



RULE SELF-CERTIFICATION

June 24, 2011

Office of the Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, D.C. 20581

Re: Green Exchange LLC
Reference File: GX-2011-13

Ladies and Gentlemen:

Pursuant to Section 40.6 of the regulations (the "CFTC Rules") promulgated by the Commodity Futures Trading Commission (the "Commission") under the Commodity Exchange Act, as amended (the "Act"), Green Exchange LLC ("GreenX"), a designated contract market under the Act, hereby submits this self-certification for the following:

1. GreenX is amending Chapter 1 (Definition of Applicable Law) to specifically include laws and regulations relating to economic or trade sanctions.
2. GreenX is amending Rule 535 (Position Limit, Position Accountability and Reportable Level Table) to add interpretive guidance for determining compliance with the position limits and position accountability levels.
3. GreenX is amending Rule 539 (Limitation of Liability, No Warranties) to make clarifying changes relating to the parties and systems covered by the limitation of liability.
4. GreenX is amending Rule 715 (Sanctions) to provide that an individual who fails to provide proof of payment of a fine arising from a disciplinary proceeding will forfeit its Trading Privileges, ability to access the GreenX Platforms, and/or other activities, functions or operations until the payment has been received by the Exchange.



5. GreenX is amending Rule 718(a) (Summary Suspensions and Other Summary Actions) to permit the Chief Regulatory Officer or his or her delegate the ability to take summary actions in consultation with the Regulatory Oversight Committee and upon a good faith determination that there are substantial reasons to believe that such immediate action is necessary to protect the best interests of the Exchange.
6. GreenX is amending Rule 718(f) (Summary Suspensions and Other Summary Actions) to provide that at a hearing Participants have the right to representation, at their own cost, by legal counsel or anyone other than a member of any Exchange Disciplinary Committee, a member of the Board, and employee of the Exchange or CME Group or a person related to the investigation.
7. GreenX is amending Rule 718(f) (Summary Suspensions and Other Summary Actions) to provide that Non-Participants are only entitled to a hearing and representation if they submit to the Exchange's jurisdiction for the matter at hand as well as any pending and all future actions related to the underlying conduct that gave rise to the summary access denial.
8. GreenX is amending Rule 819 (Satisfaction of Award) Amend Rule 819 (Satisfaction of Award) to change the term "Globex trading platform" to "GreenX Platforms," thus providing that an individual Participant who fails to provide proof of payment of an award within the time prescribed will forfeit the privileges of access to the GreenX Platform and preferred fee treatment until proof of payment has been provided.
9. GreenX is amending Rule 823 (Claims Relating to Trade Cancellations or Price Adjustments) to change the term "trade bust" to "trade cancellation."
10. GreenX is amending Rule 903 (Clearing House Rules) to add Rules 903.A. (Clearing Member Duties to the Clearing House), 903.B. (Failure to Deliver), 903.C. (Duties of Clearing Members), and 903.D. (Delivery Offset Procedures). These additional rules correspond to rules adopted by GreenX's Clearing House.
11. GreenX is amending Rule 1006 (Governing Law, Jurisdiction and Dispute Resolution) to require Clearing Members to waive claims of sovereign immunity.



12. GreenX is amending Rules 1101.08, 1104.08, 1601.09 (Product Placement) to remove this rule.
13. GreenX is amending Rules 1101.10, 1104.10, 1107.09, 1201.09, 1301.10, 1401.11, 1501.11, 1502.11, 1503.11, 1504.11, 1505.11, 1506.11, 1507.11, 1508.11, 1509.11, 1601.12, 1603.11, 1701.10, and 1703.10 (Validity of Documents) to remove Tender Allocation Notice from the list of documents for which the Exchange makes no representation as to authenticity, validity or accuracy.
14. GreenX is amending Rules 1101.13, 1107.12, 1201.11, 1301.12, 1501.14, 1502.14, 1503.14, 1504.14, 1505.14, 1506.14, 1507.14, 1508.14, 1509.14, 1601.15, and 1701.13 (Late Performance, Failure to Perform and Force Majeure) to correct a cross-reference.
15. GreenX is amending Rules 1101.13, 1201.11, and 1301.12 (Late Performance, Failure to Perform and Force Majeure) to clarify references to the Assessment Appeal Panel and to conform procedures among each contract specifications.
16. GreenX is amending Rules 1104.01 (Scope), 1104.03 (Contract Unit), 1104.04 (Delivery), 1104.09 (Delivery Procedures and Obligations), 1703.01 (Scope), 1703.03 (Contract Unit), 1703.04 (Delivery), and 1703.09 (Delivery Procedures and Obligations), to remove references to the Dutch CO2 Emissions Trading Registry.

GreenX hereby certifies that the rule amendments comply with the Act and the CFTC Rules. The effective date of the rule amendments is June 28, 2011. There were no opposing views among GreenX's Board of Directors, Participants or market participants regarding the rule amendments. The text of the rule amendments, showing deletions and additions is attached as Exhibit A hereto.



