

March 27, 2013

**VIA E-MAIL**

Ms. Melissa Jurgens  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: Rule 40.6(a) Certification. Notification Regarding Amendments to Rules for  
Certain Energy Contracts  
NYMEX Submission #13-103**

Dear Ms. Jurgens:

The New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to the “Termination of Trading” rules of the physically delivered Crude Oil, RBOB Gasoline, Heating Oil, Natural Gas and Environmental futures contracts. The amendments to the existing “Termination of Trading” rules are intended to clarify the use of an exchange for related position (EFRP) transaction for the purposes of liquidation of a position in an expired contract. With respect to Natural Gas, the Exchange is expanding the timeframe available to conduct an EFRP transaction for liquidation of a position by 45 minutes.

The amendments to the “Termination of Trading” rules are not substantive and do not, in any manner, modify the specifications or trading mechanics of these contracts nor do they affect the value of these contracts.

Below is a summary of the amendments to the “Termination of Trading” rules:

- RBOB Gasoline, Crude Oil, Heating Oil: Non-substantive changes to the existing language in order to provide enhanced clarity.
- Natural Gas: Amendment of rules to expand the timeframe available to conduct an EFRP transaction for liquidation of a position from 4:30 p.m. on expiration day to 5:15 p.m. on expiration day.
- Environmental Futures: Explicitly state that EFRP transactions in an expired contract conducted after the contract’s expiration are to be transacted exclusively for liquidation purposes.

In addition, the Exchange is notifying the CFTC that it is self-certifying amendments to the “Delivery Margin and Payment” rules of the Crude Oil and Natural Gas futures contracts. The amended language states that the clearing member shall obtain delivery margin from the seller in an amount fixed, from time to time, by the Exchange and that the delivery margins for both the buyer and the seller shall be deposited with the Clearing House and returned upon notification to the Exchange that the delivery and payment have been completed. Language containing a description of the types margin deposits has been removed from the rules as such description is contained in Exchange rulebook Chapter 8.

The Exchange is also notifying the CFTC that it is self-certifying administrative, non-substantive amendments to certain headers of the Crude Oil, Natural Gas, RBOB Gasoline and Heating Oil futures as well as non-substantive changes to the “Delivery Procedures” of the RBOB Gasoline and Heating Oil futures.

As stated above, the rule amendments, presented in black-line format under Appendix A herewith, do not impact the value of the contracts.

NYMEX business staff responsible for the amendments to the contract rule chapters and the NYMEX legal department collectively reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (the “Act” or “CEA”). During the review, NYMEX staff identified that the amendments may have some bearing on the following Core Principles:

- Availability of General Information: The information contained herein will be disseminated to the marketplace via Special Executive Report. The Exchange will publish information on the contracts’ specifications on its website.
- Prevention of Market Disruption: The Exchange is adopting the amendments to the “Termination of Trading” rules to clarify the use of an exchange for related position transaction for the purposes of liquidation of a position in an expired contract to prevent disruptions of the delivery process.

Pursuant to Section 5c(c) of the Act and CFTC Rule 40.6(a), the Exchange hereby certifies that the amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. The amendments shall be effective on trade date April 11, 2013.

The Exchange certifies that this submission has been concurrently posted on the Exchange’s website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 930-8167 or [Sean.Downey@cmegroup.com](mailto:Sean.Downey@cmegroup.com).

Sincerely,

/s/Sean M. Downey  
Senior Director and Associate General Counsel

Attachment: Appendix A – Amendments to Exchange Rulebook

(underline indicates addition; strikethrough indicates deletion)

## REFINED PRODUCTS

### Chapter 191: RBOB Gasoline Futures

#### 191102.F. Termination of Trading

No trades in RBOB Gasoline futures in the expiring contract month shall be made after the last business day of the month preceding the delivery month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall begin no earlier than the day after the fifth business day of the delivery month or later than the last day prior to the last business day of the delivery month and shall be completed no later than the last business day of the delivery month; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an expired futures contract at any time before 2:00 p.m. on the first business day following termination of trading in ~~the~~an expired futures contract, ~~provided, however, that~~ Aan EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted ~~on the first business day~~ following the termination of trading of an~~the~~ expired futures contract.

[remainder of rule unchanged]

#### 191106. DELIVERY PROCEDURES

##### 191106.A. Responsibilities of Clearing Members Having Open Long Positions

###### 1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 3:00 p.m. on the first business day of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange, and must be properly completed and indicate the name(s) of the buyer(s), the number of contracts to be accepted, the names of three inspection companies and any additional information as may be required by the Exchange. The buyer may, at its option, request a preferred delivery site; such request shall not be binding upon the seller.

