

EE.3.3 Recovered Paper Market**Recovered Paper Market – Specific Definitions**

Unless the contrary intention appears, the following terms used in this Part have the meanings given below:-

“Accepted” in relation to Loading Evidence means evidence of the loading and collection of RP the subject of a RP Market Transaction in a form acceptable to t2e;

“Collection Date” means the date on which the Buyer completes the collection of all of the RP the subject matter of a RP Market Transaction from the Collection Facility;

“Collection Facility” means the facility of the Selling Counterparty from which the Buyer is to collect the RP the subject of a RP Market Transaction;

“Collection Time” means the three hour time slot or slots on a given day(s) falling within the Collection Week agreed between the Buyer and the Seller during which the Buyer will arrange for the nominated transport type to collect RP the subject matter of a RP Market Transaction from the Collection Facility and the Seller shall load it;

“Collection Week” means (i) in the case of a RP Spot Contract the period of 7 calendar days commencing on the Trading Day following the Settlement Date and ending 7 calendar days later; and (ii) in the case of a RP Forward the international standard calendar week starting Monday finishing Sunday stated in that RP Forward Contract;

“Deferred Settlement Date” means, if Deferred Settlement Terms have been agreed, the date on which the Transaction Consideration is payable in accordance with the Deferred Settlement Terms. This date shall be the Trading Day after the agreed number of calendar days in the Deferred Settlement Terms have been added to the Settlement Date;

“Deferred Settlement Terms” means terms agreed or to be agreed between the Buying Counterparty and the Selling Counterparty in respect of deferred settlement of the Transaction Consideration and any interest and/or fees due and payable under a RP Market Transaction (15 days; 30 days; or 45 days from invoice);

“Exempt Broker” means a body which is recognised by an Agency as exempt from registration in respect of dealing in waste or arranging for waste to be disposed of, recovered, imported or exported;

“Final Destination” means the destination at which the RP, the subject of a RP Market Transaction, is first unloaded or if the load is sealed where that seal is broken other than if it is broken by a regulatory body at a location other than that to which the relevant RP was intended ultimately to be delivered;

“Finally Determined” means, in respect of any RP Dispute, either (a) the subject of a binding agreement between the Buying Counterparty and the Selling Counterparty to finally dispose of the subject matter of the RP Dispute; or (b) determined by an authority from which there is no further appeal;

“Foreign Licence Holder” means a body which is registered with a regulatory authority acceptable to t2e outside the United Kingdom as a dealer in waste or as someone who arranges for waste to be disposed of, recovered, imported or exported;

“Licensed Broker” means a body which is registered by an Agency as a dealer in waste or as someone who arranges for waste to be disposed of, recovered, imported or exported;

“Load” means a quantity of RP capable of being transported in or on one of (a) a standard container (24 tonnes); (b) an high cube container (24 tonnes) (b) a curtain sided trailer (25 tonnes); or (c) walking floor trailer (25 tonnes);

“Loading Evidence” means (a) evidence of the time and date of collection of the Load, for example, a loading ticket signed by a representative of the haulier or a Packing List or an Annex 7 to the Transfrontier Shipment of Waste Regulations 2007; (b) photographic evidence of the loading conditions and of the load comprising, as a minimum, digital photographs of the surface on which the RP was stored and from which it was loaded, a half loading photograph and a full loading photograph (which must show the container or trailer number) and where relevant the container seals; and (c) an electronic weighbridge ticket dated the date of loading demonstrating the tonnage loaded;

“Nominated Location” means the location entered by the Buyer as the location which, in combination with the Road Miles, identifies the geographical area within which the Buyer wishes to purchase RP; it could be either one of the standard locations listed by t2e or the UK premises of the Buyer to which RP, the subject of a RP Market Transaction, is to be transported;

“OCC” means old corrugated cardboard conforming to the standard set out in Appendix F;

“ONP” means old newspaper conforming to the standard set out in Appendix F;

“Post Inspection Notice” means a notice from the Buying or Selling Counterparty to t2e containing the details prescribed by t2e from time to time notifying t2e that either (a) it is satisfied with the quantity and quality of the RP delivered to it pursuant to a RP Market Contract, or (b) it is dissatisfied with the quantity and/or the quality of RP delivered to it pursuant to a RP Market Contract and any financial adjustment requested;

“Recovered Paper” or **“RP”** means OCC or ONP;

“**Recovered Paper Market**” and “**RP Market**” mean the market in RP provided by t2e in accordance with these Rules;

“**Remittance Day**” means the day on which the Contract Proceeds due on a RP Contract are remitted by t2e to the Seller in the event that both Counterparties have fulfilled their obligations under the relevant RP Contract;

“**Road Miles**” means the number of miles by road from the Nominated Location to the Collection Facility as established by t2e in accordance with Rule EE.3.3.A.2;

