding Accounts established in order to ensure the accurate accounting of the issue of holding, transfer, acquisition, surrender, cancellation, and replacement of EUAs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this futures contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council, as amended from time to time including by EU Commission Regulation (EC) No.916/2007.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1250101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all European Union Allowances with delivery at the Registry (UK).

The term "EUA" or European Union Allowance shall be granted under a National Allocation Plan of an EU member state.

1250102. TRADING SPECIFICATIONS

Trading in In Delivery Month European Union Allowance (EUA) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1250102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1250102.B. Trading Unit

The contract unit shall be one thousand (1,000) EUAs for a delivery made by transfer through the Registry (UK).

1250102.C. Price Increments

The minimum price fluctuation shall be €0.01 per EUA (€ 10.00 per contract). Prices shall be quoted in Euros and Euro cents per EUA.

1250102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 28,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 70,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 50,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1250102.E. Termination of Trading

No trades in In Delivery Month European Union Allowance (EUA) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1250105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1250103. DELIVERY

EUA delivery shall comply with all requirements for the electronic transfer of EUAs on the Registry (UK). Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to the sellers' clearing members and buyers' clearing members.

1250104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive EUAs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver EUAs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring EUAs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such EUAs, and that such EUAs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1250104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1250104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1250104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the final day of trading of the delivery month.

1250105. TIMING OF DELIVERY

1. The seller's clearing member shall transfer EUAs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the EUAs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive EUAs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1250106. DELIVERY MARGINS AND PAYMENT

1250106.A. Definitions

For purposes of this Rule 1250106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1250106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1250106.C. Payment

Any Payment made on the Payment Date shall be based on EUAs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1250107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1250108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1250104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1251

In Delivery Month European Union Allowance (EUA) Option

1251100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on In Delivery Month European Union Allowance (EUA) futures contracts. In addition to the rules of this chapter, transactions in options on In Delivery Month European Union Allowance (EUA) futures shall be subject to the general rules of the Exchange insofar as applicable.

1251101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1251101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1251101.B. Trading Unit

An In Delivery Month European Union Allowance (EUA) option traded on the Exchange represents an option to assume a short or long position in the underlying In Delivery Month European Union Allowance (EUA) futures contract at the strike price.

1251101.C. Price Increments

The minimum price fluctuation is €0.01 per EUA. Prices shall be quoted in Euros (€) and Euro cents (¢) per EUA. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1251101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month European Union Allowance (EUA) futures. Each position in the contract will be calculated as a single position in the In Delivery Month European Union Allowance (EUA) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 28,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 70,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 50,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1251101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying In Delivery Month European Union Allowance (EUA) futures contract.

1251101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1251102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for In Delivery Month European Union Allowance (EUA) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price; (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule; and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.

3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1252
In Delivery Month European Union Allowance (EUA) Serial Option

1252100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on In Delivery Month European Union Allowance (EUA) futures contracts. In addition to the rules of this chapter, transactions in options on In Delivery Month European Union Allowance (EUA) futures shall be subject to the general rules of the Exchange insofar as applicable.

1252101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1252101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1252101.B. Trading Unit

An In Delivery Month European Union Allowance (EUA) Serial put option traded on the Exchange represents an option to assume a short position in the December contract month of the underlying In Delivery Month European Union Allowance (EUA) futures contract of the relevant year traded on the Exchange at the strike price. An In Delivery Month European Union Allowance (EUA) Serial call option traded on the Exchange represents an option to assume a long position in the December contract month of the underlying In Delivery Month European Union Allowance (EUA) futures contract of the relevant year traded on the Exchange at the strike price.

1252101.C. Price Increments

The minimum price fluctuation is €0.01 per EUA. Prices shall be quoted in Euros (€) and Euro cents (¢) per EUA. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1252101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month European Union Allowance (EUA) futures. Each position in the contract will be calculated as a single position in the In Delivery Month European Union Allowance (EUA) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 28,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 70,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 50,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1252101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the closest March, June, September, or December contract month of the underlying In Delivery Month European Union Allowance (EUA) futures contract.

1252101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1252102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for In Delivery Month European Union Allowance (EUA) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price, (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule, and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.

2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1253

In Delivery Month Certified Emission Reduction (CER) Futures

1253100. SCOPE OF CHAPTER

This chapter is limited in application to In Delivery Month Certified Emission Reduction (CER) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all Certified Emission Reductions, issued pursuant to Articles 12 and 17 of the Kyoto Protocol, bought or sold for future delivery on the Exchange with the Delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting Certified Emission Reductions at the Registry (UK).

The term "CDM" or "Clean Development Mechanism" shall mean a mechanism established by Article 12 of the Kyoto Protocol for project-based emission reduction activities in developing countries.

The term "Clean Development Mechanism-Executive Board" or "CDM-EB" shall mean the following: The CDM-EB registers validated project activities as CDM projects, issues certified emission reductions to relevant projects participants, and manages series of technical panels and working groups meetings.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean the International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of the Directive, for the purpose of recording the issue, transfer and cancellation of CERs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of CERs between national Registries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where Applicable), and/or (5) by which the UNFCCC communicates with the CDM Registry (where applicable), which in any case is necessary to facilitate a transfer.

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold CERs and has Person Holding Accounts established in order to ensure the accurate accounting of the issue of holding, transfer, acquisition, surrender, cancellation, and replacement of CERs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this futures contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council, as amended from time to time including by EU Commission Regulation (EC) No.916/2007.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1253101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all Certified Emission Reductions, issued pursuant to Articles 12 and 17 of the Kyoto Protocol, with delivery at the Registry (UK).

Certified Emission Reduction ("CER") shall mean a unit issued pursuant to Articles 12 and 17 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol which may be used for compliance purposes under the European Union Emissions Trading Scheme ("EU ETS") in accordance with Article 11a(3)(a) and (b) of the Directive 2003/87/EC (as amended from time to time) and the Linking Directive 2004/101/EC as implemented into Member State law. CERs from nuclear facilities, land use, land use change and forestry activities (LULUCF), and hydroelectric projects with generating capacities exceeding 20 MW are excluded from this definition.

1253102. TRADING SPECIFICATIONS

Trading in In Delivery Month Certified Emission Reduction (CER) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1253102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1253102.B. Trading Unit

The contract unit shall be one thousand (1,000) CERs for a delivery made by transfer through the Registry (UK).

1253102.C. Price Increments

The minimum price fluctuation shall be €0.01 per CER (€10.00 per contract). Prices shall be quoted in Euro and Euro cents per CER.

1253102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 8,700 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 30,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 20,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1253102.E. Termination of Trading

No trades in In Delivery Month Certified Emission Reduction (CER) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1253105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1253103. DELIVERY

At the registry designation of the buyer's clearing member, CER delivery shall take place by electronic transfer of CERs at the Registry (UK). The registry will be designated by the buyer's clearing member, and it must satisfy "Eligibility Criteria" for international emissions trading specified

in Article 17 of the Kyoto Protocol and Decision 11/CMP.1. Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to sellers' clearing members and buyers' clearing members.

1253104.

DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive CERs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver CERs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring CERs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such CERs, and that such CERs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1253104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1253104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1253104.C. Assignment Day The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective Clearing Members on the final day of trading of the delivery month.

1253105.

TIMING OF DELIVERY

1. The seller's clearing member shall transfer CERs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the CERs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive CERs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.

4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1253106. DELIVERY MARGINS AND PAYMENT

1253106.A. Definitions

For purposes of this Rule 1253106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1253106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1253106.C. Payment

Any Payment made on the Payment Date shall be based on CERs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1253107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1253108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1253104.C may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1254
In Delivery Month Certified Emission Reduction (CER) Option

1254100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on In Delivery Month Certified Emission Reduction (CER) futures contracts. In addition to the rules of this chapter, transactions in options on In Delivery Month Certified Emission Reduction (CER) futures shall be subject to the general rules of the Exchange insofar as applicable.

1254101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1254101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1254101.B. Trading Unit

An In Delivery Month Certified Emission Reduction (CER) option traded on the Exchange represents an option to assume a short or long position in the underlying In Delivery Month Certified Emission Reduction (CER) futures contract at the strike price.

1254101.C. Price Increments

The minimum price fluctuation is €0.01 per CER. Prices shall be quoted in Euros (€) and Euro cents (¢) per CER. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1254101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month Certified Emission Reduction (CER) futures. Each position in the contract will be calculated as a single position in the In Delivery Month Certified Emission Reduction (CER) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 8,700 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 30,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 20,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1254101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying In Delivery Month Certified Emission Reduction (CER) futures contract.

1254101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1254102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for In Delivery Month Certified Emission Reduction (CER) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price, (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule, and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may

change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1255

In Delivery Month Certified Emission Reduction (CER) Serial Option

1255100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on In Delivery Month Certified Emission Reduction (CER) futures contracts. In addition to the rules of this chapter, transactions in options on In Delivery Month Certified Emission Reduction (CER) futures shall be subject to the general rules of the Exchange insofar as applicable.

1255101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1255101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1255101.B. Trading Unit

An In Delivery Month Certified Emission Reduction (CER) Serial put option contract traded on the Exchange represents an option to assume a short position in the December contract month of the underlying In Delivery Month Certified Emission Reduction (CER) futures contract of the relevant year traded on the Exchange at the strike price. An In Delivery Month Certified Emission Reduction (CER) Serial call option contract traded on the Exchange represents an option to assume a long position in the December contract month of the underlying In Delivery Month Certified Emission Reduction (CER) futures contract of the relevant year traded on the Exchange at the strike price.

1255101.C. Price Increments

The minimum price fluctuation is €0.01 per CER. Prices shall be quoted in Euros (€) and Euro cents (¢) per CER. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1255101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month Certified Emission Reduction (CER) futures. Each position in the contract will be calculated as a single position in the In Delivery Month Certified Emission Reduction (CER) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 8,700 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 30,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 20,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1255101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the closest March, June, September, or December contract month of the underlying In Delivery Month Certified Emission Reduction (CER) futures contract.

1255101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1255102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below:

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for In Delivery Month Certified Emission Reduction (CER) futures contracts in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price; (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule;

and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.

2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1256

Certified Emission Reduction Plus (CERplusSM) Futures

1256100. SCOPE OF CHAPTER

This chapter is limited in application to Certified Emission Reduction Plus (CERplusSM) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all CERs bought or sold for future delivery on the Exchange with delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting Relevant CERs at the Registry (UK).

The term "Clean Development Mechanism" or "CDM" shall mean a mechanism established by Article 12 of the Kyoto Protocol for project-based emission reduction activities in developing countries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where applicable), and/or (5) by which the ITL communicates with the CDM Registry (where applicable), which in any case is necessary to facilitate a transfer.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of the EU ETS Directive, for the purpose of recording the issue, transfer and cancellation of CERs under the EU ETS and established, operated and maintained pursuant to the Registry Regulations.

The term "EU ETS" shall mean the European Union Emissions Trading System implemented pursuant to the EU ETS Directive.

The term "EU ETS Directive" shall mean Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emissions allowance trading within the European Community, and amending Council Directive 96/61/EC, as amended from time to time, including, for the avoidance of doubt by Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the European Community.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean International Transaction Log.

The term "Linking Directive" shall mean Directive 2004/101/EC, which amends the EU ETS Directive.

The term "Qualitative Restriction" shall mean any restriction on the use of CERs imposed pursuant to Article 11a(9) of the EU ETS Directive in respect of which legislation has been published in the Official Journal of the European Union.