###### 2. Initial Delivery Instructions

Upon receipt from the Exchange of a Notice of Intention to Deliver, but no later than 4:30 p.m. on a business day no later than the fourth business day of the delivery month, the buyer's clearing member shall provide the seller's clearing member identified in such Notice of Intention to Deliver and the Exchange with properly completed Initial Delivery Instructions in the form prescribed by the Exchange. Such Initial Delivery Instructions must include the following information:

- a. Name of seller ~~(s)~~'s clearing member;
- b. Tender number;
- c. Name and location of delivery facility specified in the Notice of Intention to Deliver;
- d. Number of contracts;
- e. Method of delivery (which must conform to the normal capabilities of the facility named in the Notice of Intention to Deliver with respect to the manner and time of delivery and the quantity to be delivered);
- f. A consecutive five-day period for initiation of delivery;
- g. Name of the designated inspection company, if so required;
- h. Confirmation of verification of delivery method and inspection company in accordance with Section 106.A.3.; and,
- i. Any~~Such~~ additional information as may be required by the Exchange.

###### 3. Verification of Delivery Method and Inspection Company

Prior to providing the seller's clearing member and the Exchange with Initial Delivery Instructions, the buyer shall verify with and confirm in writing to the seller that the method of delivery specified conforms to the normal capabilities of the seller's delivery facility with respect to the manner of delivery and the quantity to be delivered and that the inspection company specified has been accepted by the seller. Such verification shall be confirmed in the Initial Delivery Instructions. If the

buyer and seller fail to agree on one of the three inspection companies specified in the Notice of Intention to Accept, the Exchange shall appoint an inspection company which shall not be either of the three inspection companies listed in the Notice of Intention to Accept. Initial Delivery Instructions may not be amended after they have been provided to the seller's clearing member and the Exchange.

4. Delivery Instructions

The buyer's clearing member may provide the seller's clearing member with Delivery Instructions on any business day prior to 10:30 a.m. Delivery Instructions provided after 10:30 a.m. on any business day shall be deemed to have been provided on the following business day. A buyer's clearing member may not provide the seller's clearing member with Delivery Instructions on the day on which Initial Delivery Instructions are provided to the seller's clearing member pursuant to Section 106.A.2. above. The buyer's clearing member's Delivery Instructions for a delivery which is to occur during the consecutive five-day period the final day of which is the day prior to the last business day of the delivery month shall not designate such final day of the five-day period for the initiation of the delivery.

The buyer's clearing member shall provide the seller's clearing member and the Exchange with properly completed Delivery Instructions in the form prescribed by the Exchange no later than two calendar days prior to the time of the proposed delivery, or such earlier business day as is necessary to ensure that the day on which Delivery Instructions are provided is followed by a period that includes at least one business day and two subsequent calendar days ending on the day prior to the last business day of the delivery month. Except as provided in Section 106.A.6. below, Delivery Instructions must conform to the Initial Delivery Instructions provided by the buyer's clearing member to the seller's clearing member and the Exchange.

5. Form of Delivery Instructions

The Delivery Instructions must be in the form prescribed by the Exchange, and must be properly completed and contain the following information:

- a. Name of seller~~(s)~~'s clearing member;
- b. Tender number;
- c. Name and location of delivery facility specified in the Notice of Intention to Deliver;
- d. Number of contracts;
- e. Method of delivery (which must conform to the normal capabilities of the facility named in the Notice of Intention to Deliver with respect to the manner and time of delivery and the quantity to be delivered);
- f. Name of proposed carrier (i.e., Barge or Pipeline), and the approximate size of the barge or tanker, if any;
- g. For interfacility transfers, name of receiving facility;
- h. Date and approximate time for initiating delivery,
- i. Name of inspection company, if so required; and
- j. ~~Such~~ Any additional information as may be required by the Exchange.

[remainder of rule unchanged]

## Chapter 150: NY Harbor ULSD Heating Oil Futures

### 150102.F. Termination of Trading

No trades in New York Harbor ULSD Heating Oil futures in the expiring contract month shall be made after the last business day of the month preceding the delivery month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall begin no earlier than the day after the fifth business day of the delivery month or later than the last day prior to the last business day of the delivery month and shall be completed no later than the last business day of the delivery month; or
- (b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an expired futures contract at any time before 2:00 p.m. on the first business day following termination of trading in ~~the an~~ expired futures contract. ~~provided, however, that An~~ an EFRP which establishes a futures position for either the buyer or the seller in an expired

futures contract shall not be permitted ~~on the first business day~~ following the termination of trading of an ~~the~~ expired futures contract.

