

MARKET MAKER AGREEMENT

entered into between

Nasdaq Oslo ASA, a Norwegian limited company with reg. no 965 662 952 in the Norwegian Company Register ("Nasdaq" or the "**Exchange**");

and

xxx, with reg. no. xxx in the Company Register of [x] (the "Market Maker");

Collectively referred to as the "**Parties**" and individually a "**Party**",

1 INTRODUCTION AND INTERPRETATION

- 1.1 The Exchange shall have written agreements in place with all investment firms pursuing a market making strategy (as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 ("MiFID II") on the trading venue.
- 1.2 This Market Making Agreement shall apply for non-investment firms and investment firms if the Market Maker pursues a market making strategy as defined in MiFID II on the Exchange and where non-investment firms and investment firms thereby posts firm, simultaneous two-way orders of comparable sizes and competitive prices in instrument(s) covered by this Agreement set out in Appendix 1, as applicable from time to time, for at least fifty per cent (50%) of the daily trading hours of the Exchange, and calculated for each trading day.
- 1.3 The purpose of this Market Making Agreement is to fulfill the requirements above and to ensure predictability to the liquidity in the order book of the Instruments.
- 1.4 The Market Maker has entered into an Exchange Membership Agreement or Non-Exchange Membership Agreement (a "**Membership Agreement**") with the Exchange. This Market Maker Agreement (the "**Agreement**") assigns the rights and obligations of the Market Maker as Market Maker in certain Listed Products as set out herein.
- 1.5 Unless as explicitly set out in this Agreement, all quoting and Trading under this Agreement shall take place in accordance with and be subject to the Trading Rules of the Exchange as may be amended from time to time (the "**Trading Rules**").
- 1.6 Words capitalized in this Agreement shall have the meaning as defined in the Trading Rules, or as otherwise defined in this Agreement (including the definitions of Appendix 1). References to the Trading Rules include any amendments, consolidations and replacements of the Trading Rules, and any definitions and references to the Trading Rules herein shall be deemed amended accordingly.
- 1.7 In case of conflict between the general terms of this Agreement and its appendices, the appendices shall prevail.

2 REPRESENTATIONS AND WARRANTIES BY THE MARKET MAKER

- 2.1 In addition to any representations of the Market Maker under the Membership Agreement and the Trading Rules, the Market Maker hereby represents and warrants that:
 - (a) it has taken all necessary actions to authorize the signing and delivery of this Agreement; and
 - (b) the signing and delivery of this Agreement and the compliance with this Agreement does not violate any law, rule, regulation or Agreement, document or instrument binding on or applicable to the Market Maker in its capacity as Market Maker.
- 2.2 The Market Maker acknowledges that it is under a duty to notify the Exchange immediately in case it becomes aware of any breach of a representation or warranty given by it.

3 QUOTING OBLIGATIONS

- 3.1 The Market Maker shall from the Commencement Date place firm, simultaneous two-way Orders of comparable sizes and competitive prices in the Applicable Products during the Quoting Period(s), each such Order being a "**Market Maker Order**".

