

**NON-CASH COLLATERAL AND SETTLEMENT ACCOUNT AGREEMENT**

This Non-Cash Collateral and Settlement Account Agreement ("**Agreement**") is entered into as of [ ] between

- A.** [ ] (the "**Member**"); and
- B.** **NOS CLEARING ASA ("NOS")**,  
(together the "**Parties**").

The Parties agree as follows:

1. Reference is made to the Rulebook for Clearing with NOS (NOS Clearing ASA) (as amended from time to time, the "**Rulebook**"). The provisions of the Rulebook (including without limitation Clause 8) shall apply to this Agreement, and capitalized defined terms not defined in this Agreement have the meanings given to them in the Rulebook.
2. NOS has approved Swedish Electricity Certificates ("El-Certs"), as issued by Svenska Kraftnät AB ("SVK") and as currently administered through the CESAR system (SVK's El-Cert account management system) as Non-Cash Collateral, ref. Clause 6.4.1 of the Rulebook. The posting of El-Certs as Non-Cash Collateral is subject to the terms and conditions of the Rulebook and this Appendix 10.
3. All El-Certs issued by SVK are held in CESAR accounts. NOS has established in its name a CESAR account in which El-Certs received as collateral are deposited (the "Account"). Any El-Cert transferred as Collateral shall be held in a sub-account (the "Sub-Account") which only contains El-Certs posted as Collateral by the Member. Clearing Members shall deposit El-Cert into the Account to provide for margin in the form of Non-Cash Collateral and for settlement requirements for Contracts. The Member does not have any contractual relationship with CESAR in relation to the Account, nor does it have any authority as depositor or otherwise to dispose over El-Certs posted as Collateral and held in the Account. The Member authorizes NOS to hold the Member's El-Certs in the Account and to commingle those El-Certs with El-Certs received from other Clearing Members.
4. An El-Cert which is transferred to NOS by the Member as part of the total Collateral required by NOS shall be transferred to the Account according to NOS instructions and within the deadlines which are set forth in the Clearing Cycle. All El-Certs transferred to NOS as Collateral shall be transferred to the Account free of any security right, lien or encumbrance of any kind. NOS shall upon written request from the Member return any El-Cert transferred to NOS as Collateral following NOS receipt of new Collateral satisfactory to NOS to replace such El-Certs, subject to the procedure set forth in Clause 6.4.2 of the Rulebook. NOS shall with regard to El-Certs transferred to NOS as Collateral have the full rights granted to it in Clause 7 of the Rulebook, including in particular the rights described in Clause 7.6.

5. In a separate letter from NOS to the Member, NOS will provide Account and sub-account identification details and other information required for the transfer of an EI-Cert from the Member's CESAR account to the Account.
6. The Member bears all risk of loss with respect to EI-Certs held on its behalf in the Account. NOS shall not be responsible for any loss suffered by the Member as a result of any event in relation to CESAR, SVK and/or the legislation governing EI-Certs which have any adverse effect on EI-Certs posted as Collateral, The member recognizes and acknowledges that neither the Account nor the Sub-Account is insured by any governmental agency or private entity.
7. The Member authorizes NOS to disclose such information concerning the Member as CESAR shall reasonably request, including without limitation the information contained in the Member's Clearing Membership Application Form.
8. EI-Certs deposited to the Account constitute Non-Cash Collateral posted by the Member. The Member's EI-Certs deposited to the Account shall for the purposes of the Rulebook correspond to the Clearing Account No. [ ] held by the Member with NOS for clearing of contracts in Non-Listed and Listed Products.
9. By signing this Agreement the Member acknowledges and accepts the terms of the Rulebook and agrees to be bound by and observe its terms, as amended from time to time. Without limiting the generality of the foregoing, the Member agrees to provide margin and pay settlements amounts when due in accordance with the provisions of the Rulebook.
10. The Member represents and warrants and shall represent and warrant on a continuing basis for the duration of this Agreement:
  - (a) that this Agreement and the Rulebook constitute legal, valid and binding obligations of the Member, enforceable against it in accordance with their respective terms;
  - (b) that it has all necessary power and authority to execute this Agreement and perform and comply with its obligations hereunder and that the individual signing this Agreement is duly authorized to do so;
  - (c) that the execution and performance of this Agreement does not violate any law, rule, or regulation, or any agreement, document or other instrument binding on or applicable to it;
  - (d) it has any and all licenses, consents, registrations, authorizations or other similar approvals which are required under applicable laws or regulations in order to enable it to participate as a Clearing Member in accordance with the Rulebook and perform its obligations to its counterparties (including NOS) pursuant to such transactions; and
  - (e) no person or entity other than the Member will have any interest in the EI-Certs transferred to NOS as Non-Cash Collateral.