[remainder of rule unchanged]

150106.

## DELIVERY PROCEDURES

### 150106.A. Responsibilities of Clearing Members Having Open Long Positions

#### 1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 3:00 p.m. on the first business day of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange, and must be properly completed and indicate the name(s) of the buyer(s), the number of contracts to be accepted, the names of three inspection companies and any additional information as may be required by the Exchange. The buyer may, at its option, request a preferred delivery site; such request shall not be binding upon the seller.

#### 2. Initial Delivery Instructions

Upon receipt from the Exchange of a Notice of Intention to Deliver, but no later than 4:30 p.m. on a business day no later than the fourth business day of the delivery month, the buyer's clearing member shall provide the seller's clearing member identified in such Notice of Intention to Deliver and the Exchange with properly completed Initial Delivery Instructions in the form prescribed by the Exchange. Such Initial Delivery Instructions must include the following information:

- a. Name of seller ~~(e)~~'s clearing member;
- b. Tender number;
- c. Name and location of delivery facility specified in the Notice of Intention to Deliver;
- d. Number of contracts;
- e. Method of delivery (which must conform to the normal capabilities of the facility named in the Notice of Intention to Deliver with respect to the manner and time of delivery and the quantity to be delivered);
- f. A consecutive five-day period for initiation of delivery;
- g. Name of the designated inspection company, if so required;
- h. Confirmation of verification of delivery method and inspection company in accordance with Section 106.A.3.; and,
- i. ~~Such~~ Any additional information as may be required by the Exchange.

#### 3. Verification of Delivery Method and Inspection Company

Prior to providing the seller's clearing member and the Exchange with Initial Delivery Instructions, the buyer shall verify with and confirm in writing to the seller that the method of delivery specified conforms to the normal capabilities of the seller's delivery facility with respect to the manner of delivery and the quantity to be delivered and that the inspection company specified has been accepted by the seller. Such verification shall be confirmed in the Initial Delivery Instructions. If the buyer and seller fail to agree on one of the three inspection companies specified in the Notice of Intention to Accept, the Exchange shall appoint an inspection company which shall not be either of the three inspection companies listed in the Notice of Intention to Accept. Initial Delivery Instructions may not be amended after they have been provided to the seller's clearing member and the Exchange.

#### 4. Delivery Instructions

The buyer's clearing member may provide the seller's clearing member with Delivery Instructions on any business day prior to 10:30 a.m. Delivery Instructions provided after 10:30 a.m. on any business day shall be deemed to have been provided on the following business day. A buyer's clearing member may not provide the seller's clearing member with Delivery Instructions on the day on which Initial Delivery Instructions are provided to the seller's clearing member pursuant to Section 106.A.2 above. The buyer's clearing member's Delivery Instructions for a delivery which is to occur during the consecutive five-day period the final day of which is the day prior to the last business day of the delivery month shall not designate such final day of the five-day period for the initiation of the delivery.

The buyer's clearing member shall provide the seller's clearing member and the Exchange with properly completed Delivery Instructions in the form prescribed by the Exchange no later than two calendar days prior to the time of the proposed delivery, or such earlier business day as is

necessary to ensure that the day on which Delivery Instructions are provided is followed by a period that includes at least one business day and two subsequent calendar days ending on the day prior to the last business day of the delivery month. Except as provided in Section 106.A.6 below, Delivery Instructions must conform to the Initial Delivery Instructions provided by the buyer's clearing member to the seller's clearing member and the Exchange.

### 5. Form of Delivery Instructions

The Delivery Instructions must be in the form prescribed by the Exchange, and must be properly completed and contain the following information:

- a. Name of seller ~~(s)~~'s clearing member;
- b. Tender number;
- c. Name and location of delivery facility specified in the Notice of Intention to Deliver;
- d. Number of contracts;
- e. Method of delivery (which must conform to the normal capabilities of the facility named in the Notice of Intention to Deliver with respect to the manner and time of delivery and the quantity to be delivered);
- f. Name of proposed carrier (i.e., Barge, Tanker or Pipeline), and the approximate size of the barge, or tanker, if any;
- g. For interfacility transfers, name of receiving facility;
- h. Date and approximate time for initiating delivery;
- i. Name of inspection company, if so required; and
- j. ~~Such~~ Any additional information as may be required by the Exchange.