If you have any further questions or comments about GreenX's actions, please contact me at 212-299-2510.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kari S. Larsen', with a long horizontal line extending to the right.

Kari S. Larsen
Chief Regulatory Officer / General
Counsel

cc: Bella Rozenberg
Marshall Horn
Michael Philipp

Attachment

EXHIBIT A

“**Applicable Law**” means, with respect to any Person, any statute, law, regulation, rule or ordinance, including include laws and regulations relating to economic or trade sanctions, of any governmental or self-regulatory authority applicable to such Person, including the CEA and CFTC Regulations.

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RULE 535 Position Limit, Position Accountability and Reportable Level Table

Position Limits and Any One Month/All Month/Expiration Month Position Accountability Levels shall be calculated on a net futures-equivalent basis by commodity, and will include commodities that aggregate into one or more base contracts as set forth in the Table.

The Exchange may require compliance with position accountability levels on a futures-only basis to the base contracts into which other contracts aggregate.

For commodities that aggregate into a base contract, the base contract will be identified in the “Aggregate Into” column (1) and will denote a positive correlation with the base commodity contract.

The expiration position limits are effective on the last three trading days of the futures contract and throughout the permitted Exchange for Related Positions posting period.

The reportable levels for all Contracts are set forth in the Position Limit, Position Accountability and Reportable Level Table below.

Position Limit, Position Accountability and Reportable Level Table

Contract Name	Rule	Commodity Code	All Month Accountability Level	Any One Month Accountability Level	Any/All Month Limit	Expiration Month Limit	Reporting Level	Aggregate Into (1)
			Rule 533	Rule 533	Rule 532	Rule 532	Rule 534	
Emissions								
Annual NOX Emissions Allowance Vintage 2009 Futures	1506	WW	4,500	2,500		375 (Jan-Nov 2009) 250 (Dec 2009)	25	WW

[Remainder of table unchanged]

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RULE 539 LIMITATION OF LIABILITY, NO WARRANTIES

A. EXCEPT AS PROVIDED BELOW, THE EXCHANGE AND CHICAGO MERCANTILE EXCHANGE INC. (“CME”) (INCLUDING EACH OF THEIR RESPECTIVE SUBSIDIARIES AND

AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, LICENSORS, PARTICIPANTS AND CLEARING MEMBERS, SHALL NOT BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:

(i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SYSTEMS AND SERVICES OF THE EXCHANGE OR CME, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION ELECTRONIC ORDER ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY PARTICIPANTS AND AUTHORIZED TRADERS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE, FIRMWARE AND PRINTERS RELATING THERETO; OR

(ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER CAUSE, OF ANY SYSTEM OR SERVICE OF THE EXCHANGE OR CME, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR

(iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE EXCHANGE OR CME OR ANY ~~OR ANY OF THE~~ EXCHANGE'S OR CME'S SYSTEMS, SERVICES OR FACILITIES; EXCEPT FOR INCORRECT ORDER STATUSING INFORMATION AS PROVIDED IN RULE 540 ~~(GLOBEX CONTROL CENTER)~~; OR

(iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY ~~OF THE~~ EXCHANGE'S OR CME'S SYSTEMS, SERVICES OR FACILITIES BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE CEA AND REGULATIONS THEREUNDER. A PARTY WHO HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT MAY NOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE.

B. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE EXCHANGE, ~~THE~~ OR CME (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS RELATING TO ANY SYSTEMS OR SERVICES OF THE EXCHANGE OR CME OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE GLOBEX SYSTEM.

C. ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF THE EXCHANGE OR CME OR SERVICES, EQUIPMENT, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE EXCHANGE OR CME (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS OR LICENSORS IS A PARTY SHALL BE ARBITRATED PURSUANT TO ~~RULE 822 (“CERTAIN CLAIMS AGAINST THE EXCHANGE INVOLVING TRADING SYSTEMS OR SERVICES”)~~RULES. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY GREENX RULES. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST ANY OF THE ABOVE MUST BE BROUGHT WITHIN TWO YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH C SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY’S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY GREENX RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT SUCH DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF NEW YORK IN THE STATE OF NEW YORK AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ANY PROVISIONS OF NEW YORK LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

D. ~~THE CME OR~~ THE EXCHANGE AND CME, MAY, IN THEIR RESPECTIVE SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE NEGLIGENCE OF GLOBEX CONTROL CENTER OR OTHER EXCHANGE OR CME STAFF AND/OR ORDER STATUS ERRORS PROVIDED BY THE GLOBEX CONTROL CENTER OR ~~A CME OR EXCHANGE SYSTEM, SERVICE OR FACILITY~~OR CME SYSTEMS, SERVICES OR FACILITIES. NOTWITHSTANDING THE ABOVE, ~~+~~ THE EXCHANGE’S AND CME’S TOTAL COMBINED AGGREGATE OBLIGATIONS SHALL NOT EXCEED \$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY; \$200,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND \$2,400,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR. ANY DISPUTED CLAIM PURSUANT TO THIS PARAGRAPH D MUST BE ARBITRATED PURSUANT TO ~~RULE 822 (“CERTAIN CLAIMS AGAINST THE EXCHANGE INVOLVING TRADING SYSTEMS OR SERVICES”)~~RULES.