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold CERs and has Person Holding Accounts established in order to ensure the accurate accounting of the holding, transfer, acquisition, surrender, cancellation, and replacement of CERs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this futures contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the

Council, as amended from time to time including by Commission Regulation (EC) No.916/2007 of 31 July 2007.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1256101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all to Certified Emission Reduction Plus (CERplusSM) futures contracts with delivery at the Registry (UK).

The term Certified Emission Reduction ("CER") shall mean a unit issued by the Clean Development Mechanism Executive Board pursuant to Article 12 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol.

"CERplus Contract" shall mean an obligation to deliver the number of Relevant CERs that would be required, as at the point of delivery under Rules 1256104 – 1256106, to be Surrendered to meet a compliance obligation under the EU ETS in respect of 1,000 Tonnes of CO2 Equivalent.

The "Relevant CER" shall mean any CER which:

1. For Delivery in 2011 and 2012, any CER which:
 - (a) may be Surrendered by an operator or aircraft operator under the EU ETS Directive (without regard to any quantitative restrictions on the ability of any operator or aircraft operator imposed under Article 11a of the EU ETS Directive or otherwise to surrender such CERs); and
 - (b) does not originate from nuclear facilities; land use, land use change and forestry activities (LULUCF); trifluoromethane (HFC-23) projects; and nitrous oxide (N2O) from adipic acid production.
2. For Delivery in 2013 and subsequent years, any CER which:
 - (a) may be Surrendered by an operator or aircraft operator under the EU ETS Directive (without regard to any quantitative restrictions on the ability of any operator or aircraft operator imposed under Article 11a of the EU ETS Directive or otherwise to surrender such CERs); and
 - (b) in the case of CERs that are subject to Qualitative Restrictions, those Qualitative Restrictions: (A) can be identified by the Exchange by way of reference to the serial number of the CER subject to such Qualitative Restriction; and (B) do not render them wholly ineligible for the purpose of Surrender under the EU ETS Directive, in each case as determined pursuant to Rule 1256103.

The term "Surrender" shall mean the surrender of CERs by an operator or aircraft operator for compliance either by way of direct surrender or by way of conversion of CERs to EUAs pursuant to the EU ETS Directive, the Linking Directive and the Registry Regulations.

The term "Tonne of CO2 Equivalent" shall mean a tonne of CO2 as monitored, reported and verified pursuant to the EU ETS Directive.

1256102. TRADING SPECIFICATIONS

Trading in Certified Emission Reduction Plus (CERplusSM) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1256102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1256102.B. Trading Unit

The contract shall mean an obligation to deliver the number of Relevant CERs that would be required, as at the point of delivery under Rules 1256104 – 1256106, to be Surrendered to meet a compliance obligation under the EU ETS in respect of 1,000 Tonnes of CO2 Equivalent.

1256102.C. Price Increments

The minimum price fluctuation shall be €0.01 per CER (€10.00 per contract). Prices shall be quoted in Euro and Euro cents per CER.

1256102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 6,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 30,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 20,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1256102.E. Termination of Trading

No trades in Certified Emission Reduction Plus (CERplusSM) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1256105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1256103. DELIVERY

Delivery shall take place by electronic transfer of Relevant CERs at the Registry (UK) and Registry must satisfy "Eligibility Criteria" for international emissions trading specified in Article 17 of the Kyoto Protocol and Decision 11/CMP.1.

In determining whether or not a CER constitutes a Relevant CER, the Exchange may specify such criteria as it deems appropriate, including without limitation the project type, nature and source of a CER, the scheme and/or mechanism pursuant to which such CER has been issued, and the originating or issuing Registry.

The Exchange may determine at its own discretion the number of Relevant CERs that are due to be delivered to satisfy a contract, taking account of whether, in its opinion, at the point of delivery under Rules 1256104 – 1256106, a CER is subject to a Qualitative Restriction. Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to the sellers' clearing members and the buyers' clearing members.

1256104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive Relevant CERs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver Relevant CERs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring Relevant CERs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such Relevant CERs, and that such Relevant CERs are free and clear of all liens, security interests, claims, encumbrances, and adverse claims.

1256104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted (meaning that the buyer's clearing member will accept the type and number of Relevant CERs required to satisfy the contract), the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be satisfied by the seller's clearing member by delivery of the applicable number of Relevant CERs (including where this is a number other than 1,000 Relevant CERs per contract, the number of Relevant CERs to be delivered to satisfy each CERplus Contract), the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1256104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1256104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the final day of trading of the delivery month.

1256105.

TIMING OF DELIVERY

1. The seller's clearing member shall transfer the Relevant CERs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the Relevant CERs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive the Relevant CERs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1256106.

DELIVERY MARGINS AND PAYMENT

1256106.A. Definitions

For purposes of this Rule 1256106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000. For the avoidance of doubt, where more than 1,000 Relevant CERs are required to be delivered to satisfy a contract, the Payment for that contract shall be the settlement price times 1,000.

1256106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1256106.C. Payment

Any Payment made on the Payment Date shall be based on the contracts that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1256107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1256108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1256104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1257

European Union Aviation Allowance (EUAA) Futures

1257100. SCOPE OF CHAPTER

This chapter is limited in application to European Union Aviation Allowance (EUAA) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all European Union Aviation Allowances bought or sold for future delivery on the Exchange with delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting allowances at the Registry (UK).

The term "EU ETS" shall mean the European Union Emission Trading Scheme established pursuant to the Directive.

The term "Directive" shall mean Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emissions allowance trading and amending Council Directive 96/61/EC, as amended from time to time.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of Directive 2003/87/EC, for the purpose of recording the issue, transfer and cancellation of EUAAs under the Scheme and established, operated and maintained pursuant to Article 5 of the Registries Regulation.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, which in any case is necessary to facilitate a transfer.

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean the registry established by a Member State or the EU pursuant to the Directive or the Registries Regulation, in order to ensure the accurate accounting of the issue, holding, transfer, acquisition, surrender, cancellation and replacement of allowances (including EUAAs). For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registries Regulation" shall mean the EU regulation no. 1193/2011 of 18 November 2011 establishing a Union Registry for the trading period commencing on 1 January 2013, and subsequent trading periods, of the Union emissions trading scheme pursuant to the Directive 2003/87/EC and Decision 280/2004/EC of the European Parliament and of the Council and amending Commission Regulations (EC) No. 2216/2004 and (EU) No. 920/2010.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1257101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all European Union Aviation Allowances with delivery at the Registry (UK).

An "EUAA" or "European Union Aviation Allowance" shall mean a unit of account that is an "allowance" as defined in the Directive and is issued pursuant to Chapter II thereof.

1257102. TRADING SPECIFICATIONS

Trading in European Union Aviation Allowance (EUAA) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1257102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1257102.B. Trading Unit

The contract unit shall be one thousand (1,000) EUAAs for a delivery made by transfer through the Registry (UK).

1257102.C. Price Increments

The minimum price fluctuation shall be €0.01 per EUAA (€ 10.00 per contract). Prices shall be quoted in Euros and Euro cents per EUAA.

1257102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 3,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 9,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 6,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1257102.E. Termination of Trading

No trades in European Union Aviation Allowance (EUAA) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1257105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1257103. DELIVERY

EUAA delivery shall comply with all requirements for the electronic transfer of EUAAs on the Registry (UK). Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to the sellers' clearing members and the buyers' clearing members.

1257104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive EUAAs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver EUAAs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by, or under, applicable Registries Regulation in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by, or under, the Registries Regulation in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registries Regulation, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member,

seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring EUAAs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such EUAAs, and that such EUAAs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1257104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry Account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry Account, and any additional information as may be required by the Exchange.

1257104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1257104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the final day of trading of the delivery month.

1257105.

TIMING OF DELIVERY

1. The seller's clearing member shall transfer EUAAs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the EUAAs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive EUAAs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. the second business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1257106.

DELIVERY MARGINS AND PAYMENT

1257106.A. Definitions

For purposes of this Rule 1257106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1257106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1257106.C. Payment

Any Payment made on the Payment Date shall be based on EUAAs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1257107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1257108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1257104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1258 Emission Reduction Unit (ERU) Futures

1258100. SCOPE OF CHAPTER

This chapter is limited in application to Emission Reduction Unit (ERU) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all Emission Reduction Units bought or sold for future delivery on the Exchange with delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting allowances at the Registry (UK).

The term "Directive" shall mean Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emissions allowance trading and amending Council Directive 96/61/EC, as amended from time to time.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean the International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions. The UNFCCC Secretariat maintains the ITL for the purposes of transfer under the Kyoto Protocol.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of the Directive, for the purpose of recording the issue, transfer and cancellation of ERUs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of ERUs between national Registries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the UNFCCC ITL (where applicable), and/or (4) by which a Registry communicates with the UNFCCC ITL (where applicable), and/or (5) by which the UNFCCC ITL communicates with the ERU Registry (where applicable), which in any case is necessary to facilitate a transfer.

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean the registry established by a Member State or the EU pursuant to the Directive or the Registries Regulation, in order to ensure the accurate accounting of the issue, holding, transfer, acquisition, surrender, cancellation and replacement of allowances and offsets (including ERUs). For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) no. 1193/2011 of 18 November 2011 establishing a Union Registry for the trading period commencing on 1 January 2013, and subsequent trading periods, of the Union emissions trading scheme pursuant to the Directive and Decision 280/2004/EC of the European Parliament and of the Council and amending Commission Regulations (EC) No. 2216/2004 and (EU) No. 920/2010.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1258101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all Emission Reduction Units with delivery at the Registry (UK).

An "Emission Reduction Unit" or "ERU" shall mean a unit issued pursuant to Article 6 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol which may be used for compliance purposes under the European Union Emissions Trading Scheme ("EU ETS") in accordance with Article 11a(3)(a) and (b) of the Directive and the Linking Directive 2004/101/EC as implemented into Member State law. ERUs from nuclear facilities; land use, land use change and forestry activities (LULUCF); and hydroelectric projects with generating capacities exceeding 20 MW are excluded from this definition. For the avoidance of doubt, "ERU" includes any ERU issued under Track 1 or Track 2.

1258102. TRADING SPECIFICATIONS

Trading in Emission Reduction Unit (ERU) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1258102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1258102.B. Trading Unit

The contract unit shall be one thousand (1,000) ERUs for a delivery made by transfer through the Registry (UK).

1258102.C. Price Increments

The minimum price fluctuation shall be €0.01 per ERU (€10.00 per contract). Prices shall be quoted in Euro and Euro cents per ERU.

1258102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 4,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 12,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 8,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1258102.E. Termination of Trading

No trades in Emission Reduction Unit (ERU) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1258105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1258103. DELIVERY

ERU delivery shall comply with all requirements for the electronic transfer of ERUs on the Registry (UK). Deliveries must satisfy "Eligibility Criteria" for international emissions trading specified in Article 17 of the Kyoto Protocol and Decision 11/CMP.1. Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to sellers' clearing members and buyers' clearing members.

1258104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive ERUs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver ERUs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by, or under, applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by, or under, the Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring ERUs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such ERUs, and that such ERUs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1258104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Holding Account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Holding Account, and any additional information as may be required by the Exchange.

1258104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1258104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the final day of trading of the delivery month.

1258105.

TIMING OF DELIVERY

1. The seller's clearing member shall transfer ERUs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the ERUs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive ERUs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1258106. DELIVERY MARGINS AND PAYMENT

1258106.A. Definitions

For purposes of this Rule 1258106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1258106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1258106.C. Payment

Any Payment made on the Payment Date shall be based on ERUs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1258107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1258108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1258104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1259 Emission Reduction Unit (ERU) Option

1259100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Emission Reduction Unit (ERU) futures contracts. In addition to the rules of this chapter, transactions in options on Emission Reduction Unit (ERU) futures shall be subject to the general rules of the Exchange insofar as applicable.