[remainder of rule unchanged]

## 150108. ALTERNATIVE DELIVERY PROCEDURES

[remainder of rule unchanged]

## CRUDE OIL

### Chapter 200: Light Sweet Crude Oil Futures

#### 200102.F. Termination of Trading

No trades in Light Sweet Crude Oil futures in the expiring contract month shall be made after the third business day prior to the twenty-fifth calendar day of the month preceding the delivery month for such expiring contract. If the twenty-fifth calendar day of the month is a non-business day, trading shall cease on the third business day prior to the last business day preceding the twenty-fifth calendar day of the month preceding the delivery month. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Light Sweet Crude Oil futures, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration date is declared a holiday, expiration will move to the business day immediately prior. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no earlier than the first calendar day of the delivery month and shall be completed no later than the last calendar day of the delivery month; or
- (b) Liquidated by means of a bona fide Exchange ~~of Futures~~ for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an expired futures contract at any time before 2:00 p.m. on the first business day following termination of trading in ~~the an~~ expired futures contract. ~~provided, however, that~~ Aan EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted ~~on the first business day~~ following the termination of trading of an ~~the~~ expired futures contract.

[remainder of rule unchanged]

## 200107. DELIVERY MARGINS AND PAYMENT

### 200107.B. Margin

On the third business day following the last day of trading, the clearing member shall obtain from any buyer margin equal to the full value of the product to be delivered, not including any adjustment

for discounts and premiums accounted for in Section 107.C. and the clearing member shall obtain from any seller margin in an amount fixed, from time to time, by the Exchange.

The buyer's clearing member and the seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and payment have been completed. ~~Such margin shall consist of cash, securities issued by the United States Treasury Department maturing within ten (10) years from the date of deposit and guaranteed as to principal and interest by the United States Government or a letter of credit. Any Treasury securities so deposited shall be valued at ninety percent (90%) of the par value of such instruments. Any letter of credit so deposited shall be in a form approved by the Exchange, shall be issued or confirmed by an Exchange approved original margin depository, and shall be drawn in favor of the Exchange.~~

### **200107.C. Payment**

No later than 12:00 p.m. on the third business day prior to the Payment Date, the seller shall advise its clearing member of the name and address of the bank, and the name of the account to which payment shall be made. The clearing member shall advise the opposite clearing member who shall advise the buyer. On the Payment Date, the buyer shall pay the short contract value by federal funds wire transfer to the account of the seller at the bank nominated by the seller. The term "contract value" shall mean the amount equal to the settlement price on the last day of trading in a futures contract times one thousand (1,000) times the number of contracts to be delivered, plus or minus any discount or premium as set forth in Section 101.B.1.

No later than 12:00 p.m. on the Payment Date, the buyer shall advise its clearing member of the federal funds wire transfer number and the name of the sending bank. The clearing member representing the buyer shall advise the opposite clearing member who shall similarly advise the seller.

No later than the business day following the Payment Date, the seller shall advise its clearing member of receipt of payment, who shall deliver a notice of payment to the clearing member representing the buyer and the Clearing House ~~no later than the business day following the Payment Date~~. Upon receipt of such notice, the delivery shall be complete.

Any payment made on the required Payment Date shall be based on volume actually delivered, determined at 60°F. If quantitative results are unavailable prior to the time established in the rules for payment of the product, a pro-forma payment based on 1,000 U.S. barrels per contract shall be made. Similarly, if the quality inspection is unavailable, a pro-forma payment based on par qualities shall be made. Payment adjustments based on the actual quality or quantity transferred shall be completed by 12:00 p.m. on the fifth business day after initial payment.

In the event that the seller's clearing member receives notification that payment has not been received, the seller's clearing member shall advise the Exchange in writing. On the following business day, unless the buyer or the buyer's clearing member has advised the Exchange in writing that the seller failed to deliver, the Exchange shall liquidate the margins held and, when the liquidation is complete, shall pay the seller's clearing member which shall pay its seller. If the buyer or the buyer's clearing member has advised the Exchange in writing that the seller failed to deliver, the matter shall be deemed a failure to deliver pursuant to Rule 7B14.

