

Technical Rule no. 19 Rev. 02 MGAS

(pursuant to Article 4 of the Natural Gas Market Rules, approved by the Ministry of Economic Development with Decree of March 6, 2013, as subsequently amended and supplemented)

Title	Submission, compliance, allocation and return of guarantees
References	Article 70, paras. 70.3 and 70.4, Article 71, paras. 71.9 and 71.10, and Article 97 of the Natural Gas Market Rules

In force from 1 October 2024

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1. FOREWORD

Article 70, paragraph 70.3, of the MGAS Rules provides that as an alternative or as an addition to the guarantees given in the form of a bank guarantee, Market Participant may provide guarantees in the form of a non-interest-bearing cash deposit to be paid into the bank account held by the GME with the treasury institute in accordance with the procedures defined in the Technical Rules. PA Participants shall only provide guarantees in the form of a non-interest-bearing cash deposit to be paid into the bank account held by the GME with the treasury institute referred to in Article 69 of the MGAS Rules in accordance with the procedures defined in the Technical Rules.

Article 70, paragraph 70.4, of the MGAS Rules provides that Market Participant shall allocate the amounts of financial guarantees given in the form of bank guarantees or in the form of a non-interest-bearing cash deposit in accordance with the procedures defined in the Technical Rules.

Article 71, paragraphs 71.9 and 71.10 of the MGAS Rules provide that Market Participant may at any time request the return, respectively, of bank guarantees or non-interest-bearing cash deposits provided as guarantee and that acceptance of such request is subject to positive verification by the GME of the amounts for which the applicant Market Participant is liable. Furthermore, these provisions provide that, if the verification of the request for said return is successful, the modification of the guaranteed amount will be immediately valid for the purposes of adequacy verifications and the GME will return the guarantee according to the procedures set out in the Technical Rules.

In the event of an increase in the guarantee deposit, Market Participant shall pay the relevant amount into the bank account held by the GME at the treasury institute in accordance with the procedures laid down in the Technical Rules.

2. DEPOSIT SUBMISSION

The submission or increase of the deposit must be made by a Market Participant through SEPA Credit Transfer with Priority or equivalent procedures from the bank account whose bank details have been previously notified to GME as per Article 18, paragraph 18.1 of the MGAS Rules and according to the terms set out in Technical Rule no. 16 MGAS.

3. GUARANTEES ALLOCATION

Market Participant who has provided guarantees to the GME on the MGAS, both in the form of a bank guarantee and in the form of a non-interest-bearing cash deposit, shall, according to Article 70, paragraph 70.4, of the MGAS Rules, allocate the amounts of the guarantees over the various markets/platforms in which it can or intends to participate, by submitting to the GME a declaration made by the legal representative, or by another party with the necessary powers, accompanied by its identity document and drawn up in accordance with the model published on the GME website. In this declaration, the participant, depending on the type of guarantee given (bank guarantee or non-interest-bearing cash deposit), as well as the model of bank guarantee posted, must indicate the amount of the guarantee that it intends to allocate to cover the settlement of payables and receivables that arise:

- a) in netting markets¹;
- b) in the MT-GAS²;
- c) in the MPEG;
- d) in the MTE³;
- e) on their PCE⁴.

Lacking such declaration, the entire amount of the guarantees will be allocated by GME to cover the payables arising on the netting markets.

Declaration may be re-submitted at any time if the Market Participant wishes to change the allocation of the guaranteed amount covering the different payables.

Except as provided for in the case of a declaration involving a decrease in the amount previously allocated, the declaration, for the purpose of the adequacy verification of offers, shall be valid within the second working day following that of GME reception of the bids or from the date specified by the Market Participant in the aforesaid declaration, provided that such date falls after the second working day following that of GME reception of said declaration.

If the declaration involves a decrease in the amount previously allocated to cover payables that may arise on the PCE, ME or MGAS, GME will accept the request after verifying that the amounts

¹ Where the participant also participates in the ME, the indicated market share at the netting markets shall automatically be extended to cover payables arising in the netting markets of the ME.

² The allocation of the guarantee in the MT-GAS is only possible if the participant has posted a guarantee in the form of a non-interest-bearing cash deposit or in the form of a non-expiring bank guarantee.

³ The allocation of the guarantee in the MTE is only possible if the ME participant has posted a guarantee in the form of a non-interest-bearing cash deposit or in the form of a non-expiring bank guarantee.

⁴ If they also participate in the PCE.

on the PCE, ME or MGAS for which the Market Participant is liable are adequately guaranteed, and after positive verification, the request will have immediate effect for the purposes of the adequacy verifications.

4. GUARANTEES REFUND

According to Article 71, paras. 71.9 and 71.10 of the MGAS Rules, the Market Participant may, at any moment, requests:

- the return for bank guarantees posted according to Article 70, par. 70.1 of the MGAS Rules;
- the refund, even partial, for the amounts paid according to Article 70, par. 70.3 of the MGAS Rules.

Acceptance of such requests is subject to positive verification by GME of the amounts for which the applicant Market Participant is liable. If the verification has a positive outcome for the purposes of adequacy verifications, then GME:

- in case of a bank guarantee, shall instruct the treasury institute to return the bank guarantee to the address indicated in the text of the bank guarantee or alternatively to the references indicated by the Market Participant in the refund request;
- in case of a non-interest-bearing cash deposit, shall refund it by crediting via SEPA Credit Transfer Urgent/Priority the amount to the bank account indicated by the Market Participant as per Article 18, paragraph 18.1 of the MGAS Rules according to the procedures set forth in paragraph 2.2.