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BlueNext  
**Market Rules**

2011

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**BOOK 1:**

**COMMON PROVISIONS**

## **Section 1: General provisions**

### **Article 1. Definitions**

Accession Agreement	Agreement signed by the Trading Member/Offeror, a Settlement Bank, the Cash Account Administrator and BlueNext whereby a Trading Member/Offeror has access to a Cash Account through a Settlement Bank.
Accession Form	Form signed by each Applicant to BlueNext Spot or BlueNext Derivatives by which the Applicant accedes to the Market Rules and undertakes to comply with them, in its present capacity and in its future capacity as Member.
Allowance	Unit that permits emission of one ton of carbon dioxide equivalent during a specified period as defined by Directive 2003/87/EC of the European Parliament and the Council.
Product Account	Any account meeting the criteria set forth in Decision 13/CMP.1 Annex II, A, sections 21 and 22, dedicated exclusively to the Member's activity on the Market, and on which any Delivery is made. A Member can hold one or more Product Accounts.
Product Account Agreement	Agreement on opening and maintaining an Product Account in the Registry Administrator's books.
Amount	Monetary value of an Order including Value Added Tax (VAT), as applicable.
Applicant	Entity that has notified BlueNext of its intention to become a Member.
Authorised Representative	Natural person designated by the Mandate and also the natural persons designated by the client or the counterparty of the Member on the registry form, for the Check of Products.
BlueNext	BlueNext SA, a public limited company under French law ( <i>société anonyme</i> ) with share capital of 31 796 859 euros, registered in the Paris Companies Register under number 434 880 845, having its registered office and its administrative office at 5 boulevard Montmartre, 75002 Paris.
BlueNext Derivatives	Segment of the Market managed by BlueNext for trading in standardised forward financial instruments based on Underlyings that allow emission of greenhouse gases, as defined in the specifications of each Contract.
BlueNext Derivatives Manual	Document distributed as such by BlueNext S.A. including any subsequent modifications thereof, for the purpose of informing

	<p>Members of BlueNext Derivatives or a category of those Members on issues relating to operation of the Market. This document is binding on Members. Unless otherwise indicated in the Market Rules, the BlueNext Derivatives Manual covers only technical and operating aspects of the implementation of principles set forth in the Market Rules or in an Instruction.</p>
BlueNext Spot	<p>Segment of the Market managed by BlueNext for spot trading in Products that stem from international agreements and/or national arrangements for curbing emissions of greenhouse gases and meet the characteristics defined in the BlueNext Spot Manual.</p>
BlueNext Spot Manual	<p>Document distributed as such by BlueNext S.A. including any subsequent modifications thereof, for the purpose of informing Members of BlueNext Spot or a category of those Members on issues relating to operation of the Market. This document is binding on Members. Unless otherwise indicated in the Market Rules, the BlueNext Spot Manual covers only technical and operating aspects of the implementation of principles set forth in the Market Rules or in an Instruction.</p>
Buying Trading Member	<p>Trading Member that has issued an Order to buy Instruments or a buy Order on a Contract.</p>
Caisse des Dépôts	<p>(full name: Caisse des dépôts et consignations) Special public institution established by the law of 28 April 1816, codified in Articles L518-2 <i>et seq.</i> of the Monetary and Financial Code and having its registered office at 56, rue de Lille, Paris 75007, which is in charge of administering the Cash Account and insuring performance of Payment and Delivery.</p>
Cash Account	<p>Deposit account opened with Caisse des Dépôts in the name of the Member or the Settlement Bank, on which Trades are settled.</p>
Cash Account Administrator	<p>Body designated in the BlueNext Spot Manual with which the Trading Member/Offeror or its Settlement Bank opens a Cash Account.</p>
Cash Account Agreement	<p>Contract setting out the terms for opening and operating a Cash Account.</p>
Cash Limit	<p>Amount below which a Match can be validated. This amount is equal to the Current Cash Balance plus the Overdraft Authorisation, if any, as determined in accordance with the Cash Account Agreement. The handling procedures for the Delivery Limit are described in the BlueNext Spot Manual.</p>
CER/EUA Explicit spread	<p>Instrument that makes it possible to trade the price spread between two underlying Instruments. A Trade in this Instrument generates two trades in the underlying Instruments: one each in BlueNext Spot EUA and in BlueNext Spot CER.</p>

Check	The process under which BlueNext checks on the Member's Product Account, within a reasonable timeframe and in accordance to the BlueNext Spot Manual that the Member does not hold Products Transferred by other persons than the Authorised Representative.
Checked Products/ Check of Products	Products for which BlueNext has observed that they have not been transferred without required authorisation from the Registry and for which BlueNext can operate a checking process.
Clearing Member	Individual Clearing Member or general Clearing Member which has signed the Master Agreement with LCH.Clearnet SA for operations on the Market.
Closing Period	Period at the end of a trading session during which the Closing Price is calculated.
Closing Price	Price of an Instrument determined in accordance with the trading manual.
Clearing Price	Price determined in accordance with <b>Article 130</b> of the Market Rules.
Commitment Period Reserve	Obligation of signatory States of the April 2001 Marrakesh Accords, implementing the Kyoto Protocol, to retain a determinate proportion of their units. If this obligation is violated, transfers of units of the State in violation are cancelled.
Community International Transaction Log (CITL)	Community Registry established in accordance with Article 5 of the European Regulation on registries.
Confidential Information	Any information disclosed between BlueNext and the Applicant or Member in carrying out the Market Rules which relates to matters including, without limitation, the discloser's activities, commercial policy, industrial strategy, managerial or organisation plans, concepts, ideas, know-how and techniques, IT applications, any item marked "confidential", and more generally any information or documents of a financial, economic, technical, IT, commercial or internal company nature.
Contract	Forward financial instrument traded on the Market for which the specifications are defined in an Annex to the Market Rules.
Control	The process under which BlueNext checks on the Member's Product Account, within a reasonable timeframe and in accordance to the BlueNext Spot Manual, that the Member does have good title on the Products or does not hold Products that have been surrendered for compliance purposes (as defined under the Commission Regulation 920/2010 for a standardised and secured system of registries).
Control Period	Period after two Orders have been matched during which the Cash Limit and the Delivery Limit on the Instrument in question

	are checked, as described in the Market Rules.
Controlled Products / Control of Products	Products for which BlueNext has checked that they are not referred to on the List (lists communicated by either a national allowances registry or any competent authority).
Counterparty	Party to a Trade.
Credit Institution	Any credit institution as defined in Article 1(1) of Directive 2000/12/EC of the European Parliament and of the Council of 20 March 2000 relating to the taking up and pursuit of the business of credit institutions, with the exception of institutions excluded in Article 2(3) of that directive.
Current Product Account Balance	<p>For a given Instrument at any moment during a Trading Session, the balance in the Product Account before the opening of the Trading Session, determined at a time of day specified in the BlueNext Spot Manual, adjusted to reflect:</p> <ul style="list-style-type: none"><li>(i) on the debit side, sell Orders that have given rise to validated Matches during the Trading Session,</li><li>(ii) on the credit side, buy Orders that have given rise to Deliveries received during the Trading Session,</li><li>(iii) Trades cancelled during the Trading Session,</li><li>(iv) credits to the Product Account not linked to Trades,</li><li>(v) debits to the Product Account not linked to Trades.</li></ul> <p>The credit and debit transactions not linked to Trades mentioned in (iv) and (v) mean transactions that do not directly generate a Trade or result directly from a Trade.</p>
Current Cash Balance	At any moment during a Trading Session, the balance of the Cash Account adjusted to reflect (i) pending debits at the opening of the Trading Session, (ii) Matches validated during the Trading Session and (iii) Trades cancelled during the Trading Session, (iv) debits to the Cash Account not linked to Trades, and (v) credits to the Cash Account not linked to Trades.
Delivery	Transfer of Products effected by debiting the Product Account of the selling Trading Member/Offeror and crediting the Product Account of the buying Trading Member/Offeror, after the corresponding Trades have been formed.
Delivery Limit	For a given Instrument, the quantity of Products in the Product Account of a selling Member below which a Match can be validated. This quantity is equal to the Current Product Account Balance as determined in accordance with the Market Rules. The handling procedures for the Delivery Limit are described in the BlueNext Spot Manual.
Delivery Period	Period of time required for technical reasons to effect the transfer of Products from the selling Trading Member/Offeror to the buying Trading Member/Offeror after a Trade has been formed.
Directive	Directive 2003/87/EC of 13 October 2003 establishing a system for trading greenhouse gas emission allowances within the

	Community and further amending Council Directive 96/61/EC as amended.
Eligibility	Compliance with Article 17 of the Kyoto Protocol by a signatory State.
Expert Committee	Consultative committee set up by BlueNext and composed of experts in charge of issuing recommendations on deliverable Product characteristics, depending of the Instrument to be traded.
Global Vision®	Trading system.
Instruction	Document as distributed by BlueNext S.A. including any subsequent modifications thereof, for the purpose of interpreting or applying these Market Rules or any other purpose intended by them. An Instruction may apply to all Members or to a particular category of Members.
Instrument	Product or combination of Products traded on the Spot Market, for which the specifications are set forth in the BlueNext Spot Manual.
International Transaction Log (ITL)	International transaction registry maintained by the permanent secretariat of the United Nations Framework Convention on Climate Change
IP Rights	All intellectual property rights belonging to BlueNext or its licensors.
Kyoto Protocol	Protocol to the United Nations Framework Convention on Climate Change signed on 11 December 1997, which came into force on 16 January 2005.
LCH.Clearnet SA	Trading name of the Banque Centrale de Compensation, and investment service provider that performs clearing and settlement of payment obligations resulting from Trades made by Members on the Market. On BlueNext Derivatives, LCH.Clearnet acts in the capacity of central counterparty within the meaning of Article L431-7 of the Monetary and Financial Code. LCH.Clearnet SA is the entity responsible for clearing Contracts negotiated on BlueNext Derivatives under the terms and conditions of each type of Contract. LCH.Clearnet SA acts under a clearing agreement with individual Clearing Members, if they clear their own Trades, or as the general clearer designated by them.
Legacy Trade ( <i>Intérêt historique</i> )	Off-Order-Book Interest that may not fall within the Price spread defined by BlueNext in the BlueNext Derivatives Manual. The registration procedures are specified in the BlueNext Derivatives Manual.
Market	Regulated market as defined in Article L421-1 <i>et seq.</i> of the Monetary and Financial Code and described in the Market Rules and any related document.

Market Data	Data on quantities and, if applicable, prices of Products traded as well as any equivalent data and data resulting from processing of these data.
Market Notice	Document in any medium issued by BlueNext for the purpose of communicating with Members or any particular category of Members
Market Order	Order transmitted to BlueNext for execution in the Order Book.
Market Rules	Latest version of this document.
Market Segment	Segment of the Market comprising Products or Contracts whose market, financial or legal characteristics are similar.
Master Agreement for operations on the Market.	Contract between the individual Clearing Member and LCH.Clearnet SA or between the general Clearing Member and LCH.Clearnet SA.
Match Validation	Successful completion of the Control Period checks in accordance with the Market Rules.
Matching or Order Matching	Combining of two opposing performable Orders to result in a Trade.
Maturity	Date on which the Underlying of an Instrument traded on the Market must be delivered.
Member	Entity that has signed an Accession Form, been admitted by BlueNext and granted access to the Market, and whose admission is still in force.
Member of LIFFE	Member of the Euronext Derivatives Markets as defined by the market rules of Euronext <sup>®</sup> . Liffe <sup>®</sup> is the name for the derivatives market activities of Euronext, a subsidiary of NYSE Euronext, in Amsterdam, Brussels, Lisbon, London and Paris.
Minimum Closing Volume	Minimum volume of a Trade or Order that can be taken into account in determining the calculated Closing Price.
Non-MiFID entity	Entity without the right to the MiFID passport, in particular an entity whose registered office is in a Member State of the European Economic Area but one that is not subject to MiFID as well as an entity whose registered office is in a third country, regardless of authorisation or non-authorisation.
Notification	Sending of a registered letter with acknowledgment of receipt requested to the address at which the recipient has elected domicile.
Off-Book Interest	Message by which two Members of BlueNext Derivatives submit two offers on opposite sides of a Contract, at the same Price and

	Quantity as in a transaction negotiated previously by them outside the Order Book. There are two categories of Off-Book Interests: OTC Interests and Legacy Trades.
Offeror	Entity that has signed an Accession Form, been admitted by BlueNext and authorised to buy or sell Products.
Offeror Non Member	A State, the European Commission or any other officially designated body, or any person acting on their behalf, in the framework of the implementation of the European and international climate policy having signed an Application Form and having been authorised by Bluenext to offer to buy or sell Products.
Open Position	Obligation of a Clearing Member either to pay or to deliver Financial Instruments to LCH.Clearnet SA, recorded by LCH.Clearnet SA in the Clearing Member's name and resulting from an agreed Trade for the account of the Clearing Member or a third party.
Order	Offer to contract that specifies the Instrument, the price and the quantity for which the Trading Member/Offeror agrees to make a Trade. Orders are either Market Orders or OTC Orders.
Order Book	Centralised record in the Trading System of buy and sell Orders on the Market.
OTC Interests	Messages by which Authorised Brokers submit offers to enter into a contract on opposite sides of a transaction negotiated previously outside the Order Book.
OTC Interests Registration System	BlueNext system for registration of OTC Interests and OTC Orders.
OTC Order	Order transmitted to BlueNext for execution with a preselected Counterparty.
OTC Order Matching	Combining of two opposing performable OTC Orders.
Overdraft authorisation	On a Cash Account, the permissible overdraft agreed either between Caisse des Dépôts and the Member or between Caisse des Dépôts and the Settlement Bank.
Participant	Trading Member authorised to participate in an Offer.
Party	BlueNext or the Member.
Payment and Delivery	Settlement operation in which the Price is paid and the Products are delivered as described in the Market Rules.
Payment and Delivery Commission	Fees charged to Members by BlueNext for the services rendered to those Members in providing access to the Payment and Delivery System.