1259101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1259101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1259101.B. Trading Unit

An Emission Reduction Unit (ERU) option traded on the Exchange represents an option to assume a short or long position in the underlying Emission Reduction Unit (ERU) futures contract at the strike price.

1259101.C. Price Increments

The minimum price fluctuation is €0.01 per ERU. Prices shall be quoted in Euros (€) and Euro cents (¢) per ERU. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1259101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in Emission Reduction Unit (ERU) futures. Each position in the contract will be calculated as a single position in the Emission Reduction Unit (ERU) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 4,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 12,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 8,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1259101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying Emission Reduction Unit (ERU) futures contract.

1259101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1259102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Emission Reduction Unit (ERU) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price, (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule, and (iii) the ten fifty-cent increment strike prices which are five increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded

on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1260

Daily European Union Allowance (EUA) Futures

1260100. SCOPE OF CHAPTER

This chapter is limited in application to Daily European Union Allowance (EUA) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all European Union Allowances bought or sold for future delivery on the Exchange with delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting allowances at the Registry (UK).

In January 2005, the European Union Emissions Trading Scheme ("EU ETS") commenced operation as the largest multi-country, multi-sector Greenhouse Gas emission trading scheme world-wide. It covers over 11,500 energy-intensive installations across the EU which represents approximately half of Europe's emissions of CO₂. These installations include combustion plants, oil refineries, coke ovens, iron and steel plants, and factories making cement, glass, lime, brick, ceramics, pulp and paper. The scheme is based on Directive 2003/87/EC, which entered into force on 25 October 2003.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean the International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of Directive 2003/87/EC, for the purpose of recording the issue, transfer and cancellation of EUAs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of EUAs between national registries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where Applicable).

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold EUAs and has Person Holding Accounts established in order to ensure the accurate accounting of the issue of holding, transfer, acquisition, surrender, cancellation, and replacement of EUAs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this Futures Contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council, as amended from time to time including by EU Commission Regulation (EC) No.916/2007.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1260101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all European Union Allowances with delivery at the Registry (UK).

The term "EUA" or European Union Allowance shall be granted under a National Allocation Plan of an EU member state.

1260102. TRADING SPECIFICATIONS

Trading in Daily European Union Allowance (EUA) futures is regularly conducted in all business days. The number of business days open for trading at a given time shall be determined by the Exchange.

1260102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1260102.B. Trading Unit

The contract unit shall be one thousand (1,000) EUAs for a delivery made by transfer through the Registry (UK).

1260102.C. Price Increments

The minimum price fluctuation shall be €0.01 per EUA (€ 10.00 per contract). Prices shall be quoted in Euros and Euro cents per EUA.

1260102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 1,800 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 1,800 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 1,800 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1260102.E. Termination of Trading

No trades in Daily European Union Allowance (EUA) futures in the expiring contract day shall be made after 5:00 p.m. on the contract day for such expiring contract. Any contracts remaining open after the last trade date must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1260105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last day of trading for the futures contract.

1260103. DELIVERY

EUA delivery shall comply with all requirements for the electronic transfer of EUAs on the Registry (UK). Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to the sellers' clearing members and buyers' clearing members.

1260104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive EUAs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver EUAs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member,

seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring EUAs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such EUAs, and that such EUAs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1260104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery day. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery day. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1260104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1260104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the final day of trading of the delivery day.

1260105.

TIMING OF DELIVERY

1. The seller's clearing member shall transfer EUAs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery day.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the EUAs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery day.
3. The buyer's clearing member shall receive EUAs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery day.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery day.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery day.

1260106.

DELIVERY MARGINS AND PAYMENT

1260106.A. Definitions

For purposes of this Rule 1260106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1260106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1260106.C. Payment

Any Payment made on the Payment Date shall be based on EUAs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1260107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1260108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1260104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1261 Climate Action Reserve (CAR) Futures

1261100. SCOPE OF CHAPTER

This chapter is limited in application to Climate Action Reserve (CAR) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all Climate Reserve Tonnes™ (CRT™) bought or sold for future delivery on the Exchange with delivery at the "Reserve" which shall mean the Climate Action Reserve accredited system, by which a Climate Reserve Tonne is issued, held, transferred or retired.

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The "Climate Action Reserve" ("CAR") is a private non-profit organization originally formed by the State of California. CAR serves as a voluntary greenhouse gas (GHG) registry to protect and promote early actions to reduce GHG emissions by organizations.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1261101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all "Climate Reserve Tonne" or "CRT" as being equal to an emission reduction that is equivalent to one metric tonne of verified greenhouse gas emission reductions, as defined by CAR, with delivery at the Reserve.

The "Carbon Dioxide Equivalent" or "CO₂e" is the universal unit of measurement used to indicate the global warming potential of each of the six greenhouse gases. Carbon dioxide a naturally occurring gas that is a byproduct of burning fossil fuels and biomass, land-use changes, and other industrial processes is the reference gas against which the other greenhouse gases are measured. For contracts without a specified vintage year, CRTs acceptable for delivery are those having a vintage 2009 or later.

For contracts with a specified vintage year, CRTs acceptable for delivery are those having a vintage corresponding to the specified vintage year.

1261102. TRADING SPECIFICATIONS

Trading in Climate Action Reserve (CAR) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1261102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1261102.B. Trading Unit

The contract unit shall be one thousand (1,000) CRT for a delivery made by transfer through the Reserve.

1261102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per CRT. The minimum price fluctuation shall be \$0.01 per CRT (\$10.00 per contract).

1261102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, Climate Action Reserve (CAR) (Vintage 2009) futures contract will be aggregated with positions held in Climate Action Reserve (CAR) (Non-Vintage) futures. Each position in the Climate Action Reserve (CAR) (Vintage 2009) futures contract will be calculated as a single position in the Climate Action Reserve (CAR) (Non-Vintage) futures contract.

For purposes of calculating compliance with position limits, Climate Action Reserve (CAR) (Vintage 2010) futures will be aggregated into Climate Action Reserve (CAR) (Vintage 2010) futures.

For purposes of calculating compliance with position limits, Climate Action Reserve (CAR) (Vintage 2011) futures will be aggregated into Climate Action Reserve (CAR) (Vintage 2011) futures.

For purposes of calculating compliance with position limits, Climate Action Reserve (CAR) (Vintage 2012) futures will be aggregated into Climate Action Reserve (CAR) (Vintage 201) futures.

In accordance with Rule 559, no person shall own or control positions in excess of 100 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 700 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 500 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1261102.E. Termination of Trading

No trades in Climate Action Reserve (CAR) futures in the expiring contract month shall be made after the last business day of the contract month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month; or
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract.

1261103. DELIVERY

CRT delivery shall comply with all requirements for the electronic transfer through the Reserve.

1261104. DELIVERY PROCEDURES

By transferring CRTs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such CRTs, and that such CRTs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1261104.A. Responsibilities of Clearing Members Having Open Long Positions

Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 a.m. on the first business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Reserve account number, the name, telephone number and e-mail address of the account holder for that Reserve account, and any additional information as may be required by the Exchange;

1261104.B. Responsibilities of Clearing Members Having Open Short Positions

Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 a.m. on the first business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed and indicate the name of the seller, the number of contracts to be delivered, the Reserve account number, the name, telephone number and e-mail address of the account holder for that Reserve account, and any additional information as may be required by the Exchange.

1261104.C. Final Settlement Price

The final settlement price shall be the basis for delivery.

1261104.D. Notice Day

The Clearing House shall allocate Notices of Intention to Deliver and Notices of Intention to Accept by matching size of positions, to the extent possible.

The Clearing House shall provide Tender Allocation Notices to the respective clearing members on the first business day after the final day of trading.

The day the Tender Allocation Notices are provided to the clearing members shall be referred to as "Notice Day". Tender Allocation Notices are not transferable.

1261105. TIMING OF DELIVERY

Delivery shall take place on the second business day after the final day of trading.

1261106. DELIVERY MARGINS AND PAYMENT

1261106.A. Definitions

For purposes of this Rule 1261106,

"Payment Date" shall mean the business day after the buyer's receipt of proper notification from the Climate Action Reserve System that CRTs have been transferred from the seller's account to the buyer's account, provided documentation is supplied to the buyer no later than 2:00 p.m. Documentation supplied to buyer after 2:00 p.m. on any Exchange business day, shall be considered received on the following Exchange business day.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1261106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

On the first business day following the last day of trading, the clearing member shall obtain from any buyer margin equal to the full value of the product to be delivered. Such margin shall consist of cash, securities issued by the United States Treasury Department maturing within ten (10) years from the date of deposit and guaranteed as to principal and interest by the United States Government or a letter of credit. Any Treasury securities so deposited shall be valued at ninety percent (90%) of the par value of such instruments. Any letter of credit so deposited shall be in a form approved by the Exchange, shall be issued or confirmed by an Exchange approved original margin depository, and shall be drawn in favor of the Exchange.

1261106.C. Payment

The buyer's clearing member shall pay the seller's clearing member at the office of the seller's clearing member by a certified check or electronic funds transfer, or any other method acceptable to both parties by 12:00 p.m. on the Payment Date.

On the Payment Date, The seller's clearing member shall deliver a Notice of Payment to the buyer's clearing member and the Exchange by 4:30 p.m. Upon receipt of such notice, the delivery shall be complete.

Any Payment made on the Payment Date shall be based on CRTs actually delivered.

1261107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1261108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1261104.D. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1262 Climate Action Reserve (CAR) Option

1262100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Climate Action Reserve (CAR) futures contracts. In addition to the rules of this chapter, transactions in options on Climate Action Reserve (CAR) futures shall be subject to the general rules of the Exchange insofar as applicable.

1262101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1262101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1262101.B. Trading Unit

A Climate Action Reserve (CAR) put or call option traded on the Exchange represents an option to assume a short or long position in the underlying Climate Action Reserve (CAR) futures contract at the strike price.

1262101.C. Price Increments

The minimum price fluctuation is \$0.01 per CRT. Prices shall be quoted in Dollars (\$) and cents (¢) per CRT. A cabinet trade may occur at a price of \$1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1262101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in Climate Action Reserve (CAR) futures. Each position in the contract will be calculated as a single position in the Climate Action Reserve (CAR) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 100 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 700 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 500 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1262101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying Climate Action Reserve (CAR) futures contract.

1262101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1262102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Climate Action Reserve (CAR) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price, (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule, and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contracts will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be

introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1263 Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures

1263100. SCOPE OF CHAPTER

This chapter is limited in application to Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all Regional Greenhouse Gas Initiative (RGGI) Carbon Dioxide (CO2) allowances bought or sold for future delivery on the Exchange with delivery through the RGGI CO2 Allowance Tracking System, which shall mean the system by which the RGGI CO2 allowances are allocated, deducted, or transferred.

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The "Regional Greenhouse Gas Initiative" ("RGGI") is a regional cap-and-trade program by Northeast and Mid-Atlantic states to limit carbon dioxide, i.e., CO2 emissions from regional power plants.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1263101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all Regional Greenhouse Gas Initiative (RGGI) Carbon Dioxide (CO2) allowances or "RGGI CO2 Allowance(s)" which shall mean a limited authorization under RGGI program to emit up to one ton of CO2.

Contracts without a specific vintage year: RGGI CO2 Allowances acceptable for delivery are those having a vintage usable for compliance in the control period associated with the calendar year of the contract expiration month or allowances having a vintage usable for compliance in any prior control period.