E. IN NO EVENT SHALL THE EXCHANGE’S AND CME’S TOTAL COMBINED AGGREGATE LIABILITY FOR ALL CLAIMS ARISING OUT OF ANY FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, ORDER STATUSING ERRORS OR ANY OTHER CAUSES, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE EXCHANGE’S OR CME’S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF EXCHANGE OR CME STAFF EXCEED \$2,400,000 IN ANY GIVEN CALENDAR YEAR.

IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR SINGLE MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD.

A CLAIM AGAINST THE EXCHANGE OR CME, ARISING OUT OF ANY FAILURE OR MALFUNCTION SHALL ONLY BE ALLOWED IF SUCH CLAIM IS BROUGHT IN ACCORDANCE WITH THIS RULE.

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RULE 715 Sanctions

(a) After notice and opportunity for hearing in accordance with the GreenX Rules, the Exchange will impose sanctions if any Participant, Authorized Trader, other Supervised Person or other Person using any of the Participant's User IDs is found to have violated or to have attempted to violate a Rule of the Exchange or provision of Applicable Law for which the Exchange possesses disciplinary jurisdiction. The Exchange may impose one or more of the following sanctions or remedies: (i) censure; (ii) limitation on Trading Privileges, ability to otherwise access the GreenX Platforms, and/or other activities, functions or operations; (iii) suspension of Trading Privileges and/or ability to otherwise access the GreenX Platforms; (iv) fine (subject to paragraph (b) below); (v) restitution or disgorgement; (vi) termination of Trading Privileges and/or ability to otherwise access the GreenX Platforms; or (vii) any other sanction or remedy deemed to be appropriate.

(b) The Exchange may impose a fine of up to \$500,000 for each violation of a Rule of the Exchange or a provision of Applicable Law. If a fine or other amount is not paid within 30 days of the date that it becomes payable, then interest will accrue on the sum from the date that it became payable at the quoted prime rate plus three percent. The Exchange has sole discretion to select the bank on whose quotations to base the prime rate. Each Participant will be responsible for paying any fine or other amount imposed on, but not paid by, any of its Authorized Traders or Supervised Persons. In addition, an individual who fails to provide proof of payment within the time prescribed will forfeit its Trading Privileges, ability to access the GreenX Platforms, and/or other activities, functions or operations until the payment has been received by the Exchange.

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RULE 718 Summary Suspensions and Other Summary Actions

(a) Notwithstanding anything in the GreenX Rules to the contrary, the Chief Regulatory Officer or his or her delegate, upon good faith determination that there are substantial reasons to believe that such immediate action is necessary to protect the best interests of the Exchange, may, after consultation with the Regulatory Oversight Committee, if practicable, summarily suspend, revoke, limit, condition, restrict or qualify a Participant's Trading Privileges and/or ability to otherwise access the GreenX Platforms, and may take other summary action against any Participant or any of its Supervised Persons in accordance with the GreenX Rules; provided, however, that the Chief Regulatory Officer must reasonably believe that the business, conduct or activities of the Participant or Supervised Person in question is not in the best interests of the Exchange or the marketplace, including based on any of the following: (i) statutory disqualification from registration as provided in CEA Section 8a(2) or (3); or (ii) non-payment of fees, costs, charges, fines or arbitration awards; ~~or (iii) the reasonable belief that immediate action is necessary to protect the public or the best interests of the Exchange.~~

(b) Whenever practicable, the Regulatory Oversight Department, acting on behalf of the Chief Regulatory Officer, shall provide prior written notice to the party against whom any action in

accordance with paragraph (a) shall be taken. If prior notice is not practicable, the Exchange will give notice at the earliest possible opportunity to the respondent against whom the action is brought. The Regulatory Oversight Department, acting on behalf of the Chief Regulatory Officer, will prepare a notice of summary action (which will state the action, the reasons for the action, and the effective time, date and duration of the action) and serve the notice on such party.

(c) Unless timely notice of appeal is filed pursuant to Rule 718, the summary action will become final upon the expiration of 20 days after the notice of action is served on the respondent.

(d) At the request of the Exchange or the Clearing House, a respondent against whom a summary action is brought pursuant to this Rule 718 must provide books and records over which the respondent has access or control and must furnish information to, or appear or testify before, the Exchange or the Clearing House in connection with the enforcement of any Rule of the Exchange or Rule of the Clearing House.

(e) A respondent whose Trading Privileges and/or ability to otherwise access the GreenX Platforms are suspended, revoked, limited, conditioned, restricted or qualified pursuant to this Rule 718 may apply for reinstatement by filing with the Regulatory Oversight Department a written request stating the applicant's reasons for seeking reinstatement. The Exchange will not consider a respondent's request for reinstatement if the respondent (i) owes any fines, fees, charges or costs to the Exchange, (ii) continues to fail to appear at disciplinary proceedings without good cause or (iii) continues to impede the progress of disciplinary proceedings.