“**RP Dispute**” means a dispute between Registered Counterparties in relation to a RP Market Contract including, without limitation, any dispute in relation to the quantity or quality of, or the collection, loading or transport (including timing) of, any Load;

“**RP Dispute Resolution Process**” means the dispute resolution process adopted by t2e from time to time, and set out in EE.3.3.A.5, for the resolution of RP Disputes;

“**RP Dispute Resolution Proposal**” means the Dispute Resolution Proposal issued by t2e in the form set out in Appendix I in response to the issue of a Post Inspection Notification by either the Buyer or the Seller or, if no Post Inspection Notification has been received, 5 days after the deemed arrival of the RP at the Final Destination;

“**RP Dispute Final Determination Notice**” means the Notice issued by t2e in the form set out in Appendix J stating the final determination of any RP Dispute which will be a VAT invoice reflecting the adjustments to the Bond or Deposit as a consequence of the resolution of the RP Dispute;

“**RP Forward**” or “**RP Forward Contract**” means a standardised Forward Contract for RP of the type described in the Contract Specification at Rule [EE.3.3.C.1](#) which is registered by t2e;

“**RP Market Contract**” or “**RP Contract**” means a RP Spot Contract and/or a RP Forward;

“**RP Market Transaction**” means a Market Transaction in the RP Market;

“**RP Spot Contract**” means a standardised contract of the type for RP described in the Contract Specification at Rule [EE.3.3.B.1](#) which is registered by t2e; and

“**Unloading Evidence**” means the evidence required to be produced by the Buyer to justify a claim against the Seller in the context of a RP Dispute being, in the case of a weight claim an electronic weighbridge ticket; and, in the case of a quality claim unloading photographs showing the container or vehicle registration number and date of unloading including the load sealed if appropriate, full with the door half opened, partially unloaded and totally unloaded.

EE.3.3.A.1 RP Spot Contracts and RP Forward Contracts – Introductory

EE.3.3.A.1.1 The Contract Specifications for RP Market Contracts traded by t2e and all rules and procedures relating specifically to the trading and settlement of such Contracts are set out in this [Part EE.3.3](#) of the t2e Rulebook.

EE.3.3.A.1.2 The provisions set out in this [Part EE.3.3](#) have been adopted by t2e to govern the provision by it of specific trading facilities relating to RP Spot Contracts, RP Forward Contracts and the related deposit, collection, payment, dispute resolution and settlement arrangements.

EE.3.3.A.1.3 See also Rules [EE.2.3](#) and [EE.2.4](#) for t2e’s rules relating to t2e’s obligations and responsibilities in relation to matching Orders and Rules [EE.2.9](#) to [EE.2.20](#) relating to Registration and Settlement of Market Transactions.

EE.3.3.A.1.4 Participants should note that Spot and Forward Contracts are available for trading at t2e based on the following categories of RP:

Old Cardboard (OCC)
Old Newspaper (ONP)

in each case baled or loose.

The rights and obligations of Participants in relation to RP Market Contracts shall, subject always to the terms of this Part EE.3.3, be discharged in accordance with the Rules set out in [Part EE.2](#).

Participants should ensure, when giving instructions regarding an Order in relation to a RP, that they identify correctly the type of RP to which their Order relates and whether the RP is to be baled or loose.

EE.3.3.A.1.5 Subject to Rule EE.3.3.A.3.3 in relation to Deposits and Bonds, RP Market Transactions are settled upon delivery to t2e of Accepted Loading Evidence in respect of the amount of RP the subject of the relevant RP Market Contract duly loaded to form the Load or Load(s) the subject of the relevant RP Market Transaction against payment by the Buying Counterparty of the Settlement Amount in accordance with these Rules or, if Deferred Settlement Terms have been agreed, against the Buying Counterparty’s undertaking to pay in accordance with the Deferred Settlement Terms (which undertaking will be deemed given by the Buying Counterparty automatically upon a RP Contract being entered into and will become unconditional upon Loading Evidence in respect of the relevant RP Market Contract being Accepted or being deemed to be Accepted; pursuant to Rule EE.3.3.A.4.5) and RP Market Transactions are completed (subject to the RP

Dispute Resolution Process) when the Contract Proceeds (less the Seller's Deposit if any) are received by the Selling Counterparty or, if Deferred Settlement Terms have been agreed, upon payment of the Contract Proceeds in accordance with the Deferred Settlement Terms.

The obligations concerning the delivery of the RP pursuant to a RP Forward or a RP Spot Contract and the associated payment obligations and all questions arising therefrom are the sole responsibility of the Registered Counterparties to the RP Contract in question.

EE.3.3.A.1.6 At any given time t2e will normally list RP Forward Contracts with Expiration Dates on the Tuesday of each of the next thirteen international standard calendar weeks.

