

through the designated registry associated with the Deliverable Product as defined in Appendix A. The delivery is processed between the Participants per the rules of the Clearing House in accordance with CFTC Regulation 39.12(b)(7). The Deliverable Products are delivered between the Participants. Nodal Exchange does not take possession of the Deliverable Products at any time.

3.5.2 All Participants have the ability to trade the expiring contracts until the end of the Last Trading Day in order to close out any open positions to avoid physical delivery obligations upon expiration. For positions that remain open at the end of the Last Trading Day, Participants will be required to physically deliver the Deliverable Product and to confirm to the Exchange that delivery has occurred.

3.6 Additional Requirements for Participants engaging in the physical delivery of California Low Carbon Fuel Standard (“LCFS”), ~~and Oregon Clean Fuels Program (“Oregon CFP”), and Washington Clean Fuels Program (“Washington CFP”) futures contracts~~

3.6.1 The Exchange may establish such requirements and conditions for approval of eligible deliverers as it deems necessary. Participants wishing to engage in physical delivery of LCFS, ~~or Oregon CFP, or Washington CFP,~~ must meet the relevant eligibility criteria set forth below as well as those provided in the Participant Application to Physically Deliver on the respective contracts. ~~(see 3.5.3 below).~~

Eligible Participants (i.e. Participant buyers and Participant sellers) must meet each criterion under items (a), through (d) and deliverers (i.e. Participants sellers) must meet the additional criteria provided under item (e).

- (a) Must be a Participant of Nodal Exchange in good standing, and;
- (b) Must have an active California LCFS Reporting Tool and Credit Bank & Transfer System (LRT) account, ~~or an active Oregon CFP Online System account, or an active Washington Fuel Reporting System (WFRS) account.~~ LRT, ~~or Oregon CFP Online System, or WFRS~~ account information must be on file with the Exchange, and;
- (c) Must not be subject to ongoing California Air Resources Board (CARB), ~~or Oregon Department of Environmental Quality, or Washington Department of Ecology~~ enforcement activities related to the generation or trade of LCFS, ~~or Oregon CFP, or Washington CFP~~ credits, and;
- (d) Must agree to the California LCFS, ~~or Oregon CFP, or Washington CFP~~ futures contracts post-delivery invalidation procedures as set

forth in the Participant Application to Physically Deliver California LCFS, ~~and Oregon CFP, and Washington CFP~~ Futures Contracts.

- (e) To participate in delivery, Participant sellers must meet the Exchange’s eligibility criteria as set forth in the Participant Application to Physically Deliver California LCFS, ~~and Oregon CFP, and Washington CFP~~ Futures Contracts.
- 3.6.2 In addition to the Participant criteria set forth in Rules 3.3 and 3.4, each Participant who engages in the physical delivery of California LCFS, ~~and Oregon CFP, and Washington CFP~~ futures contracts must maintain the requirements set by the Exchange.
- 3.6.3 Each Participant who engages in physical delivery of California LCFS, ~~and Oregon CFP, and Washington CFP~~ futures contracts must complete the Participant Application to Physically Deliver California LCFS, ~~and Oregon CFP, and Washington CFP~~ Futures Contracts and subsequently be approved by the Exchange.
- 3.6.4 Each Participant who meets the qualifications to engage in the physical delivery of LCFS, ~~and Oregon CFP, and Washington CFP~~ credits as a Participant seller consents that the Exchange may name the Participant on an eligible deliverer list, which may be made available to Participants in California LCFS, ~~and Oregon CFP, and Washington CFP~~ futures contracts upon request. The Exchange reserves the right to remove Participants from the eligible deliverer list at any time. Eligible deliverers will be reviewed as needed and at minimum at a frequency commensurate with delivery. Any Participant wishing to become an eligible deliverer may apply at any time. No additional eligible deliverers will be added to the list within the contract expiration month.
- 3.6.5 A Participant seller who does not meet the requirements of Rule 3.65 will not be eligible to engage in physical delivery of California LCFS, ~~and Oregon CFP, and Washington CFP~~ futures contracts. A Participant seller not eligible to deliver LCFS, ~~and Oregon CFP, and Washington CFP~~ futures contracts must ensure all of its expiration month positions in LCFS, ~~and Oregon CFP, and Washington CFP~~ futures contracts have been closed at the latest on the fifth business day before the first delivery day of the expiring contract.
- 3.6.6 If a Participant fails to comply with Rule 3.65.5, Nodal Exchange may use any and all measures to close the positions, which are ineligible for delivery. This would occur without prior notification and at the expense of the Participant.

3.7 Additional Requirements for Participants making or taking physical delivery of Renewable Identification Numbers (“RINs”)