



MARKET RULES FOR CERTIFICATES OF RELEASE TO CONSUMPTION OF BIOFUELS*

Approved by decree of the Director General of the Directorate General for supply, efficiency and competitiveness of energy (DGAECE) of the Ministry of Economic Development, pursuant to article 6, paragraph 5 bis, of the Ministerial Decree of the Ministry of Economic Development of 10 October 2014, as subsequently amended and supplemented

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(*) Please note that this translation is provided for convenience only. In case of discrepancies, the Italian text shall govern.

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TITLE I GENERAL PROVISIONS

Article 1 **Object and annexes**

1.1 These Rules of the market for certificates of release to consumption of biofuels (hereinafter referred to as "Rules") and the documents attached to them, which form an integral and substantial part thereof, contain the rules of the market for certificates of release to consumption of biofuels, referred to in Article 6, paragraph 5 bis, of the decree adopted by the Ministry of Economic Development on 10 October 2014 and subsequent amendments (hereinafter: Ministerial Decree of 10 October 2014), as subsequently amended and supplemented.

Article 2 **Definitions**

2.1 For the purposes of the Rules:

- a) Authority shall mean "Autorità di regolazione per Energia, Rete e Ambiente" (Italian Regulatory Authority for Energy, Networks and Environment) established pursuant to the Law no.481 of 14 November 1995;
- b) Order Book shall mean the video report which shows the set of trading proposals entered by the market participants in the market's information system, ordered by price and submission time;
- c) CICs or certificates shall mean the certificates of release to consumption of biofuels referred to in article 6, para.1 of the Ministerial Decree of 16 March 2023;
- d) certificates valid for the purposes of trading on the MCIC shall mean the CICs released by GSE pursuant to the Ministerial Decree of 10 October 2014 and to article 6, para. 1 of the Ministerial Decree of 16 March 2023, entered in the ownership accounts by market participants and not subject to blocking, withdrawal or cancellation;
- e) market participant identification code shall mean the alphanumeric sequence, which allows to uniquely identify a market participant, for the purpose of participation in the market;
- f) identification code of the trading proposal or a transaction shall mean the alphanumeric sequence that allows to uniquely identify a trading proposal, or a transaction carried out in a trading session;
- g) ownership account shall mean: *i.* if the market participant is enabled on the BIOCAR Portal with a single access profile, the BIOCAR Portal account associated by GSE with the market participant access profile; *ii.* if the market participant is enabled on the BIOCAR Portal with different access profiles, the accounts of the BIOCAR Portal, separate from each other, associated by GSE with each access profile to which the market participant is enabled;
- h) active ownership account shall mean the ownership account of the BIOCAR Portal on which GSE records the amount of CICs held by the account holder and in relation to which the market participant may submit trading proposals on the MCIC;
- i) Legislative Decree 28/11 shall mean the legislative decree containing "*Implementation of Directive 2009/28/EC on the promotion of the use of energy from renewable sources, amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC*";
- j) Ministerial Decree of 10 October 2014 shall mean the decree of the Minister of Economic Development containing "*Update of the conditions, criteria and methods for*

implementing the obligation to release biofuels for consumption, including advanced ones" as subsequently amended and supplemented;

- k) Ministerial Decree no. 107 of 16 March 2023 shall mean the decree of the Minister of Environment and Energy Security concerning "Conditions, criteria, and methods for implementing the obligation of use energy from renewable sources in transport, among the different types of biofuels, including advanced ones, renewable energy carriers of biological origin, Renewable Fuels of Non-Biological Origin/RFNBOs, and Recycled Carbon Fuels (RCFs)";
- l) exclusion from the market shall mean the loss of qualification as market participant;
- m) working day shall mean a day from Monday to Friday, with the exception of those recognized as public holidays for all civil effects, as well as those possibly indicated in the Technical Rules;
- n) GME shall mean "Gestore dei Mercati Energetici", the company ("società per azioni") responsible, among other things, for the economic management of the electricity market, pursuant to article 5 of Legislative Decree no. 79, of "Implementation of Directive 96/92/EC on common rules for the internal market of electricity", published in the Official Journal no. 75 of 31 March 1999, as well as the organization and management of the market for certificates of release to consumption of biofuels pursuant to Article 6, paragraph 5 bis, of the Ministerial Decree of 10 October 2014;
- o) GSE shall mean the Gestore dei Servizi Energetici - GSE S.p.A., the company ("società per azioni") established pursuant to article 3, paragraph 4, of Legislative Decree no. 79/99 and article 1, paragraphs 1, subpara. a), b) and c), and 3, of the Decree of the President of the Council of Ministers of 11 May 2004 published in the Official Journal, General series, no.115 of 18 May 2004, that is vested with, inter alia, with the operational and managerial skills for the implementation of the obligation to release biofuels for consumption, pursuant to article 33, paragraph 5-sexies of Legislative Decree 28/11, and subsequent implementing regulatory provisions;
- p) market or MCIC shall mean the place for the trading of certificates of the release for consumption of biofuels organized by GME;
- q) continuous trading shall mean the trading method based on the automatic matching of trading proposals, with the possibility of entering new proposals, continuously, during trading sessions;
- r) market participant shall mean the natural person (individual) or legal person (organisation) that is admitted to the market;
- s) BIOCAR Portal shall mean the electronic archive of certificates, organized and managed by GSE, consisting of the set of ownership accounts on which the CICs issued by GSE are deposited in favour of the ownership account holders, as well as the movements of the CICs deposited in relation to trading carried out on the market or through bilateral trading, or as a result of blocking, withdrawing or cancellation operations;
- t) reference price of the session shall mean, for each order book, the average price of a CIC, weighted by the related amounts, of all the transactions concluded during a market session;
- u) trading proposal shall mean the purchase or sale order entered by the market participants in the order book and containing the information necessary for exposure and execution;
- v) accepted trading proposal shall mean a suitable trading proposal in relation to which the holder acquires the right to receive the requested service or the obligation to provide the service offered, at the prices established in application of the Rules;
- w) adequate trading proposal shall mean a valid trading proposal that has successfully passed all the checks provided for in the Rules;