Pre-opening	Phase preceding the Trading session during which the Member may adjust its position in the Order Book (enter new Orders, change or delete current Orders) before Matching of Orders begins, and thus without giving rise to a match.
Price	Monetary amount in euros at which a Trade is agreed.
Price Committee	Consultative body defined in the Market Rules.
Primary Delivery Registry	Registry defined in the trading manuals.
Product	Any unit that permits emission of a quantity of carbon dioxide equivalent (such as a certificate, quota, etc.), defined under the Kyoto Protocol, international regulations, European Directives or national law, which is admitted for delivery in fulfilment of Trades made on the Market. The list of admitted Products is published in the trading manuals. .
Quantity	Whole number of Products involved in a Transaction.
Quotation	Confrontation of buy Orders and sell Orders.
Quotation Period	Period of time during which an Instrument is available for Trading.
Quotation Provider	Trading Member that undertakes to enter buy and sell Orders with a view to improving liquidity in the Market.
Reference Price	Traded price used to determine the prices of the underlying Instruments of an Explicit Spread Instrument. The Reference Price can be determined on the basis of the last traded price observed for the underlying Instruments or by BlueNext, as described in the BlueNext Spot Manual.
Registering Broker, Authorised Broker, Broker	Entity that has signed an Accession Form, been admitted by BlueNext, and been authorised to register OTC interests.
Registration	Entering of OTC Interests by the Authorised Broker, or entering of an OTC Order by the Trading Member, into the OTC Interests Registration System and validation of those entries by the relevant Trading Members.
Registration Commissions	Component of Trading Commissions. Fees charged by BlueNext for registering Trades with LCH.Clearnet SA.
Registry	Technical interface for delivery of Products, operated by a Registry Administrator.
Registry Administrator	Body designated by BlueNext that has been assigned by a State to administer its national Registry and thus its Product Accounts.
Regulation EC	Commission Regulation (EC) No. 920/2010 for a standardised and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision No. 280/2004/EC of the European Parliament and of the Council.

Rules Committee	This consultative committee set up by BlueNext is composed of experts charged with issuing recommendations on significant changes in the Market Rules, where the changes do not result directly from applicable laws and regulations.
Secondary Delivery Registry	Backup registry defined in the BlueNext manuals, for use in the event of malfunction of the Primary Delivery Registry.
Selling Trading Member	Trading Member that has issued an Order to sell Instruments or a sell Order on a Contract.
Settlement Bank	Credit institution chosen by a Member who has opened a Cash Account with Caisse des Dépôts under a Cash Account Agreement.
Systems	OTC Interests Registration system and Trading System.
TARGET	Trans-European Real Time Gross settlement Express Transfer system of the European Central Bank.
Tick	Smallest unit of variation in the Price of an Instrument.
Trade	Contract entered into on the Market, for which the specifications and procedures are defined in the Market Rules.
Trading	Tallying and processing the Orders of buying Trading Members and selling Trading Members.
Trading Account	Account in which BlueNext records the Trades effected by Members on the Market.
Trading Commission	Fees charged to Members by BlueNext for the services rendered to those Members in providing access to the Trading System.
Trading Session	Period of time during which Orders are matched.
Trading System	Electronic system managed by BlueNext that enables Members to trade Instruments on the Market.
Trading unit	Delivery unit of a Product.
Transfer	Realisation of a transfer of unit allowing emission of carbon dioxide equivalent (certificates, allowances,...) in accordance to the national law applicable to the Registry Administrator (as defined under the Commission Regulation 920/2010 for a standardised and secured system of registries).
Underlying	Tradable good to be delivered in fulfilment of a Trade made on the Market.

## Article 2. **Market Rules**

The Market Rules establish the conditions on which:

- BlueNext exercises its functions, which include ensuring proper operation of the regulated market;
- Members are admitted to the Market and trade on the Market;
- BlueNext, the Registry Administrator, the Cash Account Administrator, and the Clearing House perform their respective roles.

The BlueNext Spot Manual and the BlueNext Derivatives Manual, the trading manuals, set forth the applicable market procedures and are communicated by Market Notice.

BlueNext communicates with Applicants and Members to provide:

- these Market Rules and any subsequent amendments to them;
- Market Notices and Instructions that clarify the provisions of the Market Rules, including the BlueNext Spot and BlueNext Derivatives manuals;
- any other decisions or configuration data.

BlueNext may create segments of the Market it manages, basing such segments on uniform criteria such as market, financial or legal characteristics.

Communications to Members are effected by means of Market Notices.

BlueNext can change the Market Rules in the interests of the Market. Where the changes are significant and do not result from applicable laws and regulations, BlueNext consults the Rules Committee. Amendments to the Rules are announced to Members by Market Notice at least five (5) calendar days before their effective date. On the effective date, the Market Rules are deemed to have been accepted by the Members.

In the event that a Member refuses to accept the amended Market Rules, that Member must so notify BlueNext before the amendments take effect. Unless otherwise agreed between the Parties, the Member then loses its status as Member as of the effective date of the amended Rules, unless the Parties agree jointly to an earlier date.

### **Article 3. Contractual relations**

Relations between BlueNext and Members are contractual in nature. By signing the Accession Form, Members undertake to comply with all provisions of the Market Rules, Instructions and Market Notices that apply to them.

Any violation by a Member of an obligation resulting directly or indirectly from the Market Rules is grounds for BlueNext to suspend or terminate its status as Member on the Market.

### **Article 4. Cooperation with BlueNext**

In their relations with BlueNext, Members' directors and officers, employees, agents and representatives act openly and cooperatively. They remain honest and sincere. They do not seek to mislead nor to conceal any important matter.

In particular, without prejudice to the foregoing, every Member:

(i) responds promptly with detailed answers to any information request from BlueNext concerning activity conducted on the Market or any activity relating thereto and provides access to all documents, recording media, telephone recordings and other forms of documentation; and

(ii) informs BlueNext promptly of any business that can reasonably be expected to be of interest to BlueNext in the context of its relations with the Member, including (without limitation) any event that could put the Member in a situation of noncompliance with the Rules. This obligation to inform arises as soon as the Member becomes aware or has reason to believe that such event has occurred or will occur.

#### **Article 5. *Internal controls***

Members must implement an appropriate internal control system to ensure that they are at all times meeting the obligations set forth in the Rules or stemming from the Rules.

The internal control system must include internal procedures specific to the Member's status on the Market. These procedures must be documented and kept up to date at regular intervals.

The Member's internal controls must be suited to the nature, scale and complexity of its activity on the Market. BlueNext may specify additional required internal control measures by Market Notice.

Members must have appropriate procedures to ensure that all personnel involved in conducting their activity on the Market are competent, suitably trained and properly supervised.

#### **Article 6. *Implementation of compliance audits***

Members undertake to submit to audit procedures initiated by BlueNext for the sole purpose of preserving the security and integrity of the Market. Such audits are carried out either by BlueNext or by any entity that BlueNext designates specially for this task, with a view to ensuring:

- compliance by the Member with the Market Rules and with communications and configuration data published by Market Notice,
- proper use of the technical means of access to the Systems and services offered by BlueNext.

Audits may be conducted at the premises where the Member carries out its activities relating to the Market. The Member undertakes to provide to BlueNext the information necessary for performance of the Audit.

#### **Article 7. *Results of controls and audits***

Following an audit, BlueNext may transmit recommendations to the Member, and the Member is obliged to consider them. In the event of a breach by the Member of one of its obligations under the Market Rules, and if the Member fails to make the changes requested by BlueNext, BlueNext may suspend or terminate the Member's membership status on the terms set forth in the following articles, in particular Article 27.

#### **Article 8. *Principle of liability***

Each Party is liable for direct damage caused to the other Party:

- whether by negligence, deliberate failure to act, fraud by one or other of the Parties or by others, whenever the damage arises from non-performance of an obligation of the Party under the Market Rules,
- in the other cases expressly provided for in the Market Rules.

#### **Article 9. *Liability of the Member***

The Member is responsible for the use of the Systems and services offered by BlueNext under the Market Rules.

In particular, the Member is liable in the event of:

- noncompliance with the provisions of the Market Rules, including Market Notices and Instructions,
- injury to the image and reputation of BlueNext or the Market, directly or indirectly.

#### **Article 10. *Liability of BlueNext***

In accordance with law, BlueNext has an obligation to:

- Establish clear and transparent rules that:
  - a) permit fair and orderly trading and set objective criteria for the efficacy of order execution; and
  - b) ensure that the Instruments admitted to trading can be traded in a way that is fair, orderly and efficacious;
- establish and maintain effective measures and procedures for regular monitoring of Members' compliance with the Rules and for
- monitoring Members' activity on the Market to identify breaches of the Rules, erratic trading conditions or conduct that could lead to market abuse.

BlueNext is subject to a best-efforts obligation and is at no time bound by a contractual duty to advise Members.

#### **Article 11. *Limitation of liability***

Barring application of a special provision in the Market Rules, no Party will be able to seek to have the other held liable for damages in compensation of injurious consequences resulting from the following events:

- a case of force majeure, as defined below,
- malfunctions of a service used by the other Party that are independent of its will and out of its control, owing to unavailability, deficiency or interruption of telecommunication networks or to constraints or limits imposed by network operators or other service providers,
- inaccuracy, partial or total unavailability, or incompleteness of information or technical data originating from third parties,
- corruption of electronic data during transit over the Internet or upon arrival at, or departure from, the IT hardware used for communication between the Member and BlueNext.

#### **Article 12. *Force majeure***

Cases of force majeure are considered to be those events recognised as such by French courts.

The Party invoking force majeure must so inform the other Party without delay. The Parties will then attempt to find an alternative solution.

In the event that one Party is unable to perform its obligations during a period of more than ninety (90) calendar days for reason of force majeure, the other Party may give notice of immediate termination without indemnification of Member and/or Registering Broker status.

#### **Article 13. *Use and nondisclosure of Confidential Information***

Each of the Parties, as well as each Applicant, undertakes to use Confidential Information only for the purposes provided for in the Market Rules.

Each of the Parties, as well as each Applicant, undertakes to honour the strictest confidentiality and not to divulge any Confidential Information to third parties, for consideration or free of charge, in any form whatsoever.

The Parties as well as all Applicants must take all necessary measures to ensure that their employees comply with these provisions.

This undertaking does not apply to Confidential Information:

- divulged with the prior written consent of the Party or Applicant that has divulged the Confidential Information to the other,
- that a Party or Applicant is required to divulge under applicable law or regulation.

Each Party is furthermore authorised to divulge any Confidential Information to its service providers or subcontractors, if any, provided that:

- the Confidential Information thus divulged is strictly necessary to performing the service provided by the service provider or subcontractor, and
- the Party takes all necessary measures to ensure compliance with these provisions by the service provider or subcontractor.

In any case, the Party that has divulged Confidential Information to a service provider or subcontractor remains solely responsible for honouring the confidentiality of the information thus disclosed and liable for the consequences of any disclosure thereof not consistent with the provisions of this article.