[remainder of rule unchanged]

## **200109. ALTERNATIVE DELIVERY PROCEDURES**

### **NATURAL GASOLINE**

#### **Chapter 220: HH Natural Gas Futures**

##### **220102.F. Termination of Trading**

No trades in Henry Hub Natural Gas futures in the expiring contract month shall be made after the third business day prior to the first day of the delivery month for such expiring contract. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Henry Hub Natural Gas futures, the originally listed expiration date shall remain in effect. In the event that the

originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place no earlier than the first calendar day of the delivery month and shall be completed no later than the last calendar day of the delivery month; or

(b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an ~~the~~ expired ~~ing~~ futures contract until 5:15 p.m. ~~two (2) hours after trading terminates~~ on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted ~~during the two-hour period~~ following the termination of trading of an expired futures contract.

[remainder of rule unchanged]

### 220107. DELIVERY MARGINS AND PAYMENTS

#### 220107.B. Margin

On the third business day following the last day of trading, the clearing member shall obtain from any buyer margin equal to the full value of the product to be delivered and the clearing member shall obtain from any seller margin in an amount fixed, from time to time, by the Exchange.

The buyer's clearing member and the seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the business day following notification to the Exchange that delivery and payment have been completed. ~~Such margin shall consist of cash, securities issued by the United States Treasury Department maturing within ten (10) years from the date of deposit and guaranteed as to principal and interest by the United States Government or a letter of credit. Any Treasury securities so deposited shall be valued at ninety percent (90%) of the par value of such instruments. Any letter of credit so deposited shall be in a form approved by the Exchange, shall be issued or confirmed by an Exchange approved original margin depository, and, shall be drawn in favor of the Exchange.~~

#### 220107.C. Payment

No later than 12:00 p.m. on the third business day prior to the Payment Date, the seller shall advise its clearing member of the name and address of the bank, and the name of the account to which payment shall be made. The clearing member shall advise the opposite clearing member who shall advise the buyer. On the Payment Date, the buyer shall pay the short contract value by federal funds wire transfer to the account of the seller at the bank nominated by the seller. The term "contract value" shall mean the amount equal to the settlement price on the last day of trading in a futures contract times ten thousand (10,000) times the number of contracts to be delivered.

No later than 12:00 p.m. on the Payment Date, the buyer shall advise its clearing member of the federal funds wire transfer number and the name of the sending bank. The clearing member representing the buyer shall advise the opposite clearing member who shall similarly advise the seller.

No later than the business day following the Payment Date, the seller shall advise its clearing member of receipt of payment, who shall deliver a notice of payment to the clearing member representing the buyer and the Clearing House ~~no later than the business day following the Payment Date~~. Upon receipt of such notice, the delivery shall be complete.

Any payment made on the required Payment Date shall be based on British thermal units actually delivered. If quantitative results are unavailable prior to the time established in the rules for payment, a pro-forma payment based on 10,000 MMBtu per contract shall be made. Payment adjustments based on the actual quantity delivered shall be completed by 12:00 p.m. on the tenth business day after initial payment.

In the event that the seller's clearing member receives notification that payment has not been received, the seller's clearing member shall advise the Exchange and the buyer's clearing member in writing. On the following business day, unless the buyer or the buyer's clearing member has advised the Exchange in writing that the seller failed to deliver, the Exchange shall liquidate the margins held and, when the liquidation is complete, shall pay the seller's clearing member which shall pay its seller. If the buyer or the buyer's clearing member has advised the Exchange in writing that the seller failed to deliver, the matter shall be deemed a failure to deliver pursuant to Rule 7B14.

[remainder of rule unchanged]



**220109. ALTERNATIVE DELIVERY PROCEDURES**

[remainder of rule unchanged]

**Chapter 1156: HH Physical Last Day Natural Gas Futures****1156102.F. Termination of Trading**

No trades in Henry Hub Natural Gas Last Day Physically-Delivered futures in the expiring contract month shall be made after the third business day prior to the first day of the delivery month for such expiring contract. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Henry Hub Natural Gas Last Day Physically-Delivered futures, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place no earlier than the first calendar day of the delivery month and shall be completed no later than the last calendar day of the delivery month; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Rule 538. An EFRP is permitted in ~~an~~the expiring futures contract until ~~5:15 p.m. two (2) hours after trading terminates~~ on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted ~~during the two-hour period~~ following the termination of trading of an expired futures contract.

