Dear all,

This is to inform you of upcoming amendments to the Exchange Rules of NASDAQ OMX Derivatives Markets (the “FIN Exchange Rules”) and the Clearing Rules of NASDAQ OMX Derivatives Markets (the “FIN Clearing Rules” and together with the FIN Exchange Rules, the “FIN Rules”). The amendments mainly relate to new products and changes to the method of reporting certain existing commodities products for trading and clearing.

The amendments presented herein will come into effect during the weekend immediately prior to, and at the latest upon, the completion of the merger of NOS Clearing ASA (“NOS”) into NASDAQ OMX Clearing AB (“NOMX”) planned to Monday 7 April 2014, subject to regulatory consent.

This is an updated version of a notice distributed on 22 October 2013. In addition to what was included in that notice, this notice includes information about the new contract specifications, updates to the Quotation List and a new template COM Non Exchange Trading Broker Agreement.

Please note that the amendments referenced herein are subject to change, including following further discussions with relevant regulatory authorities.

Background

In connection with the merger of NOS into NOMX, a number of new products will be cleared by NOMX (which were previously cleared by NOS). In addition, the method of reporting certain existing commodities products to NASDAQ OMX Oslo ASA and NASDAQ OMX Stockholm AB will be changed. These changes are described in the Trade Reporting Service Description, available here:

09-14 NOMXC Transaction Types Service Description - Adapting to the new regulatory environment ver 3.pdf

While these changes mainly affect the Trading and Clearing Rules of NASDAQ OMX Commodities Markets (the “COM Rules”), these products and new trade reporting services will also be available under the FIN Rules, either via the existing Combined Orderbook1 or via the new Combined COM Block Trade Facility2. Clearing Members will also be able to clear certain transactions which are executed off exchange (currently only in Iron Ore) (“COM Non Exchange Transactions”), and Seafood transactions executed on Fish Pool ASA (“COM Third Party Exchange Transactions”), under the FIN Clearing Rules. These provisions have been inserted into the FIN Clearing Rules to further harmonise the FIN Clearing Rules and the COM Clearing Rules, which both govern clearing carried out by NOMX.

In addition to the amendments described below, new fees will be included in the Fee List (joint appendix 3 to the FIN Rules). Information about such fees will be made available separately.

Below follows a summary of the changes that are being made to the FIN Rules:

---

1 This is an existing offering from the exchanges at NASDAQ OMX Stockholm AB and NASDAQ OMX Oslo ASA, which allows exchange members in NASDAQ OMX Stockholm AB to access the commodities orderbook run by NASDAQ OMX Oslo ASA.

2 This is a new offering, under which exchange members in NASDAQ OMX Stockholm AB will be allowed to report Block Trades, EFP and EFS to NASDAQ OMX Stockholm AB.
FIN Exchange Rules

Chapter 1 of the FIN Exchange Rules

Section 1.1.13 This new section has been inserted to address certain U.S. regulatory issues and sets out certain restrictions in respect of trading by or for the account of so-called U.S. Persons.

Section 1.3.3 This section has been inserted to make provision for the Combined COM Block Trade Facility Procedures in the FIN Exchange Rules.

Section 1.3.5/1.3.6 The wording in relation to how trades in the Combined Orderbook are cleared has been moved to section 1.3.6.

Section 1.3.7 A new section has been inserted to describe how transactions entered into the Combined COM Block Trade Facility will be cleared.

Throughout Chapter 1 of the FIN Exchange Rules Where relevant, references to the Combined COM Block Trade Facility have been added where reference was previously made to the Exchange’s trading facility, as this only encompasses EMP and MPS.

Chapter 2 of the FIN Exchange Rules

Section 2.5.1 A reference has been added to the Combined COM Block Trade facility, to make it clear that the Exchange will carry out market surveillance in respect of these transactions.

Section 2A.1 This section has been amended to make it clear that section 2A does not apply to Exchange Transactions entered into via the Combined COM Block Trade Facility (instead, a new section 2B applies to these transactions).

Section 2A.12 This section has been removed as the previously used COM OTC Transactions will be migrated into COM Block Trades after the NOS merger.

Section 2B A new section 2B has been inserted to outline the rules in relation to the use of the new Combined COM Block Trade Facility. This includes a new section 2B.1 on submission of COM Block Trades, a new section 2B.2 on submission of COM EFP and COM EFS, and a new section 2B.3 on what information must be reported in relation to these new transactions, a new section 2B.4 on the procedure to be followed in the event of suspected registration errors in relation to COM Block Trades, COM EFP or COM EFS, a new section 2B.5 on how these transactions are cleared, and a new section 2B.6 on what happens if one of these transactions is not accepted for clearing. Section 2B is based on equivalent provisions in the COM Rules.

NEW Appendix 13 Combined COM Block Trade Facility Procedures

This appendix sets out the procedure the Exchange will follow when registering COM Block Trades, COM EFP and COM EFS under the Combined COM Block Trade Facility, and is based on the equivalent appendix under the COM Rules.

FIN Clearing Rules

Chapter 1 of the FIN Clearing Rules

Section 1.1.13 This new section has been inserted to address certain U.S. regulatory issues and sets out certain restrictions in respect of clearing by or for the account of so-called U.S. Persons.