- 3.2 All Market Maker Orders must be within the Market Maker Spread (as may be modified in a situation where the Stressed Market Rules apply), and each Market Maker Order shall equal or exceed the Minimum Volume.
- 3.3 Whenever an Exchange Transaction is made based upon a Market Maker Order, the Market Maker shall immediately replace the matched Market Maker Order with a new Market Maker Order unless Clauses 3.4, 3.6 or Section 7 applies.
- 3.4 Notwithstanding Clause 3.1, the Market Maker is temporarily released from placing Market Maker Orders in the following circumstances:
- (a) For an aggregate period on each Trading Day as defined in Appendix 1, provided that the Market Maker must always perform its quoting obligations in the period during which Daily Fix is set for the Applicable Products if such time period is within the Quoting Period(s).
 - (b) For an aggregate period per calendar year as defined in Appendix 1, provided that such Trading Days have been requested from the Exchange in writing no later than one (1) week in advance of the date of each applicable Trading Day and the Exchange has consented to the request (such consent not to be unreasonably withheld). In case several Market Makers in the same Product Series request overlapping release periods, priority will be given to the Market Maker(s) who had the earlier request.
 - (c) While the Market Maker is prohibited from placing Orders under the Market Conduct Rules due to holding Inside Information, provided that the Market Maker must upon request from the Exchange be able to document its absence from quoting due to such circumstances to a reasonable extent.
 - (d) While the relevant Listed Product(s) for any reason is suspended from Trading by the Exchange, or otherwise unavailable for Trading by no fault of the Market Maker.
 - (e) While the Market Maker is subject to a technical failure or similar incident materially affecting its ability to place Orders, or in the occurrence of a Force Majeure Event, provided that the Market Maker adheres to its obligations under Clause 3.5 below.
- 3.5 In case of an incident as set out in Clause 3.4(e), the Market Maker shall immediately inform the Exchange of the incident and – provided that the incident is within the reasonable control of the Market Maker - initiate the necessary actions to remedy the situation as soon as possible. The Market Maker shall keep the Exchange informed about the progress of any remedy efforts on a continuous basis, as further agreed with the Exchange in each individual case.
- 3.6 As regards volatility interruptions triggered by a Volatility Guard as defined in the Genium INET Market Model for Nasdaq Commodities applicable from time to time, the Market Maker shall resume trading in accordance with its quoting obligations as soon as possible following such interruption. For procedures regarding resumption of normal trading following exceptional circumstances, please refer to section 7 of this Agreement.

4 PRIVILEGED TRANSACTIONS

- 4.1 By entering into this Agreement, the Market Maker has an obligation to provide liquidity on the Exchange and transactions entered into in accordance with the terms of this Agreement, hereinafter referred to as "Privileged Transactions", can be set aside for non-investment firm's calculation establishing when an activity is to be considered to be ancillary to the main business at a group level in accordance with MiFID II Article 2 1 (j), under the sole discretion of the relevant Financial Supervisory Authority.

5 COMPENSATION

- 5.1 The Market Maker shall be entitled to compensation for its Market Maker activities hereunder as set out in Appendix 2 hereto.
- 5.2 The Exchange may set off any compensation from the Exchange to the Market Maker under this Agreement against any payment obligation of the Market Maker to the Exchange or the Clearinghouse under the Membership Agreement.
- 5.3 The Exchange will impose normal fees for all Exchange Transactions carried out by the Market Maker and withhold any other compensation related to the Market Maker activities if the Market Maker has failed to fulfill its quoting obligations in accordance with this Agreement, or reduce

the compensation proportionally in cases where the failure to reach the quoting obligations have been caused by incidents as set out in Clauses 3.4(c) –(e) or 3.6.

6 STRESSED MARKET RULES

- 6.1 Whenever the Stressed Market Rules in Appendix 5 apply (the "**Stressed Market Rules**"), the Market Maker's quoting obligations under this Agreement shall be replaced by the corresponding obligations under the Stressed Market Rules.
- 6.2 The Stressed Market Rules may be amended unilaterally by the Exchange through written notice to the Market Maker. To the extent reasonably possible and practicable, the Exchange will consult with the Market Maker and other relevant Market Makers prior to amending the Stressed Market Rules.

7 EXCEPTIONAL CIRCUMSTANCES

- 7.1 The Exchange can declare exceptional circumstances on a case by case basis in accordance with Article 3 and 4 of the Commission Delegated Regulation (EU) 2017/578 of 13 June 2016 supplementing MiFID II ("**Exceptional Circumstances**"). Exceptional Circumstances can be applied for a specific market maker, all market makers or one or several market segments. During Exceptional Circumstances, the Market Maker's quoting obligations under this Agreement shall not apply.
- 7.2 The Exchange will make public the occurrence of Exceptional Circumstances, together with the resumption of the Market Maker's normal trading after the Exceptional Circumstances have ceased to exist.
- 7.3 Once the Exceptional Circumstances have ceased to exist, the Market Maker's quoting obligations apply.

8 SURVEILLANCE, COMPLIANCE AND AUDIT OBLIGATIONS

- 8.1 The Market Maker is subject to legislative surveillance, compliance and audit obligations of its market making activities and the Market Maker shall have appropriate and effective resources available in this regards.
- 8.2 The Exchange will continuously monitor the Market Maker's effective compliance with this Market Making Agreement.