The provisions of this article will remain in force for three (3) years following loss of Member status.

#### **Article 14. *Personal data***

Applicants and Members are hereby informed that data of a personal nature may be gathered and processed by BlueNext under the Market Rules in order to benefit from the rights that they hold from such data.

These data are intended for BlueNext and may be communicated to the Cash Account Administrator or the Registry Administrator for the purpose of carrying out duties under the Market Rules, whenever this is necessary for the performance of those duties.

The interested person has the right to see and correct data of a personal nature concerning him or her, as well as the right to object, for legitimate reasons, to processing of the data in question. The person may exercise these rights by contacting BlueNext.

#### **Article 15. *Intellectual property***

BlueNext, BlueNext Spot and BlueNext Derivatives are registered trademarks of BlueNext.

Except as expressly provided for in the Market Rules, use of the trademarks entails no transfer of IP rights in favour of Applicants or Members.

Applicants and Members must not do anything to impair or discredit the IP rights and must take all necessary measures to ensure that their employees and, if applicable, their service providers and subcontractors honour the IP rights.

#### **Article 16. *Commercial references***

Members grant BlueNext permission to:

- mention them by name (registered company name and/or trade names) in its commercial references, and

- include links to the Member's website on BlueNext's website.

### Article 17. **Prevention of money laundering**

Applicants and Members are reminded that BlueNext has a duty, under penalty of law, to watch for and report transactions deemed suspicious under applicable laws.

Participants acknowledge this obligation and agree to divulge all relevant information and supporting documents to BlueNext upon request.

### Article 18. **Renunciation**

Non-exercise by a Party of any of the rights it holds under the Market Rules is not to be interpreted as a renunciation of that right.

### Article 19. **Applicable law**

The Market Rules as well as all relations between the Parties are governed by French law.

### Article 20. **Litigation**

#### 1. Conciliation

Disputes between BlueNext and one or more Applicants or Members, or between Members, regarding implementation of the Market Rules or the Accession Form are subject to conciliation before they can be taken to any judicial or arbitral body.

Starting from the date on which one party to the dispute notifies the other of its intent to go to conciliation, the latter has a non-renewable period of fifteen days in which to inform the other that it agrees or does not agree to participate in conciliation. If the latter does not agree to conciliation, the parties to the dispute are deemed to have waived conciliation.

Starting from the date on which the other party agrees to conciliation, the parties to the dispute have a non-renewable period of one (1) month in which to designate a conciliator. If a conciliator is not designated within this period, the parties to the dispute are deemed to have waived conciliation.

The conciliator is chosen by joint agreement of the parties to the dispute and is selected for his or her knowledge of carbon emissions markets or financial markets.

The conciliator attempts to lead the parties to the dispute to resolve their differences and may propose a solution.  
The conciliator determines how he or she wishes to hear the parties to the dispute in adversarial fashion (in writing or orally).

The conciliator's mission is limited to a period of one (1) month, renewable once.

For the purposes of the conciliator's mission, he or she may:

hear the parties to the dispute,

have them submit documents,

hear from experts and be assisted by experts.

Conciliation is strictly confidential. However, BlueNext is informed by the conciliator of the opening of a conciliation procedure and of its result.

The remuneration of the conciliator is a fixed fee and is borne in equal parts by the parties to the dispute.

## 2. Arbitration

Disputes not resolved by conciliation are brought before an ad-hoc arbitral or institutional body, if the parties to the dispute agree to this course. If they do not agree to arbitration, disputes will be referred to the court of competent jurisdiction under the Paris Court of Appeal.

### **Article 21. *Election of domicile***

For performance of their rights and obligations under the Market Rules, the Parties elect domicile at their registered office, unless agreed otherwise:

- for BlueNext: at its administrative office,
- for the Member: at its registered office.

## **Section 2. Members**

### **Sub-section 1: Terms of access to the Market and common provisions applicable to Members.**

The articles following set forth the requirements for becoming a Trading Member, Authorised Broker or Offeror. BlueNext must review these eligibility conditions before taking its admission decision.

A Member is an entity that has signed an Accession Form, been admitted by BlueNext and thereby authorised to trade directly on the Market, and whose admission is still in force.

### **Article 22. *Applicants***

Each Applicant declares and warrants that:

- (i) it is validly constituted under the law of its jurisdiction of incorporation;
- (ii) its signing of the Accession Form and its performance thereunder:
  - are within the scope of its powers under its constitutional documents and have been duly authorised by any measures required by those documents,
  - do not require any filing with a government body, agency or administration or any filing in relation with such institutions,
  - do not infringe or violate any provisions of applicable law or regulation, of its constitutional documents, or of any contract, decree, order, injunction or other enforceable act;

- (iii) there is no legal action, arbitral or judicial proceeding, administrative or other measure pending against it that could result in a manifest and substantial deterioration in its business, its assets or its financial position, or that could affect the validity of the Accession Form or its performance thereunder;
- (iv) it undertakes to take cognisance of and comply with all communication by means of Market Notices sent by BlueNext;
- (v) it undertakes to inform BlueNext immediately of any change relating to the foregoing declarations;
- (vi) it enjoys good repute and has the requisite skills;
- (vii) if established in a country that has not implemented the European Union's regulations establishing a greenhouse gas exchange system, the competent authorities of its home country in the matter of regulating greenhouse gas emissions have not objected to its admission to and participation in the Market;
- (viii) it enjoys a commercial reputation befitting an entity admitted as Member;
- (ix) persons on its staff have the qualifications and experience needed to implement and manage appropriate internal control procedures and measures in respect of its intended activities on the Market;
- (x) it has entered into all contracts called for under the Market Rules, as applicable, and satisfied the technical requirements set by BlueNext;
- (xi) that persons on its staff are fluent speakers of English or French;
- (xii) it has sufficient resources for the role it intends to play on the Market;
- (xiii) it fulfils all other criteria, in particular financial criteria, that may be required by BlueNext;
- (xiv) it has made its own analysis of the documents provided to it and the economic, legal and tax risks and benefits that may arise from the Agreement and from each Trade, by having the necessary knowledge and experience and by engaging all relevant skills;
- (xv) it is aware of the potentially volatile nature of the products traded on the System and accepts the risks that ensue from using them.

### **Article 23. *Information to be provided for admission and start-up***

In addition to the items specified in the article above, applications for admission must include the documents and information listed in the Instruction, "Applicant information and documents required for admission and start-up".

The Applicant warrants the validity and accuracy of such information and substantiates it according to the procedures set out in the Instruction, "Applicant information and documents required for admission and start-up".

The Applicant is responsible for providing any document or other information needed by BlueNext to determine whether the Applicant meets the foregoing conditions, without prejudice to BlueNext's right to ask it to produce any further information that is reasonably necessary given the special characteristics of the Applicant.

Applicants and Members are responsible for updating the documents and information provided to BlueNext whenever necessary.

Documents and information sent to BlueNext must be in French or English.

#### Article 24. **Special procedure for Members of Liffe® and Members of Euronext®**

Applicants that are already Members of Liffe® or Members of Euronext® are excused from providing the documents and information required by Article 23, but only if those documents and information have already been provided to the operator of the Euronext® market concerned and do not need to be updated.

Applicants that are already Members of Liffe® or Members of Euronext® are admitted as Members in the forms provided for in the foregoing article, provided they have signed the appropriate Accession Form.

Members BlueNext:

- (i) are excused from providing the documents and information required above, but only if that information has already been provided to BlueNext and does not need to be updated;
- (ii) are admitted as Trading Members or Authorised Brokers or Offerors, provided:
  - they have signed the appropriate Accession Form,
  - BlueNext has obtained all the required information for the Member status requested.

#### Article 25. **Terms of access to the Market**

The terms and conditions of access to the Market and other services are set forth in these Market Rules. These cover:

- the terms on which Members conduct their activity on the Market and the relations with BlueNext resulting from that activity,
- the terms and arrangements for using the technical access facilities that BlueNext makes available to Members,
- the other services provided by BlueNext,
- the opening of one or more Product Accounts,
- the opening of one or more Cash Accounts.

The terms of access, which are set and verified by BlueNext and which govern the authorisation of Members, must be observed at all times throughout the duration of Member status.

#### Article 26. **Transfer of Member status**

Member status, including the Accession Form, may not be assigned or transferred in any way, whether free of charge or for consideration, without the prior written consent of BlueNext.

A Member may not assign or transfer all or part of the rights it holds or the obligations it incurs under the Market Rules, whether free of charge or for consideration, without the prior written consent of BlueNext.

#### Article 27. **Duration, suspension and termination of Member status**

Member status lasts for an indefinite period of time. It may be suspended or terminated in accordance with the following provisions.

BlueNext may suspend or terminate Member status by giving notice to the Member stating the grounds for its decision to suspend or terminate. It may do so on its own initiative or at the request of the Cash Account Administrator or Registry Administrator. This decision will be taken under the conditions set out below.

A Member may terminate its Member status by giving BlueNext thirty (30) calendar days' advance notice of its decision. The parties shall agree on the date at which Member status will cease and the former Member will no longer be able to participate in the Market.

#### **Article 28. Admission**

BlueNext takes decisions concerning Members in accordance with the Market Rules.

When admitting new Members, BlueNext conducts a documentary verification to ensure that the requirements have been met.

#### **Article 29. Rights and obligations of Members**

The BlueNext services that Members receive and the rights and obligations of Members of the Market, including the conditions of access to Trading and other services, are set forth in the Market Rules.

### **Sub-section 2: Categories of Members.**

There are three different Member categories: Trading Members, Offerors and Registering Brokers.

#### **Article 30. Definition of Trading Member**

A Trading Member is an entity that has signed the Accession Form and been authorised by BlueNext to trade directly on the Market.

Trading Members trade

- (i) in their own name and for their own account, or
- (ii) as "commissionaires" when they are acting for an initiator.

Access to trading on the Market is restricted exclusively to Trading Members.

Trading Member status is acquired on the date that BlueNext notifies the Applicant by letter of its admission as a Market Member. If BlueNext decides not to admit an Applicant as a Member, it so notifies the Applicant by letter, giving reasons for its decision.

#### **Article 31. Quotation Providers**

Trading Members may be authorised by BlueNext to engage in the activity of providing quotations. Quotation Providers undertake to enter buy and sell Orders with a view to improving liquidity in the Market.

Quotation Providers act under an agreement with BlueNext that describes their rights and obligations.

Quotation Providers may be entitled to benefit from special fee schedules in consideration of the additional liquidity that they provide to the Market.

### **Article 32. *Trading Accounts of a Trading Member***

Trading Members transact on the Market through one or more individual "traders" acting under their authority or on their behalf. They assign a primary trader to each Trading Account.

The natural persons mentioned above are identified individually by BlueNext.

Trading Members may transact on the Market through the medium of an entity that is part of the same company group, acting in the Trading Member's name and for its account.

In such case, Trading Members undertake to:

- (i) make their agents aware of these Market Rules;
- (ii) warrant their agents' compliance with these Market Rules.
- (iii) require their agents to submit to any audit that BlueNext deems it useful to conduct.

Non-compliance with any of these requirements may result in imposition of the sanctions provided for in Article 46 of these Market Rules.

Trading Members cannot disavow the actions of:

- a trader declared to BlueNext, regardless of whether such person is acting under the Trading Member's authority or on its behalf, until such time as the Trading Member has requested the suspension of such person;
- a person acting under their authority or on their behalf, regardless of whether such person has been identified as a trader.

The natural persons mentioned above are identified individually by BlueNext.

Trading Members must ensure that the traders they designate have the requisite skills.

### **Article 33. *Definition and status of Registering Broker or Authorised Broker***

An Authorised Broker is an entity that has signed the Accession Form with BlueNext and is thereby authorised to enter OTC Interests in the OTC Registration System (hereinafter the "Registration System").

The OTC Interests that the Authorised Broker registers on the Market must:

- have been originated by Trading Members of the Market, and
- involve Instruments admitted to trading on the Market.

An Authorised Broker registers OTC Interests on the Market. An Authorised Broker cannot engage in activities on the Market other than registering OTC Interests unless it also has Trading Member or Offeror status.

### **Article 34. *Rights and Obligations of Authorised Brokers***

The rights and obligations of Authorised Brokers are set forth in the Market Rules. These cover:

- the terms on which Authorised Brokers, having signed the Accession Form, may present Off-Book and OTC Interests for registration in the Registration System, as provided for in these Market Rules;
- the terms and arrangements for use of the technical access facilities that BlueNext makes available to them, as provided for in these Market Rules;
- the other services provided by BlueNext.

