

PART EDX.4.6 FUTURES AND OPTIONS CONTRACTS BASED ON THE OBX INDEX

EDX.4.6.1 Introductory

EDX.4.6.1.1 EDX London provides a combined market in OBX Contracts in conjunction with Oslo Børs. These arrangements are governed by an Exchange Co-operation Agreement entered into by EDX London with Oslo Børs and are designed to ensure that members of each exchange may participate equally in the market in these Contracts. EDX has adopted rules which are consistent with the rules of Oslo Børs governing OBX Contracts. Trading in the combined market in OBX Contracts will be conducted on an anonymous basis so that Members will not be aware of the identity of their trading counterparty or the exchange of which it is a member. The Designated Clearing House will be responsible for the clearing and settlement of OBX Contracts entered into by Members of EDX London.

The arrangements for the clearing of contracts in the combined market in OBX Contracts are governed by a Clearing Co-operation Agreement entered into by the Designated Clearing House with Oslo Clearing.

EDX.4.6.1.2 The Contract Specifications for OBX Contracts listed by EDX London and all rules and procedures relating specifically to the trading, clearing or settlement of such Contracts are set out in this Part EDX.4.6.

EDX.4.6.1.3 The rules and procedures set out in this Part EDX.4.6 apply to the following Contracts based on the OBX Index:

OBX Futures  
OBX Options

and references to "OBX Contracts" in this Part EDX.4.6 shall be construed as references to each of the above Contracts.

EDX.4.6.1.4 OBX Futures Contracts are subject to Daily Cash Settlement and to cash settlement on Expiration or when a Closing Transaction is effected. OBX Options Contracts which are exercised are subject to cash settlement. The procedures governing settlement of OBX Futures and Options Contracts are set out in Rules EDX.4.6.14 to EDX.4.6.18.

All obligations to make cash payments under the settlement procedures for OBX Contracts shall be effected by way of the PPS arrangements established by the Designated Clearing House.

All payments required to be made under the settlement procedures set out in Rules EDX.4.6.14 to EDX.4.6.18 shall be made in accordance with the instructions of the Designated Clearing House. Such payments shall be made in NOK. EDX London will issue Daily Cash Settlement Statements and Expiration Settlement Statements showing the sum due to or payable by the Member. In the absence of manifest error, EDX London's Settlement Statements shall be final and binding.

EDX.4.6.1.5 The OBX Index is described more fully in the Conditions for the OBX Index of Oslo Børs and can be found on [http://www.oslobors.no/ob\\_eng/Oslo-Boers/Regulations/Derivatives-rules](http://www.oslobors.no/ob_eng/Oslo-Boers/Regulations/Derivatives-rules).

EDX.4.6.1.6 The OBX Index is calculated continuously during the day on each Norwegian Trading Day by Oslo Børs by way of automated data retrieval. In the event of computer failure or lack of information from Oslo Børs other sources of information and other methods for the calculation and distribution of the OBX Index Value may be adopted. As a result of this, the frequency of calculations and reports may be altered.

EDX.4.6.1.7 Save where there is an express indication to the contrary, all references to time in this Part EDX.4.6 shall be construed as references to Oslo time.

EDX.4.6.1.8 The application and interpretation of this Part EDX.4.6 shall be subject to Norwegian law.

EDX.4.6.2 Interpretation

EDX.4.6.2.1 In this Part EDX.4.6 the following terms shall have the meanings ascribed thereto:

**"Closing Settlement"** in relation to an OBX Futures Contract, means the process of cash settlement effected for such Contracts following the execution of a Closing transaction;

**"Closing Settlement Amount"** means the amount payable to or by a Member in relation to a Closing Settlement;

**"Closing Transaction"** in relation to an OBX Futures position, means a transaction which liquidates an existing futures position by registration of an equal and opposite position;

**"Conditions for the OBX Index"** means the rules governing the composition of the OBX Index, the calculation of the Index Value, and adjustments thereto and other similar factors relating to the OBX Index which have been adopted by Oslo Børs and can be found on [http://www.oslobors.no/ob\\_eng/Oslo-Boers/Regulations/Derivatives-rules](http://www.oslobors.no/ob_eng/Oslo-Boers/Regulations/Derivatives-rules) as amended from time to time;

**"Daily Cash Settlement"** in relation to an OBX Futures Contract, means the process of cash settlement effected for such Contracts on each Norwegian Trading Day during its lifetime;

**"Daily Settlement Amount"** means the amount payable to or by a Member in relation to each Daily Cash Settlement;

**"Daily Settlement Price"** in relation to an OBX Futures Contract, means the value certified as such by Oslo Børs on each Norwegian Trading Day as being the value of the OBX Index at the close of trading at Oslo Børs on such day;

**"Daily Settlement Statement"** in relation to an OBX Futures Contract, means the note issued by EDX London showing the amount payable to or by a Member on Daily Cash Settlement of the Contract in question;

**"Exercise Order"** means an instruction given by the Holder of an OBX Option to EDX London pursuant to Rules EDX.4.6.17 and EDX.4.6.18 requesting the Exercise of the Option in question;

**"Exercise Settlement Amount"** means the monetary amount due to or payable by a Member on Exercise of an OBX Option Contract as specified in the Exercise Settlement Statement;

**"Exercise Value"** in relation to an OBX Option, means the Strike Price for such Contract multiplied by the Index Multiplier.