9 IDENTIFICATION OF MARKET MAKER ACTIVITY

- 9.1 The Market Maker shall ensure that its market making orders submitted to the Exchange are identified with the relevant market maker capacity in order to distinguish those orders from other proprietary flows.
- 9.2 All transactions which the Market Maker executes in its capacity as market maker shall be executed on its own account. The Market Maker shall, consequently, not use its own market maker account on behalf of clients.

10 MAINTENANCE OF RECORDS OF ORDERS AND TRANSACTIONS

- 10.1 The Market Maker shall maintain records of its orders and transactions relating to its market making activities on the Exchange. Said records shall be available to the Exchange and the competent Financial Supervisory Authority upon request.

11 TERM AND TERMINATION OF THE AGREEMENT

- 11.1 This Agreement becomes effective when duly signed by both Parties, and may be terminated by either Party upon one (1) month written notice. Either Party may additionally terminate this agreement with immediate effect if the other Party is in material default of its obligations hereunder and has failed to remedy such material default within one (1) week from the reception of a written termination notice from the non-defaulting Party.
- 11.2 Notwithstanding the above, this Agreement will automatically terminate if and when the Membership Agreement between the Exchange and the Market Maker is effectively terminated for whatever reason, unless the Market Maker simultaneously enters into an analogous agreement granting the Market Maker access to Exchange Trading as may be relevant at the time.

12 CONTACT PERSONS FOR THE MARKET MAKING OPERATIONS

12.1 The Market Maker shall appoint at least two (2) contact persons for its market making operations, see Appendix 3. The persons must be authorised to trade in the Exchange's trading system. The names of the contact persons for the market making operations shall be notified to the Exchange. Any changes of the contact persons shall be notified to the Exchange.

13 PUBLICITY AND INFORMATION

13.1 The Exchange may make publicly available the fact that the Market Maker is appointed Market Maker, as well as information about the Market Maker's specific quoting obligations as Market Maker hereunder (as specified in Appendix 1 hereto). The same applies to any change, temporary suspension or termination of such obligations. The Exchange may also disclose the content of this Agreement to its competent authority.

13.2 The Market Maker shall not make any press release, website announcement or similar public statement regarding its role as Market Maker without the Exchange's prior written consent, such consent not to be unreasonably withheld.

13.3 The Exchange will inform the Market Maker of the termination or establishment of any other Market Maker Agreements regarding the Applicable Products.

14 LIMITATION OF LIABILITY

14.1 Except with regard to any claims arising out of a Party's gross negligence or willful misconduct, neither Party shall be liable to the other Party for any other reason.

14.2 Neither Party shall be liable to the other Party for any loss of profits, revenues, or trades or for any indirect, special, punitive, consequential or incidental loss or damage of any nature arising from any cause whatsoever, even if a Party has been advised on the possibility of such damage.

14.3 The limitations in this chapter 14 shall not apply to the extent prohibited by law.

15 FORCE MAJEURE

15.1 Either Party shall be excused from performance of its obligations undertaken in this Agreement to the extent and for such time period as prevented or hindered from performing by circumstances beyond its reasonable control, including acts of war, electric power disruptions, telecommunications disruptions, fire, water, strikes, lockouts, boycotts, blockades or other similar circumstances beyond such party's control (force majeure). The reservation regarding strikes, lockouts, boycotts and blockades shall apply even where a Party itself is the object of such action or causes such action to be taken.

15.2 Where a Party is prevented from performing its obligations as a consequence of circumstances set forth in this section, performance shall be postponed until the cause of the prevention no longer exists.

15.3 The provisions in this chapter 15 shall not apply to the Market Maker's quoting obligations under Section 3. For Exceptional Circumstances, please refer to Section 7.

16 MISCELLANEOUS

16.1 **Notices.** Except as set out herein, any notice required to be given under this Agreement or the Trading Rules by the Market Maker shall be given in accordance with the procedures prescribed by the Trading Rules.

16.2 **Entire Agreement.** This Agreement and the Trading Rules contain the whole agreement between the Exchange and the Market Maker relating to the subject matter hereof. The Parties each acknowledge that, in entering into this Agreement, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty other than as expressly set out in this Agreement.

16.3 **Amendments.** Except as set out herein, amendments to this Agreement require the written approval of both Parties.