EE.3.3.A.1.7 The Settlement Account for the purposes of RP Contracts is:-

Bank Name	Clydesdale Bank PLC
Sort Code	82-62-27
Account Name	The Environment Exchange RP Clearing Account
Account Number	50032767

EE.3.3.A.1.8 Any Participant which wishes to contract on Deferred Settlement Terms must provide to t2e in a form and for an amount (being not less than its then liability in respect of the aggregate Market Consideration of all RP Market Transactions entered into on Deferred Payment Terms and which have not yet been completed and any unsatisfied liability in respect of RP Disputes) acceptable to t2e a Standby Letter of Credit or Bank Guarantee issued by a UK clearing bank in the form set out at Appendix G.

EE.3.3.A.2 RP Market – Participation Criteria

EE.3.3.A.2.1 A Participant which wishes to trade RP Contracts shall be either:

- (i) a Licensed Broker;
- (ii) an Exempt Broker;
- (iii) a Foreign Licensed Broker;
- (iv) an Accredited Reprocessor or an Accredited Exporter as defined in Rule EE.3.1;
- (v) a recovered paper mill;
- (vi) any other person, such as a paper merchant, who may lawfully deal in RP; or
- (vii) a Representative of any of the above.

EE.3.3.A.2.2 When registering as a Participant in the RP Market, a Participant shall notify to t2e the type of Load (container – standard or high cube, trailer - curtain sided or walking floor) and packing method (baled or loose) in which it will trade and will not, without the prior agreement of t2e, place or accept Orders in the RP Market for Loads other than those of the type so notified.

EE.3.3.A.2.3 In addition to those items specified in Rule 1.3.5 (but without prejudice to its generality) Participants in the RP Market shall provide to t2e:-

- (i) details (including the exact geographical location) of the facility or facilities operated by them from and/or to which RP will be collected and/or delivered;
- (ii) such evidence as t2e requires with regard to the type(s) of Load(s) and packing methods the Participant is able to load/transport and unload;
- (iii) details of the nearest weighbridge to each facility referred to at (i) above;
- (iv) details of the Participant's ability to provide Loading Evidence and/or as appropriate Unloading Evidence ;
- (v) its preferred settlement method, and if that is Deferred Settlement Terms, its maximum desired settlement period; and
- (vi) whether they wish to trade in spot or forward or all markets,

and shall forthwith notify t2e if there is any change to any of these details.

EE.3.3.A.3 RP Order Provisions and Deposits or Bonds

EE.3.3.A.3.1 On placing and/or modifying an Order in the RP Market a Participant shall, in addition to the information specified in Rule EE.2.3.2 provide to t2e:-

- (i) confirmation of the type of RP the subject of the Order (OCC or ONP);

- (ii) whether the RP is baled and/or loose;
- (iii) the type of Load (standard container and/or high cube container and/or curtain sided trailer and/or walking floor trailer) the subject of the Order which, in the case of an Order to purchase, must be specific;
- (iv) whether, and if so which, Deferred Settlement Terms are acceptable to the Participant;
- (v) in the case of an Order to sell, the location of the Collection Facility; and
- (vi) in the case of an Order to purchase, the Nominated Location and the maximum acceptable distance in units of 25 Road Miles between the Nominated Location and the Collection Facility,

which, where appropriate, shall conform to the details provided by the Participant to t2e in accordance with Rules EE.3.3.A.2.2 and EE.3.3.A.2.3 above.

EE.3.3.A.3.2 The Settlement Advice Fax issued by t2e in accordance with Rule EE.2.14.2 or EE.2.16.3 in respect of a RP Contract will notify to the Counterparties the distance in Road Miles between the Nominated Location and the Collection Facility and, unless the Buying Counterparty disputes that distance by notifying t2e in writing of the dispute within 24 hours of the date of receipt of the Settlement Advice Fax, the mileage specified in the Transaction Confirmation Notice shall be definitive as to the distance between the Buyer's Nominated Location and the Collection Facility and may not thereafter be challenged under any circumstances. Any dispute as to the distance in Road Miles between the Collection Facility and the Nominated Location will be determined by t2e by reference to the shortest recommended route between the Collection Facility and the Nominated Location by reference to Bing maps or such alternative web based mapping system as t2e shall elect from time to time.

