

Trading Appendix 4

Trading Procedures

Commodity Derivatives

Issued by NASDAQ OMX OSLO ASA

TRADING PROCEDURES

1 INTRODUCTION

- 1.1 Exchange Members may within Opening Hours on any Bank Day for the relevant Series submit Orders and enter into Exchange Transactions through the Trading System in accordance with the Trading Procedures set out herein.

2 DEFINITIONS

- 2.1 Capitalized words in the User Terms shall have the same meaning as defined in the Definitions. Additionally, the following words shall have the meanings set out below:

Bid	means an Order to buy.
Deviation Margin	means a price margin specified in Section 13 of these Trading Procedures, to be subtracted from or added to a reference price (as further specified) when dealing with Transaction errors.
Offer	means an Order to sell.
Order	has the meaning ascribed to it in the Definitions.
Order Price	means the price specified in an Order for each Contract.
Volume Limit	means a volume limit set out in Section 11 of these Trading Procedures.

3 THE ELECTRONIC TRADING SYSTEM (ETS)

- 3.1 Exchange Members may submit Orders and enter into Exchange Transactions through the ETS, provided that the ETS User Terms are observed and complied with at all times.
- 3.2 All Orders and Transactions in the ETS will be stored electronically and kept by the Exchange in accordance with applicable law.

4 THE MANUAL TRADING SERVICE (MTS)

- 4.1 Subject to Section 4.5 below, Authorized Traders may submit Orders, changes to Orders or cancellations of Orders to the MTS on behalf of their respective Exchange Members through such channels of communication as are approved by the Exchange from time to time.
- 4.2 The Exchange shall register the Order submitted to MTS in ETS on the Exchange Member's behalf as further agreed in each individual case, and immediately after registration in ETS notify the Exchange Member thereof. The provisions set out in these Trading Procedures shall apply to all Orders entered into the ETS by the MTS on behalf of an Exchange Member.
- 4.3 The Exchange may, upon the request of an Exchange Member, in its own discretion and subject to best execution principles, without registering an Order in ETS communicate a Bid or an Offer through the MTS directly to other Exchange Member(s). Transactions that are entered into pursuant to this Section 4.3 shall immediately be registered as an Exchange Transaction in the ETS.
- 4.4 All telephone conversations and other communication with the MTS may be recorded and kept by the Exchange in accordance with applicable law, and may be used to determine the factual contents of such communication for the purpose of deciding upon

a claim for trading error in accordance with Section 10, or otherwise to operate the Exchange or to comply with applicable law.

- 4.5 The Exchange will make commercially reasonable endeavours to run an effective MTS service and maintain the continuity of access to MTS, but the MTS is provided on an “as available” basis and the Exchange makes no representations or warranty as to the availability of the MTS.

5 QUOTING OF ORDERS

- 5.1 An Order is valid from the time of registration in the ETS in accordance with this Section 5, until it is matched, cancelled or amended (provided that the amendment does not only imply reduction of Order Volume) as specified in Section 5.2, or has expired pursuant to its individual Order specification.

- 5.2 Amendments to or cancellations of Orders become effective when such are registered in ETS. This also applies to amendments and cancellations submitted to MTS, which are registered in ETS by MTS on the Exchange Member’s behalf. The MTS will endeavour to register any such amendments and cancellation in a chronological order.

- 5.3 The Exchange generally accepts the following Order types in Exchange Listed Products:

Fill-and-kill Order An Order to be matched immediately at the Order Price or better for as much of the Order volume as possible, and otherwise cancelled.

Fill-or-kill Order An Order to be matched immediately at the Order Price or better for the whole Order volume, and otherwise cancelled.

Hidden Volume An Order where only part of the Order volume shall be displayed in ETS.

Visible Volume The part of a Hidden Volume Order that shall be displayed in ETS.

Limit Order An Order to be matched at the Order Price or better for as much of the Order volume as possible, and otherwise cancelled at the end of Opening Hours the relevant Bank Day.

