



NOREXECO Rulebook

Appendix 10

Definitions and abbreviations

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In the Rulebook, including the Appendices and other agreements relating to NOREXECO, the following words and expressions will have the following meaning:

Expression	Meaning
Algorithmic Trading	Means trading in financial instruments where a computer algorithm automatically determines individual parameters of orders such as whether to initiate the order, the timing, price or quantity of the order or how to manage the order after its submission, with limited or no human intervention.
All or Nothing Order	An Order that may only be Matched for the whole Trade Volume specified.
Appendices	The appendices to NOREXECO Rulebook for trading.
Block Broker Appointment Form	A form on which a Trade Member appoint a Block Broker Member to be eligible of reporting Block Trades to NOREXECO on the behalf of the Trade Member.
Block Broker Member	A Trade Member of NOREXECO with permission to report Block Trades to NOREXECO. A Block Broker Member is not required to have access to clearing of transactions with the Clearing House.
Block Trade	A Trade in eligible Products between two Trade Members matched outside the order book and reported to NOREXECO according to the rules for Block Trades. A Block Trade is subject to the Rulebook including the Market Conduct rules and Market Surveillance.
Block Trade Facility	A facility offered by NOREXECO to be used for the registration of Block Trades.
Block Trade Reporter	A person authorized by a Block Broker member to report and cancel Block Trades. The authorization is given in Attachment I to the Block Broker Member Agreement.

Buy Order	An Order to buy a Product.
CA	Competent Authority. A financial market regulator.
Cash Settlement	The cash settlement to be effected between the Buyer and Seller for the difference between the Contract Price and the Settlement Price, multiplied with the Contract Volume. This gives the settlement amount.
CET	Central European Time. CET relates to Universal Time Coordinated (UTC) (previously known as Greenwich Mean Time) by +2 hours in the period from last Sunday of March until the last Sunday of October and by +1 hour the rest of the year.
Cleared Contract/Trades	Contracts/Trades accepted by the Clearing House and where the Clearing House acts as central Counterparty to the Clearing Members involved.
Cleared Products	Products that are subject to Clearing in Clearing House.
Clearing	The process where the Clearing House becomes seller to the buyer and buyer to the seller and enters into the Contract/Trades as central Counterparty in accordance with the Clearing House Rulebook.
Clearing Confirmation	The confirmation by Clearing House to the Clearing Members confirming that the Contract/Trade has been Cleared.
Clearing House	European Commodity Clearing AG, Leipzig, Germany (ECC).
Clearing House Rulebook	The rules for Clearing set out by the Clearing House.
Clearing Member	A Trade Member who fulfils the Clearing Membership Requirement and has a Clearing Membership Agreement with the Clearing House. See the Clearing Rules for definition of membership categories of the Clearing House.
Clearing Membership Agreement	An agreement entered into between a Clearing Member and the Clearing House.
Clearing Rules	The Clearing House Rulebook.

Combination Orders	An Order that involves simultaneous Matching of Trades in two or more Products.
Compliant Counterparty	The party in a Trade that has fulfilled its obligations according to the Rulebook.
Confidential Information	Information which NOREXECO's board members, employees and auditor receives regarding commercial matters and personal matters about others in connection with the carrying out of their work for NOREXECO
Contract	An agreement to buy or sell a specific volume, the Contract Volume, in a specific Product, or set of Products, at a specific price, the Contract Price, which results in a Trade. A match of Orders in the ETS or at NMS is an implied Contract. The agreement between Trade Members to do a Block Trade is a Contract.
Contract Price	The price of matched orders in NOREXECO ETS or at NOREXECO NMS. The agreed price between buyer and seller of a Block Trade.
Contract Month	The month specified for a Contract/Trade, which the Cash Settlement shall be calculated for.
Contract Time	The time in CET when Orders were matched in the ETS, matched via NMS or when a Contract negotiated outside the order book was concluded between the Counterparties.
Counterparty	The contractual party to a Contract/Trade, pluralis: Counterparties.
Daily Position Report	The daily position report as defined in EU Implementation Regulation 2017/1093 (MiFID II ITS 4). Trade Members of NOREXECO is required to report their Reportable Positions in NOREXECO traded financial instruments to NOREXECO. NOREXECO is required to report the positions to the NCA of Norway on T+1.
Daily Settlement Price	The market value of a Product as set by NOREXECO according to Appendix 7. It is used for the daily

	settlement and margin calculations of the Clearing House.
Default Handling	The process whereby the Clearing House ultimately closes out the open positions of a defaulting Clearing Member. The process may include entering Orders into the ETS or to NMS, finding counterparties and arrange Trades that subsequently are reported to NOREXECO as Block Trades by the Clearing House according to the default rules of the Clearing House. See the Clearing Rules for details on default declaration, process and legal aspects.
Delivery period	The delivery period for each monthly Product consists of 4 or 5 weekly settlement periods. This is the delivery period. Quarter Products consist of 12 – 15 weekly settlement periods.
Direct Market Access	A Trade Member, which is an investment firm pursuant to applicable legislation implementing MiFID or a credit institution authorised under Directive 2013/36/EU, may, upon approval by NOREXECO, automatically transfer Orders submitted by a client of the Trade Member to the ETS. By applying this method, the client of the Trade Member gets Direct Market Access.
EEOTC	Economic Equivalent Over-The-Counter. OTC traded instruments that is economically equivalent to an instrument listed on a trading venue.
ESMA	The European Securities and Markets Authority, Paris, France
ETS	Electronic Trading System for Trading in Listed Products operated by NOREXECO.
EUR/EURO	The lawful currency of the Member States of the EU that has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union.
Exchange Act	The Norwegian Act on Regulated Market of 29. June 2007, No. 74.