Contracts with a specific vintage year: RGGI CO2 Allowances acceptable for delivery are allowances with a vintage corresponding to the specified vintage year.

All RGGI CO2 Allowances acceptable for delivery must be eligible for compliance in participating RGGI states at the time of delivery.

1263102. TRADING SPECIFICATIONS

Trading in Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange. Trading shall be conducted in contract months with and without specific vintage years providing for delivery in such periods as shall be determined by the Exchange.

1263102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1263102.B. Trading Unit

The contract unit shall be one thousand (1,000) RGGI CO2 Allowances for a delivery made by transfer through the RGGI CO2 Allowance Tracking System.

1263102.C. Price Increments

The minimum price fluctuation shall be \$0.01 per allowance (\$10.00 per contract). Prices shall be quoted in U.S. dollars and cents per allowance.

1263102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2009) futures and Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2010) futures contracts will be aggregated with positions held in Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Non-Vintage) futures. Each position in the Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2009) futures and position held in Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2010) futures contracts will each be calculated as a single position in the Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Non-Vintage) futures contract.

For purposes of calculating compliance with position limits, Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2011) futures will be aggregated into Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2011) futures.

For purposes of calculating compliance with position limits, Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2012) futures will be aggregated into Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Vintage 2012) futures.

In accordance with Rule 559, no person shall own or control positions in excess of 2,000 contracts (Non-Vintage futures and Vintage 2009 futures), 1,000 contracts (Vintage 2010 futures, Vintage 2011 futures and Vintage 2012 futures) net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 14,000 contracts (Non-Vintage futures and Vintage 2009 futures), 7,000 contracts (Vintage 2010 futures, Vintage 2011 futures and Vintage 2012 futures) net long or net short in all months combined;
2. the any-one month accountability level shall be 10,000 contracts (Non-Vintage futures and Vintage 2009 futures), 5,000 contracts (Vintage 2010 futures, Vintage 2011 futures and Vintage 2012 futures) net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1263102.E. Termination of Trading

No trades in Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures in the expiring contract month shall be made after the last business day of the contract month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery no later than the third business day after the final day of trading; or
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time no later than two hours after trading terminates on the last day of trading of the expiring futures contract.

1263103. DELIVERY

RGGI CO2 Allowances delivery shall comply with all requirements for the electronic transfer of CO2 allowances on the RGGI CO2 Allowance Tracking System.

1263104. DELIVERY PROCEDURES

By transferring RGGI CO2 Allowances to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such RGGI CO2 Allowances, and that such RGGI CO2 Allowances are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the RGGI CO2 Allowance Tracking System regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as among the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

1263104.A. Responsibilities of Clearing Members Having Open Long Positions

Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 4:30 p.m. on the first business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, The RGGI CO2 Allowance Tracking System account number, the name, telephone number and e-mail address of the authorized account representative for that RGGI CO2 Allowance Tracking System account, and any additional information as may be required by the Exchange.

1263104.B. Responsibilities of Clearing Members Having Open Short Positions

Notice of Intention to Deliver Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 4:30 p.m. on the first business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed and indicate the name of the seller, the number of contracts to be delivered, the RGGI CO2 Allowance Tracking System account number, the name,

telephone number and e-mail address of the authorized account representative for that RGGI CO2 Allowance Tracking System account and any additional information as may be required by the Exchange.

1263104.C. Final Settlement Price

The final settlement price shall be the basis for delivery.

1263104.D. Notice Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching size of positions, to the extent possible.

The Clearing House shall provide Tender Allocation Notices to the respective clearing members on the second business day after the final day of trading.

The day the Tender Allocation Notices are provided to the clearing members shall be referred to as "Notice Day". Tender Allocation Notices are not transferable.

1263105. TIMING OF DELIVERY

Delivery shall take place on the third business day after the final day of trading.

1263106. DELIVERY MARGINS AND PAYMENT

1263106.A. Definitions

For purposes of this Rule 1263106,

"Payment Date" shall mean the business day after the buyer's receipt of proper notification from the RGGI CO2 Allowance Tracking System that allowances have been transferred from the seller's account to the buyer's account, provided documentation is supplied to the buyer by no later than 2:00 p.m. Documentation supplied to buyer after 2:00 p.m. on any Exchange business day shall be considered received on the following Exchange business day.

"Payment" shall include the settlement price times the number of Contracts times 1,000.

1263106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

On the business day following the last day of trading, the clearing member shall obtain from any buyer margin equal to the full value of the product to be delivered. Such margin shall consist of cash, securities issued by the United States Treasury Department maturing within ten (10) years from the date of deposit and guaranteed as to principal and interest by the United States Government or a letter of credit. Any Treasury securities so deposited shall be valued at ninety percent (90%) of the par value of such instruments. Any letter of credit so deposited shall be in a form approved by the Exchange, shall be issued or confirmed by an Exchange approved original margin depository, and shall be drawn in favor of the Exchange.

1263106.C. Payment

The buyer's clearing member shall pay the seller's clearing member at the office of the seller's clearing member by a certified check or electronic funds transfer, or any other method acceptable to both parties by 12:00 p.m. on the Payment Date.

On the Payment Date, the seller's clearing member shall deliver a Notice of Payment to the buyer's clearing member and the Exchange by 4:30 p.m. Upon receipt of such notice, the delivery shall be complete.

Any Payment made on the Payment Date shall be based on RGGI CO2 Allowances actually delivered.

1263107. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1263108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1263104.D. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to

Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1264
Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Option

1264100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures contracts. In addition to the rules of this chapter, transactions in options on Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures shall be subject to the general rules of the Exchange insofar as applicable.

1264101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1264101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1264101.B. Trading Unit

A Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance put or call option traded on the Exchange represents an option to assume a short or long position in the underlying Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures contract at the strike price.

1264101.C. Price Increments

The minimum price fluctuation is \$0.01 per allowance. Prices shall be quoted in dollars and cents per allowance.

1264101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Non-Vintage) futures. Each position in the contract will be calculated as a single position in the Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance (Non-Vintage) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 2,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 14,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 10,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1264101.E. Termination of Trading

The option contract shall expire at the close of trading on the 15th day of the option contract month. If the 15th day is not a business day, the option shall expire on the business day prior to the 15th day of the option contract month.

1264101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1264102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures contract in the corresponding delivery month rounded off to the nearest fifty-cent strike price unless such settlement price is precisely midway between two strike prices in which case it shall be rounded off to the lower strike price, (ii) the five fifty-cent increment strike prices which are five increments higher than the strike price described in subsection (i) of this rule, and (iii) the five fifty-cent increment strike prices which are five increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that at all times there will be at least five fifty cent strike prices above and below the at-the-money strike price available for trading in all option contract months.

3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1265

CSAPR TR SO₂ Group 1 Allowance Futures

1265100. SCOPE OF CHAPTER

This chapter is limited in application to CSAPR TR SO₂ Group 1 Allowance futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all CSAPR TR SO₂ Group 1 Allowance futures bought or sold for future delivery on the Exchange with the delivery of TR SO₂ Group 1 Allowances made through the Allowance Management System (AMS).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The term "Allowance Management System" or "AMS" shall mean the system by which TR SO₂ Group 1 Allowances are allocated, held, deducted or transferred pursuant to the Cross-State Air Pollution Rule.

The term "Clean Air Act" shall mean the 1970 U.S. federal law intended to reduce air pollution and protect air quality.

The term "Cross-State Air Pollution Rule" or "CSAPR" shall mean the EPA rule which requires States to reduce power plant emissions that contribute to ozone and/or fine particle pollution in other states.

The term "EPA" shall mean the U.S. Environmental Protection Agency or any successor agency with similar jurisdiction.

The term "State" shall mean one of the U.S. states that is subject to the TR SO₂ Group 1 Trading Program.

The term "State Implementation Plan" or "SIP" shall mean a State plan for complying with the federal Clean Air Act and CSAPR, administered by the EPA. The SIP consists of rules, agreements, and technical documentation that such State will use to clean up polluted areas.

The term "Vintage Year" shall mean the specified calendar year for which a TR SO₂ Group 1 Allowance was allocated.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1265101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all "TR SO₂ Group 1 Allowance(s)" which shall mean a limited authorization allocated or auctioned by the EPA or by a State or permitting authority under a SIP revision approved by the EPA, to emit one (1) ton of SO₂ during a specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter in accordance with the TR SO₂ Group 1 Trading Program.

The term "TR SO₂ Group 1 Trading Program" shall mean the multi-state SO₂ air pollution control and emission reduction program established in accordance with subpart CCCCC of CSAPR (including such a program that is established or revised in a SIP revision approved by the EPA).

Allowances acceptable for delivery are TR SO₂ Group 1 Allowances with a Vintage Year corresponding to the specified Vintage Year of the contract. TR SO₂ Group 1 Allowances of prior Vintage Years that have not been surrendered will be eligible for delivery for the current Vintage Year.

All TR SO₂ Group 1 Allowances acceptable for delivery must be eligible for compliance in participating States at the time of delivery.

1265102. TRADING SPECIFICATIONS

Trading in CSAPR TR SO₂ Group 1 Allowance futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1265102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1265102.B. Trading Unit

The contract unit shall be twenty-five (25) TR SO₂ Group 1 Allowances for a delivery made by transfer through the AMS.

1265102.C. Price Increments

The minimum price fluctuation shall be \$5.00 per allowance (\$125.00 per contract). Prices shall be quoted in dollars and cents per allowance.

1265102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 1,500 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 4,500 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 3,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1265102.E. Termination of Trading

No trades in CSAPR TR SO₂ Group 1 Allowance futures in the expiring contract month shall be made after the fifteenth (15th) day of the delivery month for such expiring contract. If the fifteenth (15th) day of the delivery month is not a business day, trading shall cease on the following day that is a business day. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month. Should the AMS be inoperable on the second business day after termination of trading for the contract month due to an AMS public holiday that is an Exchange business day, the Exchange shall have the option to extend the delivery period by one (1) business day.
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract.

1265103. DELIVERY

TR SO₂ Group 1 Allowance delivery shall comply with all requirements for the electronic transfer of allowances on the AMS.

1265104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive TR SO₂ Group 1 Allowances by electronic transfer from the seller's clearing member into the Clearing House account at the AMS. Following receipt from the seller's clearing member, the Exchange will deliver TR SO₂ Group 1 Allowances from the Clearing House account to the AMS account nominated by the buyer's clearing member.

All rights, title, and interest in and to, and risk of loss related to, the TR SO₂ Group 1 Allowances will transfer upon receipt in the applicable AMS account.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to ensure the acceptance of a valid transfer into its account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the AMS regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as among the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring allowances to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such allowances, and that such allowances are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1265104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

1265104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1265104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Deliver and Notices of Intention to Accept by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the first (1st) business day after the final day of trading.

1265105.

TIMING OF DELIVERY

For purposes of this Rule 1265105,

"Delivery Period" shall mean the time between the final day of trading and the second (2nd) business day following the final day of trading.

Delivery shall take place on the second (2nd) business day after the final day of trading. Should the AMS be inoperable during the Delivery Period due to a public holiday that is an Exchange business day, the Exchange shall have the option to extend the Delivery Period by one (1) business day.

1. The seller's clearing member shall transfer TR SO₂ Group 1 Allowances subject to delivery to the Clearing House account of the AMS by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
2. The buyer's clearing member shall deposit / transfer payment equal to the full value of the product to the designated Clearing House bank account by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
3. For each buyer's clearing member that has satisfied its obligations under subsection (2) of this rule, the Clearing House shall initiate the process of transferring the TR SO₂ Group 1 Allowances to the buyer's clearing member's account at the AMS by 12:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall receive TR SO₂ Group 1 Allowances from the Clearing House account of the AMS by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.

