FORM FBOT—EXHIBIT G-2

Request: Attach a description of the foreign board of trade's trade practice rules, including but not limited to rules that address the following –

(1) Capacity of the foreign board of trade to detect, investigates, and sanctions persons who violate foreign board of trade rules.

(2) Prohibition of fraud and abuse, as well as abusive trading practices including, but not limited to, wash sales and trading ahead, and other market abuses.

(3) A trade surveillance system appropriate to the foreign board of trade and capable of detecting and investigating potential trade practice violations.

(4) An audit trail that captures and retains sufficient order and trade-related data to allow the Compliance staff to detect trading and market abuses and to reconstruct all transactions within a reasonable period of time.

(5) Appropriate resources to conduct real-time supervision of trading.

(6) Sufficient Compliance staff and resources, including those outsourced or delegated to third parties, to fulfill regulatory responsibilities.

(7) Rules that authorize Compliance staff to obtain, from market participants, information and cooperation necessary to conduct effective rule enforcement and investigations.

(8) Staff investigations and investigation reports demonstrating that the Compliance staff investigates suspected rule violations and prepares reports of their finding and recommendations.

(9) Rules determining access requirements with respect to the persons that may trade on the foreign board of trade, and the means by which they connect to it.

(10) The requirement that market participants submit to the foreign board of trade's jurisdiction as a condition of access to the market.

Response:

NGX enforces a code of participant conduct that is part of the NGX CPA.[1] Pursuant to the CPA, each Participant agrees that it will not engage in acts of fraud, bad faith, extortion, dishonest conduct or material misstatement, or any other unlawful activity including, without limitation, with respect to information provided to NGX, the performance of any transactions relating to NGX or in any other interactions with NGX or other Participants.[2] Participants are also prohibited from attempting to manipulate or manipulating the price of any product offered by NGX by the use of inaccurate information or false reporting and from taking any action that

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[1] As noted above, NGX is a recognized exchange under section 62 of the Securities Act (Alberta) and exercises its authority with respect to oversight of the conduct of market participants under the terms of the CPA. In exercising such authority, it does not act pursuant to section 64 of the Securities Act (Alberta), which governs statutory recognition of "designated self-regulatory organizations."

[2] Attachment A-3a, CPA Article 6.1.

could be expected to be in contrast with the interests, welfare or integrity of the ICE Trading Platform, the NGX Trading System or the NGX Clearing System.[3] Specifically, prohibited transactions include wash trades, money passes and other forms of abusive trading activities.

All Participants must enter into the CPA with NGX, thereby submitting to the NGX's jurisdiction. NGX Compliance staff have the right to monitor trading and clearing activities, to ensure compliance with trade practice rules.[4] Under the CPA, the Chief Compliance Officer and Compliance staff have the authority to investigate possible violations of the NGX code of conduct or exchange rules.[5] There were no investigations in 2011, so no reports were filed.

Article 6.1 of the CPA prohibits infractions such as wash trades, money passes and other forms of abusive trading activities. Parties are explicitly prohibited from manipulating or attempting to manipulate NGX prices, including, without limitation, by spreading inaccurate information, reporting false transactions, arranging and executing wash transactions, money passes, fraudulent transactions, or non-competitive transactions. Furthermore, the Article 6.1 prohibits Participants from colluding with other market participants to affect the price or supply of any commodity, market. Article 6.1(d) prohibits fraudulent conduct and activity. Article 6.1(e) prohibits facilitating unauthorized access to NGX. Lastly, Article 6.1(f) prohibits conduct that is detrimental to the interests, welfare or integrity of NGX, the ICE Trading Platform, NGX Trading System or NGX Clearing System.

With respect to trade practice oversight, Article 6.2 of the CPA gives NGX Compliance staff the authority to monitor activities involving the NGX Trading System, the ICE Trading Platform, and the NGX Clearing System, and the authority to conduct investigations of possible violations of Article 6.1 of the CPA. NGX Compliance staff have also have the authority to examine any documents to verify compliance by all Contracting Parties with Article 6.1 of the CPA. Pursuant to Article 6.2(b) of the CPA, Contracting Parties agree to promptly provide to Compliance staff copies of documents and records related to its activities under the CPA, and to cause a person under its control who may reasonably be knowledgeable in respect to the activities of the Contracting Party to be available by phone or at the offices of NGX at a reasonable time and for a reasonable period.

Articles 3.2(b) and (g) require Contracting Parties to maintain all documents and records directly related to Transactions executed on NGX, and any activity in underlying commodities and related derivatives markets and swaps. Contracting Parties also consent and agree to the electronic recording by NGX of all conversations, instructions or agreements between NGX and the Contracting Party.

As described in Exhibit D-2, the NGX Trading System captures a complete audit trail of all orders entered into the trading system and all trades that are executed. In this regard, the following information is required to be included on orders submitted to the trading system: (1) commodity; (2) contract; (3) purchase or sale; (4) customer account; (5) volume; (6) limit price; and (7) strike prices, put or call (for options). The trading system automatically records the time of, and retains a record of, each entry into the system. Resting orders that have not resulted in an

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[3] *Id.*
[4] *Id.* at Article 6.2.
[5] *Id*.

executed trade may be withdrawn. However, the entry and withdrawal of such orders is captured and a record thereof retained. Thus, the trading system captures and retains a complete and accurate audit trail of all activity on the trading system. All relevant data are retained for a period of not less than 5 years in an electronic storage medium, subject to appropriate security measures that meet generally accepted industry practices. Where applicable, such data is available to NGX from ICE on request. Additionally, under the CPA all Participants are required to furnish information to NGX upon request.

NGX has also developed an automated trade practice monitoring program that processes all trades, orders entered, modified and cancelled, enabling Compliance staff to review transactions, where practicable, on a trade date +1 basis. This complete audit trail allows Compliance staff the ability to analyze individual transactions, as well as to recreate portions of or the entire trade data and to perform trend analysis over a specified period of time.

NGX has real-time access to trading data through its agreement with ICE. It has an appropriately funded Compliance staff, and can draw upon the reasonable assistance of ICE in ensuring compliance where required.