Exchange Appeals Committee	A committee (Børsklagenemda) appointed by the Norwegian Ministry of Finance, Section 41 of the Exchange Act, which considers appeals against the decisions of the Regulated Marketplace.
Exchange regulation	Norwegian regulations to the Exchange Act of 29. June 2007, No. 875.
Final Settlement Day	The day on which the final payment on the Product takes place, the first business day after the last trading day for a Product. See Appendix 1.
Final Settlement Price	The price which monthly Products are settled against. See Appendix 2 and Appendix 7 for rules of calculations.
Financial contracts	Financial derivative contracts.
Firm Order	A binding offer to sell or bid to buy a Product at NOREXECO Market from a Trade Member.
Force Majeure Event	Any failure of or delay in the performance of obligations pursuant to this Rulebook for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders or any other force majeure event.
Index/Indices	Express the current benchmark value of the underlying commodity as calculated by the index provider. See Appendix 2 for description of the indices used for NOREXECO Products.
Index Day	The day on which an Index is published by the index provider. If an Index Day falls on a Finnish holiday, the Index Day is moved to the next Trading Day.
Future	A Cleared Financial Product where Clearing House acts as counterpart in all Cleared Contracts/Trades guaranteeing the settlement. Futures are subject to daily settlement of Variation Margin by the Clearing House (mark to market) against the Daily Settlement Price which also is used for margin calculations by the Clearing House.
GCM	A General Clearing Member.

General Clearing Member	A Clearing Member that is allowed to clear Contracts for its own account and for the account of its clients. A GCM must have entered into relevant agreement(s) with the Clearing House and be licensed to act on behalf of clients.
LEI	Legal Entity Identifier code. A global unique identifier. Each Trade Member and client of Trade Members need to have a LEI in order to participate in trading on NOREXECO.
Listed	Products listed at NOREXECO Markets.
Listed Product	A Product listed at NOREXECO, and where Trading can be executed at NOREXECO Markets.
Market Manipulation	It includes actions which give, or are likely to give, false or misleading signals as to the supply of, demand for or price of a Listed Product, or secure, the price of one or several Products at an abnormal or artificial level.
Matched Order	A Buy/sell Order which has been subject to Matching with a Sales/buy Order whereby a Contract/Trade is established.
Matching/Matched	Matching corresponding Buy and Sales Orders in the ETS or at NOREXECO Market Services - NMS.
Market	NOREXECO marketplace trading in Listed Products.
Market Maker	A Trade Member who has undertaken to quote binding Buy Orders and Sales Orders according to a Market Maker Agreement.
Market Maker agreement	An agreement between NOREXECO and a Market Maker.
MiFID (I and II)	Directive 2014/65/EU of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended, and any national legislation and regulation transposing MiFID. As required by the context, it shall include any Level 2 or Level 3 measures adopted hereunder.

MIFIR	Regulation (EU) No 600/2014 of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, as amended. As required by the context, it shall include any Level 2 or Level 3 measures adopted hereunder.
MT	Metric Tonne (one thousand kg/1,000 kg)
National Competent Authority/NCA	The national financial market regulator. The NCA for NOREXECO is Finanstilsynet, Norway. The NCA for ECC AG is BAFIN, Germany.
NCM	A Non-Clearing Member.
NMS	NOREXECO Market Services offer and organize Trading in Listed Products including handling of Orders placed by Traders by communication with NMS.
Non-Clearing Member	A Trade Member that has entered into a Trade Membership Agreement and has a valid agreement with a Clearing Member of ECC whereby Contracts entered into by the Non-Clearing Member are cleared through that Clearing Member.
NOREXECO	NOREXECO ASA
NOREXECO Final Settlement Index – NFSI	The Final Settlement Index is the average of the 4 or 5 weekly indices given by the relevant Indices provider within the delivery month. See description in Appendix 1 - NOREXECO Product Specification' and Appendices 2 and 7.
NOREXECO Market Operation - NMO	The market operation department of NOREXECO.
NOREXECO Market Service – NMS	The manual service desk for Traders at NOREXECO.
Option	An Option entitles the Option Writer to receive an Option Premium and the Option Holder to receive an Option Cash Settlement from the Option Writer as specified in the Product Specification. See definition Put and Call Option.