**"Expiration Day"** in relation to an OBX Contract, means the third Thursday in the Expiration Month for such Contract, or, if that day is not a Norwegian Trading Day, the immediately preceding Norwegian Trading Day;

**"Expiration Month"** means the month designated by EDX London as the month in which such Series will expire;

**"Expiration Settlement Amount"** means the monetary amount due to or payable by a Member on expiration of an OBX Futures Contract as specified in the Settlement Statement;

**"Expiration Settlement Day"** in relation to an OBX Futures Contract, means the first Norwegian Bank Day after the Expiration Day for the Contract in question;

**"Expiration Settlement Value"** in relation to an OBX Contract, means the value certified as such by Oslo Børs in accordance with Rule EDX.4.6.16;

**"Expiration Year"** means the year designated by EDX London as the year in which the Contract in question will expire;

**"First Daily Cash Settlement"** in relation to an OBX Futures Contract entered into by a Member, means the first settlement carried out following registration of the Contract in question;

**"First Listing Day"** in relation to an OBX Series, means the day on which such Series is first listed by EDX London;

**"Norwegian Bank Day"** means a day other than a Saturday or a Sunday or other public holiday on which banks in Norway are generally open for business;

**"Norwegian Trading Day"** means a day other than a Saturday or Sunday on which the Oslo Stock Exchange is generally open for trading;

**"OBX Contracts"** means standardised Futures and Options Contracts listed by EDX London which are based on the OBX Index, the terms of which are in accordance with the Contract Specifications for such Contracts and "OBX Option" and "OBX Future" shall be construed accordingly;

**"OBX Expiration Value"** means the average of the OBX Index Values for the Expiration Day for an OBX Contract, calculated in accordance with the Conditions for the OBX Index;

**"OBX Index"** means the Norwegian Stock Index described more particularly in the Conditions for the OBX Index;

**"OBX Index Stock"** means a stock which is included in the OBX Index for the time being;

**"OBX Market Maker"** means a Member which has agreed to act as a market maker in respect of OBX Futures and Options Contracts;

**"OBX Options Series"** means OBX Options having the same Expiration Day Expiration Month, Expiration Year and the same Exercise Price and "Series" shall be construed accordingly;

**"Opening Transaction"** means an OBX Futures transaction which is not a Closing Transaction;

**"Premium Settlement Day"** in relation to an OBX Option, means the first Norwegian Bank Day following registration;

**"Registered Price"** in relation to an OBX Futures Contract means the price at which the Contract in question is traded;

**"Settlement Statement"** means:

- (i) in relation to an OBX Futures Contract the note issued by EDX London showing the rights and obligations of the Counterparties to such Contract with regard to the associated cash payments following its Expiration; and
- (ii) in relation to an OBX Options Contract, the note issued by EDX London showing the rights and obligations of the Counterparties to such Contract with regard to the associated cash payments following its Exercise.

EDX.4.6.3 Contract Specifications

EDX.4.6.3.1 Contract Specifications: Standardised OBX Futures

<i>Type of Contract</i>	Standardised Futures Contracts with Expiration Settlement and Daily Cash Settlement.
<i>Contract Index</i>	The OBX Index.
<i>Index Multiplier</i>	NOK 100 per Index Point.
<i>Minimum Price Movement</i>	0.10 of an Index Point, equivalent to NOK 10, where the Futures price is less than 1000 0.25 of an Index Point, equivalent to NOK 25, where the Futures price is greater than or equal to 1000.
<i>Lifetime</i>	Three and six months.
<i>Closing</i>	Closing transactions may be executed on any Norwegian Trading Day up to and including the Expiration Day.
<i>Last Day for Trading</i>	The Expiration Day.
<i>Listing of New Series</i>	Futures Contracts are listed in each calendar month on the First Listing Day.
<i>Series Designation</i>	Each OBX Futures Contract shall be designated by a maximum of eleven symbols, where a maximum of four symbols designates the Contract Index, one symbol designates the Expiration Year, a maximum of four symbols designates the Futures Price and one symbol designates the Expiration Month.
<i>Initial Daily Settlement</i>	The first Norwegian Bank Day following Registration.
<i>Daily Settlement</i>	Cash Settlement on each Norwegian Bank Day based on the Daily Settlement Price of the Contract calculated on the preceding Norwegian Trading Day in accordance with Rule EDX.4.6.14.
<i>Expiration Settlement Value</i>	Determined in accordance with Rule EDX.4.6.16.
<i>Expiration Day</i>	The third Thursday of the Expiration Month of the Expiration Year, or where such day is not a Norwegian Trading Day, the preceding Norwegian Trading Day.
<i>Expiration Month</i>	The month indicated in the Series Designation.
<i>Expiration Year</i>	The year indicated in the Series Designation.
<i>Expiration Settlement Amount</i>	Calculated in accordance with Rule EDX.4.6.16.
<i>Expiration Settlement</i>	Payment of the Expiration Settlement Amount is due on the Expiration Settlement Day in accordance with the instructions of the Designated Clearing House.
<i>Expiration Settlement Day</i>	The first Norwegian Bank Day following the Expiration Day.
<i>Trading Hours</i>	Normally between 9.00 am and 5.20 pm Oslo time.