(f) Within a reasonable period after the filing of a request for reinstatement, the Appeals Panel will conduct a hearing to consider the request. At the hearing for reinstatement, the respondent will present its, his or her case supporting the reinstatement and the Regulatory Oversight Department, acting on behalf of the Chief Regulatory Officer may, in its discretion, present its case opposing or supporting the reinstatement and each may present relevant and admissible evidence and facts and call, examine and cross-examine witnesses. At the hearing for reinstatement, the Exchange may require any Participant, Authorized Trader or other Supervised Person to appear as witnesses and produce evidence if the Appeals Panel determines that the evidence is relevant. The Participants shall have the right to representation, at their own cost, by legal counsel or anyone other than a member of any Exchange disciplinary committee, a member of the Board, an employee of the Exchange or CME Group or a person related to the investigation. Non-Participants are only entitled to a hearing and representation if they submit to the Exchange's jurisdiction for the matter at hand as well as any pending and all future actions related to the underlying conduct that gave rise to the summary access denial.

(g) As promptly as reasonably possible after a reinstatement hearing, the Appeals Panel will issue an order reinstating, denying the reinstatement, or placing conditions on the reinstatement of the Trading Privileges and/or ability to otherwise access the GreenX Platforms of the respondent. The order will include a brief summary of the evidence introduced at the reinstatement hearing; and, if applicable, findings of fact and conclusions not contained in the notice of summary action issued pursuant to Rule 718(b) above. The Appeals Panel's order may not be appealed.

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RULE 819 Satisfaction of Award

A party directed to pay an award shall submit payment of the amount due directly to the party receiving the award. An arbitration award must be satisfied within 15 days of receipt of the notice of decision. If a request is made to correct an award pursuant to Rule 818, the award must be satisfied within 15 days of receipt of the corrected notice of decision.

A party making payment must submit proof of payment to the Regulatory Oversight Department no later than the business day following payment. An individual Participant who fails to provide proof of payment within the time prescribed will forfeit the privileges of access to the ~~Globex trading platform~~ GreenX Platform and preferred fee treatment until proof of payment has been provided. An entity Participant that fails to provide proof of payment within the time prescribed will forfeit preferred fee treatment for its proprietary trading. Any Participant that fails to pay an arbitration award within the time prescribed may be subject to sanctions pursuant to Chapter 7.

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RULE 823 Claims Relating to Trade Cancellations or Price Adjustments

(a) General

All claims relating to price adjustments or trade ~~bust~~cancellations pursuant to Rule 543 shall be arbitrated in accordance with the specific requirements of this Rule 823 and, to the extent not inconsistent with such requirements, the rules of this Chapter.

(b) Initiation of Claim

Any claim for loss under Rule 543 must first be submitted to the Exchange as described in Rule 543.E. Following a denial of liability by a party responsible for a trade ~~bust~~cancellation or price adjustment and by the clearing firm through which the trade was placed, the claimant may file an arbitration claim with the Regulatory Oversight Department. The Regulatory Oversight Department shall administer the arbitration and provide notice to all parties.

The party alleged to have made the trade that caused the trade ~~bust~~cancellation or price adjustment and the clearing firm through which that trade was placed both may be respondents in the arbitration. Any party responsible for a trade ~~bust~~cancellation or price adjustment who is not otherwise subject to arbitration under these rules may voluntarily submit to such arbitration by filing a submission agreement with the Regulatory Oversight Department within 21 days of that party's receipt of notice of the referral to arbitration. In the absence of the voluntary submission to arbitration by such party, the arbitration shall proceed solely against the clearing firm through which the trade was placed, and that firm shall be liable for any damages awarded by the panel.

(c) Related Claims

All claims arbitrable under this rule that arise out of a trade ~~bust~~cancellation or price adjustment that was caused by the same incident shall, to the extent practicable in the determination of the chairman, be consolidated for a single hearing.

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RULE 903 Clearing House Rules

The clearing services provided by the Clearing House with respect to any Contract, and the rights and obligations of purchasers and sellers under cleared Contracts (including without limitation rights and obligations in respect of clearing and settlement, variation payments and performance at maturity), shall be governed by the Clearing House Rules, including without limitation Chapters 8, 8.C., and 9 of the Clearing House Rules, as applicable.

The Exchange will establish performance bond requirements from time as published by the Exchange in a Notice to Participants. Participants must call for Performance Bond from their Customers and post performance bond with the Clearing House as set forth in Chapters 8 and 9 of the Clearing House Rules. All performance bond collateral must be in a form acceptable to the Clearing House pursuant to Clearing House Rules.

The Clearing House Rules shall prevail in the event of any conflict or inconsistency between this Chapter 9 and the Clearing House Rules with respect to any Clearing Member. All Clearing Members are bound by the Clearing House Rules.