Market Order An Order to be matched immediately at best available price for as much of the Order volume as possible, and otherwise cancelled.

Linked Orders Orders where a combination of maximum ten orders are combined with an exclusive condition on the maximum volume level. The volume of all legs are reduced proportionally when one of the legs are traded.

Stop Order Order that is submitted automatically as a Limit Order or Market Order once a certain price condition of an Instrument is met. The price condition is predefined by the User.

- 5.4 All Orders shall include the following information to be valid:

- a. The identity of the Exchange Member making the Order;
- b. The Series Designation of the applicable Series;
- c. Whether the Order is a Bid or an Offer;
- d. The Order volume;
- e. The Order Price;
- f. The Order type;
- g. Possible combination terms in accordance with Section 5.5 below;

- h. The Hidden Volume and the Visible Volume (if Hidden Volume is not specified the entire Order will be deemed Visible Volume);
- i. If applicable and/or desirable: Any additional information as mandated and/or allowed by (i) the Trading Rules (including the Market Conduct Rules) and/or (ii) the prevailing functionality of the ETS.

In case of Orders registered through the ETS, the functionality of the ETS will automatically validate that this Section 5.4 is fulfilled for all Orders registered.

5.5 Exchange Members may register Combination Orders provided that:

- a. The price of Combination Orders shall be specified as a joint net price;
- b. The Exchange may from time to time set limits, restrictions and conditions to the registration of Combination Orders; and
- c. The Exchange may identify a Combination Order as such in the ETS, visible to all Exchange Members.

5.6 Notwithstanding any other provisions of the Trading Rules, the Exchange reserves the right, in its sole discretion and without prior notice to the relevant Exchange Member, to reject, cancel or refuse to display or match any Order which in the Exchange's determination would contravene the Trading Rules or applicable law. Any such decision should be reasonably founded, and the Exchange shall notify the relevant Exchange Member immediately after such decision has been made.

6 RANKING AND MATCHING OF ORDERS

- 6.1 A registered Bid or Offer shall normally become matched, and a corresponding Exchange Transaction shall be created, upon the registration in the ETS of (i) an Offer with corresponding or lower Order Price than the Bid or (ii) a Bid with corresponding or higher Order Price than the Offer. In respect of Combination Orders, matching depends on the individual criteria set for the Combination Order and matching will normally not occur until the entire Combination Order is matched.
- 6.2 Orders are principally ranked and matched by Order Price. Orders with the same Order Price are ranked and matched by their time of registration.
- 6.3 When the Visible Volume of an Order with a Hidden Volume is matched, the ETS will automatically restate the Visible Volume until the full Order volume is matched. The time of registration shall, for the purpose of Section 6.2, be when the Visible Volume is restated.
- 6.4 The changing of a registered Order with respect to a decrease in volume, extension of its validity, or a change of the identity of the client (portfolio designation) shall be deemed an adjustment of the registered Order and does not affect ranking. Other changes to registered Orders such as changes to the Order Price or increase in Order Volume shall be deemed a new Order (and the original Order shall be deemed cancelled).
- 6.5 Section 6.4 is subject to the functionality of the Client Application used for submitting Orders and the Trading System may offer different functionality in respect of specific Order methods. For example, all changes to Orders submitted through the price quotation functionality of the Standard Client will be deemed a new Order (and the original Order shall be deemed cancelled).

7 BLOCK TRADES

- 7.1 The Exchange may designate from time to time those Block Trade Contracts that are eligible for being traded as Block Trades.
- 7.2 Block Trades may be submitted only during Exchange Opening Hours and on such Bank Days as the Exchange may from time to time prescribe.