- x) valid trading proposal shall mean a trading proposal submitted on the MCIC in accordance with the procedures and within the terms provided in the Rules;
- y) trading session shall mean the time period within which the trading proposals must be entered;
- z) suspension from the market shall mean the temporary suspension of a market participant from the right to submit trading proposals on the market;
- aa) CIC type shall mean each of the different types of CICs defined in the Technical Rules.

Article 3

General principles and amendments to the rules

- 3.1 GME shall perform its functions in transparent and non-discriminatory ways to safeguard the correct functioning of the MCIC.
- 3.2 Notwithstanding the confidentiality obligations set out in the Rules or in the participation agreement referred to in the following Article 15, paragraph 15.1, subpara. b), GME shall report, at any time to the competent authorities, as well as to GSE, behaviours that are likely to affect, albeit indirectly, the regular functioning of the market.
- 3.3 GME shall adopt an organizational structure suitable for preventing conflicts of interest, even if only potential, and with control procedures for verifying compliance with the Rules and technical rules.
- 3.4 Market participants are required to conform their behaviour on the MCIC to the ordinary principles of correctness and good faith.
- 3.5 GME shall prepare the proposed amendments to the Rules and disclose them, through publication on its website or other suitable means, to the interested parties, while setting a deadline of not less than fifteen calendar days within which the same parties may send any comments. Taking into account the comments received, GME shall send the adequately motivated amendment proposals to the Ministry of Environment and Energy Security for approval.
- 3.6 The procedure referred to in paragraph 3.5 above shall not apply in the case of urgent amendments to the Rules, aimed at safeguarding the regular functioning of the market, or in cases of adjustment of the Rules to the applicable regulatory provisions. In this case, the amendment, ordered by GME, shall become effective with publication on GME's website and shall be promptly sent to the Ministry of Environment and Energy Security for approval. If the Ministry of Environment and Energy Security does not approve the change, it shall cease to have effect from the date of communication to GME of the decision of the Ministry of Environment and Energy Security. GME shall promptly notify market participants of the results of the approval procedure by publishing it on its website.

Article 4
Technical Rules

- 4.1 The implementing and procedural provisions of the Rules shall be defined in the Technical Rules (DTF). In preparing the Technical Rules, GME shall adopt the criteria of neutrality, transparency, objectivity and competition between market participants.
- 4.2 The Technical Rules shall be published on GME's website and shall become effective from the date of their publication.
- 4.3 GME may also disclose preliminary versions of the Technical Rules to interested parties, setting a date by which such parties may submit their comments. .

Article 5
Units of measurement and rounding

- 5.1 For the purposes of the market:
- a) unit of measurement of the certificates of release for consumption shall be the CIC;
 - b) the monetary unit of measurement shall be the Euro, with specification of two decimal figures;
 - c) the unit of measurement of the prices of the certificates for release for consumption shall be the Euro/CIC with specification of two decimal figures.
- 5.2 For market purposes, all roundings are carried out with the mathematical criterion. In particular, the figures are rounded up or down to the last nearest allowed decimal figure and, if they are halfway, they are rounded up.