1265106.

DELIVERY MARGINS AND PAYMENT

1265106.A. Definitions

For purposes of this Rule 1265106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to the seller's clearing member.

"Payment" shall include the settlement price times the number of contracts times twenty-five (25).

1265106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1265106.C. Payment

Any Payment made on the Payment Date shall be based on allowances actually delivered.

1265107. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any of Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1265108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1265104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1266
CSAPR TR SO₂ Group 2 Allowance Futures

1266100. SCOPE OF CHAPTER

This chapter is limited in application to CSAPR TR SO₂ Group 2 Allowance futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all CSAPR TR SO₂ Group 2 Allowance futures bought or sold for future delivery on the Exchange with the delivery of TR SO₂ Group 2 Allowances made through the Allowance Management System (AMS).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The terms "Allowance Management System" or "AMS" shall mean the system by which TR SO₂ Group 2 Allowances are allocated, held, deducted or transferred pursuant to the Cross-State Air Pollution Rule.

The term "Clean Air Act" shall mean the 1970 U.S. federal law intended to reduce air pollution and protect air quality.

The term "Cross-State Air Pollution Rule" or "CSAPR" shall mean the EPA rule which requires States to reduce power plant emissions that contribute to ozone and/or fine particle pollution in other states.

The term "EPA" shall mean the U.S. Environmental Protection Agency or any successor agency with similar jurisdiction.

The term "State" shall mean one of the U.S. states that is subject to the TR SO₂ Group 2 Trading Program.

The term "State Implementation Plan" or "SIP" shall mean a State plan for complying with the federal Clean Air Act and CSAPR, administered by the EPA. The SIP consists of rules, agreements, and technical documentation that such State will use to clean up polluted areas.

The term "Vintage Year" shall mean the specified calendar year for which a TR SO₂ Group 2 Allowance was allocated.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1266101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all "TR SO₂ Group 2 Allowance(s)" which shall mean a limited authorization allocated or auctioned by the EPA or by a State or permitting authority under a SIP revision approved by the EPA, to emit one (1) ton of SO₂ during a specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter in accordance with the TR SO₂ Group 2 Trading Program.

The term "TR SO₂ Group 2 Trading Program" shall mean the multi-state SO₂ air pollution control and emission reduction program established in accordance with subpart DDDDD of the CSAPR (including such a program that is established or revised in a SIP revision approved by the EPA).

Allowances acceptable for delivery are TR SO₂ Group 2 Allowances with a Vintage Year corresponding to the specified Vintage Year of the contract. TR SO₂ Group 2 Allowances of prior Vintage Years that have not been surrendered will be eligible for delivery for the current Vintage Year.

All TR SO₂ Group 2 Allowances acceptable for delivery must be eligible for compliance in participating States at the time of delivery.

1266102. TRADING SPECIFICATIONS

Trading in CSAPR TR SO₂ Group 2 Allowance futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1266102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1266102.B. Trading Unit

The contract unit shall be twenty-five (25) TR SO₂ Group 2 Allowances for a delivery made by transfer through the AMS.

1266102.C. Price Increments

The minimum price fluctuation shall be \$5.00 per allowance (\$125.00 per contract). Prices shall be quoted in dollars and cents per allowance.

1266102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 550 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 1,600 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 1,100 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1266102.E. Termination of Trading

No trades in CSAPR TR SO₂ Group 2 Allowance futures in the expiring contract month shall be made after the fifteenth (15th) day of the delivery month for such expiring contract. If the fifteenth (15th) day of the delivery month is not a business day, trading shall cease on the following day that is a business day. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month. Should the AMS be inoperable on the second business day after termination of trading for the contract month due to an AMS public holiday that is an Exchange business day, the Exchange shall have the option to extend the delivery period by one (1) business day.
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract.

1266103. DELIVERY

TR SO₂ Group 2 Allowance delivery shall comply with all requirements for the electronic transfer of allowances on the AMS.

1266104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive TR SO₂ Group 2 Allowances by electronic transfer from the seller's clearing member into the Clearing House account at the AMS. Following receipt from the seller's clearing member, the Exchange will deliver TR SO₂ Group 2 Allowances from the Clearing House account to the AMS account nominated by the buyer's clearing member.

All rights, title, and interest in and to, and risk of loss related to, the TR SO₂ Group 2 Allowances will transfer upon receipt in the applicable AMS account.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to ensure the acceptance of a valid transfer into its account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the AMS regulations, the provision of the rules of this Chapter

and the Exchange rules shall prevail as among the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring allowances to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such allowances, and that such allowances are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1266104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

1266104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1266104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Deliver and Notices of Intention to Accept by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the first (1st) business day after the final day of trading.

1266105.

TIMING OF DELIVERY

For purposes of this Rule 1266105,

"Delivery Period" shall mean the time between the final day of trading and the second (2nd) business day following the final day of trading.

Delivery shall take place on the second (2nd) business day after the final day of trading. Should the AMS be inoperable during the Delivery Period due to a public holiday that is an Exchange business day, the Exchange shall have the option to extend the Delivery Period by one (1) business day.

1. The seller's clearing member shall transfer TR SO₂ Group 2 Allowances subject to delivery to the Clearing House account of the AMS by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
2. The buyer's clearing member shall deposit / transfer payment equal to the full value of the product to the designated Clearing House bank account by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
3. For each buyer's clearing member that has satisfied its obligations under subsection (2) of this rule, the Clearing House shall initiate the process of transferring the TR SO₂ Group 2 Allowances to the buyer's clearing member's account at the AMS by 12:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall receive TR SO₂ Group 2 Allowances from the Clearing House account of the AMS by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member full contract value by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.

1266106. DELIVERY MARGINS AND PAYMENT

1266106.A. Definitions

For purposes of this Rule 1266106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to the seller's clearing member.

"Payment" shall include the settlement price times the number of contracts times twenty-five (25).

1266106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Exchange margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1266106.C. Payment

Any Payment made on the Payment Date shall be based on allowances actually delivered.

1266107. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any of Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1266108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1266104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1267

CSAPR TR NO_x Annual Allowance Futures

1267100. SCOPE OF CHAPTER

This chapter is limited in application to CSAPR TR NO_x Annual Allowance futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all CSAPR TR NO_x Annual Allowance futures bought or sold for future delivery on the Exchange with the delivery of TR NO_x Annual Allowances made through the Allowance Management System (AMS).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The term "Allowance Management System" or "AMS" shall mean the system by which TR NO_x Annual Allowances are allocated, held, deducted or transferred pursuant to the Cross-State Air Pollution Rule.

The term "Clean Air Act" shall mean the 1970 U.S. federal law intended to reduce air pollution and protect air quality.

The term "Cross-State Air Pollution Rule" or "CSAPR" shall mean the EPA rule which requires States to reduce power plant emissions that contribute to ozone and/or fine particle pollution in other states.

The term "EPA" shall mean the U.S. Environmental Protection Agency or any successor agency with similar jurisdiction.

The term "State" shall mean one of the U.S. states that is subject to the TR NO_x Annual Trading Program.

The term "State Implementation Plan" or "SIP" shall mean a State plan for complying with the federal Clean Air Act and CSAPR, administered by the EPA. The SIP consists of rules, agreements, and technical documentation that such State will use to clean up polluted areas.

The term "Vintage Year" shall mean the specified calendar year for which a TR NO_x Annual Allowance was allocated.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1267101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all "TR NO_x Annual Allowance(s)" which shall mean a limited authorization allocated or auctioned by the EPA or by a State or permitting authority under a SIP revision approved by the EPA, to emit one (1) ton of NO_x during a specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter in accordance with the TR NO_x Annual Trading Program.

The term "TR NO_x Annual Trading Program" shall mean the multi-state NO_x air pollution control and emission reduction program established in accordance with subpart AAAAA of CSAPR (including such a program that is established or revised in a SIP revision approved by the EPA).

Allowances acceptable for delivery are TR NO_x Annual Allowances with a Vintage Year corresponding to the specified Vintage Year of the contract. TR NO_x Annual Allowances of prior Vintage Years that have not been surrendered will be eligible for delivery for the current Vintage Year.

All TR NO_x Annual Allowances acceptable for delivery must be eligible for compliance in participating States at the time of delivery.

1267102. TRADING SPECIFICATIONS

Trading in CSAPR TR NO_x Annual Allowance futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1267102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1267102.B. Trading Unit

The contract unit shall be five (5) TR NO_x Annual Allowances for a delivery made by transfer through the AMS.

1267102.C. Price Increments

The minimum price fluctuation shall be \$5.00 per allowance (\$25.00 per contract). Prices shall be quoted in dollars and cents per allowance.

1267102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 3,800 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 11,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 7,600 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1267102.E. Termination of Trading

No trades in CSAPR TR NO_x Annual Allowance futures in the expiring contract month shall be made after the fifteenth (15th) day of the delivery month for such expiring contract. If the fifteenth (15th) day of the delivery month is not a business day, trading shall cease on the following day that is a business day. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month. Should the AMS be inoperable on the second business day after termination of trading for the contract month due to an AMS public holiday that is an Exchange business day, the Exchange shall have the option to extend the delivery period by one (1) business day.
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract.

1267103. DELIVERY

TR NO_x Annual Allowance delivery shall comply with all requirements for the electronic transfer of allowances on the AMS.

1267104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive TR NO_x Annual Allowances by electronic transfer from the seller's clearing member into the Clearing House account at the AMS. Following receipt from the seller's clearing member, the Exchange will deliver TR NO_x Annual Allowances from the Clearing House account to the AMS account nominated by the buyer's clearing member.

All rights, title, and interest in and to, and risk of loss related to, the TR NO_x Annual Allowances will transfer upon receipt in the applicable AMS account.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to ensure the acceptance of a valid transfer into its account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the AMS regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as among the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring allowances to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such allowances, and that such allowances are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1267104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

1267104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1267104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the first (1st) business day after the final day of trading.

1267105.

TIMING OF DELIVERY

For purposes of this Rule 1267105,

"Delivery Period" shall mean the time between the final day of trading and the second (2nd) business day following the final day of trading.

Delivery shall take place on the second (2nd) business day after the final day of trading. Should the AMS be inoperable during the Delivery Period due to a public holiday that is an Exchange business day, the Exchange shall have the option to extend the Delivery Period by one (1) business day.

1. The seller's clearing member shall transfer TR NO_x Annual Allowances subject to delivery to the Clearing House account of the AMS by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
2. The buyer's clearing member shall deposit / transfer payment equal to the full value of the product to the designated Clearing House bank account by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
3. For each buyer's clearing member that has satisfied its obligations under subsection (2) of this rule, the Clearing House will initiate the process of transferring the TR NO_x Annual Allowances to the buyer's clearing member's account at the AMS by 12:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall receive TR NO_x Annual Allowances from the Clearing House account of the AMS by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member full contract value by 3:00 p.m. on the second (2nd) business day after the final day of trading.

1267106.

DELIVERY MARGINS AND PAYMENT

1267106.A. Definitions

For purposes of this Rule 1265106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to the seller's clearing member.

"Payment" shall include the settlement price times the number of contracts times five (5).

1267106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Exchange margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1265106.C. Payment

Any Payment made on the Payment Date shall be based on allowances actually delivered.

1267107.

VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any of Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1267108.

ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1267104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1268
CSAPR TR NO_x Ozone Season Allowance Futures

1268100. SCOPE OF CHAPTER

This chapter is limited in application to CSAPR TR NO_x Ozone Season Allowance futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all CSAPR TR NO_x Ozone Season Allowance futures bought or sold for future delivery on the Exchange with the delivery of TR NO_x Ozone Season Allowances made through the Allowance Management System (AMS).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The term "Allowance Management System" or "AMS" shall mean the system by which TR NO_x Ozone Season Allowances are allocated, held, deducted or transferred pursuant to the Cross-State Air Pollution Rule.