- 7.3 Any Exchange Member is permitted to arrange and submit Block Trades through the Exchange's Block Trading Facility, provided only that such Exchange Member maintains all necessary Required Authorisations, obtains all necessary consents and executes such documentation as required by the Exchange from time to time.
- 7.4 Any Exchange Member arranging Block Trades must comply with all laws and regulations applicable to it.
- 7.5 Block Trades are arranged in accordance with, and are subject to, the Trading Rules, including the Block Trade Facility Procedures. For the avoidance of doubt, Block Trades are not organised or executed through the ETS.
- 7.6 The Exchange shall determine and publish from time to time the minimum number of lots (i.e., minimum volume threshold) in respect of each Block Trade Contract that must be met or exceeded by a party to a Block Trade.
- 7.7 Exchange Members may arrange a Block Trade which involves the trading of two or more different Block Trade Contracts or a Block Trade in the same Block Trade Contract that involves the trading of two or more different contract months and/or strike prices, provided that each relevant side/leg of such Block Trade meets or exceeds the minimum volume threshold for such Block Trade Contract.
- 7.8 The Exchange may, in its sole and absolute discretion, determine from time to time a lower minimum volume threshold for Block Trades that involve novel or complex trading strategies.
- 7.9 Exchange Members may not aggregate separate Block Trades for purposes of meeting or exceeding the minimum volume thresholds. Exchange Members may aggregate separate Block Trades provided each such separate Block Trade meets or exceeds the minimum volume threshold for the relevant Block Trade Contract.
- 7.10 Exchange Members must ensure that the price of any Block Trade being quoted represents the "fair market value price" for that trade, defined as the price considered to be the best available for a trade of that size and kind at that time.
- 7.11 Prices of Block Trades will not be included in the determination or calculation of any Daily Fix amounts.
- 7.12 Once a Block Trade has been agreed, the parties must submit the Block Trade details to the Exchange in accordance with the Block Trade Facility Procedures.
- 7.13 Any decision by the Exchange not to record or accept a Block Trade or not to submit the Block Trade for Registration at the Clearinghouse is final.

8 EXCHANGE OF FUTURE FOR PHYSICAL ("EFP") AND EXCHANGE OF FUTURES FOR SWAP ("EFS")

- 8.1 The Exchange may designate from time to time those Contracts in respect of which EFPs or EFSs may take place.
- 8.2 EFPs and EFSs may be reported only during the Exchange Opening Hours and on such Bank Days as the Exchange may from time to time prescribe.
- 8.3 Any Exchange Member is permitted to arrange and submit EFPs and EFSs through the Exchange's Block Trading Facility, provided only that such Exchange Member maintains all necessary Required Authorisations, obtains all necessary consents and executes such documentation as required by the Exchange from time to time.
- 8.4 Any Exchange Member arranging EFPs or EFSs must comply with all laws and regulations applicable to it.

- 8.5 EFPs and EFSs are arranged in accordance with, and are subject to, the Trading Rules, including the Block Trade Facility Procedures. For the avoidance of doubt, EFPs and EFSs are not organised or executed through the ETS.
- 8.6 Once an EFP or EFS has been agreed, the parties must submit the EFP or EFS details to the Exchange in accordance with the Block Trade Facility Procedures.
- 8.7 Any decision by the Exchange not to record or accept an EFP or EFS or not to submit the EFP or EFS for Registration at the Clearinghouse is final.

9 TRANSACTION CONFIRMATION AND CLEARING

- 9.1 Upon conclusion of an Exchange Transaction in ETS or MTS, the involved Exchange Members (and the Clearinghouse) will immediately after matching receive a Transaction Confirmation through the ETS or MTS. Upon registration of a Block Trade, EFP or EFS by the Exchange, the involved Exchange Members (and the Clearinghouse) will immediately receive a Transaction Confirmation through the Trading System.
- 9.2 Exchange Transactions are automatically and mandatory subject to Clearing. The further registration process and completion of the Clearing Transaction is subject to the provisions of the Clearing Rules.
- 9.3 Protests concerning clearing registration errors may be made in accordance with, and within the time limit provided in, the Clearing Rules. Any changes or cancellation to a Transaction pursuant to the Clearing Rules will trigger a corresponding change or cancellation of the registered Transaction in the Trading System.