EE.3.3.A.3.3 Unless t2e has an arrangement with a Participant in terms of which t2e holds a Bond (Rule EE.2.10.6), a form of which is set out in Appendix H, in respect of that Participant's trading activity with t2e, a Deposit shall be payable on the Deposit Due Date by (i) in the case of a RP Forward Contract, both the Buying and Selling Counterparties; and (ii) in the case of a RP Spot Contract, the Buying Counterparty. In respect of a RP Spot Contract t2e shall, on the Payment Date, deduct from the Transaction Consideration prior to its despatch to the Seller a sum equal to 10% of the Transaction Consideration by way of Deposit. t2e may, at its discretion, make arrangements with Participants for the holding of rolling deposits and Bonds, but in no event shall the level of Deposit or Bond held by t2e fall below 10% of the total value of Transactions Considerations that are due for settlement in the next market in which the Participant has traded or that have not been completed to which the relevant Participant is a Counterparty at any time and any unsatisfied liability in respect of RP Disputes and Participants in respect of which Bonds are held shall ensure that the level of that Participant's Bond is at all times at that level and shall make payments to t2e accordingly.

EE.3.3.A.3.4 For the purpose of Rules EE.2.10.4 and EE.3.3.A.3.3, a RP Market Contract shall not be deemed to have completed until the earlier of (a) the date on which the Buying Counterparty confirms to t2e that it is satisfied with the Load(s) the subject of the relevant RP Market Contract; (b) assuming no RP Dispute has arisen, the date falling 5 Trading Days after the date on which it is deemed to have arrived at the Final Destination in accordance with Rule EE.3.3.4.6 and (c) if a RP Dispute has arisen, the date falling 2 Trading Days after the date on which that RP Dispute is Finally Determined, and as appropriate the Bonds or Deposits have been adjusted and, together with any interest accrued, been returned to both counterparties of the RP Contract. For the avoidance of doubt t2e shall not be obliged to withhold any funds held by it pending resolution of a RP Dispute other than the Deposit held in connection with that RP Contract or the relevant Counterparty's Bond (if any).

EE.3.3.A.4 RP Delivery Procedures and RP Disputes

EE.3.3.A.4.1 Upon receipt of the Settlement Advice Fax, the Buyer shall contact the Seller and the Seller and the Buyer will arrange a Collection Time for each Load, being a period not exceeding 3 hours on a specific day falling in the Collection Week, during which the Buyer will collect the RP from the Collection Facility and the Buyer and Seller should notify t2e by fax or e-mail that time and date within 24 hours of it being agreed and in advance of the earliest Collection Time. The Buyer and Seller may by mutual agreement: (a) arrange the Collection Time before or after the Collection Week and (b) vary the Collection Time subsequent to initial agreement between Counterparties so long as the variation occurs prior to the previously planned Collection Time otherwise a RP Dispute will arise. In the event that Loads are collected on more than one calendar day the final day shall be the Collection Date,

EE.3.3.A.4.2 At the Collection Time the Buyer will collect the RP from the Collection Facility specified in the Transaction Confirmation Notice and the Seller will make the RP available for collection at the Collection Facility and load the RP on the Buyer's transport in the Load form specified in the Transaction Confirmation Notice.

EE.3.3.A.4.3 The Seller shall, during and upon completion of the collection of each Load, compile Loading Evidence. The Seller must procure that all photographs forming part of the Loading Evidence bear an accurate digital date which must be the date of loading.

EE.3.3.A.4.4 The following shall be terms of each RP Market Transaction:-

- (i) Title to the RP shall pass to the Buying Counterparty upon Collection of the RP.

- (ii) Settlement of the RP Contract by the Seller will be authorised in accordance with Rule EE.3.3.A.4.5.
- (iii) Collection and physical delivery of the RP will be completed on the completion of loading of the RP at the Collection Facility.
- (iv) The Buying Counterparty warrants that the Load type will be as agreed in the Transaction Confirmation Notice and that the Buying Counterparty or its haulier will arrive at the Collection Facility at the Collection Time agreed between the Counterparties with an appropriate vehicle.
- (v) The Selling Counterparty warrants that the RP will conform in terms of type, quality and quantity to the Order placed by the Selling Counterparty and, by specifying the type(s) of Load in an Order the Seller warrants its ability to load Loads of that type at the Collection Facility.
- (vi) Risk of damage to, or destruction of, the RP other than as a result of its natural deterioration shall pass to the Buying Counterparty on collection; risk of deterioration in the quality of the RP (other than deterioration arising as a result of the Buying Counterparty's acts or omissions) shall remain with the Selling Counterparty until unloading of the RP at the Final Destination. In the event that either the load is not unloaded within 5 Trading Days of arrival at the Final Destination or within 50 Trading Days of the Collection Time then the risk will transfer to the Buyer.
- (vii) Where Deferred Settlement Terms are agreed the Buying Counterparty shall pay to the Selling Counterparty interest at the rate specified for Late Payment in Rule EE.3.3.D.2 from the Settlement Date until payment of the Settlement Amount in full.