#### **Article 35. *End of Authorised Broker status***

The Authorised Broker may terminate its Authorised Broker status by notifying BlueNext of its decision and giving ten (10) days' advance notice. The Parties will then agree on the date at which the Authorised Broker status will effectively cease.

#### **Article 36. *Registration Accounts of an Authorised Broker***

Authorised Brokers enter OTC Interests through a System, the use of which is governed by the Market Rules and the Accession Form.

Brokers assign an operator to each Account. Operators are identified individually by BlueNext on the basis of the information provided to BlueNext by the Authorised Broker.

Authorised Brokers cannot disavow the actions of:

- an operator declared to BlueNext, regardless of whether such person is acting under the Broker's authority or on its behalf, until such time as the Broker has requested the suspension of such person;
- a person acting under their authority or on their behalf, regardless of whether such person has been identified as an operator.

Authorised Brokers must ensure that the operators they designate have the requisite skills.

#### **Article 37. *Definition of Offeror***

An Offeror is an entity that has signed the Accession Form with BlueNext and is thereby authorised to offer to buy or sell Products to Participants at auctions. The Products sold will be allocated to Participants by following the procedures specified in the BlueNext Spot Manual.

The Offeror cannot participate in its own offer at auction.

#### **Article 38. *Definition of the Offeror Non member***

The Offeror Non Member is a State, the European Commission or any other officially designated body, or any person acting on their behalf, in the framework of the implementation of the European and international climate change policy having signed an Application Form and having been authorised by BlueNext to offer to buy or sell Products. The Products will be allocated to the Participants following the procedures specified in the BlueNext Spot Manual.

The Offeror Non Member cannot participate in its own offer at auction.

### **Sub-section 3 – Rules of conduct and ongoing obligations of Members**

#### **Article 39. *Rules of behaviour***

When they operate in the Market, Members:

- (i) meet strict requirements for integrity, conduct in the market and honesty in negotiation;
- (ii) act with all the requisite attention, competence and diligence;
- (iii) eschew any action or behaviour that could discredit the reputation of BlueNext or the Market.

Members must at all times comply with the Market Rules, including the rules of conduct set forth above.

Members act responsibly when they use the System and other facilities made available to them by BlueNext and limit their usage of the System and other facilities to their actual requirements.

Members must at all times comply with the Market Rules, including the rules of conduct set forth below.

#### **Article 40. *Fraudulent or deceitful conduct***

In the course of their business, Members take all appropriate measures to prevent, refrain from adopting or knowingly facilitate the following behaviours:

- (i) taking any measures or engaging in any courses of conduct that have, or foreseeably could have, the consequence of causing an artificial or abnormal variation in the price or the value of an Instrument;
- (ii) producing artificial orders, entering into artificial Trades or causing others to do so;
- (iii) reporting a fictitious Trade or any other false item of data to BlueNext or causing false data to be entered into any BlueNext system;
- (iv) taking any measure or engaging in any behaviour that gives, or can reasonably be expected to give, a false impression of the market, the price or the value of an Instrument;
- (v) taking any measure or engaging in any other behaviour that could impair the integrity or transparency of the Market;
- (vi) conspiring or acting in concert with, or providing assistance of any kind to, any person (whether Member or not) engaging in measures or behaviours described in this Article or in any other way provoking or contributing to violation of any Rule by that person;
- (vii) engaging in any manoeuvre intended to mislead the Market, including the use of common market techniques or procedures for entering orders or making transactions with a view to misleading other Members;
- (viii) directly or indirectly disseminating false or misleading information or rumours likely to cause prices to move;
- (vii) exploiting or communicating, by any means whatsoever, any Inside Information that may have come into their possession.

A Member is liable for all activity conducted in its name on the Market.

#### Article 41. ***Purpose of transactions***

Orders entered by Members into the Order Book must have no aim other than to be executed. In particular, the underlying aim of an Order must not be to influence prices or sway the behaviour of other Members.

Orders entered by Members must be in their sole interest. Members must not act in the interest of other Members or in concert with other Members.

#### Article 42. ***Changes concerning the information provided at admission or start-up***

Members must inform BlueNext without delay of any changes to their information that may have consequences for their access to the Market, including:

Changes to their legal situation, such as:

- changes in any of the eligibility conditions for becoming a Member,
- changes in any of the information provided in the admission application or in the documents appended thereto.
- Changes to their technical or organisational situation, insofar as such changes have an impact on access to the Market.
- Changes in the legal or regulatory framework or in case law that affect their capacity and their compliance with the admission requirements and these Market Rules.

#### Article 43. ***Changes concerning account-keeping, payment and delivery arrangements***

Members must inform BlueNext as soon as they have knowledge of any change that ought to be made to the Accession Form, the Cash Account Agreement or the Product Account Agreement.

In the event that any status or any of the agreements mentioned above is suspended or terminated, BlueNext may suspend or terminate the Member's status, as the case may be.

Members are liable for the consequences of failing to notify BlueNext of such changes, in particular the financial consequences of Trades made in the absence of an arrangement to maintain a Cash Account or a Product Account.

#### Article 44. ***Sanctions***

When BlueNext considers that a Member's situation or actions are no longer consistent with its undertakings or are detrimental to the orderly operation of the Market, it will order the Member to remedy the situation immediately.

If the Member has not brought its situation back into line with the relevant requirements or has not ceased the challenged actions within the allotted time period, BlueNext can issue a warning to the Member or suspend or revoke its Member status.

In case of urgency, BlueNext can suspend a Member's activities with immediate effect.

Suspension or revocation of Member status automatically entails deletion of all of the Member's Orders, Interests or Offers that are present in the Order Book.

In any event, termination of Member status does not bar BlueNext from seeking compensation for any direct or indirect damage caused by the Member's behaviour, especially in the event of injury to BlueNext's image resulting from harm to the integrity or security of the Market.

**Article 45. Use of the System**

When using BlueNext's System and other facilities, Members are prohibited from engaging in behaviour that could cause a degradation of service or prevent orderly operation of the market. Such behaviour includes, without limitation, unwarranted or excessive submission of electronic messages or queries to the System.

**Article 46. Recording of Orders**

Members ensure that every Order sent to the Market is recorded and time/date-stamped by a process other than hand-written.

The records of Orders must be retained on order sheets or in electronic form or by any other means specified by BlueNext.

**Article 47. Service providers and subcontractors**

Each Party agrees that the other Party may use one or more service providers or subcontractors of its choice in performing its rights and obligations under the Market Rules.

In all cases, a Party that resorts to a service provider or subcontractor remains responsible for performance and compliance with the Market Rules.

The Parties must ensure that their contractual relations with service providers and subcontractors are compatible with the Market Rules.

When a Member contracts with a service provider or subcontractor, the Member undertakes:

- to include provisions in its agreements with the service provider under which the provider authorises BlueNext to conduct audits of the provider,
- to include in those agreements, to the extent possible, provisions under which the provider agrees to make any change required by the Member subsequent to recommendations made by BlueNext based on an audit.

**Section 3 Declaration and publication of information****Article 48. Publication of Trades arising from Orders in the Order Book**

BlueNext transmits the results of Trades arising from Orders in the Order Book in real time to Members and releases the corresponding databases to the public. The last traded price, last traded quantity and total volume are published for each type of Instrument. Total volume includes the volume of Trades through the Order Book and the volume of Trades resulting from Registration.

**Article 49. Publication of Trades resulting from OTC Interests**

BlueNext transmits data on OTC Interest trading volume to Members in real time.

## Article 50. **Price Committee**

This consultative committee set up by BlueNext is composed of Members charged with issuing an opinion in the cases provided for in these Rules as well as in any other circumstance where BlueNext deems it necessary.

## Article 51. **Market Data**

### 1. Ownership

BlueNext is the owner of the Market Data resulting from Trades made on the Market.

If a Member uses an external service provider in connection with its activity on the Market, the Member undertakes to make this provision part of its contractual relations with such service provider.

### 2. Dissemination of Market Data

A Member may use the Market Data exclusively for its trading activity on the Market and for its own internal needs.

If a Member wishes to make commercial use of the Market Data and disseminate that data to third parties, it must sign a specific contract to this effect with BlueNext.

### 3. Public disclosure of Market Data

BlueNext undertakes not to make public information relating to an individual Member's activity on the Market and not to transmit it to a third party, with the exception of a competent authority of the Registry Administrator or Cash Account Administrator, the clearing, settlement and delivery organisations, or other authority with jurisdiction in so far as such transmission ensues from application of the Market Rules.

BlueNext communicates information on Orders and Trades to the regulators concerned, in particular the Autorité des Marchés Financiers on the terms set in its General Regulation, as well as the Energy Regulatory Commission.

Members authorise BlueNext to make use of the data on volumes traded by them for statistical and other purposes which may result in content that is made public. In such case, BlueNext undertakes to preserve the anonymity of Members.

Information about the Order Book including the volumes and prices on all buy and sell orders and on Trades is published by BlueNext immediately and continuously. Use of market data is governed by the provisions of BlueNext's distribution or redistribution agreements with financial data services.

## **Section 4. Technical provisions**

### Article 52. **Technical means of access to the Systems and services**

BlueNext implements customary means of ensuring the continuity and availability of its Systems and services, in accordance with the Market Rules.

In the event of a malfunction of the Systems that could affect Members, BlueNext will inform them of the nature and expected duration of the problem. The alternative facilities and means that Members will have to use in the event of a prolonged service outage will be described in a Market Notice.

Trading Members and/or Offerors gain access to the Systems exclusively by means of the Global Vision trading system.

Before using the Trading System, Members must accept the terms of the user licence for this system. This licence appears in electronic form upon first use of the system.

If the aforementioned licence or Members' Trading Member or Offeror status is terminated, those Members must remove the Trading System software from all of their hardware.

Trading Members undertake to comply with the System access procedures. In particular, they must not mask their true identity, usurp the identity of another person, or send data intended to provoke a system malfunction or overload.

### **Article 53. *Intellectual property and licence***

BlueNext warrants that it has obtained all necessary licences for the use of the Systems.

BlueNext warrants and holds Members harmless against claims of third parties alleging any kind of violation of third parties' intellectual or other property rights.

Each Party retains ownership of the documents, data and information of any kind transmitted to the other Party in connection with performance under the Market Rules and to which each of the Parties may have access.

The Member warrants to BlueNext that it holds all necessary authorisations, property rights and user licences on all of the configurations and software used in performing the services under the Market Rules.

Where the Member's use of software needed for access to the Market requires a licence or equivalent right, such licences or rights appear in the Market Rules or are provided by BlueNext to the Member, which must comply with them.

Members undertake to respect the intellectual property rights of BlueNext as well as any third party providing a system or software needed for access to the Market. To this end, Members take all reasonably necessary measures, in respect of their staff and third parties, to protect these rights. In particular, references to ownership and copyright on materials supplied by BlueNext must not be changed. Members may neither remove nor modify copyright symbols, maker's marks, trade names, or any other signs of intellectual property rights.

### **Article 54. *Operating and technical documentation***

BlueNext supplies each Member with the technical and operating documentation needed to use the technical means of access to its Systems and services. BlueNext provides this documentation by any convenient means, not later than when the Accession Form is signed.

The purpose of the documentation is to provide the explanations needed for using the Global Vision system and the Registration System for Off-Book Interests. The documentation is subject to change and has no contractual value. The recommendations in the documentation should be followed in order to ensure proper use of the Trading Systems.

The Member acknowledges that it has received all the information and advice needed to use the technical means of access to BlueNext Systems and services, in particular the technical specifications that appear in documents provided to the Member by BlueNext.

The Member also undertakes to heed any document of a technical or operational nature that BlueNext may transmit at a later date, and it acknowledges that the documents described above are changeable reference documents that BlueNext may modify.

### Article 55. **Equipment of the Member**

The Member undertakes to have hardware meeting the minimum required configurations set forth in the BlueNext Spot Manual and BlueNext Derivatives Manual.

The Member undertakes to have a hardware and software environment that meets current standards and technical specifications as defined in the reference documents referred to in Article 56.

As part of this undertaking, the Member must ensure that the characteristics of its hardware and software environment are not such as to cause any disruption of or interference with the Systems.