10 AVAILABILITY OF THE EXCHANGE MEMBER

- 10.1 Once an Exchange Member has submitted an Order or entered into an Exchange Transaction, the relevant Authorized Trader or Contact Person shall be available to be contacted by telephone (i) at all times for as long as the Order is valid and (ii) for a period of ten (10) minutes following the relevant Contract Time.

11 ETS TRADING ERRORS

- 11.1 Exchange Members must submit any claims for trading errors in ETS to MTS as soon as possible and no later than two (2) minutes from registration of the relevant Exchange Transaction in ETS.
- 11.2 Subject to a valid claim in accordance with Section 11.1, the following shall apply:
 - a. The disputed Exchange Transaction shall be cancelled to the extent it exceeds the Volume Limit.
 - b. To the extent the disputed Exchange Transaction is within the Volume Limit, and provided that the Exchange Transaction was matched at a time when at least one Market Maker was operative in the applicable Series, the following shall apply:
 - (i) To the extent the disputed Exchange Transaction has a lower Contract Price than the best Bid price then registered in ETS less the Deviation Margin it shall be cancelled.
 - (ii) To the extent the disputed Exchange Transaction has a higher Contract Price than the best Offer price added the Deviation Margin it shall be cancelled.
 - c. To the extent the disputed Exchange Transaction is within the Volume Limit, and provided that the disputed Exchange Transaction was matched at a time when no Market Makers were operative in the applicable Series, the following shall apply:
 - (i) The Exchange shall set a synthetic marked spread based on theoretical Bid and Offer prices to be provided by not less than three (3) independent Exchange Members and/or (ii) by the Exchange itself, calculated from the market situation

at the time of the relevant Exchange Transaction and applying the relevant Market Maker Spread.

- (ii) Subject to Section (i) above, the synthetic marked spread shall be set by subtracting the Deviation Margin from the average Bid price and adding the Deviation Margin to the average Offer price.
 - (iii) To the extent the disputed Exchange Transaction has a Contract Price below or exceeding the synthetic market spread it shall be cancelled.
- d. Without prejudice to the other provisions of this Section 11.2, the Exchange shall on an anonymous basis contact the other affected Exchange Member(s), in which case the disputed Exchange Transaction shall be cancelled to the extent the affected Exchange Member(s) agree to such cancellation.
- 11.3 Subject to a valid claim in accordance with Section 11.1, but regardless of the conditions set out in Section 11.2, an Exchange Transaction shall be cancelled if so requested by a Market Maker involved in the Exchange Transaction, provided that the Exchange Transaction is caused by the Market Maker's simultaneous registration or change of several Orders. Notwithstanding the foregoing, the Exchange shall have the right to uphold such Exchange Transactions if it deems that the Market Maker has acted recklessly in placing such Orders.
- 11.4 If an Exchange Transaction resulting from a Combination Order is cancelled in accordance with Section 11.2 (a)-(c) or 11.3 above, other Exchange Transaction(s) resulting from the same Combination Order shall be automatically cancelled as well.
- 11.5 Notwithstanding any other provision of this Section 11, but subject to the Error Correction Deadline, the following shall apply:
- a. The Exchange may in its own discretion decide to cancel or uphold an Exchange Transaction involving only one Exchange Member.
 - b. The Exchange may in its own discretion on an anonymous basis contact the other affected Exchange Member(s), in which case the Exchange Transaction shall be cancelled to the extent the affected Exchange Member(s) agrees to such cancellation.
 - c. The Exchange may cancel or, subject to issuance of a new Transaction Confirmation, rectify an Exchange Transaction if the Exchange finds it unreasonable to uphold the Exchange Transaction based on the information available to it and provided that the Exchange has endeavoured to contact all Exchange Members involved prior to such decision.
 - d. The Exchange may in its sole discretion cancel Exchange Transaction that due to a technical error in the ETS has been matched outside Opening Hours, unless otherwise specifically agreed with the Exchange Members involved.
- 11.6 The Exchange shall immediately inform the involved Exchange Member(s), and to the extent reasonably practicable other Exchange Members, of any cancellations through the ETS and such other methods of communication as the Exchange finds appropriate from time to time.
- 11.7 The Exchange reserves the right to charge a complaint fee of EUR 500 for any claim for trading errors submitted to the MTS, regardless of whether the disputed Exchange Transaction is cancelled or not.