EDX.4.6.3.2 Contract Specifications: Standardised OBX Options

<i>Type of Contract</i>	Standardised Options Contracts with Cash Settlement on Expiration.
<i>Style of Options</i>	European Style.
<i>Type</i>	Calls and Puts.
<i>Contract Index</i>	The OBX Index.
<i>Index Multiplier</i>	NOK100 per Index Point.
<i>Minimum Price Movement</i>	For Options with a Premium below NOK 0.1: 0.01 of an Index Point; For Options with a Premium from NOK 0.1 to NOK 3.95: 0.05 of an Index Point; For Options with a Premium from NOK 4 to NOK 7.90: 0.10 of an Index Point. For Options with a premium of NOK 8 or above: 0.25 of an Index Point.
<i>Premium</i>	The amount in Norwegian Kroner agreed to by the parties as the premium payable for the Contract multiplied by the Index Multiplier.
<i>Premium Settlement Day</i>	The first Norwegian Bank Day following Registration.
<i>Strike Price</i>	The index value contained in the Series Designation.
<i>Strike Price Interval</i>	As shown in the Scale of Strike Prices.
<i>Lifetime</i>	Three and six months.
<i>Closing</i>	Closing transactions may be executed on any Norwegian Trading Day up to and including the Expiration Day for the Contract.
<i>Last Day for Trading</i>	The Expiration Day for the Series in question.
<i>Listing of New Series</i>	The third Norwegian Trading Day prior to the Expiration Day in each month.
<i>Series Designation</i>	Each Series shall be designated by a maximum of eleven symbols, where a maximum of four symbols designates the Contract Index, one symbol designates the Expiration Year, one symbol designates the Expiration Month and a maximum of four symbols designates the Strike Price. The use of the symbol X indicates that the Contracts in the OBX Series in question have been adjusted in accordance with the Conditions for the OBX Index.
<i>Expiration Settlement Value</i>	The average index value for the Expiration Day calculated in accordance with Rule EDX.4.6.16.
<i>Expiration Day</i>	The third Thursday of the Expiration Month or where such day is not a Norwegian Trading Day, the preceding Norwegian Trading Day.
<i>Expiration Month</i>	The month indicated in the Series Designation.
<i>Expiration Year</i>	The year indicated in the Series Designation.
<i>Expiration Settlement</i>	Payment of the Expiration Settlement Amount shall occur on the Expiration Settlement Day in accordance with EDX London's instructions.
<i>Expiration Settlement Day</i>	The first Norwegian Bank Day following the Expiration Day.
<i>Exercise</i>	OBX Options are subject to exercise in accordance with Rule EDX.4.6.17.
<i>Standard Exercise</i>	OBX Options which are In the Money at Expiration are subject to Standard Exercise in accordance with Rule EDX.4.6.18.
<i>Trading Hours</i>	Normally between 9.00 am and 5.20 pm Oslo time.

EDX.4.6.3.3 Deleted

EDX.4.6.4 Listing of New OBX Contracts

EDX.4.6.4.1 On the third Norwegian Trading Day prior to the Expiration Date for OBX Contracts in each calendar month, EDX London shall list OBX Futures Contracts with a Lifetime of three months.

EDX.4.6.4.2 EDX London lists standardised OBX Options Series having Lifetimes of three months. New Options Series with a Lifetime of three months are listed on the third Norwegian Trading Day prior to the Expiration Date for OBX Contracts in each month. On the First Listing Day for an OBX Options Series EDX London shall list at least five Call Options Series and five Put Options Series. The equivalent contracts with a lifetime of six months are also listed every third calendar month.

EDX.4.6.4.3 For one Call and one Put Options Series, the Strike Price shall be set at the point in EDX London's scale of Strike Prices for OBX Contracts which is closest to the value of the OBX Index at the close of trading on Oslo Børs on the immediately preceding Norwegian Trading Day. For other Series, the Strike Price shall be set so that it is higher for at least one Call and one Put Options Series and lower for at least one Call and one Put Options Series than the first Strike Price.

The Strike Price for the second Series shall be set at the point in such scale immediately above the first Strike Price. The Strike Price for the third Series shall be set at the point in such scale immediately below the first Strike Price.

EDX.4.6.4.4 If the final value of the OBX Index at the end of a Norwegian Trading Day is higher than the second highest or lower than the next lowest Strike Price at least one new Call and one new Put Options Series will be listed above the previously highest or below the previously lowest Strike Price, respectively, for Series having the same Expiration Month. Such listing shall be effected on the next Norwegian Trading Day.