Article 6
Fees for services provided by GME

- 6.1 Market participants, for the services provided by GME, shall pay the following fees to GME:
- a) an access fee;
 - b) a yearly fixed fee;
 - c) a fee for each certificate traded on MCIC.
- 6.2 The amount of the fees referred to in paragraph 6.1 above shall be defined by GME in order to ensure its economic and financial balance. The fees shall be published on GME's website itself with immediate effect from the first application and, when fully operational, as of 1 January of the following year.

Article 7
Market information

- 7.1 The data and results of the market, at an aggregate level, shall be of public domain and shall be published on GME's website. Each market participant shall be entitled to access the data and market results that directly concern him/her.
- 7.2 Without prejudice to cases in which the notification obligation derives from laws, regulations or other provisions of the authorities, GME shall keep the confidentiality of information relating to the trading proposals submitted and/or accepted for a period of at least twelve months.
- 7.3 GME shall provide to the Ministry of Environment and Energy Security and GSE all the information necessary for their respective activities.

Article 8
Communication and publication of data and information

- 8.1 Unless otherwise provided, the communication and publication of the data and information required by the Rules shall be carried out electronically. In particular:
- a) communications to market participants shall take place by making available data and information on the section of the information system of the market, access to which shall be reserved to the market participants concerned;
 - b) the publication shall take place by making available data and information on the non-restricted section of the information system of the market.
- 8.2 The trading proposals submitted by market participants shall be considered received on the date and time resulting from the market information system.
Any other communication shall be considered as received:
- a) on the day and time of receipt, if received between 08.00 am and 5.00 pm on a working day;
 - b) at 8.00 am on the first working day following the day of receipt, if received between 5.00 pm and 12.00 am on a working day, or between 12.00 am and 12.00 am of the following day on a non-working day;
 - c) at 8.00 am on the day of receipt, if received between 12.00 am and 8.00 am on a working day.
- 8.3 In order to determine the time of receipt of a communication, the time of GME's protocol shall apply. If a communication is sent electronically, the time of the information system of the market shall apply.

Article 9
Market information system

- 9.1 Access to the market information system may take place:
- a) through the Internet, according to the methods set out in the Technical Rules;
 - b) through any additional methods set out in the same Technical Rules.

- 9.2 The methods for submission of trading proposals referred to in Article 26 below shall be defined in the Technical Rules.

Article 10
Access security

- 10.1 Market participants shall access the market through specific procedures, defined in the Technical Rules, aimed at ensuring the recognition of market participants, the authenticity and confidentiality of transactions.
- 10.2 Market participants are required to keep confidential access codes and any other data or tools necessary for access to the market information system.

Article 11
Emergency conditions

- 11.1 The following shall be considered emergency conditions:
- a) GME is unable to receive, from GSE, the data and information referred to in Article 20, paragraph 20.1 below;
 - b) GME is unable to receive trading proposals submitted by participants, through the methods referred to in Article 26 below, due to malfunctions in its telecommunication systems;
 - c) GME is unable to combine the trading proposals received, relating to one trading session, also due to malfunctions in the information system of the market itself;
 - d) GME is unable to determine, also due to malfunctions in the information system of the market itself, the outcomes relating to a market session;
 - e) GME is unable to communicate to market participants and/or GSE the transactions concluded during a market session, also due to malfunctions in the information system of the market or in the telecommunications systems of GME.
- 11.2 In the case referred to in paragraph 11.1, subpara. a) above, GME shall notify market participants and GSE, according to the methods indicated in the Technical Rules, of the occurrence of the emergency condition and the new condition for opening the trading session.
- 11.3 In the case referred to in paragraph 11.1, subpara. b) above, GME shall notify market participant, and for information purposes GSE, according to the methods indicated in the Technical Rules, of the occurrence of the emergency condition and the new closing date of the trading session.
- 11.4 In the case referred to in paragraph 11.1, subpara. c) above, GME shall suspend the market session and inform market participants and, for information purposes GSE, according to the methods indicated in the Technical Rules, of the expected duration of the suspension.

- 11.5 In the case referred to in paragraph 11.1, subpara. d) above, GME shall notify market participants and, for information purposes GSE, of the occurrence of the emergency condition and shall apply the provisions of the Technical Rules.
- 11.6 The communication methods adopted by GME, in the cases referred to in paragraph 11.1, subpara. e) above, shall be defined in the Technical Rules.