In the event that use of the services by the Member leads to disruptions in the operation of the Systems, BlueNext will contact the Member for the purpose of ending such disruptions. If the disruptions do not cease within a reasonable time or if they put the Systems in danger, BlueNext reserves the right to suspend the Member's access to BlueNext Systems and services, without prejudice to the application of other provisions of the Market Rules or to the damages owed to BlueNext on account of these disruptions.

In all circumstances, the Member undertakes to do what needs to be done to meet the technical specifications defined in the documents mentioned in Article 81.

### Article 56. **Use of the Systems and services by the Member**

The Member undertakes to use the Systems and services offered by BlueNext, the technical means of access to them, the computing and telecommunications hardware and software, and the transmission media:

- (i) in accordance with applicable legal and regulatory provisions,
- (ii) in accordance with the technical specifications provided by BlueNext in the documents mentioned in Article 53,
- (iii) in accordance with the Market Rules,
- (iv) exclusively in connection with the services offered by BlueNext; any other use thereof, any connection to other networks, any sharing of files or data with other networks or applications being expressly subject to prior written authorisation by BlueNext,
- (v) without making them available to third parties not authorised under the Market Rules; they may not be sold, subleased, modified, pledged, transferred by the Member or put at the disposal of a third party in any form.

The Member undertakes to seek and comply with authorisations of a legal, regulatory, administrative or contractual nature, under domestic or foreign law, relating to the use of the Systems and services offered by BlueNext, and in particular to comply with the provisions of France's Data Privacy Act of 6 January 1978 or any equivalent legislation.

### Article 57. **Operating assistance**

BlueNext undertakes to provide operating assistance to Members on the terms set forth below.

Trading Members and Offerors have access to telephone hotline support for Global Vision and the OTC Registration System, particularly as regards:

- questions about the functionalities of these systems,
- any malfunctions that may occur.

Registering Brokers have access to hotline support on use of the OTC Registration System, particularly as regards:

- questions about the functionalities of this system,
- any malfunctions that may occur.

This support service covers these two systems only; it does not cover malfunctions related to the configuration of the Member's equipment or the internet connection.

Operating assistance is provided by telephone at the number and during the hours specified in the trading manuals.

### **Article 58. Security measures**

Each Party undertakes to observe physical and logical security measures intended to protect the integrity of the systems of the other Party. Each Party retains, directly or indirectly, full authority and responsibility for the design and implementation of its policy for managing authorised logical access to the network; assumes full responsibility for the design of policies, rules and methods applicable in this area; and reserves the right to alter them to meet objectives for maintaining and improving the level of protection of its IT resources in conformity with the Market Rules and the technical documentation.

In particular, regarding access to the Systems, each Party takes care to organise internal, physical and logical security measures so as to restrict access to the premises where its equipment is located and ensure that its access codes are protected against intrusion and appropriation by unauthorised persons.

Before sending any data via the transmission systems used for access to the Systems, each Party also ensures that measures are in place to prevent propagation of malware, in particular software viruses, to the systems of the other Party and within its own configuration.

In addition, each Party implements procedures for saving and backing up instructions, data and files.

In the event of a systems intrusion by an unauthorised person detected by one of the Parties, that Party will inform the other Party for the purpose of identifying the vulnerabilities and providing the most appropriate solutions.

Members authorise BlueNext to record telephone conversations and accept these recordings as evidence.

### **Article 59. Other provisions relating to use of the Internet**

BlueNext and the Member each have a system for which they are responsible. However, any transmission between the Member's system and BlueNext's system takes place over the Internet.

For this reason, each of the Parties:

- (i) declares that is familiar with the nature of the Internet and the technical performance thereof, in particular as regards response times and mode of operation, and will in no case hold the other Party responsible for the performance of the Internet,
- (ii) is responsible for the choice of its IT service providers, in particular its Internet service provider, and will in no case hold the other Party responsible for consequences stemming from (i) its own actions or lapses or (ii) the acts or lapses of its service providers;
- (iii) acknowledges that data transmission over the Internet is only relatively reliable from a technical standpoint, because the data circulates through mixed networks of varying technical characteristics and capacities, and will in no case hold the other Party responsible for any non-transmission or corruption of data that occurs between the sending of data by the Member and the reception of data by BlueNext,

- (iv) acknowledges that it is incumbent upon it to take all appropriate measures to protect its own data, software and hardware from access by unauthorised persons and possible contamination by computer viruses, by implementing logical and physical security measures such as firewalls that conform to the standards of the art.

The Member takes care of procuring its connection to the Systems. Accordingly, it is responsible for obtaining the necessary administrative authorisations, subscribing to the necessary telecommunications services, or having the necessary connection links installed.

**Article 60. *Systems evolution***

Members may benefit from changes to the Systems and services and the technical means of access to them.

BlueNext will make such changes only with the aim of improving the Systems or the services provided to Members or for imperative technical reasons. BlueNext will inform Members of such changes without undue delay.

**BOOK 2:**

**BlueNext SPOT**

## **Section 1. Specific provisions**

### **Article 61. *Role of BlueNext on BlueNext Spot***

BlueNext is in charge of operating the Market and ensures the matching of Orders. In this regard, BlueNext:

- provides a "single desk" service for Members, including Authorised Brokers and Offerors, to enable them to have a single point of contact within the framework of their accession to and participation in the Market,
- establishes the terms and conditions on which Instruments are admitted to Trading,
- admits Applicants as Members on the basis of their accession to the Market Rules by signing the Accession Form,
- matches buy and sell Orders for Instruments under standardised rules,
- informs Trading Members about the Trading of Orders and publishes the Trades,
- makes all decisions necessary to the integrity and orderly operation of the market, in particular by monitoring Members' compliance with the Market Rules,

The Account Administrator acts in accordance with these Market Rules:

- in signing with each Trading Member or Offeror and with the Member's Settlement Bank, if any, the Cash Account Agreement that provides for the maintaining of Cash Accounts in its books, and
- by executing Payment instructions.

The Registry Administrator acts in accordance with these Market Rules:

- in signing with each Trading Member or Offeror a Product Account Agreement, and
- in executing Delivery instructions.

### **Article 62. *Obligations of Trading Members on BlueNext Spot***

Compliance with the terms set forth below does not oblige BlueNext to admit an Applicant.

#### 1. Holder of a Product Account

The Trading Member is the owner of one or more Product Accounts and provides the account references to BlueNext.

The Trading Member provides to BlueNext a copy of any contract, including any annexes, that it has signed with the Registry Administrator for maintaining a Product Account.

In all cases, the Trading Member must inform BlueNext of any contract modification relating to its Product Account before such modification takes effect.

#### 2. Holder of a Cash Account

The Trading Member or its Settlement Bank, as applicable, opens a Cash Account in euros on the books of the Cash Account Administrator. Trades are settled by debiting or crediting this account. The Cash Account is used to settle all amounts owed by the Trading Member for its participation in the Market, including the account opening and administration fees for the Product Account as set forth in the Product Account Agreement.

The formalities entailed in opening the Cash Account are entrusted by the Trading Member or its Settlement Bank to BlueNext, which agrees to perform them. The Trading Member undertakes to provide BlueNext with all documents and information needed for this purpose.

The opening of the account becomes effective only when all required verifications have been made by BlueNext and the Cash Account Administrator and the Trading Member or its Settlement Bank, as applicable, has been expressly informed by letter.

The Cash Account Agreement is a separate agreement between BlueNext, the Cash Account Administrator and the Trading Member or, as applicable, an agreement between BlueNext, the Cash Account Administrator and the Settlement Bank, to which the Trading Member accedes by means of an Accession Agreement.

When a Settlement Bank is used, the Trading Member authorises it as its agent with respect to BlueNext for settling all amounts owed by the Member for its participation in the Market. This delegation is an addition of debtor under Article 1275 *et seq.* of the French Civil Code.

### 3. Mandate

Trading Members give an exclusive, irrevocable mandate to the natural persons designated by BlueNext for the purpose of making debits and credits to the Product Account. The Trading Member acknowledges that BlueNext may change the persons designated for this purpose. BlueNext informs the Trading Member when it does so.

By granting this mandate, the Trading Member agrees to refrain from giving any instruction concerning the Products in its Product Account directly to the relevant Registry Administrator. BlueNext cannot be responsible for any consequence whatsoever that results from an instruction issued directly by a Trading Member in violation of this prohibition.

BlueNext warrants the performance of this mandate by the natural persons designated as agents.

This mandate will be issued to the designated persons in their capacity as Authorised Representatives on the Product Account with the Registry Administrator used by the Trading Member on the Market. This mandate is a mandate of common interest.

The natural persons designated as agents are expressly authorised by the Trading Member to communicate to any person, where necessary, information of which they have knowledge by virtue of their mandate. In particular, such information may be communicated to BlueNext in connection with the exercise of its functions under the Market Rules.

As part of the Cash Account Agreement, the Trading Member or the Settlement Bank grants a mandate to BlueNext to transmit any information relevant to the performance of that Agreement to the Cash Account Administrator and to issue any settlement instruction relating to sums payable to or receivable from the Cash Account concerned. This mandate is a mandate of common interest.

### 4. Termination

Termination of Trading Member status automatically entails termination of the Cash Account Agreement and the contractual agreement with the Registry Administrator and closing of the Cash Account and the Product Account(s). All amounts owed by one Party to the other become due and payable on the date of termination.

Termination of the Cash Account Agreement and/or the contractual agreement with the Registry Administrator automatically entails termination of Trading Member status.

The Trading Member is responsible for taking all necessary steps to ensure that no Order is placed after the closing of its accounts.

The Trading Member or its Settlement Bank is also responsible for ensuring that funds remaining in the Cash Account are transferred to another deposit account. To this end, the Trading Member or the Settlement Bank must provide to BlueNext all the information needed for the transfer to be made properly.

## **Article 63. *Obligations of the Authorised Broker***

Applicants must fill out and sign the Accession Form and demonstrate that they have the requisite skills and knowledge to operate on the Market.

BlueNext, at its discretion, evaluates Applicants' eligibility for Authorised Broker status.

## **Article 64. *Obligations of the Offeror***

Compliance with the terms set forth below does not oblige BlueNext to admit an Applicant.

### 1. Product Account

The Offeror is the owner of one or more Product Accounts and provides the account references to BlueNext.

The Offeror must provide to BlueNext a copy of the contract, including any annexes that it has signed with the Registry Administrator for maintaining a Product Account.

The Offeror warrants to BlueNext that it is the owner of the Products that it wishes to sell. Title to these Products is transferred when they are recorded as entries in the Offeror's account. In all cases, Offerors must inform BlueNext of any contract modification relating to their Product Account before such modification takes effect.

Before the procedure for offering Products for sale at auction takes place, the Offeror transfers the delivery quantities for the sales that it intends to make on the Market.

## 2. Cash Account

The Cash Account is used to settle all amounts owed by the Offeror for its participation in the Market, including the account opening and administration fees for the Product Account as set forth in the Product Account Agreement.

The Offeror or its Settlement Bank, as applicable, opens a Cash Account in euros on the books of the Cash Account Administrator. Trades are settled by debiting or crediting this account.

Before the procedure for offering to purchase Products at auction takes place, the Offeror transfers the payment amounts for the purchases that it intends to make on the Market.

## 3. Mandate

Offerors give an exclusive, irrevocable mandate to the natural persons designated by BlueNext for the purpose of making debits and credits to the Product Account. Offerors acknowledge that BlueNext may change the persons designated for this purpose. BlueNext will inform Offerors when it does so.

By granting this mandate, Offerors agree to refrain from giving any instruction concerning the Products in their Product Account directly to the relevant Registry Administrator. BlueNext cannot be responsible for any consequence whatsoever that results from an instruction issued directly by an Offeror in violation of this prohibition.

BlueNext warrants the performance of this mandate by the persons designated as agents.

This mandate will be issued to the designated persons in their capacity as Authorised Representatives on the Product Account with the Registry Administrator used for the Offer on the Market. This mandate is a mandate of common interest.

The natural persons designated as agents are expressly authorised by the Offeror to communicate to any person, where necessary, information of which they have knowledge by virtue of their mandate. In particular, such information may be communicated to BlueNext in connection with the exercise of its functions under the Market Rules.

As part of the Cash Account Agreement, the Offeror or the Settlement Bank grants a mandate to BlueNext to transmit any information relevant to the performance of that Agreement and to issue any settlement instruction relating to sums payable to or receivable from the Cash Account concerned. This mandate is a mandate of common interest.

