

Implementation Rules relating to the Conditions for Trading in Emission Allowances on the greenmarket Exchange

– last updated: 10 June 2011 –

Management Body of the greenmarket Exchange

The English version is for information purposes only.
The German version shall be legally binding.

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The Management Body of the greenmarket Exchange passes based on section 4 (4) of the Exchange Regulations of the greenmarket Exchange and on the provisions of the Conditions for Trading on the greenmarket Exchange (Conditions for Trading) cited below the following implementation rules (Implementation Rules) relating to the Conditions for Trading.

Section 1
Scope of application

- (1) The following Implementation Rules substantiate section 7 (4) and section 14 (5) of the Conditions for Trading and section 22 (3) and 32 (2) sentence 3 of the Exchange Regulations..
- (2) The Implementation Rules constitute an integral part of the Conditions for Trading and the Exchange Regulations.

Section 2
Order format
(Section 7 (4) of the Conditions for Trading)

- (1) Orders may be submitted exclusively in the form of limit orders.
- (2) Limit Orders shall contain the following information
 - buy or sell offer (bid/ask),
 - supplementary conditions pursuant to section 8 of the Conditions for Trading (if applicable),
 - order volume, and
 - price limit.

Regarding the order volume the requirements of the Product Specifications passed according to section 3 (2) and (3) of the Conditions for Trading shall apply. Orders must be entered as proprietary orders or as customer orders.

Section 3
Order book and matching
(Section 14 (5) of the Conditions for Trading)

- (1) Transactions are concluded according to the principle of highest executable volume; on the basis of the orders on hand (order situation) the price shall be determined at which the largest order volume can be executed with minimum overhang taking into account the market situation and with a possibly low variation from the last price determined.

- (2) In continuous trading transactions are concluded as follows: Once an order entered into the trading system and another order may be executed with one another, such orders will automatically be allocated to and matched with one another (matching); the trading system ranks the orders initially according to their price. The highest bid price and the lowest ask price are ranked first; where the prices are identical, the chronological order of entry is decisive.

Section 4

Market making – quotation obligation

(Section 22 (3) of the Exchange Regulations)

- (1) Market Makers are responsible for price determination for the products admitted to trading in the market segment greenmarket in accordance with the following provisions.
- (2) A Market Maker is obliged to watch the reference markets on a continuous basis and to take their prices into account when determining prices.
- (3) Each Market Maker is obliged to insert limited orders (Quotes) into the trading system of the market segment greenmarket for 90 % of trading period – currently from 8 a.m. to 6 p.m. – at each Exchange Trading Day.
- (4) The minimum size within the meaning of section 22(2) sentence 2 of the Exchange Regulation of the greenmarket Exchange shall be 10,000 tonnes of carbon dioxide equivalent.
- (5) The Maximum Spread within the meaning of section 22(2) sentence 3 of the Exchange Regulation of the greenmarket Exchange will be determined and made public by the Management Body of the greenmarket Exchange.
- (6) Each Market Maker is obliged to ensure the execution of any valid orders entered into the trading that are executable against its active quotes considering the extent of the size of its quotes and any conditions applicable in the individual case.

Section 5

Market making – organisational obligations

(Section 22(3) of the Exchange Regulations)

- (1) Each Market Maker is obliged to ensure sufficient staff in order to be able to fulfil its obligations as a Market Maker in the market segment greenmarket.
- (2) Each Market Maker is obliged to cooperate with the governing bodies of the greenmarket Exchange and with the Exchange Supervisory Authority

within the scope of their competencies at any one time in the interest of orderly trading in the market segment greenmarket. Furthermore, each Market Maker is obliged to provide the Management Body of the greenmarket Exchange all relevant information relating to its performance as a Market Maker in comparison to the reference market.

Section 6
Settlement institution

(Section 32 (2) sentence 3 of the Exchange Regulations)

SIX SIS AG shall be the Settlement institution set out in section 32 (2) sentence 3 of the Exchange Regulations.

Section 7
Entry into force

These implementation rules come into effect on 10 June 2011.