Article 12 **Market suspension**

- 12.1 In the event of situations of unavailability of the BIOCAR Portal, or of exceptional conditions communicated by GSE, GME shall order the suspension of the market, notifying market participants and promptly informing GSE and the Ministry of Environment and Energy Security.
- 12.2 Without prejudice to the provisions of paragraph 12.1 above, if GME detects anomalous trends in market trading, or irregular or illegal conduct, even if only alleged, of one or more market participants, it shall promptly notify the Ministry of Environment and Energy Security of these circumstances and, upon request by the Ministry itself, suspend, even with immediate effect, market operations, or one or more sessions of the market.
- 12.3 GME shall inform market participants of the suspension decision referred to in paragraphs 12.1 and 12.2 above, through a communication published on its website.
- 12.4 The restoration of market operations, suspended pursuant to paragraphs 12.1 or 12.2 above, shall be informed by GME to market participants through a communication published on its website.

Article 13 **Functioning of the market information system**

- 13.1 In the event of technical malfunctions in the market information system, GME may suspend, extend or close a market session early.
- 13.2 In order to guarantee and safeguard the proper technical functioning, as well as an efficient use of the market information system and, in general, the regular functioning of the market, GME may set limits on the entry, cancellation and modification of trading proposals, as well as limit the number of connections of each market participant or specific categories of market participants to the market information system.

TITLE II MARKET PARTICIPATION

Article 14 Requirements for market participation

- 14.1 Parties applying for market participation shall have adequate experience and competence in the use of IT systems and related security systems, or have employees or assistants with such experience and competence.
- 14.2 The following parties are not admitted to the market:
- a) parties who have been sentenced with an unappealable judgement, without prejudice to the effects of rehabilitation, or with a sentence that applies the penalty upon request of the parties, except in the case of extinction of the crime, to imprisonment for the crime referred to in article 501 of the criminal code, or for one of the crimes against the inviolability of the secrecy of the electronic or IT communications provided for in articles 617 quater, quinquies and sexies of the criminal code, or for the crime of computer fraud referred to in article 640 ter of the criminal code or for the crime of fraud committed to the detriment of the State or another public body referred to in Article 640, paragraph 2, no. 1, of the criminal code, as well as for crimes relating to income tax and value added tax pursuant to Legislative Decree no. 173 of 5 November 2024;
 - b) parties who have been excluded from the market during the sixty months preceding the submission of the new participation application, without prejudice to the provisions of subpara. c) below and except for cases of exclusion pursuant to the following Article 23;
 - c) parties who have been excluded from the market against whom, on the date of submission of the new participation application, GME still has an outstanding credit on the market.
- 14.3 If the party wishing to participate in the market is a legal person, the conditions referred to in paragraph 14.2, subpara. a) above shall refer to the holder, or to the legal representative or to the person with the necessary powers.
- 14.4 With reference to the cases governed, in whole or in part, by foreign legal systems, the verification of the existence of the requirements set out in paragraphs 14.2 and 14.3 above shall be carried out on the basis of an assessment of substantial equivalence by GME.

Article 15 Market participation application and Market participation agreement

- 15.1 The party wishing to participate in the market shall submit to GME, in accordance with the methods and within the time limits established in the Technical Rules:
- a) a "Market Participation Application", drawn up according to the specific form attached to the Rules (Annex 1) and accompanied by the documentation indicated in Article 16 below;

- b) signed copy of the "Market Participation Agreement", drawn up according to the specific form attached to the Rules (Annex 2).

Article 16

Documents to be attached to the market participation application

- 16.1 The market participation application, signed by the interested party, shall be accompanied by:
 - a) declaration, in compliance with decree of the President of the Republic of 28 December 2000, no. 445, certifying that the party requesting participation to the market or, in the event that such party is a legal person, the party referred to in Article 14, para. 14.3 above, has not been subject to, in Italy, measures entailing the loss of requirements referred to in Article 14, para. 14.2, subpara. a) above, and that measures corresponding to those that would result in the loss of said requirements, or other equivalent documentation, were not received abroad, pursuant to Italian law on the basis of which GME shall carry out an assessment of substantial equivalence;
 - b) if the market participation application is signed by the legal representative or by another person with the necessary powers, a declaration, in compliance with decree of the President of the Republic of 28 December 2000, no. 445, certifying the powers of representation or other equivalent documentation on the basis of which GME shall carry out an assessment of substantial equivalence.
- 16.2 If the documentation indicated in paragraph 16.1, subpara. a) and b) above is already in GME's possession, the interested party shall be exempted from producing it, by submitting a declaration containing the indication of this circumstance, the date when the documentation has been sent to GME, as well as confirmation of the relevance of its contents.

Article 17

Participation procedure

- 17.1 Within fifteen calendar days from the date of receipt of the market participant application, after verifying the fulfilment of the requirements referred to in Article 14 above, as well as the regularity of the documentation submitted, GME shall inform the interested party of the acceptance or rejection of the application; in the latter case, GME shall provide adequate justification. This communication shall be made according to the methods and terms defined in the Technical Rules.
- 17.2 In order to verify the fulfilment of the requirements referred to in Article 14, para. 14.1 above, GME may request the interested party to provide suitable documentation.
- 17.3 In case of irregular or incomplete documents, GME shall communicate to the interested party, according to the methods defined in the Technical Rules, the formalities necessary to regularize or complete such documentation, as well as the deadline within which to carry out these fulfilments. This communication shall suspend the term referred to in paragraph 17.1 above, which starts again from the receipt by GME of the fixed or completed documentation.