12 MTS, BLOCK TRADES, EFP AND EFS TRADING ERRORS

- 12.1 The provisions of this Section 12 shall apply in the event of (a) a claim for trading error involving an Order registered by the MTS on behalf of an Exchange Member in accordance with Section 4.2, provided that the relevant Exchange Transaction is not cancelled in accordance with the provisions set out in Section 11, (b) a claim for trading error involving a Block Trade registered in accordance with Section 7, or (c) a claim for trading error involving an EFP or EFS registered in accordance with Section 8.

- 12.2 In the case of a claim for trading error involving an Order registered by the MTS on behalf of an Exchange Member in accordance with Section 4.2, the relevant Exchange Member, on whose behalf the Exchange has registered the Order in ETS, may as soon as possible and no later than ten (10) minutes after the relevant Exchange Transaction was registered in the ETS, submit a claim for trading error to the MTS.
- 12.3 In the case of a claim for trading error involving a Block Trade registered in accordance with Section 7, any Exchange Member who has registered the Block Trade in the Block Trade Facility, may as soon as possible and no later than ten (10) minutes after the relevant Exchange Transaction was registered in the Block Trade Facility, submit a claim for trading error to the MTS.
- 12.4 In the case of a claim for trading error involving an EFP or EFS registered in accordance with Section 8, any Exchange Member who has registered the EFP or EFS in the Block Trade Facility, may as soon as possible and no later than ten (10) minutes after the relevant Exchange Transaction was registered in the Block Trade Facility, submit a claim for trading error to the MTS.
- 12.5 Upon receipt of a claim in accordance with Section 12.2, the Exchange shall effect such investigations as it in its own discretion deems necessary to decide whether MTS has registered the Order (i) in accordance with the Exchange Member's instructions, in which case the claim will be dismissed, or (ii) in contradiction to the Exchange Member's instructions, in which case the following procedures shall apply:
- a. If the claim concerns a lower Contract Price than the Exchange Member would have obtained if the Order had been registered in accordance with the Exchange Member's instructions, the Exchange shall, subject to the Exchange's own discretion, either (i) assume the relevant Exchange Member's position in the relevant Contract and carry out a Close-Out Transaction at the best obtainable price or (ii) pay to the Exchange Member a compensation equivalent to the price difference.
 - b. If the claims concerns an Order registered with the wrong Exchange Member, the Exchange shall rectify the error by transferring the Exchange Transaction to the correct Exchange Member.
- 12.6 If an Exchange Member has received a Transaction Confirmation where no matching have in fact taken place, the Exchange shall, subject to the Exchange's own discretion, either (i) provide a Matching Order establishing an Exchange Transaction corresponding to the incorrect Transaction Confirmation or (ii) immediately match the Order at the best obtainable price, and if applicable, pay to the Exchange Member a compensation equivalent to the price difference.
- 12.7 Upon receipt of a claim in accordance with Section 12.3 or 12.4, the Exchange shall effect such investigations as it in its own discretion deems necessary to decide whether the Exchange has registered the Block Trade, EFP or EFS (i) in accordance with the Exchange Member's instructions, in which case the claim will be dismissed, or (ii) in contradiction to the Exchange Member's instructions, in which case the Exchange shall rectify the error, which may include transferring the Exchange Transaction to the correct Exchange Member, or correcting any details of the trade.
- 12.8 Section 12.5, 12.6 and 12.7 shall not apply in the event the affected Exchange Member fails to notify MTS immediately after he, in the Exchange's opinion, understood or ought to have understood that an error was made by MTS.
- 12.9 If an Exchange Transaction reported as an "off-market transaction" categorised as a Combination is cancelled in accordance with Section 12.5 or 12.7 above, other Exchange Transaction(s) within the same Combination shall be automatically cancelled as well.
- 12.10 Notwithstanding any other provision of this Section 12, but subject to the Error Correction Deadline, the following shall apply:
- a. The Exchange may in its own discretion decide to cancel or uphold an Exchange Transaction involving only one Exchange Member.

