

NODAL EXCHANGE CONTRACT SPECIFICATIONS

Certified Emission Reduction -2016+ Future

ITEM	SPECIFICATION
Contract Description	Physically delivered futures contract for Certified Emission Reduction (CER) units issued by the Clean Development Mechanism (CDM) Executive Board following independent verification of emission reductions achieved by a registered CDM project which satisfy the Eligible Emissions Units criteria of the United Nations International Civil Aviation Organization (ICAO) Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).
Contract Code	CE6
Settlement Method	Physical Delivery
Hours of Trading	As defined at http://www.nodalexchange.com
Unit of Trading	1 lot
Lot Size	1,000 Metric Tons (MTs) representing 1,000 Offsets
Currency	US Dollars
Minimum Tick	\$0.01 per MT
Settlement Price Precision	\$0.01 per MT
Last Trading Day	Three Business Days prior to the last Business Day of the delivery month
Delivery Day	Three Business Days after the Last Trading Day (Last Business Day of the delivery month)
Contract Series	Quarterly expirations for the current year and the following two years. Annual December contracts for up to an additional 7 years. The exchange may list any other calendar month contract set off the standard listing cycle.
Deliverable Product	<p>Certified Emission Reduction (CER) units eligible to be delivered are those issued by the Clean Development Mechanism (CDM) Executive Board following independent verification of emission reductions achieved by a registered CDM project which satisfy the ICAO's CORSIA Eligible Emissions Units criteria and any subsequent amendments.</p> <p>CERs not eligible for delivery include those issued to Afforestation and Reforestation activities, including temporary CERs (tCERs) and long-term CERs (ICERs).</p> <p>CERs eligible for delivery must be issued to activities that started their first Crediting Period from 1 January 2016, where the first Crediting Period is specified at the time of Registration. Crediting Period and Registration are defined in the Glossary of Terms for the Clean Development Mechanism.</p> <p>Eligible vintage year reductions include 2016 through 2020.</p>
Registry	Transfer of eligible CERs is made from account(s) in a national or CDM registry account to national registry account(s).
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded contracts, as appropriate
Final Settlement Price	The Daily Settlement Price on the Last Trading Day
Delivery	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 Section IX (Physical Delivery and Settlement) of the Nodal Clear Rulebook.

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Final Settlement (Payment) Date	Three or four Business Days after the Last Trading Day on the successful delivery of the underlying instruments (if the delivery confirmation is available by 11:30am on the third Business Day after the Last Trading Day, the payment will be made on the same day during the Midday Margin Cycle; if it is available after 11:30am, the payment will be made on the next Margin Cycle which will be the next Business Day)
Position Limit	https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF
Margin Unit	US Dollars