The term "Clean Air Act" shall mean the 1970 U.S. federal law intended to reduce air pollution and protect air quality.

The term "Cross-State Air Pollution Rule" or "CSAPR" shall mean the EPA rule which requires States to reduce power plant emissions that contribute to ozone and/or fine particle pollution in other states.

The term "EPA" shall mean the U.S. Environmental Protection Agency or any successor agency with similar jurisdiction.

The term "State" shall mean one of the U.S. states that is subject to the TR NO_x Ozone Season Trading Program.

The term "State Implementation Plan" or "SIP" shall mean a State plan for complying with the federal Clean Air Act and CSAPR, administered by the EPA. The SIP consists of rules, agreements, and technical documentation that such State will use to clean up polluted areas.

The term "Vintage Year" shall mean the specified calendar year for which a TR NO_x Ozone Season Allowance was allocated.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1268101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all "TR NO_x Ozone Season Allowance" which shall mean a limited authorization allocated or auctioned by the EPA or by a State or permitting authority under a SIP revision approved by the EPA, to emit one (1) ton of NO_x during May 1 to September 30, inclusive, of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter in accordance with the TR NO_x Ozone Season Trading Program.

The term "TR NO_x Ozone Season Trading Program" shall mean a multi-state NO_x air pollution control and emission reduction program established in accordance with subpart BBBBB of CSAPR (including such a program that is established or revised in a SIP revision approved by the EPA).

Allowances acceptable for delivery are TR NO_x Ozone Season Allowances with a Vintage Year corresponding to the specified Vintage Year of the contract. TR NO_x Ozone Season Allowances of prior Vintage Years that have not been surrendered will be eligible for delivery for the current Vintage Year.

All TR NO_x Ozone Season Allowances acceptable for delivery must be eligible for compliance in participating States at the time of delivery.

1268102. TRADING SPECIFICATIONS

Trading in CSAPR TR NO_x Ozone Season Allowance futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1268102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1268102.B. Trading Unit

The contract unit shall be five (5) TR NO_x Ozone Season Allowances for a delivery made by transfer through the AMS.

1268102.C. Price Increments

The minimum price fluctuation shall be \$5.00 per allowance (\$25.00 per contract). Prices shall be quoted in dollars and cents per allowance.

1268102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 3,600 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 10,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 7,200 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1268102.E. Termination of Trading

No trades in CSAPR TR NO_x Ozone Season Allowance futures in the expiring contract month shall be made after the fifteenth (15th) day of the delivery month for such expiring contract. If the fifteenth (15th) day of the delivery month is not a business day, trading shall cease on the following day that is a business day. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month. Should the AMS be inoperable on the second business day after termination of trading for the contract month due to an AMS public holiday that is an Exchange business day, the Exchange shall have the option to extend the delivery period by one (1) business day.
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract.

1268103. DELIVERY

TR NO_x Ozone Season Allowance delivery shall comply with all requirements for the electronic transfer of allowances on the AMS.

1268104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive TR NO_x Ozone Season Allowances by electronic transfer from the seller's clearing member into the Clearing House account at the AMS. Following receipt from the seller's clearing member, the Exchange will deliver TR NO_x Ozone Season Allowances from the Clearing House account to the AMS account nominated by the buyer's clearing member.

All rights, title, and interest in and to, and risk of loss related to, the TR NO_x Ozone Season Allowances will transfer upon receipt in the applicable AMS account.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable AMS regulations in all respects material to ensure the acceptance of a valid transfer into its account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the AMS regulations, the provision of the rules of this Chapter

and the Exchange rules shall prevail as among the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring allowances to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such allowances, and that such allowances are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1268104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the AMS account number, the name, telephone number and e-mail address of the authorized account representative for that AMS account, and any additional information as may be required by the Exchange.

1268104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1268104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the first (1st) business day after the final day of trading.

1268105.

TIMING OF DELIVERY

For purposes of this Rule 1268105,

"Delivery Period" shall mean the time between the final day of trading and the second (2nd) business day following the final day of trading.

Delivery shall take place on the second (2nd) business day after the final day of trading. Should the AMS be inoperable during the Delivery Period due to a public holiday that is an Exchange business day, the Exchange shall have the option to extend the Delivery Period by one (1) business day.

1. The seller's clearing member shall transfer TR NO_x Ozone Season Allowances subject to delivery to the Clearing House account of the AMS by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
2. The buyer's clearing member shall deposit / transfer payment equal to the full value of the product to the designated Clearing House bank account by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
3. For each buyer's clearing member that has satisfied its obligations under subsection (2) of this rule, the Clearing House will initiate the process of transferring the TR NO_x Ozone Season Allowances to the buyer's clearing member's account at the AMS by 12:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall receive TR NO_x Ozone Season Allowances from the Clearing House account of the AMS by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member full contract value by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.

1268106. DELIVERY MARGINS AND PAYMENT

1268106.A. Definitions

For purposes of this Rule 1268106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to the seller's clearing member.

"Payment" shall include the settlement price times the number of contracts times five (5).

1268106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Exchange margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1268106.C. Payment

Any Payment made on Payment Date shall be based on allowances actually delivered.

1268107. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any of Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1268108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1268104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1269 European Union Allowance (EUA) Futures

1269100. SCOPE OF CHAPTER

This chapter is limited in application to European Union Allowance (EUA) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all European Union Allowances bought or sold for future delivery on the Exchange with delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting allowances at the Registry (UK).

In January 2005, the European Union Emissions Trading Scheme ("EU ETS") commenced operation as the largest multi-country, multi-sector Greenhouse Gas emission trading scheme world-wide. It covers over 11,500 energy-intensive installations across the EU, which represent approximately half of Europe's emissions of CO₂. These installations include combustion plants, oil refineries, coke ovens, iron and steel plants, and factories making cement, glass, lime, brick, ceramics, pulp and paper. The scheme is based on Directive 2003/87/EC, which entered into force on 25 October 2003.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean the International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of Directive 2003/87/EC, for the purpose of recording the issue, transfer and cancellation of EUAs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission has established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of EUAs between national registries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where Applicable).

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold EUAs and has Person Holding Accounts established in order to ensure the accurate accounting of the issue of holding, transfer, acquisition, surrender, cancellation, and replacement of EUAs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this futures contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council, as amended from time to time including by EU Commission Regulation (EC) No.916/2007.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.

1269101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all European Union Allowances with delivery at the Registry (UK).

The term "EUA" or European Union Allowance shall be granted under a National Allocation Plan of an EU member state.

1269102. TRADING SPECIFICATIONS

Trading in European Union Allowance (EUA) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1269102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1269102.B. Trading Unit

The contract unit shall be one thousand (1,000) EUAs for a delivery made by transfer through the Registry (UK).

1269102.C. Price Increments

The minimum price fluctuation shall be €0.01 per EUA (€ 10.00 per contract). Prices shall be quoted in Euros and Euro cents per EUA.

1269102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month European Union Allowance (EUA) futures. Each position in the contract will be calculated as a single position in In Delivery Month European Union Allowance (EUA) futures.

In accordance with Rule 559, no person shall own or control positions in excess of 28,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 70,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 50,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1269102.E. Termination of Trading

No trades in European Union Allowance (EUA) futures in the expiring contract month shall be made after the second business day prior to the first business day of the delivery month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1269105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1269103. DELIVERY

EUA delivery shall comply with all requirements for the electronic transfer of EUAs on the Registry (UK). Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to the sellers' clearing members and buyers' clearing members.

1269104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive EUAs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver EUAs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations

imposed by or under applicable Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring EUAs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such EUAs, and that such EUAs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1269104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1269104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1269104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the final day of trading of the delivery month.

1269105.

TIMING OF DELIVERY

1. The seller's clearing member shall transfer EUAs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the EUAs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive EUAs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1269106.

DELIVERY MARGINS AND PAYMENT

1269106.A. Definitions

For purposes of this Rule 1269106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1269106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1269106.C. Payment

Any Payment made on the Payment Date shall be based on EUAs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1269107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1269108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1269104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1270

European Union Allowance (EUA) Option

1270100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on European Union Allowance (EUA) futures contracts. In addition to the rules of this chapter, transactions in options on European Union Allowance (EUA) futures shall be subject to the general rules of the Exchange insofar as applicable.

1270101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1270101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1270101.B. Trading Unit

A European Union Allowance (EUA) option traded on the Exchange represents an option to assume a short or long position in the underlying European Union Allowance (EUA) futures contract at the strike price.

1270101.C. Price Increments

The minimum price fluctuation is €0.01 per EUA. Prices shall be quoted in Euros (€) and Euro cents (¢) per EUA. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1270101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month European Union Allowance (EUA) futures. Each position in the contract will be calculated as a single position in the In Delivery Month European Union Allowance (EUA) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 28,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 70,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 50,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1270101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying European Union Allowance (EUA) futures contract.

1270101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1270102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for European Union Allowance (EUA) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price; (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule; and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may

change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1271 Certified Emission Reduction (CER) Futures

1271100. SCOPE OF CHAPTER

This chapter is limited in application to Certified Emission Reduction (CER) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all Certified Emission Reductions, issued pursuant to Articles 12 and 17 of the Kyoto Protocol, bought or sold for future delivery on the Exchange with the Delivery at the Registry (UK).

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting Certified Emission Reductions at the Registry (UK).

The term "CDM" or "Clean Development Mechanism" shall mean a mechanism established by Article 12 of the Kyoto Protocol for project-based emission reduction activities in developing countries.

The term "Clean Development Mechanism-Executive Board" or "CDM-EB" shall mean the following: The CDM EB registers validated project activities as CDM projects, issues certified emission reductions to relevant projects participants, and manages series of technical panels and working groups meetings.

The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.

The term "ITL" shall mean International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions.

The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of the Directive, for the purpose of recording the issue, transfer and cancellation of CERs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of CERs between national Registries.

The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where Applicable), and/or (5) by which the ITL communicates with the CDM Registry (where applicable), which in any case is necessary to facilitate a transfer.

The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).

The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold CERs and has Person Holding Accounts established in order to ensure the accurate accounting of the issue of holding, transfer, acquisition, surrender, cancellation, and replacement of CERs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this futures contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.

The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council, as amended from time to time including by EU Commission Regulation (EC) No.916/2007.

The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and

indicate the prevailing time in the United Kingdom.

1271101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all Certified Emission Reductions, issued pursuant to Articles 12 and 17 of the Kyoto Protocol, with delivery at the Registry (UK).

Certified Emission Reduction ("CER") shall mean a unit issued pursuant to Articles 12 and 17 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol which may be used for compliance purposes under the European Union Emissions Trading Scheme ("EU ETS") in accordance with Article 11a(3)(a) and (b) of the Directive 2003/87/EC (as amended from time to time) and the Linking Directive 2004/101/EC as implemented into Member State law. CERs from nuclear facilities, land use, land use change and forestry activities (LULUCF), and hydroelectric projects with generating capacities exceeding 20 MW are excluded from this definition.

1271102. TRADING SPECIFICATIONS

Trading in Certified Emission Reduction (CER) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1271102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1271102.B. Trading Unit

The contract unit shall be one thousand (1,000) CERs for a delivery made by transfer through the Registry (UK).

1271102.C. Price Increments

The minimum price fluctuation shall be €0.01 per CER (€10.00 per contract). Prices shall be quoted in Euro and Euro cents per CER.