903.A. Clearing Member Duties to the Clearing House

Every Clearing Member carrying open long or short positions shall present to the Clearing House each business day an accurate inventory of such open positions. The inventory of open long and short positions shall be reported to the Clearing House in such manner and at such times as the Clearing House may prescribe.

A Clearing Member, carrying an account that is required to make or accept delivery, agrees to guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the rules.

In the event a Clearing Member fails to perform its delivery obligations to the Clearing House, such failure may be deemed a default pursuant to Clearing House Rule 802. In a delivery default, the Clearing House shall seek to ensure the financial performance with respect to the delivery. In this regard, the Clearing House powers will include, but will not be limited to, the right to sell or liquidate the commodity subject to delivery and to distribute the proceeds as appropriate.

903.B. Failure to Deliver

In the event a Clearing Member fails to fulfill its specific delivery obligations pursuant to Exchange rules, in connection with a product listed for trading and clearing or clearing only, the sole obligation of the Clearing House is to pay reasonable damages proximately caused by such delivery obligation failure, in an amount which shall not exceed the difference between the delivery price of the specific commodity and the reasonable market price of such commodity at the time delivery is required according to the rules of the Exchange. The Clearing House shall not be obligated to: (1) make or accept delivery of the actual commodity; or (2) pay any damages relating to the accuracy, genuineness, completeness, or acceptableness of the allowances, offsets, credits, or other similar documents; or (3) pay any damages relating to the failure or insolvency of banks, depositories, registries, transfer platforms, or similar organizations or entities that may be involved with a delivery.

Notwithstanding any provision of the Rules, with respect to products where delivery obligations are fulfilled directly between Clearing Members, the Clearing House has no obligation or liability to any Clearing Member or any other person relating to a failure to fulfill a delivery obligation unless it is notified by the Clearing Member that did perform, or was in a position to perform its delivery obligations, that a failure occurred, as soon as possible, but in no event later than sixty minutes after the time the delivery obligation was to have been fulfilled according to the rules of the Exchange.

If a Clearing Member does not fulfill its delivery obligations to another Clearing Member, it shall be responsible to the Clearing House for any damages incurred by the Clearing House as a result of such delivery obligation failure.

A failure by a Clearing Member carrying a short futures position to notify the Clearing House on or before the time specified by, and in the manner prescribed by, the Clearing House on the last day on which such notice is permitted shall be deemed a violation of this rule, except that the President of the Clearing House or Chief Regulatory Officer may, for good cause, extend the time to present such notice.

903.C. Duties of Clearing Members

Prior to the last day of trading in a physically delivered contract, each Clearing Member shall be responsible for assessing the account owner's ability to make or take delivery for each account on its books with open positions in the expiring contract. Absent satisfactory information from the account owner, the Clearing Member is responsible for ensuring that the open positions are liquidated in an orderly manner prior to the expiration of trading.

903.D. Delivery Offset Procedures

A Clearing Member who, as the result of an error, omission or outrade discovered on or after the last day of trading, carries a position in a contract which has expired and for which the position holder is unable to fulfill the obligation to make or take physical delivery in that contract may, with the consent of the account owner(s) or controller(s), request to offset such position against an opposite position held by an account with different beneficial ownership through a trade transfer; provided, however, that the parties to an error or outrade must exercise the utmost diligence to resolve the error or outrade.

Delivery offset requests must be made to the Clearing House. Trade transfers pursuant to this Rule require that the Clearing House receive acceptance from an account(s) with different beneficial ownership and confirmation of the agreed upon transfer by the party initiating the request. Such confirmation must be submitted in writing on the form specified by the Clearing House. All positions transferred pursuant to this Rule shall take place at the final settlement price of the contract.

Clearing Member firms representing accounts that have transferred a trade pursuant to this Rule must correctly report the change in open interest to the Clearing House pursuant to the schedule established by the Exchange.

In the event a delivery offset request does not result in a trade transfer, delivery shall take place as required under Exchange rules.

Nothing in this Rule relieves a Clearing Member of its responsibilities with respect to open positions in an expiring contract month in a physically delivered contract as set forth in Rule 903.B.

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RULE 1006 Governing Law, Jurisdiction and Dispute Resolution