Order	Only Firm Orders at NOREXECO.
Order Book	The Orders in ETS or at NMS.
PIX/FOEX PIX	Brand name for the indices produced by FOEX.
Price Board	A consultative board appointed by NOREXECO to be called upon in case of complaints regarding Daily Settlement Prices.
Position limits	EU Commission Delegated Regulation 2017/591, MiFID II RTS 21, requires that position limits are defined and regulated by the regulator in the country of the regulated market. Position limits for NOREXECO products are defined and regulated by the NCA of Norway.
Product	A Future or Option as further specified in Appendix 1 - Product Specification and Trading Schedule.
Product Specification and Trading Schedule	Appendix 1 to the Rulebook contains standardized terms for Listed Products and Trading Schedule.
Regulatory Body	Government or governmental body having a regulatory, supervisory or disciplinary jurisdiction over the conduct of derivatives business of NOREXECO, the Clearing House or a Trade Member in any jurisdiction.
Regulatory Status	MiFID II defines members of trading venues to be Investment firms. Commercial undertakings may declare themselves to be a non-Investment firm. Trade members of NOREXECO must declare whether they are Investment firms or non-Investment firms.
Regulatory Transaction Reporting	See Transaction Reporting
Reportable Positions	Positions held in financial instruments traded on NOREXECO. According to MiFID II, Trade Members must report their, and eventual their clients positions in instruments traded on NOREXECO including the information required by MiFID II to NOREXECO. NOREXECO is obliged to forward the required information to the CA of Norway.

Responsible Person	An officer or employee of the Trade Member, approved by NOREXECO and registered as such.
Rulebook	The NOREXECO Rulebook for Trading with its appendices as amended from time to time.
Sales Order	An Order to sell a Product.
Settlement amount	See Cash Settlement
Settlement Day	<p>For EUR: Any day when Target2 is open.</p> <p>For USD: Any US banking day. The Settlement Day for Variation Margin, Option Premium and Option Cash Settlement are the next available day for settlements after a Trading day.</p> <p>See also Appendix 1 Product Specifications and Trading schedule for Trading, see Figure 2 NOREXECO Contracts specification, Final Settlement Price dates and Last Trading day for Products. Also see Clearing House rules for settlement and settlement days.</p>
Settlement Price	See Daily Settlement Price and Final Settlement Price.
Sponsored access	A Trade Member, which is an investment firm pursuant to applicable legislation implementing MiFID or a credit institution authorised under Directive 2013/36/EU, may, upon approval by the NOREXECO, permit a client to transmit Orders in the Trade Member's membership identity directly from the client's trading infrastructure or through a third party vendor to the ETS. By applying this method, the client of the Trade Member uses the Sponsored Access method.
Spread	The range between the best Buy Order and best Sales Order for a specified period and Product. The difference between the buyer- and seller price of a Product.
T/ T-1/ T+1	Trading day/ the Trading day prior to the Trading day/ the next Trading day.

Third Country	Countries not within the European Economic Area, EEA.
Trade	A Contract between Trade Members regarding a NOREXECO Product becomes a Trade. A Trade is processed by the trading- and clearing systems of NOREXECO and ECC respectively.
Trade Error	Any error/incorrect insertion of the Order placed by a Trade Member and the terms on which such Order is Matched.
Trade/Order at NOREXECO	Orders or Trades in ETS and/or NMS
Trader	An approved and authorized person that is an employee of the Trade Member or a person that is an affiliate of a client of the Trade Member, subject to authorization by NOREXECO, that represent a Trade Member authorized to execute trading at NOREXECO.
Trade Member	A legal entity/company, which has signed Trade Membership Agreement with NOREXECO. There are three categories of Trade Member: Trade Member, Non-Clearing Member and Block Broker Member.
Trade Membership Agreement	An agreement between a legal entity/company and NOREXECO, in which the company is granted Trade Membership at NOREXECO Exchange.
Trading	The process in which Trades are entered into at the NOREXECO Markets.
Trading Day	Any day on which NOREXECO is open for Trading. See Product Specification and Trading Schedule, Appendix 1.
Trading Fee	Fee payable to NOREXECO as set out in the NOREXECO fee list, Appendix 3.
Trading Hours	The hours when NOREXECO is open for Trading as defined in Appendix 1 - Product Specification and Trading Schedule.

Trading Schedule	Showing settlement dates, and last trading dates for the Products.
Transaction Reporting	EU Commission Delegated Regulation 2017/590, MFIR RTS 22. MIFIR requires Investment firms to report transactions in financial instruments to the relevant NCA. NOREXECO is required according to MIFIR to do transaction reporting to the NCA of Norway for non-Investment firms and Third Country Firms. Trade Members are obliged to furnish NOREXECO with the information required.
USD	United States Dollar - The lawful currency of the Unites States of America.
User guide ETS	Guidelines for use of the Electronic Trading System.
Underlying Products	The commodity on which the price of a NOREXECO Product is based. The value of the commodity is represented by the indices provided by the Index Provider.
Variation Margin	All futures Products are subject to daily payment of Variation Margin. The Variation Margin is calculated by the Clearing House based on the change in Daily Settlement Prices between T and T-1 for positions held overnight, and between Contract prices and Daily Settlement Prices for trades of the day. Variation margin are settled by the Clearing House the next Settlement Day for the currency of the Product, normally on T+1.
Website	www.norexeco.com