17.4 The qualification of market participant shall be granted upon the admission decision.

Article 18
List of market participants admitted to the market

18.1 Market participants admitted to the market according to the provisions of Article 17 above are included in a special "List of market participants admitted to the market", prepared and kept by GME in compliance with Regulation (EU) 679/2016, as subsequently amended and supplemented.

18.2 For each market participant, the List of market participants admitted to the market contains:

- a) market participant identification code;
- b) surname and name, or name or company name, place of domicile and place of residence where different from that of domicile, or registered office, fiscal code, telephone numbers, telephone numbers, e-mail addresses, contact person(s) for any communications and related contact details;
- c) market participant status: admitted, active, inactive, suspended, pending exclusion request, excluded;
- d) bank details of the market participant;
- e) ownership account/s code/s;
- f) taxation scheme of the market participant;
- g) VAT number.

18.3 GME shall publish on its institutional website, for each market participant, the following data and information:

- a) surname and name, or company name;
- b) place or residence or registered office.

18.4 Each market participant may access the data and information related to it contained in the list of market participants admitted to the market.

Article 19
Data and information for market operations

19.1 Market participants who hold an ownership account on the BIOCAR Portal and have a VAT number may submit trading proposals on the market pursuant to Article 26 below. The inclusion in the List of market participants admitted to the market of the ownership account code referred to in Article 18, paragraph 18.2, subpara. e), shall take place following the communication referred to in Article 20 below.

19.2 Without prejudice to the provisions of paragraph 19.1 above, for the purpose of submitting the trading proposals on the market referred to in Article 26 below, each market participant shall request GME to enter the data and information referred to in the List of market participants admitted to the market referred to in Article 18, paragraph 18.2, subpara. f) and g) above, as well as, according to the methods indicated in the

Technical Rules, of the data and information referred to in Article 18, paragraph 18.2, subpara. d) above.

- 19.3 Upon the request for the entering of the data and information referred to in Article 18, paragraph 18.2, subpara. d) above, the market participant shall attach a declaration containing his/her bank details. The above declaration must be submitted only if the market participant has not already indicated his/her bank details in the context of the documentation submitted pursuant to Article 15 above.
- 19.4 Upon the request for the entering of the data and information referred to in Article 18, paragraph 18.2, subpara. f) above, the market participant shall attach a declaration certifying his/her VAT scheme, in accordance with the provisions of the Technical Rules.
- 19.5 Upon the request for the entering of the data and information referred to in Article 18, paragraph 18.2, subpara. g) above, the market participant shall attach a declaration containing its VAT number, or other equivalent documentation on the basis of which GME shall carry out an assessment of substantial equivalence. The above declaration must be submitted only if the market participant has not already indicated his/her VAT number in the context of the documentation submitted pursuant to the previous Article 15.
- 19.6 After receiving the requests referred to in paragraph 19.2 above, the List of market participants admitted to the market shall be updated by GME. This amendment becomes effective within the second working day following the receipt of the request by GME.

Article 20

Data and information for participation in a MCIC session

- 20.1 GME, within the start of each MCIC session, shall acquire from GSE, according to the methods and within the terms identified in a specific agreement, the updated list of market participants holding at least one ownership account active at the BIOCAR Portal, with the indication, for each market participant, of at least the following information:
- a) personal data;
 - b) access profile or access profiles;
 - c) the active ownership account code corresponding to the access profile or the active ownership account codes corresponding to each of the access profiles;
 - d) the amount of certificates present on the active ownership account or on each of the active ownership accounts, with an indication of the different types of CICs referred to in Article 2, paragraph 2.1, subpara. z) and the related year of validity.
- 20.2 The information referred to in paragraph 20.1 above, shall become effective within the terms indicated in the Technical Rules.

Article 21
Verifications

- 21.1 GME shall verify compliance with the Rules and the Technical Rules in order to ensure the regular functioning of the market according to the criteria of neutrality, transparency, objectivity, as well as competition between market participants. To this end, GME may request market participants any useful information or document concerning the operations carried out by them on the market, possibly also by convening an audition of the concerned market participants.
- 21.2 GME shall reserve the right to verify that market participants continue to meet the requirements for market participation. To this end, GME may request additional documentation or the updating of that already submitted.

