§ 1036.710 Averaging.
(a) Averaging is the exchange of emission credits among your engine families. You may average emission credits only within the same averaging set.
(b) You may certify one or more engine families to an FCL above the applicable standard, subject to any applicable emission credits needed (negative credits) using the equation in paragraph (b) of this section, using the FEL(s) you specify for your engines during certification instead of the FCL. You must use 25 Mg of positive CO\textsubscript{2} credits to offset 1 Mg of negative CH\textsubscript{4} credits. You must use 298 Mg of positive CO\textsubscript{2} credits to offset 1 Mg of negative N\textsubscript{2}O credits.

§ 1036.715 Banking.
(a) Banking is the retention of surplus emission credits by the manufacturer generating the emission credits for use in future model years for averaging or trading.
(b) You may designate any emission credits you plan to bank in the reports you submit under §1036.730 as reserved credits. During the model year and before the due date for the final report, you may designate your reserved emission credits for averaging or trading.

§ 1036.720 Trading.
(a) Trading is the exchange of emission credits between manufacturers, or the transfer of credits to another party to retire them. You may use traded emission credits for averaging, banking, or further trading transactions. Traded emission credits remain subject to the averaging-set restrictions based on the averaging set in which they were generated.
(b) You may trade actual emission credits as described in this subpart.
(c) If a negative emission credit balance results from a transaction, both the buyer and seller are liable, except in cases we deem to involve fraud. See §1036.255(e) for cases involving fraud. We may void the certificates of all engine families participating in a trade that results in a manufacturer having a negative balance of emission credits. See §1036.745.

§ 1036.725 What must I include in my application for certification?
(a) You must declare in your application for certification your intent to use the provisions of this subpart for each engine family that will be certified using the ABT program. You must also declare the FELs/FCL you select for the engine family for each pollutant for which you are using the ABT program. Your FELs must comply with the specifications of subpart B of this part, including the FEL caps. FELs/