- (a) The law of the State of New York governs the GreenX Rules.
- (b) Any dispute between the Exchange and a Clearing Member or Participant arising from or in connection with the GreenX Rules must be brought to arbitration pursuant to Rule 1006(c) within two (2) years from the occurrence of the event giving rise to the dispute. This Rule 1006 shall in no way create a cause of action nor authorize an action that would otherwise be prohibited by the GreenX Rules.
- (c) Any dispute between the Exchange and a Clearing Member or Participant arising from or in connection with the GreenX Rules will be settled by arbitration administered in New York, NY or Chicago, IL by the American Arbitration Association (the "AAA") under its Commercial Arbitration Rules. The dispute will be submitted to one arbitrator who will be appointed by the AAA. Any arbitrator appointed for purposes of this Rule 1106(c) will have experience with and knowledge of commodities, as listed on the National Roster of Arbitrators kept in the AAA's records. Judgment on the award rendered by the arbitrator will be binding on the parties and may be entered in any state or federal court sitting in the Wilmington, Delaware metropolitan area, and the Exchange and each Clearing Member or Participant shall be deemed to have consented to the personal jurisdiction of any such court. Each party to the dispute will bear its own costs and expenses in connection with any arbitration hereunder, as well as an equal share of the administrative fees and the fees of the arbitrator; provided, however, that the arbitrator will be

entitled to include in any award a full reimbursement for the prevailing party's costs and expenses, such party's share of the administrative fees and the fees of the arbitrator, or any combination of any or all of the above. In the event that this Rule 1106(c) is held to be unenforceable in connection with any dispute, (i) exclusive jurisdiction for any such dispute will reside in any state or federal court sitting in the New York, NY metropolitan area, (ii) the Exchange and the Clearing Member or Participant involved in the dispute will be presumed to have submitted to the personal jurisdiction of any such court, and (iii) an action to enforce any judgment or decision of such court may be brought in the same court or in any other court with jurisdiction or venue. ~~Finally, all~~ All Clearing Members or Participants unconditionally and irrevocably waive any and all right to trial by jury in connection with any such dispute. Finally, each Clearing Member irrevocably waives, with respect to itself and its revenues and assets, any immunity on the ground of sovereignty or other similar grounds from suit, jurisdiction of any court, injunctive relief, order for specific performance or for recovery of property, attachment of assets, and execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction, and irrevocably agrees that it will not claim such immunity in any proceedings.

* * * * *

~~1101.08 PRODUCT PLACEMENT~~ RESERVED [The changes to Rules 1104.08 and 1601.09 are identical.]

~~The Seller and Buyer shall fulfill their respective contractual obligations on a maturing Contract unless, by 5:00 p.m. GMT on the 10th Business Day prior to the first Business Day of the delivery month, such Seller and Buyer have provided account certification, in the form prescribed by the Exchange stating that: (i) If a buyer, the Buyer has an account with UK Emissions Trading Registry; and (ii) If a seller, the Seller has an account with UK Emissions Trading Registry.~~

~~The receipt of such certification shall not relieve the Seller or Buyer, or their respective Customers of any obligations under any GreenX Rule or Clearing House Rule.~~

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1101.10 VALIDITY OF DOCUMENTS

[The changes to Rules 1104.10, 1107.09, 1201.09, 1301.10, 1401.11, 1501.11, 1502.11, 1503.11, 1504.11, 1505.11, 1506.11, 1507.11, 1508.11, 1509.11, 1601.12, 1603.11, 1701.10, and 1703.10 are identical]

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

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1101.13 LATE PERFORMANCE, FAILURE TO PERFORM AND FORCE MAJEURE

[The change in (d)(iii)(C) is identical in Rules 1107.12, 1201.11, 1301.12, 1501.14, 1502.14, 1503.14, 1504.14, 1505.14, 1506.14, 1507.14, 1508.14, 1509.14, 1601.15, and 1701.13.]

(d) EXCHANGE ACTION

(i) Whenever a Buyer or a Seller is found by the Panel to be late in the performance of a delivery obligation, the Exchange, represented by the Regulatory Oversight Department, shall issue a Notice of Assessment, assessing a penalty of 10% of Contract value for each applicable day of Late Performance.

(ii) Whenever a Buyer or Seller is found by the Panel or otherwise deemed to have a “Failure to Perform” the Exchange, represented by the Regulatory Oversight Department shall issue a Notice of Assessment assessing penalties of twenty percent (20%) of the Contract value, in addition to any penalties assessed pursuant to subparagraph (1) above, to be paid to the Exchange.

(iii) (A) A Party may appeal a Notice of Assessment by filing a Notice of Appeal with the Disciplinary Panel and by serving a copy of the same on the Exchange's Regulatory Oversight Department, within two Business Days of receipt of the Notice of Assessment from the Regulatory Oversight Department. The Party filing the appeal (“Appellant”) shall file, within twenty (20) days after filing the Notice of Appeal, a Memorandum of Appeal setting forth the factual and legal basis for the appeal. The Memorandum of Appeal must be filed with the Hearing Registrar and a copy of the same served upon the Chief Regulatory Officer.

(B) The Regulatory Oversight Department may file with the Appellant and Hearing Registrar an Answering Memorandum to the Memorandum of Appeal within ten (10) days of receipt of that memorandum.

(C) Failure by the Party to file a Notice of Appeal or a Memorandum of Appeal with the time specified in subsection ~~(D)~~(~~3~~iii)(~~a~~A) of this Rule shall constitute a waiver, and the penalties set forth in the Notice of Assessment shall be paid within five days to the Exchange. Failure to pay such penalties in accordance with this Rule shall subject the party to the sanctions set forth in Chapter 7. In the event a party fails to Appeal, or waives the opportunity to appeal a Notice of Assessment, the Assessment and findings of the Emissions Allowance Delivery Committee shall constitute a final disciplinary action of the Exchange.