EE.3.3.A.4.5 Within 24 hours of each Collection Time, the Seller will fax or email to t2e and the Buyer the Loading Evidence for each Load. t2e will, in accordance with Rule [EE.2.11.3](#), review the Loading Evidence. If either, (a) t2e indicates that the Loading Evidence is Accepted; or (b) t2e does not indicate otherwise within one Trading Day of receipt of the Loading Evidence, the Seller may assume the Loading Evidence is Accepted, t2e will authorise payment to the Seller and, if no Deferred Settlement Terms have been agreed will pay the Contract Proceeds to the Seller under deduction of the Seller's Deposit. If Deferred Settlement Terms have been agreed, t2e will notify the Buyer that the Loading Evidence is Accepted and the Buyer will become obliged to pay the Contract Proceeds together with interest to the Seller (through t2e) in accordance with the Deferred Settlement Terms. For the avoidance of doubt the fact that Loading Evidence is Accepted or deemed to be Accepted shall not affect the ability of a Counterparty to subsequently raise a RP Dispute in respect of the quality and/or quantity of the relevant RP and/or any other matter in accordance with Rules EE.3.A.4.6 and EE.3.A.4.7.

EE.3.3.A.4.6 The Buyer will, no later than the date falling 5 Trading Days after the date of arrival of the Load at the Final Destination, issue to t2e a Post Inspection Notice copied to the Seller intimating whether or not it is satisfied with the quantity and quality of RP collected by it and any other matter relating to the performance of the RP Market Contract in question, and if it is not so satisfied the reasons for that. If a Post Inspection Notice has not been delivered to t2e within said 5 day period the Seller will be deemed to have delivered to the Buyer RP which conforms in all respects with the Buyer's Order and the Buyer shall have no further claim against either the Seller or t2e in respect of that Market Contract. For the purposes of determining the arrival date of the relevant Load at the Final Destination, unless otherwise notified to t2e and verified by the Buyer to t2e's satisfaction: (a) If the Final Destination is within the UK, it will be deemed to have arrived on the date of collection from the Collection Facility, (b) If the Final Destination is within the EU, it will be deemed to have arrived on the next calendar day after the date of collection from the Collection Facility (c) If the Final Destination involves shipping outside the EU it will be deemed to have arrived on 45 calendar days after the date of collection from the Collection Facility.

EE.3.3.A.4.7 If the Buyer indicates in a Post Inspection Notice that it is dissatisfied with the quality or quantity of the RP collected by it, a RP Dispute will be deemed to have arisen and the RP Dispute Resolution Process will apply. Where a RP Dispute has arisen where practicable the Buying Counterparty will either (i) both store the RP, the subject matter of the disputed RP Market Contract, in dry conditions and allow access for its inspection by or on behalf of t2e or the Seller within 5 Trading Days of notification of the RP Dispute or so long as the Dispute continues whichever is the longer; or (ii) return it back to the Collection Facility for inspection. If the Buyer opts for the latter the Seller will only be responsible for the transport costs in the event that he accepts the cause of Dispute or it is so resolved by t2e or an independent arbiter appointed by t2e. If the load is returned to the Collection Facility and the Seller accepts the Dispute, the Seller must as soon as practicable and no later than 5 Trading Days supply a replacement load for collection and must notify t2e of the Collection Time once that is agreed between the Buyer and the Seller.

A Buyer must substantiate any RP Dispute with evidence such as an electronic weighbridge ticket to raise disputes over quantity and/or unloading photographs of the Load for quality and/or moisture readings for each bale in a Load. All photographs or moisture readings should be dated at the time of unloading. It should be noted that disputes are only relevant to the total Load **not** individual parts of that Load.

EE.3.3.A.5 RP Dispute Resolution Process

EE.3.3.A.5.1 If the Buyer indicates in a Post Inspection Notice that it is dissatisfied with the quality or quantity of the RP this must be supported with a report that details the nature and value of the dissatisfaction and Unloading

Evidence. On receipt of the Post Inspection Notice from the Buyer, t2e will immediately advise the Seller of the dissatisfaction and enclose a copy of the Post Inspection Notice and Unloading Evidence.

The Post Inspection Notice from the Buyer must advise for each Load:

- (i) that the RP is of totally the wrong grade of RP or is so excessively contaminated that it is unusable and is in consequence rejected;
- (ii) that the RP is not of the required quality but could still be used subject to a financial adjustment;
- (iii) that the RP is not of the required quantity but could still be used subject to a financial adjustment;
- (iv) the financial adjustment requested and/or
- (v) that the RP is the required quality and quantity.

EE.3.3.A.5.2 In the event of (i) and (ii) above, the Buyer's report must give the precise nature of the complaint, detailing the types of material defects together with the number of bales or tonnage of the Load that this applies to, and be supported with photographs adequate to evidence the cause of rejection or downgrade. Photographic evidence of all bales that are sub-standard must be provided.