## 4. Termination

Termination of Offeror status automatically entails termination of the Cash Account Agreement and the contractual agreement with the Registry Administrator and closing of the Cash Account and the Product Account(s). All amounts owed by one Party to the other become due and payable on the date of termination.

Termination of the Cash Account Agreement and/or the contractual agreement with the Registry Administrator automatically entails termination of Offeror status.

The Offeror is responsible for taking all necessary steps to ensure that no Order is placed after the closing of its accounts.

The Offeror or its Settlement Bank is also responsible for ensuring that funds remaining in the Cash Account are transferred to another deposit account. To this end, the Offeror or the Settlement Bank must provide to BlueNext all the information needed for the transfer to be made properly.

## **Article 65. *Obligations of the Offeror Non Member***

The Offeror Non Member declares and warrants to BlueNext that it is the owner of the Products that it wishes to sell.

Before the procedure for offering to sell Products at auction takes place, the Offeror Non Member transfers to BlueNext the Quantities relating to the delivery of the Products for the sales that it intends to make on the Market.

Before the procedure for offering to purchase Products at auction takes place, the Offeror Non Member transfers to BlueNext the amounts relating to the payment of the Products for the purchases that it intends to make on the Market.

After the auction procedure and pursuant to the modalities specified by the Bluenext Spot Manual, if Products shall be allocated to or received by the Offeror Non Member, Bluenext shall debit its Product Account (in case of an offer to buy) or its Cash Account (in case of an offer to sell). These transactions are credited to a Product Account (in case of an offer to buy) or a Cash Account (in case of an offer to sell) of the Offeror Non Member.

The Offeror Non Member shall, prior to the auction, indicate to Bluenext the references of its product account or cash account, as the case may be.

## **Section 2. Tradable Instruments**

### **Article 66. *Nature of the Instruments***

The Instruments admitted to Trading on the Market relate to the Products listed in the BlueNext Spot Manual.

Trading Members and Offerors undertake not to deposit in their Product Account(s) any products that do not meet the product specifications in the BlueNext Spot Manual.

Trading Members and Offerors may execute composite strategies using combinations of the listed Instruments. The characteristics of the Instruments are defined in the BlueNext Spot Manual.

### **Article 67. *Specifications of the Instruments admitted to Trading***

BlueNext decides which Tradable Instruments will be admitted to trading on the Market and specifies their characteristics, in particular:

- the opening and closing dates for Trading in the Instrument,
- the Product to which the Instrument relates,
- the terms and conditions of Trading in the Instrument,
- the times of day for Trading and Registration,
- the characteristics of the Instrument and the Payment and Delivery terms,
- the Trading Unit and the Tick.

### **Article 68. *Opening of Trading***

BlueNext may decide not to open Trading and Registration in one or more Instruments, temporarily or definitively. Barring exceptional circumstances, such decision is communicated to Members by a Market Notice at least five (5) calendar days before the initially scheduled launch date(s) of the Instrument(s) in question.

### **Article 69. *Suspension of Trading in Instruments***

In the event of a threat to the integrity, security or efficiency of the Market, BlueNext may suspend Trading in Instruments.

BlueNext informs Members of the suspension by a Market Notice or, in case of urgency, by any other means.

### **Article 70. *Delisting of Instruments***

BlueNext may, at its sole discretion, decide to delist an Instrument, in particular for reason of:

- disappearance of the Product;
- lack of liquidity.

In such case, it consults the Expert Committee for advice. Depending on the circumstances, notice of delisting and relisting decisions will be published by BlueNext, confirmed if necessary by a Market Notice.

## **Section 3. Trading**

### **Sub-section 1 – Orders**

#### **Article 71. *Definition of an Order and conditions of validity***

Orders are the messages by which Trading Members or Participants, as applicable, submit a price and quantity of a Product to be matched against Orders on the other side (buy or sell).

An Order is an offer to contract under the conditions of validity set forth in these Market Rules.

Technical acceptance of market instructions issued by Trading Members or Participants, as applicable, shall be evidenced by entry in the Order Book or by realisation of a Trade. The same is true when a Market Order in the Order Book is rejected by the System. Market instructions issued by Trading Members or Participants, as applicable, are revocable only on the conditions set forth in the Market Rules.

#### **Article 72. *Origin of Orders***

Orders are deemed irrefutably to originate from Members and Participants, as applicable, when their technical identification is present in the message containing the Order.

### **Sub-section 2 – Processing and matching of Orders**

#### **Article 73. *Opening and closing of the Order Book***

The opening and closing hours of the Order Book are set by BlueNext and published in the BlueNext Spot Manual.

#### **Article 74. *Nature of the Order***

Every buy Order is a unilateral promise to purchase on the part of the buying Trading Member or Participant, as applicable, subject to the trade cancellation procedures provided for in the Market Rules. Every sell Order is a unilateral promise to sell on the part of the selling Trading Member or Participant, as applicable, subject to the trade cancellation procedures provided for in the Market Rules.

#### **Article 75. *Types of Orders***

The types of Market Orders accepted are:

##### 1° Limit Orders

Limit Orders specify a quantity and a limit price.

The limit price is:

- the maximum price above which a bid limit Order cannot be executed, or
- the minimum price below which an ask limit Order cannot be executed

The limit price must be:

- for a buy Order: strictly lower than the price of best opposite Order present in the Order Book,
- for a sell Order: strictly higher than the price of the best opposite Order.

Limit Orders remain in the Order Book until they have been executed or cancelled.

Limit Orders can be entered during or outside the Trading Session, except during periods when the Order Book is closed.

##### 2° Must-be-filled Orders ("deal volume" function)

Must-be-filled Orders do not specify a limit price.

Volumes for must-be-filled Orders, whether buy or sell, must be less than or equal to the total volume of opposite Orders present in the Order Book.

If the Order Book permits, a must-be-filled Order triggers an immediate Trade for the total specified volume, where necessary by Matches against several opposite Orders. Failing this, it is not taken into account.

Must-be-filled Orders can be entered only during a Trading Session.

3° Market-to-limit orders ("deal price" function)

The price specified in a market-to-limit Order is equal to the price of the best opposite Order in the Order Book.

The volume specified in a market-to-limit Orders must be less than or equal to the volume of the best opposite Order in the Order Book.

If the Order Book permits, a market-to-limit Order triggers an immediate Trade for the total volume specified. Failing this, it is not taken into account. In all cases, market-to-limit Orders can be executed only once, against a single Order on the opposite side.

Market-to-limit Orders can be entered only during a Trading Session.

### **Article 76. *Order routing***

Orders are transmitted via the Internet to the Trading System for matching and execution by means of an electronic interface.

Each new Order entered into the order book is matched immediately against available orders in the order book on the opposite side, according to the rule of priority by price and then by time of arrival. The Order recording procedures are specified in the trading Manual.

If the Systems needed for proper transmission of Orders are more than momentarily unavailable, Trading Members or Participants, as applicable, may transmit their Orders to BlueNext by telecopy or by telephone to a recorded line, after authentication.

### **Article 77. *Role of BlueNext***

BlueNext performs the Matching of Orders and the clearing of Trades in accordance with the Market Rules.

In its role as Counterparty, BlueNext, in its own name and for its own account, takes the other side of each buy or sell Order from a Trading Member or Participant, as applicable, that is matched.

### **Article 78. *Order Matching***

The Matching rules ensure that Orders are executed at the best price available in the Trading System according to the priority rules defined in the BlueNext Spot Manual, taking into account the type of order and the terms of execution associated with that type.

The Matching of Orders manifests the consent of the buyer and seller to be bound by the terms of the Trade of the Instrument being traded.

### **Article 79. *Transmission of trade confirmations***

Once their Orders have been matched, Trading Members, Participants and Offerors receive an electronic trade confirmation containing the details of the Trade.

### **Article 80. *Formation of Trades***

The contract to buy or sell is formed when BlueNext consents to the buy or sell Order.

BlueNext is deemed to give its consent in respect of both the buying Trading Member and the selling Trading Member when the Matching is validated in accordance with the Market Rules.

The voluntary meeting of minds between BlueNext and the buying and selling Trading Members automatically gives rise to the following contracts:

- a contract between the selling Trading Member or Offeror and BlueNext,
- a contract between BlueNext and the buying Member Trading Member or Offeror.

### Article 81. **Checks and Controls**

BlueNext verifies within available means and within a reasonable timeframe that a Member does not hold on its Products Account, Products which are not Checked or Controlled.

In case of an Offeror Non Member, BlueNext verifies within available means and within a reasonable timeframe, that the Offeror Non Member has transmitted to it Products which are Checked and Controlled.

### Article 82. **Checks**

Upon opening and during the Trading Session, BlueNext, on a best effort basis, verifies that the Member holds on its Product Account, Products which comply with the characteristics defined under the BlueNext Spot manual and among others have been Checked and Controlled.

#### 1. Pre-checking and post-checking of Orders

During the Trading Session, when a Trading Member or Offeror transmits an Order to the Systems for matching and execution, BlueNext verifies that the Quantity or the Amount of the Order would not exceed the applicable trading limits (Delivery Limit and Cash Limit).

The pre-checking procedures are described in the BlueNext Spot Manual.

If the Order fails these pre-checks, it is rejected.

If BlueNext is unable to make this check, only the post-trade checks will be made.

During the Trading Session, when a Match has taken place, a Control Period begins during which BlueNext verifies that the Quantity or the Amount of the Order do not exceed the applicable trading limits (Delivery Limit and Cash Limit).

The post-checking procedures are described in the BlueNext Spot Manual.

If these checks are negative, the Trade is suspended until the defaulting Trading Member brings its position into line, and the Trade may be cancelled in accordance with the procedures specified in the BlueNext Spot Manual.

#### 2. Pre-checking and post-checking of debits not linked to Trades

Debits to the Product Account not linked to Trades can be effected only if BlueNext finds, at the time of the movement, that they would not cause the Delivery Limit to be exceeded.

Debits to the Cash Account not linked to Trades can be effected only if BlueNext finds, at the time of the movement, that they would not cause the Cash Limit of the Trading Member and its Settlement Bank, if applicable to be exceeded.

BlueNext informs Market Members by any available means when it knows that it will not be possible to make these checks.

### Article 83. **Controls**

Ownership of a Product is established by registration on a Product Account. In situations where a specific rule applies or good title of a Product is being questioned, BlueNext is entitled to check whether Member holds on its Products Accounts, Products for which it does not have good title or Products identified as surrendered for compliance purposes (in accordance to the Commission Regulation 920/2010 for a standardised and secured system of registries.)

### Article 84. **Cancellation of Trades**

#### 1. Cancellation at the request of a Trading Member and/or Offeror

In the event of manifest error, Trading Members and Offerors can ask BlueNext to cancel a Trade they have made if that Trade was executed outside a spread, published by BlueNext in a Market Notice, against the reference price; trades executed within this price spread cannot be cancelled.

BlueNext alone determines whether the Trade should be cancelled.

BlueNext can in all cases cancel a Trade if the two counterparties agree that it should be cancelled.

The procedures for cancellation requests by Trading Members and/or Offerors are set forth in the BlueNext Spot Manual.

#### 2. Ex officio cancellation

BlueNext can also cancel a Trade on its own motion in the following instances:

- the Trade results from a manifest error and neither party can be reached,
- the Trade was made in violation of the Market Rules,
- if exceptional circumstances so warrant.

### Article 85. ***Suspension of the Trading Session***

In the event of a threat to the integrity, security or efficiency of the Market, BlueNext may suspend all Trading. BlueNext informs Members of the suspension by a Market Notice or, in case of urgency, by any other means.

## **Section 4. Registration of OTC Interests and OTC Orders**

### **Sub-section 1: Common provisions**

#### Article 86. ***Execution of Trades***

The Matching or the validated Registration of an OTC Interest on the Market entails an irrevocable commitment on the part of the buying Trading Members and the selling Trading Members to execute the corresponding Trade.

#### Article 87. ***Opening hours of the Registration System***

The System is open during the hours specified in the BlueNext Spot Manual as amended by BlueNext, except during maintenance periods or as otherwise decided by BlueNext and announced by Market Notice.

#### Article 88. ***Routing of OTC Interests***

OTC Interests are entered for validation by means of an electronic interface. If the Systems required for the Registration of OTC Interests are more than momentarily unavailable, Authorised Brokers may transmit their OTC Interests to BlueNext by telecopy or by telephone to a recorded line, after authentication.