(iv) Within ten (10) days after receipt of Regulatory Oversight Department’s reply, the Appellant shall be entitled to examine all books, documents and other tangible evidence in possession or under the control of the Exchange that are to be relied on by Regulatory Oversight Department or are otherwise relevant to the matter.

(v) In the event of an appeal by a Party, the Chief Executive Officer, or [his](#)its designee, shall appoint an Assessment Appeal Panel to hear and decide the appeal. No member of the Panel may have a direct or indirect interest in the matter under the appeal. Each Panel Member shall disclose to the Chief Executive Officer, or [his](#)its designee, any such interest which might preclude such Panel Member from rendering a fair and impartial determination. The formal Rules of Evidence shall not apply to such appeal, and the Panel shall be the sole judge with respect to the evidence presented to it. Exchange outside counsel shall advise the [Assessment Appeal](#) Panel.

(vi) The procedures for the hearing of the appeal before the Assessment Appeal Panel shall be as follows:

(A) At a date to be set by order of the [Assessment Appeal](#) Panel, and prior to such hearing, the Appellant and the Regulatory Oversight Department shall furnish each other with a list of witnesses expected to be called at the hearing, and a list of documents and copies thereof expected to be introduced at the hearing.

(B) At such hearing: The Appellant may appear personally and may be represented by ~~counselor~~[counsel or](#) other representative of his choice at the appeal.

(C) The Regulatory Oversight Department shall be entitled to offer evidence relating to the delivery and shall be entitled to call witnesses and introduce documents in support thereof. It shall be the burden of the Regulatory Oversight Department to demonstrate, by the weight of the evidence, the appropriateness of the sanction set forth in the Notice of Assessment.

(D) The Appellant shall be entitled to rebut the Regulatory Oversight Department's evidence and shall be entitled to call witnesses and introduce documents in support thereof.

(E) The Regulatory Oversight Department and the Appellant shall be entitled to cross-examine any witness called by the opposing Party at the hearing.

(F) The Notice of Assessment, the Notice of Appeal, the Memorandum of Appeal, any Answering Memorandum, the stenographic transcript of the appeal, any documentary evidence or other material presented to and accepted by the [Assessment Appeal](#) Panel shall constitute the record of the hearing. The decision of the Panel shall be based upon the record of the hearing.

(G) The [Assessment Appeal](#) Panel shall have the power to impose a penalty against any person who is within the jurisdiction of the Exchange and whose actions impede the progress of a hearing.

(H) The Assessment Appeal Panel shall issue a written decision in which it may affirm, reduce, or waive the charges assessed against the Appellant and shall state the reasons therefore.

(I) The decision of the Assessment Appeal Panel shall be a final decision of the Exchange and shall constitute a final disciplinary action of the Exchange. The fine is payable on the effective day of the decision or as specified. The effective day shall be fifteen (15) days after a copy of the written decision has been delivered to the appellant and to the CFTC.

(vii) The Assessment Appeal Panel shall consider, and make recommendations to the Chief Executive Officer, or his designee concerning acceptance or rejection of, any offer of settlement submitted by Appellant. In the case of an offer of settlement, acceptance by the Chief Executive Officer shall constitute the final disciplinary action of the Exchange.

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RULE 1104. In Delivery Month Certified Emission Reduction (CER) Futures

[The changes to Rule 1703 are identical.]

1104.03. CONTRACT UNIT

The Contract unit shall be one thousand (1,000) CERs for a delivery made by transfer through the UK Emissions Trading Registry ~~or the Dutch CO2 Emissions Trading Registry.~~

1104.04. DELIVERY

At the registry designation of the buyer, CER delivery shall take place by electronic transfer of CERs at the UK Emissions Trading Registry ~~or the Dutch CO2 Emissions Trading Registry.~~ The registry will be designated by the Buyer, and it must satisfy “Eligibility Criteria” for international emissions trading specified in Article 17 of the Kyoto Protocol and Decision 11/CMP.1. All deliveries made under these Rules shall be final and there shall be no appeal. Notwithstanding the use of a designee, all Clearing Members will remain ultimately responsible for performance of all applicable Contract terms specific to Sellers and Buyers.

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1201.11. LATE PERFORMANCE, FAILURE TO PERFORM, AND FORCE MAJEURE

[The changes to Rule 1301.12 are identical.]

(d) EXCHANGE ACTION

(i) Whenever a Buyer or a Seller is found by the Panel to be late in the performance of a delivery obligation, the Exchange, represented by the Regulatory Oversight Department, shall issue a Notice of Assessment, assessing a penalty of 10% of Contract value for each applicable day of Late Performance.

(ii) Whenever a Buyer or Seller is found by the Panel or otherwise deemed to have a “Failure to Perform” the Exchange, represented by the Regulatory Oversight Department shall issue a Notice of Assessment assessing penalties of twenty percent (20%) of the Contract value, in addition to any penalties assessed pursuant to subparagraph (1) above, to be paid to the Exchange.

