

Trading Day (1) to allow the “In-the-Money” Options to expire without exercise or (2) to exercise expiring “Out-of-the-Money” Options. When exercised against, option sellers will be selected on a pro-rata basis or at the Exchange’s discretion.

- (b) On the Last Trading Day, the Daily Settlement Prices for Options’ underlying futures contracts (“**Reference Price**”) shall be published no later than 3:00 pm EPT for power Options, no later than 3:30 pm EPT for natural gas Options and no later than 4:30 pm EPT for environmental Options (absent operational delays by the Exchange) for the relevant Option Strike Prices. Reference Prices will be calculated primarily based on that day’s Transactions, the Orders on the CLOB, relevant trading in other markets as well as available market data, as outlined in the Contract Specifications for the underlying futures contracts.

4.10.5 Physically Settled Nodal Contracts

- (a) Nodal Contracts based on environmental products will be Physically Settled on the close of trading on the Last Trading Day. The Final Settlement Price shall be determined by the Exchange as specified in the Contract Specifications.
- (b) On the Last Trading Day, the Exchange will provide the Clearing House with information identifying the Participants with delivery obligations for the purpose of issuing Tender and invoice notices in accordance with the Clearing House Rulebook.

4.10.6 Settlement Price Delays and Errors

- (a) If, for any reason, the relevant index or other value on which final settlement of any Nodal Contract is based is not published, or the Exchange believes there is an error in the calculation of the index or other value, or the Exchange is otherwise unable to issue a Final Settlement Price on such day as specified in the Rules, the Exchange may, in its discretion, either (i) publish a Final Settlement Price on such day using such pricing data as it deems reliable, or (ii) delay issuing a Final Settlement Price and shall publish a final Settlement Price as soon as practicable using such pricing data as it deems reliable.
- (b) If the Exchange concludes that the Settlement Price of any contract is or was erroneous, it may correct the Settlement Price in accordance with Exchange procedures at any time prior to final settlement.
- (c) After final settlement of a Nodal Contract, if the Exchange discovers an error in the Final Settlement Price published by the Exchange, or

if an index provider or other third party makes a revision to the relevant index or other value on which the Final Settlement Price of a Nodal Contract is based, then:

- i. If such error is discovered or revision is made within thirty (30) calendar days after the final settlement, the Exchange may correct the Final Settlement Price in accordance with Exchange procedures and republish a revised Final Settlement Price for the Nodal Contract, provided however, that if during such 30-day period the Exchange becomes aware that an index provider or other third party which publishes the price on which final settlement of an Nodal Contract is based has indicated that such a price is under review by it, the Exchange may correct the Final Settlement Price and republish a revised Final Settlement Price for the affected Nodal Contract(s) when the index provider or other third party provides public notice of the corrected or revised price (even if after such 30-day period);
- ii. If the Final Settlement Price of a Nodal Contract is used as a data point in determining the Final Settlement Price of another Nodal Contract pursuant to the contract terms and conditions of such other Nodal Contract, the Exchange may, in accordance with its settlement price procedures, correct the Final Settlement Price of the contract within thirty (30) calendar days of the final settlement date of the related Nodal Contract(s) to conform the Final Settlement Price of the contract to the price used for such contract in the calculation of the Final Settlement Price of the related Nodal Contract;
- iii. Notwithstanding the above, the Exchange may correct at any time the Final Settlement Price for a Nodal Contract which had no open interest at final settlement; and
- iv. Any Settlement Price that is revised by the Exchange shall be reported to, and applied by, the Clearing House in accordance with the Clearing House Rules.

4.11 Recordkeeping; Audit Trail

- 4.11.1 Participants shall maintain records of Orders and Transactions related to Nodal Contracts on the Exchange and in related derivatives markets, including in the Commodity underlying those Nodal Contracts for a period of five (5) years and maintain them in a readily accessible manner for two (2) years. Participants that enter Orders into the Trading Platform through a front-end system rather than directly through the Trading Platform are responsible for maintaining or causing to be maintained audit trail