1271102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month Certified Emission Reduction (CER) futures. Each position in the contract will be calculated as a single position in In Delivery Month Certified Emission Reduction (CER) futures.

In accordance with Rule 559, no person shall own or control positions in excess of 8,700 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 30,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 20,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1271102.E. Termination of Trading

No trades in Certified Emission Reduction (CER) futures in the expiring contract month shall be made after the second business day prior to the first business day of the delivery month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1271105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last trading day of the delivery month.

1271103. DELIVERY

At the registry designation of the buyer's clearing member, CER delivery shall take place by electronic transfer of CERs at the Registry (UK). The registry will be designated by the buyer's clearing member, and it must satisfy "Eligibility Criteria" for international emissions trading specified in Article 17 of the Kyoto Protocol and Decision 11/CMP.1. Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to sellers' clearing members and buyers' clearing members.

1271104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive CERs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Clearing House will deliver CERs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respects material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring CERs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such CERs, and that such CERs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1271104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the telephone number and e-mail address of the Authorized Representative(s) for that registry account; and any additional information as may be required by the Exchange

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1271104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1271104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective Clearing Members on the final day of trading of the delivery month.

1271105. TIMING OF DELIVERY

1. The seller's clearing member shall transfer CERs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.
2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the CERs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.
3. The buyer's clearing member shall receive CERs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.

5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1271106. DELIVERY MARGINS AND PAYMENT

1271106.A. Definitions

For purposes of this Rule 1271106,

"Payment Date" shall mean the date on which the Clearing House transfers payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1271106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1271106.C. Payment

Any Payment made on Payment Date shall be based on CERs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1271107. VALIDITY OF DOCUMENTS

The Exchange makes no representation with respect to the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1271108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1271104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1272 Certified Emission Reduction (CER) Option

1272100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Certified Emission Reduction (CER) futures contracts. In addition to the rules of this chapter, transactions in options on Certified Emission Reduction (CER) futures shall be subject to the general rules of the Exchange insofar as applicable.

1272101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1272101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1272101.B. Trading Unit

A Certified Emission Reduction (CER) option traded on the Exchange represents an option to assume a short or long position in the underlying Certified Emission Reduction (CER) futures contract at the strike price.

1272101.C. Price Increments

The minimum price fluctuation is €0.01 per CER. Prices shall be quoted in Euros (€) and Euro cents (¢) per CER. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1272101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in In Delivery Month Certified Emission Reduction (CER) futures. Each position in the contract will be calculated as a single position in the In Delivery Month Certified Emission Reduction (CER) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 8,700 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 30,000 futures-equivalent contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 20,000 futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1272101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying Certified Emission Reduction (CER) futures contract.

1272101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1272102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Certified Emission Reduction (CER) futures contract in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price; (ii) the ten fifty-cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule; and (iii) the ten fifty-cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may

change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Chapter 1273 California Carbon Allowance (CCA) Futures

1273100. SCOPE OF CHAPTER

This chapter is limited in application to California Carbon Allowance (CCA) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all California Carbon Allowance (CCA) futures bought or sold for future delivery on the Exchange with the delivery of CCAs made through the Market Tracking System.

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

The term "Applicable Emissions Law" shall mean Assembly Bill 32, the State of California's Global Warming Solutions Act of 2006, together with associated regulations or rules, and amendments thereto.

The term "Auction Reserve Price" or "ARP" shall refer to the minimum price at which CCAs can be auctioned in a given year, as defined by the Applicable Emissions Law. In the event that the ARP is not defined by the Applicable Emissions Law, ARP will be \$10 per metric ton in 2012 and 2013. For all years following 2013, the ARP for the delivery month will increase by 5 percent per year plus a CPI calculated on the previous 12 months.

The term "CCA" shall mean a California Carbon Allowance or California Greenhouse Gas Allowance, a limited authorization to emit up to one metric ton of CO₂ or CO₂ equivalent, as defined by the California Air Resources Board in accordance with the Applicable Emissions Law.

The term "Consumer Price Index" or "CPI" shall refer to changes in prices of all goods and services purchased for consumption by urban households for the last twelve (12) month period as defined by the United States Department of Labor.

The term "ETS" shall refer to the California Emissions Trading System - a cap-and-trade program designed to reduce emissions of greenhouse gases (GHG) pursuant to Applicable Emissions Law.

The term "In-Force" shall mean: (i) CCAs have been issued; and (ii) the MTS has been established and has commenced operations.

The term "Market Tracking System" or "MTS" shall mean the system Tracking System by which California Carbon Allowances are allocated, deducted, or transferred.

The term "Vintage Year" shall mean the first calendar year for which the allowance may be utilized for compliance.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in New York.

1273101. CONTRACT SPECIFICATIONS

The contract specifications for delivery on futures contracts shall apply to all California Carbon Allowance(s) ("CCA(s)") or California Greenhouse Gas Allowance(s), which shall mean a limited authorization to emit up to one metric ton of CO₂ or CO₂ equivalent, as defined by the California Air Resources Board in accordance with the Applicable Emissions Law.

Deliverable allowances under this Chapter shall include (i) CCAs and (ii) any other greenhouse gas allowances that have been approved by the California Air Resources Board for purposes of compliance with the ETS, subject to any quantitative adjustments required by the California Air Resources Board.

Allowances acceptable for delivery are:

Allowances as described above; and

For contracts with expiration in:

- (a) Calendar year 2012, those having a 2013 Vintage Year;
- (b) Calendar year 2013, those having a 2013 Vintage Year; and
- (c) Calendar year 2014, those having a 2013 or 2014 Vintage Year.

1273102. TRADING SPECIFICATIONS

Trading in California Carbon Allowance (CCA) futures is regularly conducted in all calendar months. The number of months (with and without specific Vintage Years) open for trading at a given time shall be determined by the Exchange.

1273102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1273102.B. Trading Unit

The contract unit shall be one thousand (1,000) CCAs for a delivery made by transfer through the MTS

1273102.C. Price Increments

Prices shall be quoted in dollars and cents per allowance. The minimum price fluctuation shall be \$0.01 per allowance (\$10.00 per contract).

1273102.D. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 2,200 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 18,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 6,400 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1273102.E. Termination of Trading

No trades in California Carbon Allowance (CCA) futures in the expiring contract month shall be made after the fifteenth (15th) day of the delivery month for such expiring contract. If the fifteenth (15th) day of the delivery month is not a business day, trading shall cease on the following day that is a business day. Any contracts remaining open after the last day of trading must be either:

1. If the California ETS is in-force at the termination of trading:
 - (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month. Should the MTS be inoperable during the Delivery Period due to a California public holiday that is an Exchange business day, the Exchange shall have the option to extend the delivery period by one (1) business day.
 - (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract.
2. If the California ETS is not in-force at the termination of trading:
 - (a) For contracts with expiration in the 2012 calendar year, transferred by the Clearing House to the corresponding monthly contract in the immediately following calendar year; or
 - (b) For contracts with expiration in 2013 or later, financially settled at the ARP for the given calendar year on the second (2nd) business day after the cessation of trading.

1273103. DELIVERY

CCA delivery shall comply with all requirements for the electronic transfer of allowances on the MTS.

1273104. DELIVERY PROCEDURES

A. IF THE CALIFORNIA ETS IS IN-FORCE AT THE TERMINATION OF TRADING:

The Exchange is a party to all deliveries under this contract and will receive allowances by electronic transfer from the seller's clearing member into the Clearing House holding account at the MTS. Following receipt from the seller's clearing member, the Exchange will deliver allowances from the Clearing House holding account to the MTS holding account nominated by the buyer's clearing member.

All rights, title, and interest in and to, and risk of loss related to, the allowances will transfer upon receipt in the applicable MTS account.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable MTS regulations in all respects material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable MTS regulations in all respects material to ensure the acceptance of a valid transfer into its holding account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the MTS regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as among the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring allowances to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such allowances, and that such allowances are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1273104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the MTS account number, the name, telephone number and e-mail address of the authorized account representative for that MTS account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 11:00 a.m. on the first (1st) business day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the MTS Account Number, the name, telephone number and e-mail address of the authorized account representative for that MTS account, and any additional information as may be required by the Exchange.

1273104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1273104.C. Assignment Day

The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective clearing members on the first (1st) business day after the final day of trading.

B. FOR CONTACTS WITH EXPIRATION IN 2013 OR LATER AND IF THE CALIFORNIA ETS IS NOT IN FORCE:

Delivery against California Carbon Allowances (CCA) futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. The final Settlement Price shall be the ARP for the given year. A final mark-to-market will be made on the day the Final Settlement Price is determined.

1273105.

TIMING OF DELIVERY

For purposes of this Rule 1273105,

"Delivery Period" shall mean the time between the final day of trading and the second (2nd) business day following the final day of trading.

Delivery shall take place on the second (2nd) business day after the final day of trading. Should the MTS be inoperable during the Delivery Period due to a California public holiday that is an Exchange business day, the Exchange shall have the option to extend the Delivery Period by one (1) business day.

1. The seller's clearing member shall transfer allowances subject to delivery to the Clearing House holding account of the MTS by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.

2. The buyer's clearing member shall deposit / transfer payment equal to the full value of the product to the designated Clearing House bank account by 10:00 a.m. on the second (2nd) business day after the final day of trading of the delivery month.
3. For each buyer's clearing member that has satisfied its obligations under subsection (2) of this rule, the Clearing House shall initiate the process of transferring the allowances to the buyer's clearing member's account at the MTS by 12:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
4. The buyer's clearing member shall receive allowances from the Clearing House holding account of the MTS by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.
5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member full contract value by 3:00 p.m. on the second (2nd) business day after the final day of trading of the delivery month.

1273106. DELIVERY MARGINS AND PAYMENT

1273106.A. Definitions

For purposes of this Rule 1273106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to the seller's clearing member.

"Payment" shall include the settlement price times the number of contracts times one-thousand (1,000).

1273106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Exchange margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1273106.C. Payment

Any Payment made on the Payment Date shall be based on allowances actually delivered.

1273107. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

1273108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1273104.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1274
California Carbon Allowance (CCA) Option

1274100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on California Carbon Allowance (CCA) futures contracts. In addition to the rules of this chapter, transactions in options on California Carbon Allowance (CCA) futures shall be subject to the general rules of the Exchange insofar as applicable.

1274101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1274101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1274101.B. Trading Unit

A California Carbon Allowance (CCA) put or call option traded on the Exchange represents an option to assume a short or long position in the underlying California Carbon Allowance (CCA) futures contract at the strike price.

1274101.C. Price Increments

The minimum price fluctuation is \$0.01 per allowance. Prices shall be quoted in Dollars (\$) and cents (¢) per allowance. A cabinet trade may occur at a price of \$ 0.001 per allowance, or \$1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1274101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in California Carbon Allowance (CCA) futures. Each position in the contract will be calculated as a single position in the California Carbon Allowance (CCA) futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 2,200 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 18,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 6,400 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1274101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying California Carbon Allowance (CCA) futures contract.

1274101.F. Type Option

The option is a European-style option cash settled only on expiration day.

1274102. EXERCISE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

1. On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for the California Carbon Allowance (CCA) futures contract in the corresponding delivery month rounded off to the nearest dollar increment strike price, (ii) the ten one-dollar increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule, and (iii) the ten one-dollar increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at-the-money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may change the increments between strike prices, the number of strike prices which shall be traded

on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option contract in which no new strike prices may be introduced.