**ENVIRONMENTAL PRODUCTS****Chapter 1250: In Delivery Month European Union Allowance (EUA) Futures****1250102.E. Termination of Trading**

No trades in In Delivery Month European Union Allowance (EUA) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place in accordance with Rule 1250105; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last day of trading of the expiring futures contract~~trading day of the delivery month~~. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

**Chapter 1253: In Delivery Month Certified Emission Reduction (CER) Futures****1253102.E. Termination of Trading**

No trades in In Delivery Month Certified Emission Reduction (CER) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place in accordance with Rule 1253105; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last ~~day of trading of the expiring futures contract~~~~trading day of the delivery month~~. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

### Chapter 1256: Certified Emission Reduction Plus (CERplusSM) Futures

#### 1256102.E. Termination of Trading

No trades in Certified Emission Reduction Plus (CERplusSM) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place in accordance with Rule 1256105; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last ~~day of trading of the expiring futures contract~~~~trading day of the delivery month~~. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

### Chapter 1257: European Union Aviation Allowance (EUAA) Futures

#### 1257102.E. Termination of Trading

No trades in European Union Aviation Allowance (EUAA) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place in accordance with Rule 1257105; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last ~~day of trading of the expiring futures contract~~~~trading day of the delivery month~~. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

### Chapter 1258: Emission Reduction Unit (ERU) Futures

#### 1258102.E. Termination of Trading

No trades in Emission Reduction Unit (ERU) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. . Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place in accordance with Rule 1258105; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last ~~day of trading of the expiring futures contract~~~~trading day of the delivery month~~. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

**Chapter 1260: Daily European Union Allowance (EUA) Futures****1260102.E. Termination of Trading**

No trades in Daily European Union Allowance (EUA) futures in the expiring contract day shall be made after 5:00 p.m. on the contract day for such expiring contract. Any contracts remaining open after the last trade date must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1260105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last day of trading ~~of the expiring~~ ~~for the~~ futures contract. [An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.](#)

**Chapter 1261: Climate Action Reserve (CAR) Futures****1261102.E. Termination of Trading**

No trades in Climate Action Reserve (CAR) futures in the expiring contract month shall be made after the last business day of the contract month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month; or
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. [An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.](#)

**Chapter 1263: Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance Futures****1263102.E. Termination of Trading**

No trades in Regional Greenhouse Gas Initiative (RGGI) CO2 Allowance futures in the expiring contract month shall be made after the last business day of the contract month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery no later than the third business day after the final day of trading; or
- (b) Liquidated by means of a bona fide Exchange for Related Position (EFRP) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time no later than two hours after trading terminates on the last day of trading of the expiring futures contract. [An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.](#)

**Chapter 1269: European Union Allowance (EUA) Futures****1269102.E. Termination of Trading**

No trades in European Union Allowance (EUA) futures in the expiring contract month shall be made after the second business day prior to the first business day of the delivery month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1269105; or
- (b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last ~~day of trading of the expiring futures contract~~ ~~trading day of the delivery month~~. [An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.](#)

**Chapter 1271: Certified Emission Reduction (CER) Futures****1271102.E. Termination of Trading**

No trades in Certified Emission Reduction (CER) futures in the expiring contract month shall be made after the second business day prior to the first business day of the delivery month for such expiring contract. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery which shall take place in accordance with Rule 1271105; or

(b) Liquidated by means of a bona fide Exchange for Related Position (“EFRP”) pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last ~~day of trading of the expiring futures contract~~~~trading day of the delivery month~~. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

## Chapter 1273: California Carbon Allowance (CCA) Futures

### 1273102.E. Termination of Trading

No trades in California Carbon Allowance (CCA) futures in the expiring contract month shall be made after the fifteenth (15th) day of the delivery month for such expiring contract. If the fifteenth (15th) day of the delivery month is not a business day, trading shall cease on the following day that is a business day. Any contracts remaining open after the last day of trading must be either:

1. If the California ETS is in-force at the termination of trading:

(a) Settled by delivery which shall take place no later than the second business day after the termination of trading for the contract month. Should the MTS be inoperable during the Delivery Period due to a California public holiday that is an Exchange business day, the Exchange shall have the option to extend the delivery period by one (1) business day.

(b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

2. If the California ETS is not in-force at the termination of trading:

(a) For contracts with expiration in the 2012 calendar year, transferred by the Clearing House to the corresponding monthly contract in the immediately following calendar year; or

(b) For contracts with expiration in 2013 or later, financially settled at the ARP for the given calendar year on the second (2nd) business day after the cessation of trading.