Article 22
Communication obligations

- 22.1 Market participants are required to communicate to GME, promptly and in any case within three working days from its occurrence, any change in facts, statuses and qualities that is such as to result in the loss or change of the requirements for market participation, or to amend the data and information referred to in Article 18, paragraph 18.2, subpara. b), d), f), and g) declared by the market participant and included in the List of market participants admitted to the market.
- 22.2 Following each communication referred to in paragraph 22.1 above, GME shall update the List of market participants admitted to the market.

Article 23
On-demand exclusion from the market

- 23.1 For the purposes of exclusion from the market, market participants shall hand in or sent to GME a specific written request according to the methods and terms defined in the Technical Rules, indicating the date from which the exclusion from the market is requested.
- 23.2 The on-demand exclusion from the market shall become effective from the later of the following dates:
- a) the second working day following the date of receipt by GME of the request referred to in paragraph 23.1 above;
 - b) the date indicated in the request referred to in paragraph 23.1 above
- 23.3 Without prejudice to the provisions of paragraphs 23.1 and 23.2 above, the on-demand exclusion from the market shall not exonerate the market participant from fulfilling the obligations consequent to the commitments undertaken on the market.
- 23.4 During the period of suspension from the market, the market participant may not request exclusion pursuant to this Article.

**TITLE III
FUNCTIONING OF THE MARKET**

**CHAPTER I
TRADING**

***Article 24
Certificates admitted to trading***

- 24.1 Within the market, the types of CICs referred to in Article 2, paragraph 2.1, subpara z) may be traded, valid for the purpose of fulfilling the obligations pursuant to the Ministerial Decree of 10 October 2014 and referred to in Article 3 of the Ministerial Decree of 16 March 2023.

***Article 25
Trading mechanism***

- 25.1 In the contracts for the purchase and sale of certificates, concluded on the market, GME is the counterparty of the participants.
- 25.2 Trading on the market is carried out through the continuous trading method
- 25.3 The calendar relating to MCIC sessions shall be published by GME on its website
- 25.4 Opening and closing times of market trading sessions shall be defined in the Technical Rules
- 25.5 Market participant may participate in the MCIC through one or more access profiles, identified in the Technical Rules, corresponding respectively to the single access profile or to the different access profiles by which the market participant is registered on the BIOCAR Portal.
- 25.6 If the market participant has multiple access profiles, participation in the MCIC shall take place using the individual access profiles separately, according to the methods and terms established in the Technical Rules.

***Article 26
Submission of trading proposals***

- 26.1 For each of the types of CIC referred to in Article 24, para. 24.1 above, GME shall organize one or more order books according to the methods established in the Technical Rules.

- 26.2 The trading proposals must be presented, according to the methods and terms defined in the Technical Rules, with the indication of at least the following information:
- a) type of proposal (purchase/sale);
 - b) amounts of CICs subject to proposal;
 - c) unit price referred to 1(one) CIC.
- 26.3 The proposals submitted by participants pursuant to paragraph 26.2 above shall be displayed on the order book, without indication of the proposing participant, or of the related access profile, thus ensuring their anonymity.
- 26.4 Participants may submit trading proposals without any price limit.
- 26.5 The amounts specified in purchase and sale proposals may only have positive integer values.
- 26.6 The minimum tradeable amount is one CIC
- 26.7 In the order book, the proposals, verified valid and appropriate in accordance with Article 27 below, shall be divided by purchase and sale and shall generate lists ordered according to price priority and, in the case of identical price, according to the chronological order of insertion. The trading proposals shall be ranked by decreasing price in the case of purchase proposals and by increasing price in the case of sale proposals. The order book shall display the best purchase and sale proposals.
- 26.8 Trading proposals with limit price equal to zero or with negative limit price are not admitted.
- 26.9 The purchase or sale proposals without price limit shall be entered in the order book only if there are already sales or purchase proposals with a price limit in the order book.
- 26.10 Participants may withdraw their trading proposals by directly deleting them from the order book if they have not been subject to automatic matching in accordance with the provisions of Article 28 below, or if they have been partially matched, in relation to the unexecuted part.
- 26.11 Participants may modify the trading proposals submitted on the market if they have not been subject to automatic matching for the entire amount, as provided for in Article 28 below. In the case of partially matched proposals, the change shall be valid only for the unexecuted part. Amended proposals shall lose their time priority acquired.