### **Sub-section 2: Registration of OTC Interests by Authorised Brokers**

#### Article 89. ***Definition of OTC (Over The Counter) Interests***

OTC interests are the messages by which Authorised Brokers submit for Registration offers to enter into a contract on opposite sides of a transaction negotiated previously outside the Order Book. The specifications of OTC Interests (Price, Quantity, Product to which the OTC Interest relates) are defined in the BlueNext Spot Manual. Once validated by the two Trading Members (selling Member first), OTC Interests become Orders and then Trades, on the conditions set forth in [Article 73](#) of the Market Rules.

#### Article 90. ***Origin of OTC Interests***

OTC Interests are presumed irrefutably to originate from Registering Brokers on the basis of their technical identification.

A Trading Member's validation of an OTC Interest entered by a Registering Broker constitutes proof of the Member's intent and its expression.

#### **Article 91. *Procedures for registering OTC Interests***

The Authorised Broker may register OTC Interests in the Registration System only for the account of its clients which are also Trading Members of the Market. The Registration procedures are specified in the BlueNext Spot Manual.

When an OTC Interest is declared by a Authorised Broker, that broker:

- (i) selects the Counterparties (selling Trading Member and buying Trading Member) for the OTC Interest;
- (ii) enters the details of the OTC Interest (Instrument involved, Price, Quantity);
- (iii) selects the Registration Account;
- (iv) send these details to the Counterparties.

Once the OTC Interest has been registered, a validation request is sent first to the selling Trading Member and then to the buying Trading Member. The OTC Interest will not be definitively registered until after it has been validated by both the selling Member and the buying Member. The Trade is formed once this dual validation has been made.

At the time of validation, if the buying or selling Trading Members notice an error in the entry of an OTC Interest, they can reject the entry. Rejection invalidates the submission of the OTC Interest.

#### **Article 92. *Cancellation of an entered OTC Interest***

If the Authorised Broker notices an error in the entry of an OTC Interest before the first validation by the selling Trading Member, it can cancel the entry or contact BlueNext to request cancellation of the entry. It makes such request in its own name. Cancellation invalidates the submission of the OTC Interest.

### **Sub-section 3: OTC Orders**

#### **Article 93. *Definition***

An OTC Order is an Order sent to BlueNext for execution with a preselected Counterparty. It is created by:

- the selling Trading Member's validation of an OTC Interest entered by the Authorised Broker, or
- direct entry of the Order by the selling Trading Member.

#### **Article 94. *Matching of OTC Orders***

During the Trading Session, OTC Orders are matched automatically with opposite OTC Orders as soon as the two Counterparties confirm their agreement.

#### **Article 95. *Cancellation of OTC Orders***

In the event of a manifest error, Trading Members can ask BlueNext to cancel a Trade they have made. The procedures for cancellation requests by Trading Members are set forth in the BlueNext Spot Manual.

BlueNext alone decides whether to cancel the Order and will not give grounds for its decision.

BlueNext may cancel an Order if both counterparties agree to the cancellation.

### **Section 5. Offers to Buy and Offers to Sell**

Section 5 applies to Offerors or Offerors Non Members which are both designated for the purposes of this section as Offerors.

**Article 96. Definition of Offer to Buy and Offer to Sell**

An Offer to Buy is the operation whereby an Offeror submits an offer to Participants at an auction to purchase a Product from them in accordance with specifications (determination of Price, Quantity, etc.) defined in the BlueNext Spot Manual. This Offer takes the form of a buy Order in the Order Book, and each buy Order is a unilateral promise of purchase.

An Offer to Sell is the operation whereby an Offeror submits an offer to Participants at the auction to sell a Product to them in accordance with specifications (determination of Price, Quantity, etc.) defined in the BlueNext Spot Manual. This Offer takes the form of a sell Order in the Order Book, and each sell Order is a unilateral promise of sale.

**Article 97. Participants in the Offer**

Persons designated by Market Notice are authorised to participate in an Offer.

Barring exception, a Member or any company that is part of the same group as the Member cannot participate in an Offer to Sell made by an Offeror that is also part of the same group.

**Article 98. Operating hours of the Trading System**

The Trading System is open during the hours specified in the BlueNext Spot Manual, except during maintenance periods or as otherwise decided by BlueNext and announced to Participants.

**Article 99. Order routing**

Orders are transmitted via the Internet to the Trading System for processing and execution by means of an electronic interface.

If the Systems needed for proper transmission of Orders are more than momentarily unavailable, Participants may transmit their Orders to BlueNext by telecopy or by telephone to a recorded line, after authentication.

**Article 100. Order gathering phase**

The order gathering phase is the period of time during which Participants' Orders are transmitted. The hours of the order gathering phase are specified by BlueNext in the BlueNext Spot Manual.

In the event of a threat to the integrity, security or efficiency of the Market, BlueNext can suspend the order gathering session, postpone the opening, delay the closing, or cancel the session altogether.

At the request of the Offeror, BlueNext may cancel an Offer within a period of time specified by Market Notice. BlueNext will inform Participants by any appropriate means when it does so.

**Article 101. Determination of Offer prices**

The methodology by which Offer prices are determined is published in the BlueNext Spot Manual.

**Article 102. Order Matching**

The Matching rules ensure that Market Orders are executed at the best price available in the Trading System according to the priority rules defined in the BlueNext Spot Manual, taking into account the type of order and the terms of execution associated with that type.

Limit Orders, once transmitted, are classified and ranked in the Order Book according to the following rules:

- by side (bid or ask);
- by limit price;
- for each limit, chronologically by the exact time of reception.

**Article 103. Formation of Trades**

The contract to buy or sell is formed when BlueNext consents to the buy or sell Order.

BlueNext is deemed to give its consent in respect of both the Participant and the Offeror when the Matching is validated in accordance with the Market Rules.

The voluntary meeting of minds between BlueNext and Participants and between BlueNext and the Offeror automatically gives rise to the following contracts:

- a contract between the Participant and BlueNext,
- a contract between BlueNext and the Offeror.

Ownership of a Product is established by registration on a Product Account. In situations where a specific rule applies or good title of a Product is being questioned, BlueNext is entitled to check whether Member holds on its Products Accounts, Products for which it does not have good title or Products identified as surrendered for compliance purposes (in accordance to the Commission Regulation 920/2010 for a standardised and secured system of registries.)

**Article 104. Role of BlueNext**

BlueNext performs the clearing of Trades in accordance with the Market Rules.

In its role as Counterparty, BlueNext, in its own name and for its own account, takes the other side of each buy or sell Order from a Participant that is matched.

**Section 6. Payment and Delivery****Article 105. Clearing of Trades**

In accordance with Articles 32 and 40 and under the aforementioned mandate, BlueNext performs the clearing of Trades as follows.

**Article 106. Payment and Delivery**

Delivery of Products takes place after the Trades have been formed, within the delivery time periods required for technical reasons and on the terms specified in the BlueNext Spot Manual.

The debit and credit operations of the Product Accounts of Trading Members are carried out by the Registry Administrator on instructions given by the persons designated by BlueNext under the authority granted by the Trading Members.

Delivery: transfer of risks and transfer of ownership of the Products

For each Trade, the transfer of risks and the transfer of ownership of the Instrument traded occur as follows:

- between the selling Trading Member and BlueNext: when the Products involved are entered in BlueNext's Product Account.
- between BlueNext and the buying Trading Member: when the Products involved are entered in the buying Trading Member's Product Account.

Payment for Trades is effected by debiting the Cash Account of the buying Trading Member or its Settlement Bank and crediting the Cash Account of the selling Trading Member or its Settlement Bank. This is done by the Cash Account Administrator under the conditions set forth in the Market Rules and the Cash Account Agreement.

**Article 107. Payment and Delivery for Offers**

Pursuant to the aforementioned mandate, BlueNext performs the clearing of Trades as follows:

#### 1. Delivery: transfer of risks and transfer of ownership of the Products

a) for an Offer to buy

For each Trade, the transfer of risks and the transfer of ownership of the Products traded occur as follows:

- between BlueNext and the Participant: when the Products involved are entered in BlueNext's Product Account.
- between the Offeror and BlueNext: when the Products involved are entered in the Offeror's Product Account,

b) for an Offer to sell

For each Trade, the transfer of risks and the transfer of ownership of the Products traded occur as follows:

- between the Offeror and BlueNext: when the Products involved are entered in BlueNext's Product Account.
- between BlueNext and the Participant: when the Products involved are entered in the buying Participant's Product Account.

#### 2. Debiting and crediting of the Cash Account

In the case of an Offer to Buy, settlement of the Trade is effected by debiting the Cash Account of the Offeror or its Settlement Bank and crediting the Cash Account of the Participant or its Settlement Bank. This is done by Cash Account Administrator via BlueNext's transit account under the conditions set forth in the Market Rules and the Cash Account Agreement.

In the case of an Offer to Sell, settlement of the Trade is effected by debiting the Cash Account of the Participant or its Settlement Bank and crediting the Cash Account of the Offeror or its Settlement Bank. This is done by Cash Account Administrator via BlueNext's transit account under the conditions set forth in the Market Rules and the Cash Account Agreement.

#### 3. Delivery instructions

The parties expressly agree that the instructions to debit or credit the Product Account are given by BlueNext to the Registry Administrator on the terms set forth in Article 48 below. The Registry Administrator is responsible for carrying out the Delivery instructions.

#### 4. Payment Instructions

The parties expressly agree that instructions to debit or credit the Cash Account are given by BlueNext to the Cash Account Administrator, which is responsible for carrying out the Payment instructions.

## **Section 7. Commissions and other fees**

### **Article 108. *Fee schedule***

Members will pay BlueNext the sums specified in the Fee Schedule Instruction and published by Market Notice, unless contrary provisions of the Market Rules apply.

Unit fee amounts are expressed in euros. They can be revised by BlueNext, which will communicate the new fee schedule by publication of a Market Notice. The updated fee schedule will be communicated within the notice period preceding the entry into force of amendments to the Market Rules. A Member's refusal to accept the new fee schedule constitutes termination pursuant to Article 3 of the Market Rules.

This schedule of fees is independent of the billing for telecommunications subscriptions and contracts.

### **Article 109. *Invoicing and settlement procedures***

Except as otherwise provided, the procedures for settling the amounts owed to BlueNext are specified in the Fee Schedule Instruction.

Commissions and other fees are debited by the Cash Account Administrator on the terms set forth in the Cash Account Agreement.

### **Article 110. *Invoicing – Commissions and other fees for Offers***

The Offeror pays BlueNext the sums specified in the Accession Form.



**BOOK 3:**

**BlueNext DERIVATIVES**

## **Section 1. Specific provisions**

### **Article 111. *Role of BlueNext on BlueNext Derivatives***

BlueNext performs the Matching of Orders and is the organiser and operator of the Market. In this regard, BlueNext:

- admits Applicants as Trading Members and/or Registering Brokers on the basis of their accession to the Market Rules by signing the Accession Form,
- establishes the terms and conditions on which Contracts are admitted to Trading,
- matches buy and sell Orders for standardised forward financial instruments,
- registers Off-Book Interests,
- transmits information on Trades to LCH.Clearnet SA for clearing purposes,
- takes all decisions necessary for the integrity and orderly operation of the Market, in particular by monitoring compliance with the Market Rules by Trading Members and Registering Brokers.

LCH.Clearnet SA is the entity responsible for clearing Contracts traded on the Market in accordance with the terms and conditions of each type of Contract. LCH.Clearnet SA acts under a clearing agreement with individual Trading Members, if they clear their own transactions, or as the general clearer designated by them.

### **Article 112. *Obligations of Trading Members on BlueNext Derivatives.***

Subject to the provisions of Article 21, access to Trading on the Market is restricted to Trading Members that:

- are Clearing Members themselves, or
- have entered into a clearing agreement with a Clearing Member. .

In the event of default by a Trading Member that is using a general Clearing Member to clear Trades, the general Clearing Member may trade on the Market for the sole purpose of liquidating the defaulting Trading Member's Open Position.

In the event of default by a Clearing Member, BlueNext may trade on the Market in the name and for the account of LCH.Clearnet SA for the sole purpose of liquidating the Clearing Member's Open Position.

## **Section 2. Tradable Instruments**

### **Article 113. *Nature of the Contracts***

The Instruments admitted to Trading on the Market or formed subsequent to Registration on the Market are linked to forward financial instruments within the meaning of Article 211-1 of the Monetary and Financial Code. These instruments relate to Underlyings that allow emission of greenhouse gas equivalents.

### **Article 114. *Execution of Trades***

The Matching or the validated Registration of an OTC Interest on the Market entails an irrevocable commitment on the part of the buyer and the seller to execute the corresponding Trade.