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11. The Member pledges to NOS and grants NOS a security interest and right of set-off in all EI-Certs which is at present, or will in the future be, deposited in or credited to the Sub-Account (including interest) ("**Collateral EI-Cert**") to secure payment of margin and any settlement amounts in accordance with the Rulebook. For purposes of this obligation, the Member assigns to NOS any rights it may now have or later acquire to claim the Collateral EI-Certs from CESAR.

12. The Member agrees that NOS has the right to dispose of Collateral EI-Certs without notice to the Member for the purposes and to make the payments or cover any other obligation described in the Rulebook. NOS may apply the Collateral EI-Certs as payment of margin and any settlement obligation (cash or physical) owing by the Member in accordance with the Rulebook without notice to the Member and in such order as NOS sees fit. The Member agrees that NOS alone has the right to give instructions to CESAR with respect to the Account and the Sub-Account and further agrees that it will not give or attempt to give CESAR instructions with respect to the Account or the Sub-Account.

13. The Member agrees that all confirmations and account statements received by it from NOS or CESAR shall be conclusive and binding on it unless the Member sends a written objection to NOS within 3 days after receipt.

14. The Member authorizes NOS to disclose such information concerning NOS, the Member and its relationship and transactions with NOS as any regulator, regulatory authority or similar body may request.

15. The Member agrees to indemnify NOS and hold NOS harmless from and against any and all liabilities, losses, damages, reasonable costs and expenses (including attorneys' fees) incurred by NOS in the performance of its obligations or the enforcement of its rights under this Agreement or in connection therewith or because of any default or breach by the Member of any of its obligations under this Agreement or in connection therewith, except to the extent that the same is incurred through the gross negligence, willful default or fraud of NOS. The Member also agrees to pay promptly to NOS all losses, damages, reasonable costs and expenses (including attorneys' fees) incurred by NOS in the enforcement of any provisions of this Agreement. This indemnity is additional to any other rights or remedies available to NOS.

16. This Agreement may be amended only by a writing signed by both Parties. This Agreement shall be binding on the Parties and their respective successors and permitted assigns. The Member may assign or transfer its rights or obligations under this Agreement only with the prior written consent of NOS, and any transfer in violation of the foregoing shall be void and of no effect.

17. This Agreement will be governed by and construed in accordance with the laws of Sweden. With respect to any suit, action or proceedings relating to this Agreement, Chapter 10 of the Rulebook shall apply. The Parties irrevocably waive their rights to a trial by jury of any dispute or claim relating to this Agreement.

18. Neither this Agreement, nor the establishment of the Account or the Sub-Account, nor the deposit of funds in accordance with this Agreement establishes any fiduciary relationship, relationship of trust or agency or similar relationship between the Parties; and NOS shall have no fiduciary or similar duties to the Member. NOS shall have no responsibility or liability for the acts or omissions of third parties, including, without limitation, CESAR.

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19. This Agreement contains the entire agreement between the Parties with respect to the matters to which it relates, and supersedes all prior commitments, agreements and understandings, whether written or oral, with respect to those matters.

20. This Agreement shall terminate only at such time as the Member has terminated its Clearing Membership Agreement and has fully discharged all its obligations to pay margin and settlement amounts in accordance with the Rulebook.

21. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same original.

The Parties intending to be legally bound have executed and delivered this Agreement as of the date first above written.

[Member]

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Repeat in block letters: \_\_\_\_\_

Title: \_\_\_\_\_

NOS Clearing ASA

By: \_\_\_\_

Name: \_\_\_\_\_

Repeat in block letters: \_\_\_\_\_

Title: \_\_\_\_\_