EDX.4.6.5 Deleted

EDX.4.6.6 Designation of Expiration Months

EDX.4.6.6.1 The Expiration Month for an Exchange Listed Series shall be designated in accordance with the following provisions of this Rule.

EDX.4.6.6.2 The Expiration Month for an OBX Futures Contract shall be designated as follows:

January	A
February	B
March	C
April	D
May	E
June	F
July	G
August	H
September	I
October	J
November	K
December	L

EDX.4.6.6.3 The Expiration Month for an OBX Options Contract shall be designated as follows:

<i>Expiration Month</i>	<i>Call Option</i>	<i>Put Option</i>
January	A	M
February	B	N
March	C	O
April	D	P
May	E	Q
June	F	R
July	G	S
August	H	T
September	I	U
October	J	V
November	K	W
December	L	X

EDX.4.6.7      Payment of Fees

EDX.4.6.7.1      Fees in respect of OBX Contracts are payable by Members in the amount and at the time specified in **Appendix A** for the Contract in question.

Clearing fees for OBX Contracts are payable on the first Norwegian Bank Day following Registration of a Contract. Such fees shall be paid to the Designated Clearing House at the time specified in the relevant statement issued to the Member by the Designated Clearing House.

EDX.4.6.7.2      The penalty fee for failure to perform settlement obligations in relation to an OBX Contract at the prescribed time shall be payable to EDX London or in accordance with its instructions on the first Norwegian Bank Day after the date of the notice requiring payment of the said penalty fee issued to the Member by EDX London.

EDX.4.6.8 Market Making Obligations, Market Making Fees, Market Making Sanctions

EDX.4.6.8.1 The provisions of Rules 4.5.7, 4.5.7A and 4.5.8 shall apply to the provision of quotes by Market Makers in relation to OBX Futures and Options.

EDX.4.6.8.2 Notwithstanding Rule EDX.4.6.8.1, the following specific obligations apply in relation to OBX Futures and Options:

EDX.4.6.8.3 The Prescribed Spread for a quote for a standardised OBX Future is as follows:

<b>Bid Price</b>	<b>Spread (NOK)</b>	
	<b>Normal Market</b>	<b>Fast Market</b>
<b>0 – 150</b>	0.6	1.2
<b>150.10 – 350</b>	0.9	2
<b>350.10 – 500</b>	1.3	3
<b>500.10 – 700</b>	2	4
<b>700.10 – 850</b>	2.5	5
<b>850.10 - 1000</b>	3	7
<b>More than 1000</b>	4	8

EDX.4.6.8.4 A Market Maker acting as such in standardised OBX Futures and Options shall quote two way prices within the Prescribed Spread continuously in a minimum amount of one hundred Contracts in each of the nearest two Expiration Months and a minimum of fifty Contracts in the third nearest Expiration Month in the OBX Index products for which it has agreed to act as a Norwegian Market Maker.

EDX.4.6.9 Deleted

**EDX.4.6.10 Orders**

EDX.4.6.10.1 Orders relating to Futures and Options Contracts based on the OBX Index may be placed in the Single Order Market.

EDX.4.6.10.2 A Single Order consists of an offer to buy or sell the number of OBX Contracts specified in the Order. This number may be any whole number in excess of one. A Member placing a Single Order may stipulate that the Order may only be executed in its entirety. In the absence of such stipulation, the offer may be accepted in any amount up to the specified number. Where an Order is executed partially the unfilled portion of the Order will remain in the Orderbook.

EDX.4.6.10.3 Price quotations for OBX Futures and Options Contracts normally relate to one-hundredth of a Contract and are quoted in Index Points. The minimum price movements are detailed in the relevant Contract Specifications at Rule EDX.4.6.3

EDX.4.6.11 Registration of off-exchange transactions

EDX.4.6.11.1 Where a Member enters into an off-exchange transaction in an OBX Contract with another Member or with a member of an Associated Exchange, the Member shall submit a Request for Registration relating to such transaction to EDX London at the earliest opportunity if it wishes the transaction to be registered. Such Request for Registration shall:

- (i) specify the Instrument which forms the subject of the off-exchange transaction;
- (ii) identify the counterparty to such transaction, the Series, the agreed price, the number of contracts involved in the transaction and the Account for registration.

Where the off-exchange transaction in question has been arranged by an OTC Broker, the Member may arrange for the Request for Registration relating to such transaction to be submitted to EDX London by the OTC Broker.

EDX.4.6.11.2 A Request for Registration shall only be considered for acceptance by EDX London and the Designated Clearing House if the counterparties to the off-exchange transaction or an OTC Broker acting on their behalf submit identical requests specifying the Contracts to be registered, the Accounts in which the Contract is to be registered and the terms of the transaction in question to EDX London and to the Associated Exchange in question.

EDX.4.6.11.3 A Request for Registration of an off-exchange transaction may be submitted to EDX London by a Member or by an OTC Broker acting on behalf of the Member either by way of its electronic connection to EDX London's clearing system or by telephone to EDX London's Market Supervision Department as set out in Rule EDX.3.2.5.