### **Article 115. *Specifications of the Instruments admitted to Trading***

BlueNext decides which Tradable Instruments will be admitted to trading on the Market and specifies their characteristics, in particular:

- the opening and closing dates for Trading and Registration and the maturity dates,
- the terms and conditions of Trading in the Instrument,
- the times of day for Trading and Registration,

- the specifications of the Underlying and the Payment and Delivery terms,
- the Trading Unit and the Tick.

### **Article 116. *Opening of Trading***

Contracts are opened to Trading and Registration upon decision by BlueNext communicated to Members by Market Notice. The Maturities opened for Trading are specified directly by Market Notice. The Maturities opened for Registration are specified according to a timetable.

BlueNext may decide not to open one or more Instruments for Trading and Registration, temporarily or definitively. Barring exceptional circumstances, such decision is communicated to Members by a Market Notice at least five (5) calendar days before the initially scheduled opening date of the new Maturities.

### **Article 117. *Suspension of Trading in Instruments***

In the event of a threat to the integrity, security or efficiency of the Market, BlueNext can suspend one or more Maturities for which Orders are already in the Order Book or for which Trades exist in Open Positions.

BlueNext informs Members of the suspension by a Market Notice or, in case of urgency, by any other means.

### **Article 118. *Delisting of Instruments***

BlueNext may, at its sole discretion, decide to delist an Instrument, in particular for reason of:

- disappearance of the underlying;
- lack of liquidity.

In such case, it may consult the Expert Committee for advice. Depending on the circumstances, notice of delisting and relisting decisions will be published by BlueNext, confirmed if necessary by a Market Notice.

## **Section 3. Trading**

### **Sub-section 1: Orders**

#### **Article 119. *Definition of an Order and conditions of validity***

Orders are the messages by which Members submit a price and quantity of a Contract to be matched against Orders on the other side (buy or sell, as the case may be).

An Order is an offer to contract under the conditions of validity set forth in these Market Rules.

Technical acceptance of market instructions issued by Members or Participants, as applicable, shall be evidenced by entry in the Order Book or by realisation of a Trade.

Orders are deemed irrefutably to originate from Members when their technical identification is present in the message containing the Order. The market instructions issued by Members in their Orders are revocable only on the conditions set forth in this Article.

#### **Article 120. *Types of Orders***

The types of Market Orders accepted are:

1° Limit Orders

Limit Orders specify a quantity and a limit price.

The limit price is:

- the maximum price above which a bid limit Order cannot be executed, or
- the minimum price below which an ask limit Order cannot be executed

The limit price must be:

- for a buy Order: strictly lower than the price of best opposite Order present in the Order Book
- for a sell Order: strictly higher than the price of the best opposite Order.

Limit Orders remain in the Order Book until they have been executed or cancelled.

Limit Orders can be entered during or outside the Trading Session, except during periods when the Order Book is closed.

2° Must-be-filled Orders ("deal volume" function)

Must-be-filled Orders do not specify a limit price.

Volumes for must-be-filled Orders, whether buy or sell, must be less than or equal to the total volume of opposite Orders present in the Order Book.

If the Order Book permits, a must-be-filled Order triggers an immediate Trade for the total specified volume, where necessary by Matches against several opposite Orders. Failing this, it is not taken into account.

Must-be-filled Orders can be entered only during a Trading Session.

3° Market-to-limit orders ("deal price" function)

The price specified in a market-to-limit Order is equal to the price of the best opposite Order in the Order Book.

The volume specified in a market-to-limit Orders must be less than or equal to the volume of the best opposite Order in the Order Book.

If the Order Book permits, a market-to-limit Order triggers an immediate Trade for the total volume specified. Failing this, it is not taken into account. In all cases, market-to-limit Orders can be executed only once, against a single Order on the opposite side.

Market-to-limit Orders can be entered only during a Trading Session.

## **Sub-section 2: Processing and matching of Orders**

### **Article 121. *Opening and closing of the Order Book***

The opening and closing hours of the Order Book are set by BlueNext and published in the BlueNext Derivatives Manual.

### **Article 122. *Nature of the Order***

Every buy Order is a unilateral promise to purchase on the part of the buying Trading Member, subject to the trade cancellation procedures provided for in the Market Rules. Every sell Order is a unilateral promise to sell on the part of the selling Trading Member, subject to the trade cancellation procedures provided for in the Market Rules.

### **Article 123. *Order routing***

Orders are transmitted via the Internet to the System for matching and execution by means of an electronic interface. Each new Order entered into the order book is matched immediately against available orders in the order book on the opposite side, according to the rule of priority by price and then by time of arrival. The Order recording procedures are specified in the trading Manual.

If the Order transmission systems are unavailable, Trading Members may send Orders to BlueNext by telecopy or by telephone to a recorded line, after authentication.

### **Article 124. *Role of BlueNext***

BlueNext performs the Matching of Orders and the clearing of Trades in accordance with the Market Rules.

In its role as Counterparty, BlueNext, in its own name and for its own account, takes the other side of each buy or sell Order from a Trading Member or Participant, as applicable, that is matched.

### Article 125. **Order Matching**

The Matching rules ensure that Market Orders are executed at the best price available in the Trading System according to the priority rules defined sub-section 1 and in the BlueNext Derivatives Manual, taking into account the type of order and the terms of execution associated with that type.

The Matching of Orders manifests the consent of the buyer and seller to be bound by the terms of the Trade of the Instrument being traded.

### Article 126. **Transmission of trade confirmations**

Once their Orders have been matched, Trading Members receive an electronic trade confirmation containing the specifications of the Trade.

### Article 127. **Formation of Trades**

The contract to buy or sell is formed when BlueNext consents to the buy or sell Order.

BlueNext is deemed to give its consent in respect of both the buying Trading Member and the selling Trading Member when the Matching is validated in accordance with the Market Rules.

The voluntary meeting of minds between BlueNext and the buying and selling Trading Members automatically gives rise to the following contracts:

- a contract between the selling Trading Member and BlueNext,
- a contract between BlueNext and the buying Trading Member.

### Article 128. **Cancellation of Trades**

(i) Cancellation at the request of a Trading Member

In the event of manifest error, Trading Members can ask BlueNext to cancel a Trade they have made if that Trade was executed outside a spread against the reference price that is published by BlueNext in a Market Notice; Trades executed within this price spread cannot be cancelled.

BlueNext alone determines whether the Trade should be cancelled.

BlueNext can in all cases cancel a Trade if the two counterparties agree that it should be cancelled.

(ii) Ex officio cancellation

BlueNext can also cancel a Trade on its own motion in the following instances:

- the Trade results from a manifest error and neither of the two parties can be reached,
- the Trade was made in violation of the Market Rules,
- if exceptional circumstances so warrant.

The procedures for cancellation requests by Members are set forth in the trading manuals.

### Article 129. **Suspension of Trades**

In the event of a threat to the integrity, security or efficiency of the Market, BlueNext may suspend all Trading. BlueNext informs Members of the suspension by a Market Notice or, in case of urgency, by any other means.

### Article 130. **Determination of Clearing Prices**

Clearing Prices are determined by BlueNext. The Clearing Prices of the various Instruments are determined on the basis of Trades resulting from the Order Book and concluded during the Closing Period and the evolution of the Order Book during this Period. Only Orders and Trades resulting from the Order Book which Volume is at least equal to the Minimum Closing Volume for the Instrument are taken into account for the calculation. If the Trades resulting the Order Book and the Orders submitted during the Closing Period do not suffice to calculate a Clearing Price for the Instrument, that price is determined by the Price Committee.

Trades resulting from OTC Interests are not taken into account in the determination of the Clearing Price.

If the above rules result in a Clearing Price that is not representative of the Market, BlueNext reserves the right to consider exogenous market conditions in determining the Clearing Price.

The methodology for calculating the Clearing Price, the values of the parameters used in this methodology and the conditions required to organise a Price Committee are published by Market Notice.

#### **Article 131. *Transmission of Quantities and Prices to LCH.Clearnet SA***

As the matching of Orders and Off-Book Interests proceeds, BlueNext transmits information on these Trades to LCH.Clearnet SA for recording by Member and by Contract. For each Trade, the Price, the Quantity, the side, the counterparties, the position accounts, the date and the time of day are indicated.

If LCH.Clearnet SA refuses or is unable to record the Trades, the Trading Members involved may request cancellation of the Trades.

#### **Article 132. *Payment and Delivery of positions in delivery***

Contracts are settled by simultaneous payment and delivery not later than the third trading day after the maturity date. Delivery consists in a transfer of units of the Underlying from the account of the selling Clearing Member to the account of LCH.Clearnet SA and from that account to the account of the buying Clearing Member in one of the registries admitted by BlueNext as specified by Market Notice.

### **Section 4. Registration of OTC Interests and OTC Orders**

#### **Sub-section 1: General provisions**

##### **Article 133. *Execution of Trades***

The Matching or the validated Registration of an OTC Interest on the Market entails an irrevocable commitment on the part of the buying and selling Member Trading Members to execute the corresponding Trade.

##### **Article 134. *Opening hours of the Registration System***

The Trading System is open during the hours specified in the BlueNext Derivatives Manual as amended by BlueNext, except during maintenance periods or as otherwise decided by BlueNext and announced by Market Notice.

##### **Article 135. *Routing of OTC Interests***

OTC Interests are entered for execution using an electronic interface. If the Systems required for the Registration of OTC Interests are more than momentarily unavailable, Authorised Brokers may transmit their OTC Interests to BlueNext by telecopy or by telephone to a recorded line, after authentication.

#### **Sub-section 2: Registration of OTC Interests**

##### **Article 136. *Definition of OTC Interests***

OTC interests are the messages by which Registering Brokers submit for Registration offers to enter into a contract on opposite sides of a transaction negotiated previously outside the Order Book. The characteristics of OTC Interests (Price, Quantity, and Product to which the OTC Interest relates) are defined in the BlueNext Derivatives Manual. Once validated by the two Members (selling Member first), OTC Interests become Orders and then Trades, on the conditions set forth in these Market Rules.

##### **Article 137. *Origin of OTC Interests***

OTC Interests are presumed irrefutably to originate from Authorised Brokers on the basis of their technical identification.

A Trading Member's validation of an OTC Interest entered by a Authorised Broker constitutes proof of the Trading Member's intent and its expression.

#### **Article 138.            *Procedures for Registration of OTC Interests***

The Authorised Broker may register OTC Interests in the Registration System only for the account of its clients which are also Trading Members of the Market. The Registration procedures are specified in the BlueNext Derivatives Manual.

When an OTC Interest is declared by a Authorised Broker, that broker:

- (i) selects the Counterparties (selling Trading Member and buying Trading Member) for the OTC Interest;
- (ii) enters the details of the OTC Interest (Instrument involved, Price, Quantity);
- (iii) selects the Registration Account;
- (iv) send these details to the Counterparties.

Once the OTC Interest has been registered, a validation request is sent first to the selling Trading Member and then to the buying Trading Member. The OTC Interest will not be definitively registered until after it has been validated by both the selling Member and the buying Member. The Trade is formed once this dual validation has been made.

At the time of validation, if the buying or selling Trading Members notice an error in the entry of an OTC Interest, they can reject the entry. Rejection invalidates the submission of the OTC Interest.

If the Authorised Broker notices an error in the entry of an OTC Interest before the first validation, it can contact BlueNext to request rejection of the entry. It makes such request in its own name. Rejection invalidates the submission of the OTC Interest.

#### **Article 139.            *Cancellation of an entered OTC Interest***

An Authorised Broker or the selling Trading Member can cancel the entry of an OTC Interest before the first validation by the selling Member.

### **Sub-section 3: OTC Orders**

#### **Article 140.            *Definition***

An OTC Order is an Order sent to BlueNext for execution with a preselected Counterparty. It is created by the selling Trading Member's validation of an OTC Interest or by the selling Trading Member's entry of an Order.

#### **Article 141.            *Matching of OTC Orders***

During the Trading Session, OTC Orders are matched automatically with opposite OTC Orders as soon as the two Counterparties confirm their agreement.

#### **Article 142.            *Cancellation of OTC Orders***

In the event of a manifest error, Trading Members can ask BlueNext to cancel a Trade they have made.

The procedures for cancellation requests by Members are set forth in the BlueNext Derivatives Manual.

BlueNext alone decides whether to cancel the Order and will not give grounds for its decision.

BlueNext may cancel an Order if both counterparties agree to the cancellation.