

Oregon CFP futures contracts upon request. The Exchange reserves the right to remove Participants from the eligible deliverer list at any time. Eligible deliverers will be reviewed as needed and at minimum at a frequency commensurate with delivery. Any Participant wishing to become an eligible deliverer may apply at any time. No additional eligible deliverers will be added to the list within the contract expiration month.

- 3.5.5 A Participant seller who does not meet the requirements of Rule 3.5 will not be eligible to engage in physical delivery of California LCFS and Oregon CFP futures contracts. A Participant seller not eligible to deliver LCFS and Oregon CFP futures contracts must ensure all of its expiration month positions in LCFS and Oregon CFP futures contracts have been closed at the latest on the fifth business day before the first delivery day of the expiring contract.
- 3.5.6 If a Participant fails to comply with Rule 3.5.5, Nodal Exchange may use any and all measures to close the positions, which are ineligible for delivery. This would occur without prior notification and at the expense of the Participant.

**3.6 Requirements for Participants making or taking physical delivery of Renewable Identification Numbers (“RINs”)**

3.6.1 Nodal Contracts based on RINs, which are instruments governed by the laws and regulations of the U.S. Environmental Protection Agency, are physically settled as described in the Contract Specifications. All deliverable RINs must have been generated at eligible facilities that meet the criteria in Rule 3.7.

3.6.2 The Exchange must approve Participants as eligible to engage in the physical delivery of RINs. Participants wishing to engage in the physical delivery of RINs, must submit an application demonstrating the eligibility criteria set forth below.

Eligible Participants (i.e., Participant buyers and Participant sellers) must demonstrate satisfaction with each criterion under items (a) through (c) below, and deliverers (i.e., Participants sellers) may be required to meet additional criteria at the discretion of the Exchange.

(a) Participant of Nodal Exchange in good standing;

(b) Maintain an active EPA Moderated Transaction System (EMTS) account. EMTS account information must be on file with the Exchange at the time of delivery, and;

(c) May not be subject to ongoing EPA civil enforcement action related to the generation or trading of invalid RINs.

Participant sellers assume the liability to replace delivered RINs found to be invalid after delivery. Notwithstanding the foregoing, Persons that are “obligated parties” as such term is defined in 40 CFR 80.1406, assume all liability for the validity of delivered RINs pursuant to 40 CFR 80.1431 and any obligations as imposed thereunder.

3.6.3 Each Participant approved by the Exchange to make physical delivery of RINs grants consent for the Exchange to identify the Participant on an eligible deliverer list, which will be made available to Participants and/or their Clearing Members that may trade Nodal Contracts based on RINs. The Exchange reserves the right to remove Participants from the eligible deliverer list at any time. Any Participant wishing to become an eligible deliverer may apply at any time; however, no new eligible deliverers will be added to the list within the contract expiration month.

3.6.4 A Participant that does not meet the requirements of Rule 3.6 will not be eligible to engage in the physical delivery of RINs. A Participant that is not eligible to engage in the physical delivery of RINs must ensure that all of its expiration month positions in RIN futures contracts have been closed by no later than the fifth business day before the first delivery day of the expiring Nodal Contract.

3.6.5 If a Participant fails to comply with Rule 3.6.4, Nodal Exchange may use any and all measures to close the positions that are ineligible for delivery. This could occur without prior notification and at the expense of the Participant.

### **3.7 Eligible Facility Criteria for RINs**

The Exchange will maintain a list of eligible facilities for RINs, which will be made available to Participants and/or their Clearing Members that may be engaged in the physical delivery of RINs. The Exchange reserves the right to remove eligible facilities from the list at any time.

Physically deliverable RINs upon which Nodal Contracts are based will be generated by eligible facilities that meet the following criteria:

#### 3.7.1 Criteria for D3 RIN Facilities

- (a) Registered pursuant to 40 CFR § 80.1450;
- (b) Generate Q RINs as defined in by 40 CFR § 80.1401, verified by a registered independent third-party auditor using a Quality Assurance Plans (“QAP”) pursuant to 40 CFR § 80.1469 and audited under the requirements of 40 CFR § 80.1472 by auditors qualified in accordance with 40 CFR § 80.1471;
- (c) Located within the United States;

- (d) Generate according to pathways according to 40 CFR § 80.1426 Applicable D Codes for Each Fuel Pathway for Use in Generating RINs;
- (e) No history of EPA fraud-related enforcement actions; and
- (f) Such other criteria not limited to, operating history, nameplate capacity, market capitalization or balance sheet of the facility or its parent firm, as determined by the Exchange in its sole discretion.

3.7.2 Criteria for D4 RIN Facilities

- (a) Registered pursuant to 40 CFR § 80.1450;
- (b) Located within the United States;
- (c) Production capacity of 30 million gallons per calendar year or greater;
- (d) Generate according to pathways pursuant to 40 CFR § 80.1426 Table 1—Applicable D Codes for Each Fuel Pathway for Use in Generating RINs;
- (e) No history of EPA fraud-related enforcement actions; and
- (f) Such other criteria not limited to, operating history, nameplate capacity, market capitalization or balance sheet of the facility or its parent firm, as determined by the Exchange in its sole discretion.

3.7.3 Criteria for D5 RIN Facilities

- (a) Registered pursuant to 40 CFR § 80.1450;
- (b) Located within the United States or importing renewable fuel from Brazil or such other foreign locations as determined by the Exchange;
- (c) Generate or import renewable fuel according to pathways pursuant to 40 CFR § 80.1426 Table 1—Applicable D Codes for Each Fuel Pathway for Use in Generating RINs;
- (d) No history of EPA fraud-related enforcement actions; and
- (e) Such other criteria not limited to, operating history, nameplate capacity, market capitalization or balance sheet of the facility or its parent firm, as determined by the Exchange in its sole discretion.

3.7.4 Criteria for D6 RIN Facilities

- (a) Registered pursuant to 40 CFR § 80.1450;
- (b) Located within the United States;
- (c) Feedstock production process using corn starch or grain sorghum according to pathways pursuant to 40 CFR § 80.1426 Table 1— Applicable D Codes for Each Fuel Pathway for Use in Generating RINs;
- (d) Production capacity of 20 million gallons per calendar year or greater;
- (e) No history of EPA fraud-related enforcement actions; and
- (f) Such other criteria not limited to, operating history, nameplate capacity, market capitalization or balance sheet of the facility or its parent firm, as determined by the Exchange in its sole discretion.

**3.6.8 Duties and Responsibilities of Participants**

3.6.13.8.1 Each Participant shall, and shall cause its Authorized Users to:

- (a) access the Exchange in a responsible manner and not for any improper purpose;
- (b) access the Exchange only to conduct business that is subject to the Rules and the Exchange Requirements and in a manner consistent with the Rules and the Exchange Requirements;
- (c) comply with the Rules and the Exchange Requirements and act in a manner consistent with the Rules and the Exchange Requirements;
- (d) comply with the rules of the Clearing House that accepts for clearing a Nodal Contract traded by the Participant on the Exchange, to the extent applicable to such Participant and such Nodal Contract;
- (e) observe high standards of integrity, market conduct, commercial honor, fair dealing, and just and equitable principles of trade while conducting or seeking to conduct any business connected with or concerning the Exchange;