COM BLOCK TRADE, COM EFP AND COM EFS CLEARING PROCEDURES

1. Application

1.1. These COM Block Trade, COM EFP and COM EFS Clearing Procedures contain detailed provisions on the registration and processing of COM Clearing Requests in respect of COM Block Trades, COM EFP and COM EFS, and form an integral part of the Clearing Rules.

2. Submittal of COM Clearing Requests

2.1. COM Block Trades, COM EFP and COM EFS are automatically subject to Clearing pursuant to the Exchange Rules.

2.2. The Exchange will provide the Clearing House with information of all COM Block Trades, COM EFP and COM EFS registered in the Combined Block Trade Facility, including the terms of each such Transaction and the Clearing Members, Customers and COM Clearing Members involved. Such notification by the Exchange shall constitute a COM Clearing Request.

3. Registration of COM Block Trades/COM EFP and COM EFS

3.1. Registration of COM Block Trades and COM EFP or COM EFS for Clearing shall be carried out in accordance with this section.

3.2. The Clearing House decides in its sole discretion whether or not to approve a COM Clearing Request on a continuous and revolving basis. The Clearing House shall not become counterparty to any such COM Block Trade, COM EFP, COM EFS or COM Clearing Request, and will only be Counterparty to the corresponding Contract(s) when it has been Recorded following Registration.

3.3. Two hours (120 minutes) after the registration of a COM Clearing Request in the Clearing System, the Clearing House shall decide:

a. to approve the COM Clearing Request, Register the relevant Transaction and Record the corresponding Contract; or

b. to reject the COM Clearing Request, in which case the Clearing Members and COM Clearing Members involved (or their nominees) shall be informed of the decision immediately.

3.4. The Clearing House reserves the right to reject, cancel or refuse to approve any COM Clearing Request which in the Clearing House’s determination would contravene sound clearing operations, the Clearing Rules, applicable law, or where there is another reasonable foundation for rejection.

3.5. If a decision to reject has not been made according to Section 3.3, the COM Clearing Request shall after two hours (120 minutes) be deemed approved and the relevant Transaction Registered, and the relevant Contract(s) shall be Recorded. A COM Clearing Request received by the Clearing House during Clearing House Opening Hours shall be processed and (unless rejected) Registered on the same Bank Day. Chapter 2 of the Clearing Rules contain provisions regarding errors in the Registration process.