

Technical Rule no. 08 rev. 01 PCE

(under article 4 of the Rules Governing the Forward Account Registration Platform)

Title	Default interest and penalty
Reference Legislation	Article 65, para. 65.2, and Article 69, Rules Governing the Forward Account Registration Platform

Successfully verified by the Director of Markets of
Autorità di Regolazione per Energia, Reti e Ambiente
(Regulatory Authority for Energy, Networks and the Environment – ARERA)

updated on

1. Foreword

Article 57, para. 57.1 a) and b) of the Rules Governing the Forward Account Registration Platform (hereafter “PCE Rules”) provides that the financial guarantee posted by Participants shall also cover the amounts due for default interest and penalties.

Article 65, para. 65.2 of the PCE Rules provides that, in case of late payment of the amount that debtor Participants owes to GME, such Participants shall pay the amount due, increased by the default interest and by a penalty, to the bank in charge of GME’s treasury services.

Article 69 of the PCE Rules provides that the amount, terms and conditions for the application of the default interest and of the penalty due in case of late payment or non-payment are defined in the Technical Rules.

2. Default interest and penalty

Default interest is determined by applying the legal interest rate to the amount due by the Participant for a number of days equal to:

- a) the days of late payment, if the Participant pays within the time limits specified in Article 65, para. 65.2 of the PCE Rules;
- b) the days elapsing from the time limit mentioned in Article 65, para. 65.1 of the PCE Rules to the day on which the bank issuing the financial guarantee pays to GME the redeemed amount, if the financial guarantee is redeemed.

The penalty due by the Participant in case of late payment or non-payment will be equal to one per cent of the amount due.