Article 27
Validity and adequacy check of trading proposals

- 27.1 Following the submission of trading proposals, GME shall carry out the validity and adequacy checks for each order book, verifying that:
- a) the market participant is not suspended from the market;
 - b) on the basis of the information acquired by the GSE pursuant to Article 20, paragraph 20.1 above, the ownership account associated with the access profile

through which the market participant has submitted the trading proposals is active on the BIOCAR Portal;

- c) the trading proposal has been submitted in the modality referred to in Article 26, para. 26.2 above;
- d) the trading proposal contains all the information referred to in Article 26, para. 26.2 above;
- e) the purchase trading proposal is guaranteed pursuant to Article 31 and Article 32 below;
- f) the sale trading proposal is guaranteed pursuant to Article 33 below.

27.2 The market information system shall return the results of the validity and adequacy checks of the trading proposals referred to in paragraph 27.1 above and:

- a) in the event of a negative outcome, it shall reject the inclusion of the proposals in the trading book, indicating the reasons;
- b) if successful, the trading proposals shall be entered into the order book.

Article 28 **Continuous trading**

28.1 During each trading session, GME shall provide participants with the following data and information:

- a) price and amount of the trading proposals included in the book and not yet matched;
- b) price of the latest three transactions executed in the session;
- c) minimum and maximum price of the session;
- d) reference price of the session preceding the current one;
- e) volume traded in the session.

28.2 In relation to each order book, during the trading, the execution of the transactions shall take place through the automatic matching of the trading proposals according to the following criteria:

- a) in the case of a purchase proposal with a price limit, the matching shall take place with one or more sales proposals at a price lower than or equal to the limit set in the purchase and according to the priority order referred to in Article 26, paragraph 26.7 above;
- b) in the case of a sale proposal with a price limit, the matching shall take place with one or more purchase proposals at prices equal to or higher than the limit set for sale and in the priority order referred to in Article 26, para. 26.7 above;
- c) in the case of a purchase proposal without a price limit, the matching shall take place with one or more sales proposals, having a price equal to the best-selling price when the purchase proposal was entered, according to the priority order referred to in Article 26, para. 26.7 above;
- d) in the case of a sales proposal without a price limit, the matching shall take place with one or more purchase proposals, having a price equal to the best purchase price when the sale proposal was entered, according to the priority order referred to in Article 26, para. 26.7 above.

28.3 For each transaction executed by automatic matching, the price shall be equal to the price of the trading proposal having highest time priority.

- 28.4 A purchase or sale proposal submitted by a market participant shall not be matched if this matching occurs with a proposal, respectively for sale or purchase, already entered in the book and submitted by the same participant, both through the same access profile and through different access profiles.
- 28.5 In the event of a partial execution of a trading proposal with a price limit, the unexecuted part shall be automatically resubmitted with the price and the time priority of the original trading proposal. In the case of partial execution of a trading proposal without price limit, the unexecuted part shall be automatically resubmitted with the price equal to the last execution price of the executed part and the time priority of the original trading proposal.
- 28.6 Trading proposals which at the end of the trading session are still not matched pursuant to this Article shall be automatically deleted from the order book.

Article 29
Definitivity of transactions

- 29.1 The CIC trading concluded on the market shall be considered definitive and binding also for the purposes of guaranteeing, offsetting and liquidating and regulating the economic items arising on the market, as well as the related obligations deriving from them, starting from the moment in which the purchase/sale proposals are verified as valid, adequate and are matched, in each order book, pursuant to Article 28 above.

Article 30
Communication of market results

- 30.1 Within the term defined in the Technical Rules, GME shall publish the results of the MCIC session, reporting, for each order book referred to in Article 26, para. 26.1 above, at least the following data and information:
- a) minimum and maximum price of the session;
 - b) volume traded in the session;
 - c) reference price of the session.
- 30.2 GME, within the term defined in the Technical Rules, shall communicate to each market participant the confirmation of their transactions executed with at least the following data:
- a) amounts of CICs purchased and sold;
 - b) types of CICs purchased and sold;
 - c) price;
 - d) date and time;
 - e) countervalue of the transaction.
- 30.3 At the end of each MCIC session, GME shall transmit to GSE, according to the methods and within the terms identified in a specific agreement, the information necessary to carry out, within the BIOCAR Portal, the registration of the amounts of CICs corresponding to the algebraic sum of the purchase and sale transactions concluded by each market participant, for each access profile, on the MCIC.