Appendix B

NYMEX Rulebook Chapter 5 Position Limit Table
(Bold/underlining indicates additions)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>All Month Accountability Level</u>	<u>Any One Month Accountability Level</u>	<u>Expiration Month Limit</u>	<u>Reporting Level</u>	<u>Aggregate Into (1)</u>
			<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>	
<i>Emissions Products</i>							
<u>In Delivery Month European Union Allowance (EUA) Futures</u>	<u>1250</u>	<u>6T</u>	<u>70,000</u>	<u>50,000</u>	<u>28,000</u>	<u>25</u>	<u>6T</u>
<u>In Delivery Month European Union Allowance (EUA) Option</u>	<u>1251</u>	<u>6U</u>	<u>70,000</u>	<u>50,000</u>	<u>28,000</u>	<u>25</u>	<u>6T</u>
<u>In Delivery Month European Union Allowance (EUA) Serial Option</u>	<u>1252</u>	<u>9G</u>	<u>70,000</u>	<u>50,000</u>	<u>28,000</u>	<u>25</u>	<u>6T</u>
<u>In Delivery Month Certified Emission Reduction (CER) Futures</u>	<u>1253</u>	<u>6S</u>	<u>30,000</u>	<u>20,000</u>	<u>8,700</u>	<u>25</u>	<u>6S</u>
<u>In Delivery Month Certified Emission Reduction (CER) Option</u>	<u>1254</u>	<u>6P</u>	<u>30,000</u>	<u>20,000</u>	<u>8,700</u>	<u>25</u>	<u>6S</u>
<u>In Delivery Month Certified Emission Reduction (CER) Serial Option</u>	<u>1255</u>	<u>9E</u>	<u>30,000</u>	<u>20,000</u>	<u>8,700</u>	<u>25</u>	<u>6S</u>
<u>Certified Emission Reduction Plus (CERplusSM) Futures</u>	<u>1256</u>	<u>CPL</u>	<u>30,000</u>	<u>20,000</u>	<u>6,000</u>	<u>25</u>	<u>CPL</u>
<u>European Union Aviation Allowance (EUAA) Futures</u>	<u>1257</u>	<u>FLY</u>	<u>9,000</u>	<u>6,000</u>	<u>3,000</u>	<u>25</u>	<u>FLY</u>
<u>Emission Reduction Unit (ERU) Futures</u>	<u>1258</u>	<u>REU</u>	<u>12,000</u>	<u>8,000</u>	<u>4,000</u>	<u>25</u>	<u>REU</u>

<u>Emission Reduction Unit (ERU) Option</u>	<u>1259</u>	<u>ERO</u>	<u>12,000</u>	<u>8,000</u>	<u>4,000</u>	<u>25</u>	<u>REU</u>
<u>Daily European Union Allowance (EUA) Futures</u>	<u>1260</u>	<u>EUL</u>	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>1</u>	<u>EUL</u>
<u>Climate Action Reserve (CAR) Futures</u>	<u>1261</u>	<u>CR</u>	<u>700</u>	<u>500</u>	<u>100</u>	<u>10</u>	<u>CR</u>
<u>Climate Action Reserve (CAR) Futures - Vintage 2009</u>	<u>1261</u>	<u>92</u>	<u>700</u>	<u>500</u>	<u>100</u>	<u>10</u>	<u>CR</u>
<u>Climate Action Reserve (CAR) Futures - Vintage 2010</u>	<u>1261</u>	<u>93</u>	<u>700</u>	<u>500</u>	<u>100</u>	<u>10</u>	<u>93</u>
<u>Climate Action Reserve (CAR) Futures - Vintage 2011</u>	<u>1261</u>	<u>94</u>	<u>700</u>	<u>500</u>	<u>100</u>	<u>10</u>	<u>94</u>
<u>Climate Action Reserve (CAR) Futures - Vintage 2012</u>	<u>1261</u>	<u>95</u>	<u>700</u>	<u>500</u>	<u>100</u>	<u>10</u>	<u>95</u>
<u>Climate Action Reserve (CAR) Option</u>	<u>1262</u>	<u>CO</u>	<u>700</u>	<u>500</u>	<u>100</u>	<u>10</u>	<u>CR</u>
<u>Regional Greenhouse Gas Initiative (RGGI) CO₂ Allowance Futures</u>	<u>1263</u>	<u>RJ</u>	<u>14,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>RJ</u>
<u>Regional Greenhouse Gas Initiative (RGGI) CO₂ Allowance Futures Vintage 2010 Futures</u>	<u>1263</u>	<u>76</u>	<u>7,000</u>	<u>5,000</u>	<u>1,000</u>	<u>25</u>	<u>RJ</u>
<u>Regional Greenhouse Gas Initiative (RGGI) CO₂ Allowance Futures Vintage 2011 Futures</u>	<u>1263</u>	<u>86</u>	<u>7,000</u>	<u>5,000</u>	<u>1,000</u>	<u>25</u>	<u>RJ</u>
<u>Regional Greenhouse Gas</u>	<u>1264</u>	<u>OR</u>	<u>14,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>RJ</u>

<u>Initiative (RGGI) CO2 Allowance Option</u>							
<u>Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures Vintage 2009 Futures</u>	<u>1263</u>	<u>98</u>	<u>14,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>RJ</u>
<u>Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures Vintage 2012 Futures</u>	<u>1263</u>	<u>96</u>	<u>7,000</u>	<u>5,000</u>	<u>1,000</u>	<u>25</u>	<u>96</u>
<u>CSAPR TR SO₂ Group 1 Allowance Futures</u>	<u>1265</u>	<u>SG1</u>	<u>4,500</u>	<u>3,000</u>	<u>1,500</u>	<u>25</u>	<u>SG1</u>
<u>CSAPR TR SO₂ Group 2 Allowance Futures</u>	<u>1266</u>	<u>SG2</u>	<u>1,600</u>	<u>1,100</u>	<u>550</u>	<u>25</u>	<u>SG2</u>
<u>CSAPR TR NO_x Annual Allowance Futures</u>	<u>1267</u>	<u>NXA</u>	<u>11,000</u>	<u>7,600</u>	<u>3,800</u>	<u>25</u>	<u>NXA</u>
<u>CSAPR TR NO_x Ozone Season Allowance Futures</u>	<u>1268</u>	<u>NXS</u>	<u>10,000</u>	<u>7,200</u>	<u>3,600</u>	<u>25</u>	<u>NXS</u>
<u>European Union Allowance (EUA) Futures</u>	<u>1269</u>	<u>RC</u>	<u>70,000</u>	<u>50,000</u>	<u>28,000</u>	<u>25</u>	<u>6T</u>
<u>European Union Allowance (EUA) Option</u>	<u>1270</u>	<u>AV</u>	<u>70,000</u>	<u>50,000</u>	<u>28,000</u>	<u>25</u>	<u>6T</u>
<u>Certified Emission Reduction (CER) Futures</u>	<u>1271</u>	<u>VA</u>	<u>30,000</u>	<u>20,000</u>	<u>8,700</u>	<u>25</u>	<u>6S</u>
<u>Certified Emission Reduction (CER) Option</u>	<u>1272</u>	<u>VG</u>	<u>30,000</u>	<u>20,000</u>	<u>8,700</u>	<u>25</u>	<u>6S</u>
<u>California Carbon Allowance (CCA) Futures</u>	<u>1273</u>	<u>CCA</u>	<u>18,000</u>	<u>6,400</u>	<u>2,200</u>	<u>25</u>	<u>CCA</u>
<u>California Carbon Allowance (CCA) Option</u>	<u>1274</u>	<u>CAO</u>	<u>18,000</u>	<u>6,400</u>	<u>2,200</u>	<u>25</u>	<u>CCA</u>

Proposed Amendment to NYMEX Rule 588.G
("Globex Non-Reviewable Trading Ranges")

Emissions (GreenX NYMEX)

Regional Greenhouse Gas Initiative CO2 Allowance	50	\$.50 per RGGI allowance	50
Vintage/Non-Vintage Futures			

* * *

Options

Instrument	Bid/Ask Reasonability	Non-Reviewable Range (NRR)
Emissions (GreenX NYMEX)	[The remainder of the rule remains unchanged]	

Appendix C -- Fee Schedule – NYMEX Legacy GreenX Products

Contract Name	Transaction Fee	Delivery Fee	Exercise & Assignment
European Union Emissions Trading Scheme (EU ETS)			
In Delivery Month European Union Allowance (EUA) Futures	\$3.00	\$1.00	-
In Delivery Month European Union Allowance (EUA) Options	\$3.00	-	\$0.85
In Delivery Month European Union Allowance (EUA) Serial Options	\$3.00	-	\$0.85
European Union Aviation Allowance (EUAA) Futures	\$3.00	-	\$0.85
Daily European Union Allowance (EUA) Futures	\$3.00	\$3.00	-
European Union Allowance (EUA) Futures	\$3.00	\$1.00	-
European Union Allowance (EUA) Options	\$3.00	-	\$0.85
Clean Development Mechanism (CDM)			
In Delivery Month Certified Emission Reduction (CER) Futures	\$3.00	\$1.00	-
In Delivery Month Certified Emission Reduction (CER) Options	\$3.00	-	\$0.85
In Delivery Month Certified Emission Reduction (CER) Serial Options	\$3.00	-	\$0.85
Certified Emission Reduction Plus (CERplus) Futures	\$3.00	\$1.00	-
Certified Emission Reduction (CER) Futures	\$3.00	\$1.00	-
Certified Emission Reduction (CER) Options	\$3.00	-	\$0.85
Joint Implementation Mechanism (JI)			
Emission Reduction Unit (ERU) Futures	\$3.00	\$1.00	-
Emission Reduction Unit (ERU) Options	\$3.00	-	\$0.85
California Emissions Trading Scheme (CA ETS)			
California Carbon Allowance (CCA) Futures	\$3.00	\$3.00	-
California Carbon Allowance (CCA) Options	\$3.00	-	\$0.85
Cross-State Air Pollution Rule (CSAPR)			
NOx Annual Vintage 2012 Allowance Futures	\$8.00	\$10.00	-
NOx Ozone Season Vintage 2012 Allowance Futures	\$8.00	\$10.00	-
SO ₂ Group 1 Vintage 2012 Allowance Futures	\$8.00	\$10.00	-
SO ₂ Group 2 Vintage 2012 Allowance Futures	\$8.00	\$10.00	-
Regional Greenhouse Gas Initiative (RGGI)			
Regional Greenhouse Gas Initiative (RGGI) Futures	\$2.50	\$1.00	-
Regional Greenhouse Gas Initiative (RGGI) Vintage 2009 Futures	\$2.50	\$1.00	-
Regional Greenhouse Gas Initiative (RGGI) Vintage 2010 Futures	\$2.50	\$1.00	-
Regional Greenhouse Gas Initiative (RGGI) Vintage 2011 Futures	\$2.50	\$1.00	-
Regional Greenhouse Gas Initiative (RGGI) Vintage 2012 Futures	\$2.50	\$1.00	-
Regional Greenhouse Gas Initiative (RGGI) Options	\$2.50	-	\$0.85
Climate Action Reserve (CAR)			
Climate Action Reserve (CAR) Non-Vintage Futures	\$2.50	\$1.00	-

Climate Action Reserve (CAR) Vintage 2009 Futures	\$2.50	\$1.00	-
Climate Action Reserve (CAR) Vintage 2010 Futures	\$2.50	\$1.00	-
Climate Action Reserve (CAR) Vintage 2011 Futures	\$2.50	\$1.00	-
Climate Action Reserve (CAR) Vintage 2012 Futures	\$2.50	\$1.00	-
Climate Action Reserve (CAR) Options	\$2.50	-	\$0.85

Note Transaction fee listed above includes both trading and clearing fee charged by the Exchange