Section 1.4 This section has been amended to insert the new Combined COM Block Trade Facility, and describe how transactions entered into such facility are cleared.

Section 1.6.2.3 This section has been amended to ensure NOMX has the right to send information to any COM Third Party Exchange (currently only Fish Pool) without breaching its confidentiality obligations towards members.
Chapter 2 of the FIN Clearing Rules

Section 2.1.1 The Commodities Sub-Market has been included in the description of the markets cleared under the FIN Clearing Rules.

Section 2.1.8 The description of how transactions are registered has been updated for the three new transactions types (i.e. transactions entered through the Combined COM Block Trade Facility, COM Non Exchange Transactions and COM Third Party Exchange Transactions).

Section 2.1.9 This section has been removed as the previously used COM OTC Transactions will be migrated into COM Block Trades after the NOS merger (as further described in the Trade Reporting Service Description).

Section 2.4.3 This section has been amended to match the wording used in COM Clearing Rules.

Section 2.4.4 The wording that was previously in this section in relation to COM OTC Transactions has been removed as these transactions will be migrated into COM Block Trades (please see section 2.1.9 above).

Section 2.4.4b/2.4.4c A new section has been added stating that COM Third Party Exchange Transactions are subject to clearing pursuant to the COM Third Party Exchange Transaction Clearing Procedures.

Section 2.4.4d/2.4.4e A new section has been added stating that COM Non Exchange Transactions are subject to clearing pursuant to the COM Non Exchange Transaction Clearing Procedures.

Section 2.4.10 As the COM Clearing Procedures contain provisions in relation to timing of registration, transactions subject to these procedures have been carved out of this section.

Section 2.4.11 As the COM Clearing Procedures contain provisions in relation to when NOMX will accept transactions for clearing, transactions subject to these procedures have been carved out of this section.

Section 2.5.1a/2.5.1b A new section has been added stating that Transactions that are entered into through the Combined COM Block Trade Facility are subject to clearing pursuant to the COM Block Trade, COM EFP and COM EFS Clearing Procedures.

Section 2.5.4 As the COM Clearing Procedures contain provisions in relation to when NOMX will accept transactions for clearing, transactions subject to these procedures have been carved out of this section.

Section 2.7.2/2.7A This section has been amended to ensure that it does not apply to COM Block Trades, COM EFS, COM EFP, COM Non Exchange Transactions and COM Third Party Exchange Transactions. A new section 2.7A has been added to cover Reregistration, Give Up and Take up of such transactions.

Sections 2.10.7/2.10.9 These sections have been amended to allow the NOMX time to process Protests before the close of the Clearing System on Expiration Days and to harmonise them with the COM Clearing Rules.

Section 2.11 The provisions have been updated to reflect that settlement in US dollars will be covered by NOMX’s normal settlement procedures and arrangements. References to El-Certs have been inserted where relevant in the provision on Allowances and El-Cert Delivery procedures. In addition a number of editorial changes have been made.

Chapter 3A of the FIN Rules – Contract Specifications

The existing commodities-related contract specifications have been moved over to a separate document and the new products which NOMX will start clearing following the merger have been included using the same format as for the old ones. The contracts which are only clearing listed (currently seafood and iron ore contracts) have been given a separate section below the exchange listed and clearing listed ones. All commodities-related contract specifications, new and old, mirror the contract specifications included in the COM Rules.

Appendix 2 Quotation List

Quotation lists for all new products: freight, fuel oil, iron ore and seafood, have been included.
Appendix 4 Trading and Accessibility Hours
The Trading and Accessibility Hours appendix has been amended to reflect the new products. In addition, information about trading and accessibility hours for Russian depositary receipt-related products has been removed, since these products are no longer listed.

New Appendix 10 Non Exchange Trading Broker Agreement
A new Non Exchange Trading Broker Agreement is introduced. The agreement is used for brokers submitting COM Non Exchange Transactions, currently only transactions in iron ore contracts, on behalf of clearing members.

Old Appendix 10 COM Broker Agreement will be removed and will no longer be used as current COM OTC Transactions will be migrated into COM Block Trades after the NOS merger.

Appendix 16 Default Fund Rules
These have been updated to add a Seafood Default Fund in addition to the current Financial Default Fund and Commodity Default Fund. Appendix 18 (Default Fund Requirements) has been moved into this Appendix as a schedule.

NEW Appendix 22 COM Block Trade, COM EFP and COM EFS Clearing Procedures
This appendix sets out the procedure NOMX will follow when registering COM Block Trades, COM EFP and COM EFS for clearing, and is based on the equivalent appendix under the COM Clearing Rules.

NEW Appendix 23 COM Third Party Exchange Transaction Clearing Procedures
This appendix sets out the procedure NOMX will follow when registering COM Third Party Transactions for clearing, and is based on the equivalent appendix under the COM Clearing Rules.

NEW Appendix 24 COM Non Exchange Clearing Procedures
This appendix sets out the procedure NOMX will follow when registering COM Non Exchange Transactions for clearing, and is based on the equivalent appendix under the COM Clearing Rules.

Definitions
Certain defined terms have been added, removed and/or updated to reflect the changes in other sections.

[end]