A Request for Registration of an OBX Contract shall be considered for acceptance by EDX London and the Designated Clearing House in accordance with Rule EDX 3.2 and the following provisions of this Rule.

EDX.4.6.11.4 A Request for Registration of an OBX Contract in respect of an off-exchange transaction which has been concluded at a time when EDX London is not open for trading OBX Contracts, will not normally be accepted by EDX London and the Designated Clearing House unless the agreed price does not deviate from the average of the median of the bid and ask quotes for the Series in question during the period of thirty minutes prior to the close of trading on the day in question or, in the case of a request submitted before the start of trading on the morning of a Norwegian Trading Day, the close of trading on the immediately preceding Norwegian Trading Day for the Instrument in question by more than whichever is the greater of thirty per cent or 2 NOK.

Where a Request for Registration of an OBX Contract is submitted in respect of a Series for which bid and ask prices are not quoted at the time, EDX London shall obtain bid and ask quotes for such Series in conjunction with one or more Associated Exchanges as it considers appropriate. Where in the opinion of EDX London an acceptable quote is obtained, the Request for Registration will be accepted by EDX London and the Designated Clearing House if its price is within the spread of the quoted prices. If EDX London considers that an acceptable quote has not been provided for such purposes, the acceptance of the Request for Registration shall be determined at their discretion.

EDX.4.6.11.5 The acceptance of a Request for Registration submitted under this Rule is at the discretion of EDX London and the Designated Clearing House. Without limiting the generality of the foregoing, a Request for Registration shall not be accepted if such acceptance would not be conducive to the maintenance of a proper market in the Instrument in question or would not be consistent with the Designated Clearing House's obligation to maintain a sound basis to its clearing services.

EDX.4.6.11.6 Where a Request for Registration of an OBX Contract which is submitted by a Member or an OTC Broker acting on behalf of the Member during trading hours for such Contracts is accepted by EDX London and the Designated Clearing House, EDX London shall arrange with the Designated Clearing House for the resulting Registered Contract may be registered by the Designated Clearing House forthwith.

Where a Request for Registration relating to an OBX Contract is submitted by a Member or an OTC Broker acting on behalf of the Member after the close of trading in such Contracts on a Norwegian Trading Day, the Contract in question shall be registered by the Designated Clearing House on that day if it is received and accepted by EDX London and the Designated Clearing House before 6.30pm Oslo time. Where a Request for Registration is received by EDX London after such time, it shall, if accepted, be registered by the Designated Clearing House on the next Norwegian Trading Day.

EDX.4.6.11.7 EDX London shall inform the Member or Members and, where applicable, the OTC Broker in question as soon as possible if a Request for Registration submitted under this Rule is not accepted for registration.

EDX.4.6.12 Requests for Re-Registration

- EDX.4.6.12.1 A Request for Re-Registration of an OBX Contract made pursuant to Rule EDX.3.4.2(vi) will not be considered by EDX London and the Designated Clearing House unless it is received by electronic connection or other means no later than 30 minutes prior to the close of the clearing system for the OBX Contract on the Norwegian Trading Day following the day on which the Contract in question is registered by the Designated Clearing House.
- EDX.4.6.12.2 A Request for Re-Registration of an OBX Contract made pursuant to Rule EDX.3.45.2(i) to (v) inclusive will not be considered by EDX London and the Designated Clearing House unless it is received by electronic connection or by other means no later than 6.00 pm Oslo time on the last Norwegian Trading Day prior to the Expiration Date for the Contract in question.
- EDX.4.6.12.3 A Request for Re-Registration of an OBX Contract shall specify the following details:
- (i) the Contracts to be re-registered;
  - (ii) the Account of the transferor;
  - (iii) the Account of the transferee.
- EDX.4.6.12.4 The acceptance of a Request for Re-Registration submitted under this Rule EDX.4.6.12 is at the discretion of EDX London and the Designated Clearing House.
- EDX.4.6.12.5 Where a Request for Re-Registration is received and accepted by EDX London and the Designated Clearing House before 6.00 pm Oslo time on a Norwegian Trading Day, the Contract in question shall be registered by the Designated Clearing House on that day. Where a Request for Re-Registration is received by EDX London after such time, it shall, if accepted, be registered by the Designated Clearing House on the next Norwegian Trading Day.
- EDX.4.6.12.6 EDX London shall inform the Member or Members in question as soon as possible if a Request for Re-Registration submitted under this Rule is not accepted for Re-Registration.

EDX.4.6.13 Cancellation of Incorrect Transactions

EDX.4.6.13.1 The provisions of Rule EDX.2.14 concerning the cancellation of incorrect transactions shall be applied in relation to OBX Contracts in accordance with the following provisions of this Rule.

EDX.4.6.13.2 EDX London will not direct that an OBX transaction shall be cancelled in the absence of the agreement of the Counterparty to the transaction unless the period between the time at which the transaction is effected and the time at which the request is submitted is less than ten minutes and unless the loss suffered by the Member, as a consequence of the incorrect transaction not being cancelled, is NOK 1000 or more.