In the case of material loaded on curtain-sided or walking floor trailers the photographs should be of the material still loaded on the trailer. If the material was loaded into a shipping container, the photographs must be taken of each claimed bale at the time of unloading so that the container number on the inside of the container shows clearly in each photograph. These measures are critical in order to avoid claims by the Seller that the material is from another source supplier.

The Buyer must set out the method used to determine the level of excess moisture together with full details of each reading taken.

EE.3.3.A.5.3 In the event of (iii) above, the Buyer's or Seller's Post Inspection Notice must be supported with suitable evidence such as copies of printed, signed weighbridge tickets for each Load. Hand-written weighbridge tickets are not acceptable. The Seller's weighbridge ticket may be submitted as evidence in respect of a claim. Weight claims will be agreed on the average weight of all Loads comprised within the relevant RP Contract. So long as the average weight of the Loads within the relevant RP Contract varies by less than 4% from the anticipated weight of the Load, claims will be limited to a per tonne adjustment to the Transaction Consideration for the average tonnage variation per Load plus a transport claim which per tonne shall be no greater than 33.33% of the Transaction Consideration. Where the average weight of the Loads varies by more than 4%, the transport cost claim will cover the cost of replacement transport. No Load may be heavier than the legal vehicle or container load limit for the United Kingdom.

EE.3.3.A.5.4 The Buyer or Seller must provide a schedule which sets out in detail the financial adjustment being sought from the Counterparty. Agreement to release or use of the RP must be reached between the Counterparties through t2e before the rejected or downgraded RP is respectively either released or used by the Buyer.

EE.3.3.A.5.5 On notification of a RP Dispute the Counterparty must acknowledge its receipt and respond with a counterclaim, if relevant, in writing within 2 Trading Days. The Counterparty will have a further 2 Trading Days to respond to the counterclaim.

The possible outcomes of a RP Dispute are:

- (i) The Buyer or Seller accepts the claim – Buyer or Seller advises t2e within 2 Trading Days. Funds deducted from Bond or Deposit as appropriate. Adjusted Deposits paid to Buyer and Seller.
- (ii) The Buyer or Seller withdraws the claim – Buyer or Seller advises t2e within 2 Trading Days. No funds deducted from Bond or Deposit as appropriate. Deposits returned to Buyer and Seller.
- (iii) The Seller and Buyer reach a compromise agreement – joint advice to t2e from Buyer and Seller within 2 Trading Days. Funds deducted from Bond or Deposit as appropriate. Adjusted Deposits paid to Buyer and Seller.
- (iv) Failure to reach agreement. RP Dispute referred to arbitration.

EE.3.3.A.5.6 In the event that a Dispute is not resolved by agreement between the Counterparties within 5 Trading Days of the issue by t2e of a RP Dispute Resolution Proposal, t2e may appoint an independent arbiter to settle the RP Dispute. Once appointed both parties must accept the nominated arbiter and also accept that the decision of the arbiter will be final and binding on both parties. The costs of arbitration will be apportioned by the arbiter as he thinks fit in light of the outcome of the arbitration. Subject to the foregoing, the provisions of Rule EE.1.16.1 shall apply to arbitration pursuant to this Rule.

EE.3.3.A.5.7 Within 5 Trading Days of receipt of the Post Inspection Notice or if such Notice is not received 5 Trading Days after the deemed date of arrival of the RP at the Final Destination (EE.3.3.A.4.6), t2e will issue a RP Dispute Resolution Proposal to both Buyer and Seller for both quality and quantity. Both Counterparties will have 2 Trading Days to accept or otherwise this proposal. In the absence of any response, the proposal will

be deemed accepted and a RP Dispute Final Determination Notice will be issued, adjustments to Bonds or Deposits made as determined and Deposits, adjusted as appropriate, returned within 2 subsequent Trading Days.

EE.3.3.B.1 Contract Specification: RP Spot Contracts

Type of Contract	Standard Spot Contracts for the immediate sale and purchase of the RP specified by the Counterparties with payment on the Settlement Date, as agreed, against delivery of Loading Evidence.
Price Quotation	£ per metric tonne
Minimum Price Movement	£ 0.10 per metric tonne.
Deposit	10% of the Transaction Consideration for the RP Market Contract in question payable by both Buyer and Seller.
Minimum Contract Size	1 Load.
Trading of RP Spot Contracts	Participants will be able to place Orders in a Spot Contract for RP during the Trading Hours for such Contracts.
Delivery	Delivery of the Accepted Loading Evidence in respect of the RP Spot Contract against payment of, or agreement by the Buyer to pay, the Settlement Amount represented by such Registered Contract in accordance with Rules EE.2.11 to EE.2.14 .
Deliverable	Accepted Loading Evidence in respect of the RP specified in the Transaction Confirmation Notice relative to the Registered Contracts in question.
Settlement Date	The third Trading Day following the Transaction Date. If Deferred Settlement Terms have been agreed the Deferred Settlement Date is calculated in calendar days from the Settlement Date.
Collection Week	Running for seven calendar days starting on the first Trading Day following the Settlement Date.
Collection Date	The final day on which, by mutual agreement between the Counterparties, Loads in respect of the relevant RP Market Contract are collected from the Collection Facility or in the event that Collection Times are not notified to t2e the last Trading Day of the Collection Week.
Settlement	Payment of the Settlement Amount against delivery of Loading Evidence shall occur in accordance with t2e's instructions pursuant to Rules EE.2.11 to EE.2.14 .
Trading Hours	Normally between 10.00 a.m. and 4.00 p.m. Edinburgh time