(iii) (A) A Party may appeal a Notice of Assessment by filing a Notice of Appeal with the Disciplinary Panel and by serving a copy of the same on the Exchange's Regulatory Oversight Department, within two Business Days of receipt of the Notice of Assessment from the Regulatory Oversight Department. The Party filing the appeal (“Appellant”) shall file, within twenty (20) days after filing the Notice of Appeal, a Memorandum of Appeal setting forth the factual and legal basis for the appeal. The Memorandum of Appeal must be filed with the Hearing Registrar and a copy of the same served upon the Chief Regulatory Officer.

(B) The Regulatory Oversight Department may file with the Appellant and Hearing Registrar an Answering Memorandum to the Memorandum of Appeal within ten (10) days of receipt of that memorandum.

(C) Failure by the Party to file a Notice of Appeal or a Memorandum of Appeal with the time specified in subsection ~~(Dd)~~~~(3iii)~~~~(aA)~~ of this Rule shall constitute a waiver, and the penalties set forth in the Notice of Assessment shall be paid within five

days to the Exchange. Failure to pay such penalties in accordance with this Rule shall subject the party to the sanctions set forth in Chapter 7. In the event a party fails to Appeal, or waives the opportunity to appeal a Notice of Assessment, the Assessment and Findings of the Emissions Allowance Delivery Committee shall constitute a final disciplinary action of the Exchange.

(iv) Within ten (10) days after receipt of Regulatory Oversight Department's reply, the Appellant shall be entitled to examine all books, documents and other tangible evidence in possession or under the control of the Exchange that are to be relied upon by Regulatory Oversight Department or are otherwise relevant to the matter.

(v) In the event of an appeal by a Party, the ~~Regulatory Oversight Department~~Chief Executive Officer, or its designee, shall appoint a ~~Performance~~Assessment Appeal Panel to hear and decide the appeal. No member of the Panel may have a direct or indirect interest in the matter under the appeal. Each Panel Member shall disclose to the ~~Regulatory Oversight Department~~Chief Executive Officer, or its designee, any such interest which might preclude such Panel Member from rendering a fair and impartial determination. The formal Rules of Evidence shall not apply to such appeal, and the Panel shall be the sole judge with respect to the evidence presented to it. Exchange outside counsel shall advise the ~~Performance~~Assessment Appeal Panel.

(vi) The procedures for the hearing of the appeal before the ~~Performance~~Assessment Appeal Panel shall be as follows:

(A) At a date to be set by order of the ~~Performance~~Assessment Appeal Panel, and prior to such hearing, the Appellant and the Regulatory Oversight Department shall furnish each other with a list of witnesses expected to be called at the hearing, and a list of documents and copies thereof expected to be introduced at the hearing.

(B) At such hearing: The Appellant may appear personally and may be represented by ~~counselor~~counsel or other representative of his choice at the appeal.

(C) The Regulatory Oversight Department shall be entitled to offer evidence relating to the delivery and shall be entitled to call witnesses and introduce documents in support thereof. It shall be the burden of the Regulatory Oversight Department to demonstrate, by the weight of the evidence, the appropriateness of the sanction set forth in the Notice of Assessment.

(D) The Appellant shall be entitled to rebut the Regulatory Oversight Department's evidence and shall be entitled to call witnesses and introduce documents in support thereof.

(E) The Regulatory Oversight Department and the Appellant shall be entitled to cross examine any witness called by the opposing Party at the hearing.

(F) The Notice of Assessment, the Notice of Appeal, the Memorandum of Appeal, any Answering Memorandum, the stenographic transcript of the appeal, any documentary evidence or other material presented to and accepted by the ~~Performance~~Assessment Appeal Panel ~~by either party~~ shall constitute the record of the hearing. The decision of the ~~Performance Appeal~~ Panel shall be based upon the record of the hearing.

(G) The ~~Performance~~Assessment Appeal Panel shall have the power to impose a penalty against any person who is within the jurisdiction of the Exchange and whose actions impede the progress of a hearing.

(H) The PerformanceAssessment Appeal Panel shall issue a written decision in which it may affirm, reduce, or waive the charges assessed against the Appellant and shall state the reasons therefore.

(I) The decision of the PerformanceAssessment Appeal Panel shall be a final decision of the Exchange and shall constitute a final disciplinary action of the Exchange. The fine is payable on the effective day of the decision or as specified. The effective dateday shall be fifteen (15) days after a copy of the written decision has been delivered to the Appellantappellant and to the CFTC.

(vii) The PerformanceAssessment Appeal Panel shall consider, and make recommendations to the ExchangeChief Executive Officer, or his designee, concerning acceptance or rejection of, any offer of settlement submitted by Appellant. In the case of an offer of settlement, acceptance by the ExchangeChief Executive Officer shall constitute the final disciplinary action of the Exchange.