EDX.4.6.13.3 The Fair Market Spread for OBX Futures and Options Contracts is as follows:

<b>Quoted Bid or Offer (Index Points)</b>	<b>Maximum Spread for Quotes (Index Points)</b>	<b>Maximum permitted deviation from Bid and Offer points of the Fair Market Spread</b>
10 or less	2	1
10.01 – 20	3	1.5
20.01 – 30	4	2
more than 30	6	3

EDX.4.6.13.4 The Price Adjustment Range for OBX Contracts is as follows:

<b>Quoted Bid or Offer (Index Points)</b>	<b>Prescribed Spread for Quotes (Index Points)</b>	<b>Maximum Permitted Deviation</b>
10 or less	2	1
10.01 – 20	3	1.5
20.01 – 30	4	2
more than 30	6	3

EDX.4.6.13.5 EDX London will notify the Member or Members involved in the transaction of its decision in the case of a request relating to an OBX Contract no later than 8.00am on the Norwegian Trading Day following the day on which the transaction in question was effected.

EDX.4.6.14 Daily Cash Settlement

EDX.4.6.14.1 OBX Futures Contracts are subject to Daily Cash Settlement. The first such Daily Cash Settlement shall be due for settlement on the first Norwegian Bank Day following the Registration of the Contract. Thereafter, Daily Cash Settlement shall be effected on each Norwegian Bank Day until the Expiration Day for the Contract in accordance with the provisions of this Rule.

EDX.4.6.14.2 The First Daily Settlement Price for an OBX Futures Contract shall be determined by reference to the difference between the Registered Price for the Contract in question and the Daily Settlement Price for the Contract on the day on which the Contract is registered at the Designated Clearing House.

EDX.4.6.14.3 The Daily Settlement Amount for an OBX Futures Contract (other than the First Daily Cash Settlement Price) shall be determined by reference to the difference between the Daily Settlement Price for the OBX Futures Contract on the Norwegian Trading Day in question and the Daily Settlement Price for the immediately preceding Norwegian Trading Day for such Contract.

EDX.4.6.14.4 EDX London shall publish the Daily Settlement Price for each Listed OBX Futures Contract on the Norwegian Trading Day following the day to which the Daily Settlement Price relates.

EDX.4.6.14.5 Where the Daily Settlement Price for an OBX Futures Contract on a Norwegian Trading Day is higher than:

- (i) on the First Daily Cash Settlement, the Registered Price for the Contract; or
- (ii) on each subsequent Daily Cash Settlement, the Daily Cash Settlement Price for the immediately preceding Norwegian Trading Day for such Contract

the Daily Settlement Amount for such Settlement shall be payable to the buyer.

Where the Daily Settlement Price for an OBX Futures Contract on a Norwegian Trading Day is lower than:

- (i) on the First Daily Settlement, the Registered Price for the Contract; or
- (ii) on each subsequent Daily Settlement, the Daily Settlement Price for the immediately preceding Norwegian Trading Day for such Contract

the Daily Settlement Amount for such Settlement shall be payable to the seller.

EDX.4.6.14.6 EDX London shall issue Daily Settlement Statements to Members having registered positions in OBX Futures Contracts no later than 8.00am on the following Norwegian Trading Day in relation to each Norwegian Trading Day for the relevant OBX Futures Contract. The Daily Settlement Statement shall show the Daily Settlement Amount for such settlement and payable in Norwegian Kroner.

The Daily Settlement Amount shall be payable no later than 9.00 am time London time on the first Norwegian Bank Day following the Norwegian Trading Day in question.

EDX.4.6.15 Closing Transactions

- EDX.4.6.15.1 Where bought and sold positions in OBX Futures Contracts are registered in an Account at the Designated Clearing House, the positions will be closed out in accordance with the provisions of this Rule EDX.4.6.15.
- EDX.4.6.15.2 Where both the Opening Transaction and the Closing Transaction are registered on the same day, cash settlement between the Designated Clearing House and the Member shall be effected by reference to the difference between the Futures Contract Prices for the two transactions. Where the Futures Contract Price for the Contract bought by the Member is higher than the Futures Contract Price for the Member's sold Contract, the Closing Settlement Amount shall be payable by the Member. Where the Futures Contract Price for the Contract bought by the Member is lower than the Futures Contract Price for the Member's sold Contract, the Closing Settlement Amount shall be payable to the Member.
- EDX.4.6.15.3 Where the Opening Transaction and the Closing Transaction are registered on different Norwegian Trading Days, the Closing Settlement between the Designated Clearing House and the Member shall be effected by reference to the difference between the Daily Settlement Price for the Opening Transaction on the immediately preceding Norwegian Trading Day and the Futures Contract Price for the Closing Transaction. Where the Daily Settlement Price or Futures Contract Price (as the case may be) for the Member's bought position is higher than the Daily Settlement Price or Futures Contract Price for the Member's sold position, the Closing Settlement Amount shall be payable by the Member. Where the Daily Settlement Price or Futures Contract Price (as the case may be) for the Member's bought position is lower than the Daily Settlement Price or Futures Contract Price for the Member's sold position, the Closing Settlement Amount shall be payable to the Member.
- EDX.4.6.15.4 The Closing Settlement Amount shall be payable to or by the Designated Clearing House on the first Norwegian Bank Day following the day on which the Closing Transaction is registered at the Designated Clearing House.

