

**Natural Gas Exchange Inc.  
Rule Amendment Submission 2015-01  
December 2, 2015**

1. The text of the amended provisions to the Natural Gas Exchange Inc. (“**NGX**”) Contracting Party Agreement (“**CPA**”) is appended as Attachment A. Additions are underlined and deletions are struck through.
2. The date of intended implementation for these amendments will be a date that coincides with the establishment of the additional banking arrangement referenced in the rule change. This will not occur before ten days from the date of this submission, but will occur no later than December 31, 2015.
3. Attached, please find a certification that: (a) these rule amendments comply with the Commodity Exchange Act (the “**Act**”), and the Commission’s regulations thereunder; and (b) concurrent with this submission, NGX posted on its website: (i) a notice of pending certification of the CPA amendments with the Commission; and (ii) a copy of this submission.
4. A concise explanation and analysis of the operation, purpose, and effect of each of the amendments appears below.
5. There were no opposing views expressed regarding these amendments.
6. Confidential treatment is not requested.

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**CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE, AND EFFECT OF THE RULE AMENDMENT AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION’S REGULATIONS THEREUNDER**

Pursuant to Commission Rule 40.6(a)(7)(vi), the following is a concise explanation and analysis of the operation, purpose, and effect of the CPA amendments.

NGX is amending its CPA in order to maintain credit facilities at more than one bank. This diversifies the concentration that NGX has in relation to its credit provider. In addition, this amendment to NGX’s credit facility arrangement is in accordance with the Principles for Financial Market Infrastructures published by CPSS-IOSCO.

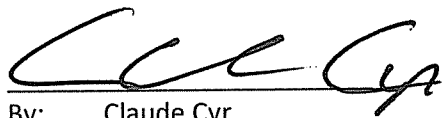
In order to implement this change, NGX is amending Sections 1.2 and 2.4 of its CPA to add the defined term “Exchange Letter of Credit Issuing Bank” and to reflect the addition of another bank for credit facility arrangement purposes.

These changes are appended as Attachment A; additions are underlined and deletions are struck through.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. §7A-2 AND  
COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17 C.F.R. §40.6

I hereby certify that:

- (1) the amended provisions of the Contracting Party Agreement comply with the Commodity Exchange Act, and the Commodity Futures Trading Commission's regulations thereunder; and
- (2) concurrent with this submission, Natural Gas Exchange Inc. posted on its website: (a) a notice of pending certification of these rules with the Commission; and (b) a copy of this submission.



By: Claude Cyr  
Title: Managing Director  
Date: December 2, 2015

## Attachment A: Contracting Party Agreement – Rule Amendments

*[Insertions are underlined; and deletions struck through.]*

### 1.2 Definitions

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ddd. “Exchange Letter of Credit Issuing Bank” means the Bank of Nova Scotia;

(Effective December 24, 2015, or such other date as may be designated by the Exchange upon notice to the Contracting Parties).

*[Note: Numbering for each of the subsequent definitions in this section will be updated to reflect the insertion of this new definition.]*

## 2.4 Of Exchange: General

Exchange represents and warrants that: (a) Exchange is a corporation duly and validly incorporated and subsisting under the laws of Alberta; (b) Exchange has all requisite power, authority and capacity to enable it to execute and deliver this Agreement and to perform its Obligations and to carry out the transactions contemplated under this Agreement; (c) the execution and delivery of, and the performance of the Obligations of Exchange under, this Agreement have been duly and validly authorized by all action of Exchange necessary or desirable to ensure their validity and enforceability; (d) this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of Exchange; (e) Exchange is a registrant under the Excise Tax Act and its GST registration number is R136904232; (f) Exchange's sole business is conducted pursuant to Contracting Party Agreements with Contracting Parties and the matters contemplated therein; (g) Exchange's indebtedness for borrowed money consists solely of its indebtedness to Exchange's Principal Banker, ~~all of which~~ to facilitate the payment of Invoices by Exchange and to the Exchange Letter of Credit Issuing Bank, such indebtedness is incurred in conjunction with the Exchange Letter of Credit (as defined in Section 5.11) ~~or to facilitate the payment of Invoices by Exchange~~; (h) Exchange is, to the extent required by U.S. law, registered as a Foreign Board of Trade and with respect to the NGX Clearing System, registered as a Derivatives Clearing Organization at the time when Exchange enters into a transaction hereunder; (i) where agreed upon between Exchange and its regulators, Exchange will file reports for and in the place of its Contracting Parties with respect to Transactions cleared through the NGX Clearing System in compliance with applicable laws or regulations; and (j) all Regulatory Approvals, to the date of this representation and warranty, in connection with or for the due execution, delivery by Exchange of this Agreement and the performance of its terms by Exchange have been made, obtained and complied with, or are the subject of exemptions or waivers that are in full force and effect, on or prior to the date that the Contracting Party obtains access to the NGX Trading System and NGX Clearing System for the purpose of entering into Transactions.

(Effective December 24, 2015, or such other date as may be designated by the Exchange upon notice to the Contracting Parties).