EE.3.3.B.2 Delivery Cycle: RP Spot Contracts

EE.3.3.B.2.1 The following summarises, in Terms of Trading Days, the transaction and delivery timetable for RP Spot Contracts unless Deferred Settlement Terms have been agreed:

T	Transaction Date – the date on which the Market Transaction is executed. Faxed confirmation of transaction issued by no later than 17:00
T+1	Date funds available for transfer to t2e.
T+3	Deposit Due Date and Settlement Date – Unless Bond to meet the requirements of EE.3.3.4.2 is in place Deposit and Settlement Amount due from Buyer. Cleared funds received at t2e by no later than 12.00. Settlement Advice Fax sent by no later than 17:00 to both Counterparties advising them to contact each other to arrange a Collection Time for each Load.

Between T+4 and T+9	Collection Week – A period of 7 calendar days within which falls the Collection Time(s) when (unless otherwise instructed by t2e or by mutual agreement between the counter-parties) RP is collected from Collection Facility
CD	Collection Date – the final day that RP is collected from the Collection Facility. In the event this is not notified to t2e the final Trading day of the Collection Week.
CD + 1	Remittance Date – Loading Evidence faxed or emailed to t2e. Contract Proceeds sent by BACS to Seller after deduction of the Seller's Deposit. Remittance advice faxed to Seller.
CD + 3	Completion Day – Date funds received by Selling Counterparty.
CD + 5 to CD + 50	Deposit Return Day – Deposit returned to Buyer and Seller subject to any RP Dispute Resolution. Remittance advice faxed to both counterparties showing, as appropriate, deductions or additions to Deposit consequence of any RP Dispute.

In the event that Deferred Settlement Terms are agreed the Deposit Due Date, the issue of the Settlement Advice Fax, the Collection Week, the arrangement of Collection Time(s), the provision of Loading Evidence and the raising of any RP Dispute stay the same as in this delivery timetable. The Settlement Date and the Remittance Date as appropriate are deferred by the period agreed in the Deferred Settlement Terms.

EE.3.3.C.1 Contract Specification: RP Forwards

Type of Contract	Standard Forward Contracts for the sale and purchase of the RP specified by the Counterparties with payment on the Settlement Date against delivery of Loading Evidence for collection of the RP within the Collection Week nominated in the contract.
Price Quotation	£ per metric tonne.
Minimum Price Movement	£ 0.10 per metric tonne
Deposit	10% of the Transaction Consideration for the Forward Contract in question payable by Buying Counterparty and Selling Counterparty.
Minimum Contract Size	1 Load
Expiration Date	The Tuesday of the week preceding the Collection Week indicated in the Contract's designation.
Collection Week	The week indicated in the Contract's designation running for seven calendar days starting on Monday.
Collection Year	The year indicated in the Contract's designation.
Collection Date	The final day on which, by mutual agreement between the Counterparties, Loads in respect of the relevant RP Market Contract are collected from the Collection Facility or in the event that Collection Times are not notified to t2e the last Trading Day of the Collection Week.
Market End Date	Expiration Date
Last Trading Day	The day prior to Expiration Date or if that is not a Trading Day the previous Trading Day.
Trading of RP Forwards	RP Forwards will be quoted for trading by t2e in accordance with Rule EE.3.1.C.2 .
Market Start Date	Expiration Date of the contract which expired 13 calendar weeks prior to the Collection Week nominated in the contract.
First Listing Day	Market Start Date or if that is not a Trading Day the next Trading Day.
Delivery	A RP Forward is settled by delivery of Accepted Loading Evidence in respect of the RP Forward against payment of the Settlement Amount represented by such Contract in accordance with Rules EE.2.16 .
Deliverable	Accepted Loading Evidence in respect of the RP specified in the Transaction Confirmation Notice issued by t2e relative to the Registered Contracts in question.
Settlement Date	The third Trading Day following the Expiration Date.
Settlement	Payment of the Settlement Amount against delivery of Loading Evidence shall occur in accordance with t2e's instructions pursuant to Rules EE.2.15 and EE.2.16 .
Trading Hours	Normally between 10.00 a.m. and 4.00 p.m. Edinburgh time on each Trading Day.