EDX.4.6.16 OBX Futures Contracts: Expiration Settlement

EDX.4.6.16.1 OBX Futures Contracts are subject to cash settlement on Expiration in accordance with the provisions of this Rule.

EDX.4.6.16.2 The Expiration Settlement Amount for an OBX Futures Contract shall be determined by reference to the difference between the Daily Settlement Price for such Contract on the day before its Expiration Day and its Expiration Settlement Value.

EDX.4.6.16.3 The payment of the Expiration Settlement Amount shall be due on the Expiration Settlement Day for the OBX Futures Contract in question.

EDX.4.6.16.4 Where the Expiration Settlement Value for an OBX Futures Contract is higher than the Daily Settlement Price for such Contract on the day before its Expiration Day, the Expiration Settlement Amount shall be payable to the Buyer and by the Seller.

Where the Expiration Settlement Value for an OBX Futures Contract is lower than the Daily Settlement Price for such Contract on the day before its Expiration Day, the Expiration Settlement Amount shall be payable by the Buyer and to the Seller.

The Expiration Settlement Value for OBX Futures Contracts is calculated by Oslo Børs in accordance with the principles set out in this Rule. Oslo Børs publishes the Expiration Settlement Value of the OBX Index that is to be used as the basis for cash settlement of OBX Contracts which expire on the Expiration Day in question on the Norwegian Trading Day immediately following the Expiration Day. EDX London shall notify all Members of the determined Expiration Settlement Price of the OBX Index. The published Expiration Settlement Value is final and binding.

EDX London may defer its Expiration Settlement procedures for OBX Futures Contracts if similar circumstances to those specified above occur which prevent settlement being effected at the normal time. EDX London shall inform Members at the earliest opportunity if any such circumstances occur.

A standardised OBX Futures Contract is an agreement to buy or sell the value of the Contract Index on the Expiration Day to be settled in accordance with the rules regarding cash settlement below. The agreed Futures Contract Price is determined when the transaction is effected at EDX London.

EDX.4.6.16.5 All obligations to make cash payments under the OBX Futures Settlement Procedures shall be effected by way of the PPS arrangements established by the Designated Clearing House for such purposes. Such payments shall be effected in accordance with the instructions issued by EDX London.

EDX.4.6.16.6 All payments required to be made under the settlement procedures set out in Rules EDX.4.6.14 to Rules EDX.4.6.18 shall be made in accordance with EDX London's instructions. Such payments shall be made in NOK. EDX London will issue Daily Cash Settlement Statements and Expiration Settlement Statements showing the sum due to or payable by the Member no later than the time specified in the Settlement Statement. In the absence of manifest error, EDX London's Settlement Statements shall be final and binding.

EDX.4.6.16.7 The Expiration Settlement Value for an OBX Futures Contract is calculated in accordance with the following provisions of this Rule.

The OBX Index Value is calculated in accordance with the following formula:

$$I(1) = I(0) \times \left[ \frac{MC(1)}{MC(0)} \right]$$

$I(1)$  = New index value

$I(0)$  = Index value at the close of the preceding Trading Day

$MC(1)$  = Index group's market capitalisation at the time of calculation

$MC(0)$  = Index group's adjusted market capitalisation at the close of the preceding Trading Day.

The Market Capitalisation of the OBX Index for the purposes of determining the Expiration Settlement Value is calculated by reference to the volume weighted average of the automatically matched trades in the electronic orderbook of each OBX Index Stock on Oslo Børs on the Expiration Day.

The formula used by Oslo Børs for such purposes is:

$$MC = \text{sum of } [PI(i) \times J] \times AI(i)$$

$PI(i)$  = volume weighted average of the official turnover of the index share ( $i$ )

$AI(i)$  = number of shares issued in the share class ( $i$ )

$J$  = adjustment factor resulting from capital alterations

If Oslo Børs considers that it is not possible to make a satisfactory calculation of the Expiration Settlement Value in accordance with the above mentioned principles as a result of the inadequate level of trading on the Expiration Day, the officially registered traded prices of each OBX Index on the last Norwegian Trading Day prior to the Expiration Day on which Oslo Børs considers the level of trading to be adequate shall be used in the calculation of the Expiration Settlement Value.

If Oslo Børs considers the price of an index share to be influenced so that a representative fixing value cannot be calculated, the volume weighted average of trading prices of the index share from the last Norwegian Trading Day on which Oslo Børs considers the level of trading to be adequate shall be used in the calculation.

If all the shares included in the index group are suspended from trading on the Expiration Day, the Expiration Settlement Value shall be calculated from the prices on the first Trading Day after the end of the suspension, and the Expiration Day will be changed to this day.