16.4 **Severability.** In the event that any one or more provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, the remaining provisions shall remain valid and enforceable.

- 16.5 **Assignment.** The Market Maker may not transfer, novate or assign this Agreement without the prior written consent of the Exchange. The Exchange may novate, transfer or assign all or any of its rights under this Agreement together with a novation, transfer or assignment of the Membership Agreement. The Exchange shall provide written notice to the Market Maker of any such novation, transfer or assignment.
- 16.6 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when executed shall constitute an original of this Agreement, but all the counterparts shall together constitute the same Agreement.
- 16.7 **Waiver.** No failure or delay by a Party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy.
- 16.8 **Rights of Third Parties.** Any person who is not a party to this Agreement (save as explicitly set out herein) shall not have any rights under or in connection with it. The Clearinghouse shall, in its role as central counterparty to all Clearing Transactions, acquire rights and obligations under the Trading Rules and the Clearing Rules in respect of all Clearing Transactions.

17 CHOICE OF LAW AND DISPUTE RESOLUTION

- 17.1 This Agreement shall be construed and interpreted in accordance with, and any dispute arising out of this Agreement shall be resolved in accordance with, the provisions relating to governing law and dispute resolution under the Membership Agreement between the Market Maker and the Exchange.

* * *

IN WITNESS OF THEIR AGREEMENT each Party has caused its authorized representative to execute this Agreement effective as of the date of signature by both Parties.

This Agreement has been made in two (2) originals, and each Party keep one (1).

For and on behalf of Nasdaq Oslo ASA

Signature

GEORG AASEN, PRESIDENT

Date:

For and on behalf of xxx

Signature

Name and title (printed letters)

Date:

- Appendix 1** Quoting Obligations
- Appendix 2** Compensation Scheme
- Appendix 3** Delegation of Signature
- Appendix 4** Special Conditions
- Appendix 5** Stressed Market Rules

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Appendix 1

QUOTING OBLIGATIONS

Commencement Date: The Market Maker's quoting obligations shall commence on the following date: xxx

Applicable Product(s): The Market Maker's quoting obligations shall apply to the following Products:

[All Nordic Electricity Base Futures] [All Nordic EPAD Electricity Base Futures] [All German Electricity Base Futures] [All European Electricity Base Futures][All Natural Gas Futures]

as specified in Matrix 1 in this Appendix.

Quoting Period(s): The Market Maker's quoting obligations shall apply during the following time period(s):

as specified in Matrix 1 in this Appendix.

The Market Maker's quoting obligations may dependent on the restriction set out in this Agreement under Clause 3.4, be temporarily released of its quoting obligations during the following time period(s):

[To be agreed]

Minimum Volume: All Market Maker Orders shall have the following minimum Order Volume:

as specified in Matrix 1 in this Appendix.

Market Maker Spread: The difference between the Order Prices for asks and bids (sale/buy) in each Product Series shall for Market Maker Orders not exceed:

as specified in Matrix 1 in this Appendix.

Privileged Transactions The transactions which are considered Privileged Transactions are defined:

as specified in Matrix 1 in this Appendix.

Matrix 1¹

[Product]				
Product	Quoting Period (CET)	Minimum Volume (MW)	Max spread (EUR/MWh)	Stressed Market Spread (EUR/MWh)
Months				
M1*	08:00-18:00			
M2	08:00-18:00			
Quarters				
Q1	08:00-18:00			
Q2	08:00-18:00			
Q3	08:00-18:00			
Years				
YR1	08:00-18:00			
YR2	08:00-18:00			
YR3	08:00-18:00			

For and on behalf of Nasdaq Oslo ASA

Signature

Name and title (printed letters)

Date:

For and on behalf of xxx

Signature

Name and title (printed letters)

Date:

* * *

¹ To be agreed

Appendix 2

COMPENSATION SCHEME

Compensation Model: The following is applicable for all Exchange Transactions in the Applicable Products.

Subject to fulfilment of its quoting obligations for Market Maker Orders, the Market Maker will pay:

- [To be agreed]

Payment will be due to the Market Maker within the following month and should be paid at latest the 20th.