EE.3.3.C.2 Trading of RP Forwards

EE.3.3.C.2.1 t2e shall admit RP Forwards to trading in accordance with the following provisions of this Rule [EE.3.3.C.2](#).

EE.3.3.C.2.2 The Expiration Date for a RP Forward shall be the Tuesday of each of the next 13 international standard calendar weeks and shall be designated by the number of that week (1-52/53).

The Expiration Year shall be designated by a two-digit number appearing after the designation of the Expiration Date for the Contract.

EE.3.3.C.2.3 Accordingly on the first Trading Day following the last Trading Day for a RP Forward Series, t2e will normally permit Participants to trade RP Forwards having an Expiration Date in the next 13 consecutive weeks.

t2e may depart from its normal arrangements for the trading of RP Forwards if it considers that such action is appropriate in the circumstances. t2e will inform t2e Participants of any such eventuality.

EE.3.3.C.3 Delivery Cycle: RP Forwards

EE.3.3.C.3.1 The following summarises, in terms of Trading Days, the transaction and delivery timetable for RP Forward Contracts, unless Deferred Settlement Terms have been agreed:

T **Transaction Date** – date on which the Market Transaction is executed on the exchange. Faxed confirmation of the transaction will be issued by no later than 17:00

T+1 **Deposit Delivery Day** – Deposit (10%) funds available for transfer to t2e or Bond to the value stated in EE.3.3.A.4.2 is in place.

T+3 **Deposit Due Date** – Deposits due from both Buyer and Seller. Cleared funds received at t2e by no later than 12.00.

Warning Order Day Summary of Traded Contracts faxed – Friday preceding the Expiration Date.

Expiration Date (E) Contract Expiration Notice issued by fax by no later than one hour after close for the Contract(s) in question. VAT Point.

E +3 **Settlement Date** – Cleared funds received at t2e by no later than 12.00. Settlement Advice Fax sent by no later than 17:00 to both Counterparties advising them to contact each other to arrange a Collection Time.

Between
E+4 and
E+9

Collection Week – A period of 7 calendar days running from Monday to Sunday as nominated in the contract within which falls the Collection Time(s) (unless otherwise instructed by t2e or by mutual agreement between the counter-parties) RP Collected from Collection Facility

CD **Collection Date** - the day the final Load of RP is collected from the Collection Facility

CD + 1 **Remittance Date** – Final Loading Evidence faxed or emailed to t2e by 12.00. Contract Proceeds sent by BACS to Seller. Remittance advice faxed to Seller.

CD + 3 **Completion Day** – Date cleared funds received by Selling Counterparty.

CD + 5 to CD + 50 **Deposit Return Day** – Deposit returned to Buyer and Seller subject to any RP Dispute. Remittance advice faxed to both counterparties showing, as appropriate, deductions or additions to Deposit consequence of any RP Dispute.

In the event that Deferred Settlement Terms are agreed the Deposit Due Date, the issue of the Settlement Advice Fax, The Collection Week, the arrangement of Collection Time(s), the provision of Loading Evidence and the raising of any RP Dispute stay the same as in this delivery timetable. The Settlement Date and the Remittance Date as appropriate are deferred by the period agreed in the terms.

EE.3.3.D RP Market Fees and Interest Rates

EE.3.3.D.1 The following fees will be payable in relation to the RP Market:-

Rule	Nature of Fee	Amount
EE.1.3.4	Annual Participation Fee	£1,000.00
EE.1.7	Trading Fee: RPs at £5 per tonne or above RPs at less than £5 per tonne ¹	£0.50 per RP tonne £0.25 per RP tonne
EE.2.18.2	Issue of Late Delivery or Settlement Warning Fax, Late Delivery or Settlement Letter or Certificate of Failed Delivery or Settlement	£25.00 per item

EE.3.3.A.5.6	Costs of arbitration	£300.00 per day plus all relevant expenses
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¹A minimum trading fee of £10.00 shall apply to trades in RP.

Participants should note that all fees are exclusive of VAT which will be payable by the Buying Counterparty and the Selling Counterparty at the then applicable rate. t2e shall issue to the Participants as appropriate a valid receipted VAT invoice.

EE.3.3.D.2 The interest rates applicable to the RP Market are as follows:-

Rule	Nature of Payment	Rate applicable
EE.2.10.3	Interest on Deposit	0.5% below Bank of England base rate
EE.2.10.6	Bond	0.5% below Bank of England base rate
EE.2.18.1	Late Payment	8% above Bank of England official dealing rate