- EDX.4.6.17      Options: Exercise
- EDX.4.6.17.1    Standardised OBX Options are European Style and are accordingly only subject to Exercise on Expiration.
- EDX.4.6.17.2    OBX Options are also subject to Standard Exercise in accordance with Rule EDX.4.6.18. Accordingly, an OBX Option held by a Member the Exercise of which would result in the Expiration Settlement Amount for such Contract being payable to that Member will be subject to Standard Exercise provided that such Expiration Settlement Amount is greater than the fees payable by the Member on Exercise of the Contract in question.
- EDX.4.6.17.3    Where the Holder of an Option wishes to exercise an Option which is not subject to Standard Exercise, it shall submit an Exercise Order to EDX London providing full details of the Option in question.
- EDX.4.6.17.4    An Exercise Order relative to an OBX Option which is received by EDX London after 6.30 pm Oslo time on the Expiration Day for such Contract is void.
- EDX.4.6.17.5    On receiving a valid Exercise Order, EDX London shall inform the Member which submitted it that it has been accepted and shall select at random a correlative OBX Options position to be exercised against. EDX London shall also inform the Designated Clearing House of such Exercise so that the necessary action may be taken in relation to the Registered Contracts in question.
- EDX.4.6.17.6    On Exercise of an OBX Options Contract in accordance with this Rule, EDX London shall issue an Exercise Settlement Statement confirming the cash payment which such Member is entitled to receive or is obliged to make as the case may be.
- EDX.4.6.17.7    On Exercise of an OBX Option, the Exercise Settlement Amount for such Contract shall be payable to the Holder of a Call Option or the Holder of a Put Option and shall be payable by the Member whose position has been exercised against pursuant to this Rule EDX.4.6.17.
- EDX.4.6.17.8    The Exercise Settlement Amount shall be determined by multiplying the amount by which the Strike Price for the OBX Option Contract in question exceeds the Exercise Settlement Price on the Expiration Day for such Contract by the Index Multiplier.
- EDX.4.6.17.9    The Exercise Settlement Amount for an OBX Option Contract shall be due for settlement on the first Norwegian Bank Day following the Contract's Expiration Day.

EDX.4.6.18 Options: Standard Exercise

EDX.4.6.18.1 OBX Options Contracts will be subject to Standard Exercise in accordance with the following procedures.

EDX.4.6.18.2 Standard Exercise will be applied to all OBX Options Contracts the exercise of which would result in a positive cash payment to the Member entitled to exercise such Option. Accordingly:

- (i) a Call Option Series which has a Strike Price which is less than the Exercise Settlement Price on the Expiration Day, calculated in the manner described in Rule EDX.4.6.17 will be subject to Standard Exercise.
- (ii) a Put Option Series which has a Strike Price which is above the Exercise Settlement Price on the Expiration Date, calculated in the manner described in Rule EDX.4.6.17, will be subject to Standard Exercise.

In applying these Standard Exercise procedures, EDX London does not take the fees payable by the Member in question in respect of such Exercise into account.

EDX.4.6.18.3 At about 6.00 pm Oslo time on the Expiration Day for an OBX Option, EDX London will send to Members holding positions in such Options a list of the relevant Series expiring that day which will be subject to Standard Exercise in accordance with the above procedures. All Call Options and all Put Options shown on such list will be exercised automatically by EDX London.

EDX London shall inform the Designated Clearing House of all positions that will be subject to Standard Exercise so that the Designated Clearing House may take the necessary action in relation to the Registered Contracts in question.

EDX.4.6.18.4 The Exercise Settlement Amount for an OBX Contract which is subject to Standard Exercise in accordance with this Rule shall be determined in the manner provided for in Rule EDX.4.6.17.9.

**EDX.4.6.19 OBX Composition and Related Matters**

EDX.4.6.19.1 The responsibility for the calculation of the OBX Index, the determination of the composition of the OBX Index, the distribution of OBX Index Values, the determination of the Expiration Settlement Value of the OBX Index and dealing with all objections to such matters rests with Oslo Børs.

Where a Member of EDX London wishes to object to any such issue, it shall inform EDX London of its grounds of complaint. EDX London shall refer the matter to Oslo Børs which shall resolve the matter in accordance with its established procedures outlined in its rules governing such matters.

EDX.4.6.19.2 The rules of Oslo Børs which govern the above mentioned matters can be found on [http://www.oslobors.no/ob\\_eng/Oslo-Boers/Regulations/Derivatives-rules](http://www.oslobors.no/ob_eng/Oslo-Boers/Regulations/Derivatives-rules);

**Addendum to Rule EDX.4.6.19:**

The Rules for the Construction and maintenance of the OBX contains the basis for calculation of the OBX Index, including the rules how adjustments shall be made in issue, corporate restructuring, etc and under what circumstances shares can be excluded upon calculation of the index. The conditions for the OBX can be found at [http://www.oslobors.no/ob\\_eng/Oslo-Boers/Regulations/Derivatives-rules](http://www.oslobors.no/ob_eng/Oslo-Boers/Regulations/Derivatives-rules).

THIS PAGE IS INTENTIONALLY LEFT BLANK