Payment Scheme: Market Maker shall pay normal fees (Trading Rules, Joint Trading and Clearing Appendix 7, Fee List) each month, and will in the following month receive compensation from the Exchange in accordance with this Agreement.

Calculation Date: The Exchange will measure the fulfillment of the Market Maker's obligations according to this Agreement on a monthly basis and calculate the compensation accordingly.

For and on behalf of Nasdaq Oslo ASA

Signature

Name and title (printed letters)

Date:

For and on behalf of xxx

Signature

Name and title (printed letters)

Date:

* * *

Appendix 3 (A and B)

CONTACT PERSONS AND AUTHORISATION TO APPROVE AMENDMENTS

Appendix 3 A CONTACT PERSONS

Contact persons – Market Maker

Name:

Title:

Department:

Telephone:

E-mail:

Name:

Title:

Department:

Telephone:

E-mail:

Contact person – the Exchange

Name:

Title:

Telephone:

E-mail:

Appendix 3 B AUTHORISATION TO APPROVE AMENDMENTS TO APPENDIX 1-3

This Appendix 3 is only valid if signed by an authorised representative of the Market Maker.

The Market Maker grants to **[insert name of person]** the non-exclusive right to negotiate, sign, execute and deliver any amendments to Appendix 1-3 of this Agreement, and to delegate such power and authority to others at his/her discretion.

The authority granted hereunder may only be revoked by written and signed notice to the Exchange from any person from time to time having signatory rights on behalf of the Market Maker in relation to the subject matter hereof.

For and on behalf of xxx

Signature

Name and title (printed letters)

Date:

* * *

Appendix 4

SPECIAL CONDITIONS

The market Maker is released from the quoting obligations on the following special days:

[To be agreed]

* * *

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Appendix 5

STRESSED MARKET RULES

Please note:

These Stressed Market Rules may be amended pursuant to the provisions of the Agreement. In case of such amendments, this Appendix 5 shall be deemed replaced and amended accordingly.

1 APPLICATION OF THE STRESSED MARKET RULES

- 1.1 These Stressed Market Rules apply to Members in their role as Market Makers, whenever notified by the Exchange in accordance with the Market Maker Agreement.
- 1.2 The Exchange may, if the Exchange in its sole discretion deems that the market conditions so require, invoke the "Stressed Market Rules" as set out herein. The Exchange may in its reasonable discretion choose which Products and which Market Makers that is subject to the Stressed Market Rules. To the extent reasonably possible and practicable, the Exchange will consult with relevant Market Makers prior to invoking the Stressed Market Rules.
- 1.3 Notwithstanding the generality of Clause 1.2 above, the Stressed Market Rules are likely to be invoked where:
 - (a) "High Volatility": The price movement exceeds the agreed value of the Market Maker Spread within a ten (10) minutes period as defined below:

[To be agreed]
- 1.4 The Exchange shall give notice to the Member prior to invoking the Stressed Market Rules, in which case the Stressed Market Rules will apply immediately (or from such other time as the Exchange specifies) and until further notice from the Exchange. When normal conditions are declared by the Exchange, the Market Maker shall invoke normal spreads. The Exchange may notify the Member by way of e-mail, Eikon Messenger, through the ETS or MTS, or such other means of communication as is agreed with the Market Maker in the individual case.

2 EFFECTS OF A "STRESSED MARKET"

- 2.1 While the Stressed Market Rules apply, the Market Maker Spread agreed with each Market Maker subject to the Stressed Market Rules will be changed as follows:
 - (a) The agreed Market Maker Spread value can immediately be increased to the Stressed market spreads defined in Appendix 1.Notwithstanding the above, Market Makers are free to maintain a Market Maker Spread at the agreed values.
- 2.2 While the Stressed Market Rules apply, Market Makers may withdraw any then current Market Maker Orders provided such Market Maker Orders are promptly replaced by new Market Maker Orders using the new Market Maker Spread (as modified by the Stressed Market Rules). The period from such Market Maker Orders are withdrawn until new Market Maker Orders are quoted will be considered as use of the Market Maker's free time.
- 2.3 In case of extreme market conditions exceeding the situations described in these Stressed Market Rules, the Parties shall consult and the Exchange will decide what measures will be taken. Such measures may include temporarily releasing affected Market Makers from their quoting obligations.

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