- b. The Exchange may in its own discretion on an anonymous basis contact the other affected Exchange Member(s), in which case the Exchange Transaction shall be cancelled to the extent the affected Exchange Member(s) agrees to such cancellation.
- c. The Exchange may cancel or, subject to issuance of a new Transaction Confirmation, rectify an Exchange Transaction if the Exchange finds it unreasonable to uphold the Exchange Transaction based on the information available to it and provided that the Exchange has endeavoured to contact all Exchange Members involved prior to such decision.
- 12.11 The Exchange reserves the right to charge a complaint fee of EUR 500 for any claim for trading errors submitted to the MTS, regardless of whether the disputed Exchange Transaction is cancelled or not.
- 12.12 If an Exchange Transaction is changed in accordance with the provisions set out in this Section 12, the Exchange shall immediately issue an updated Transaction Confirmation in accordance with Section 9.1, and the previous Transaction Confirmation shall be deemed void.

13 DEVIATION MARGIN AND VOLUME LIMITS

- 13.1 The Deviation Margin is 2% (two per cent) of the best Bid or Offer price in ETS at the time of the Exchange Transaction, provided that the Deviation Margin shall never be less than the minimum Deviation Margin threshold set out below.
- 13.2 The minimum Deviation Margin thresholds (in the currency of the Product) and Volume Limits (in the applicable volume unit) are as follows:

Product	Deviation Margin	Volume Limit
Electricity Contracts	EUR/GBP	MW
Day Contracts	1.00	300
Week Contracts	0.50	150
Month Contracts	0.50	100
Quarter Contract	0.50	60
Season Contracts	0.40	45
Year Contracts	0.25	30
"EPAD" Year Contracts	0.40	30
"EPAD" Quarter Contracts	0.40	30
"EPAD" Month Contracts	0.40	60
Options Contracts	0.03	100
Natural Gas Contracts	GBP	therms
Day Contracts	0.20	500 000
Week Contracts	0.20	250 000
Month Contracts	0.10	170 000
Quarter Contracts	0.10	100 000
Season Contracts	0.10	75 000
Allowance Contracts	EUR	tCO2
All EUA and CER Contracts	0.10	100 000
Electricity Certificates (EI-Cert)	EUR	EI-Cert
All EI-Cert Contracts	0.30	100 000

14 SUSPENSION OF TRADING

- 14.1 This Section 14 is in addition to any other provisions relating to suspension of Trading in the Trading Rules.
- 14.2 Suspension of Trading through ETS entails the following in respect of the relevant Series and/or Exchange Member:
 - a. Registration, changes and cancellations of Orders in such Series cannot be carried out and no matching of Orders in such Series will take place.
 - b. All Orders in such Series registered in the ETS will be automatically cancelled.
- 14.3 Without any prejudice to the above, the Exchange reserves the right to continue Exchange Trading provided that a sufficient and significant number of Exchange Members (in the opinion of the Exchange) can still participate in the relevant market. Should the Exchange be unable to suspend Trading through ETS due to technical failure, the Exchange may cancel all Exchange Transactions in affected Series which have been matched after the failed suspension.
- 14.4 The Trading System shall be re-opened with full functions as soon as the event that led to suspension in the opinion of the Exchange no longer persists.
- 14.5 The Exchange shall give the Exchange Members (i) immediate notice of suspension of Trading and (ii) at least five minutes' prior notice of re-opening of Trading, through the ETS and/or such other means of communication as the Exchange deems efficient and appropriate given the circumstances.
- 14.6 If Trading is suspended through ETS, the Exchange has the right to also suspend trading through the Block Trade Facility.
- 14.7 Suspension of Trading through MTS or the Block Trade Facility does not affect Trading through ETS, unless otherwise specifically stated.

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