CHAPTER II GUARANTEE SYSTEM

Article 31 Guarantees of purchase proposals

- 31.1 In order to submit purchase proposals on the market, each market participant, within the working day before the opening of the trading session, shall provide, according to the modalities provided for in the Technical Rules, into GME's designed bank account, a non-interest bearing initial deposit, with value date on the same day and communicate the amount to GME in the modality and within the terms defined in the Technical Rules.
- 31.2 During the market session, each market participant may integrate the initial deposit referred to in paragraph 31.1 above, by providing, according to the methods provided in the Technical Rules, into GME's designated bank account, a non-interest bearing deposit with value date on the same day, communicating the amount to GME in the modality and within the terms defined in the Technical Rules. This payment shall be valid and effective within one hour from the moment it was credited to the current account in the name of GME. The credit shall be considered received on the date and time resulting from the information system of the institute in charge of GME's treasury service. GME shall update the initial deposit for an amount equal to the amount of the additional deposit made.
- 31.3 If the market participants participate in the MCIC through multiple access profiles, the market participant may allocate, according to the methods and terms defined in the Technical Rules, the amount of the deposit, referred to in paragraph 31.1 above, as possibly integrated pursuant to paragraph 31.2 above, among the aforementioned profiles. Lacking any indication on the allocation of this amount, GME shall proceed according to the modality established in the Technical Rules.

Article 32 Capacity of guarantees of purchase proposals

- 32.1 A purchase proposal with price limit shall be guaranteed pursuant to Article 27, paragraph 27.1, subpara. e) above, if the related value, equal to the product between the amount entered in the proposal and the price entered in the same proposal, increased by VAT where applicable, is lower than or equal to the available deposit referred to in Article 31 above.
- 32.2 A purchase proposal without price limit shall be guaranteed pursuant to the previous Article 27, paragraph 27.1, subpara. e), if the related value, equal to the product between the amount entered in the proposal and the price of the best sale offer on the book, increased by VAT where applicable, is lower than or equal to the available deposit referred to in Article 31 above.
- 32.3 For the purposes of the adequacy checks referred to in paragraphs 32.1 and 32.2 above, the initial deposit referred to in Article 31, para. 31.1 above, possibly integrated

pursuant to Article 31, para. 31.2 above, shall be updated when a purchase proposal is entered:

- a) with a decreasing value equal to the product between the price indicated in the proposal and the related amount, increased by VAT where applicable, in the event of proposals with a price limit; or
- b) with a decreasing value for an amount equal to the product between the price of the best sale offer on the order book, increased by VAT where applicable, and the amount entered in the purchase proposal, in the event of proposals without price limit.

32.4 In the case of matched purchase proposal with a price limit, if the price at which the contract was concluded is lower than the declared price limit, GME shall update the amount of the available deposit, previously committed pursuant to paragraph 32.3, subpara a) above, for an amount equal to the product between the matched amount and the difference between the declared price limit and the matching price of the proposal, increased by VAT where applicable.

32.5 When a sales proposal is matched, the participant's available deposit shall be updated on the increase, for an amount equal to the product between the matching price of the proposal and the matched amount, increased by VAT where applicable.

32.6 In the case referred to in paragraph 32.3, subpara. a) above, if a purchase proposal not yet matched is cancelled, the participant's available deposit shall be updated on the increase for an amount equal to the product between the price and the amount indicated in the cancelled purchase proposal, increased by VAT where applicable.

32.7 In the cases referred to in Article 31, para. 31.3 above, the adequacy checks, carried out pursuant to paragraphs 32.1, 32.2, 32.3, 32.4, 32.5 and 32.6, refer to the portion of the amount of the deposit associated with the access profile with which the market participant shall submit the purchase proposals subject to adequacy checks on the MCIC.

32.8 Without prejudice to the provisions of Article 36 below, GME shall proceed to refund the amount of the available deposit, according to the methods and within the terms defined in the Technical Rules.

Article 33 **Guarantees of sale proposals**

33.1 A sales proposal shall be guaranteed pursuant to Article 27 above, paragraph 27.1, subpara. f) if the amount of CICs indicated in the sale proposal is lower than or equal to the maximum amount of CICs that can be sold pursuant to paragraph 33.2 below.

33.2 The maximum amount of CICs that can be sold shall be equal to the amount of certificates registered in the ownership account associated with the access profile through which the market participants participates in the MCIC, reduced of the amount of CICs already sold by the market participant in the same session or for which the market participant has already entered sales proposals not yet matched, and increased

of any CICs already purchased by the market participant during the same trading session.

- 33.3 For the purposes of the checks referred to in Article 27, paragraph 27.1, subpara. f) above, GME shall acquire from GSE, pursuant to the provisions of Article 20 above, information relating to the amounts of CICs entered in the ownership accounts held by market participant at the BIOCAR Portal.

CHAPTER III INVOICING OF ECONOMIC ITEMS AND SETTLEMENT OF PAYMENTS

SECTION I INVOICING OF MARKET ECONOMIC ITEMS

Article 34 Invoicing period of market economic items

- 34.1 The invoicing period for transactions concluded on the market shall be defined in the Technical Rules.

Article 35 Invoicing of market transactions

- 35.1 For each invoicing period, according to the modalities and within the time limits defined in the Technical Rules, GME:
- a) shall issue invoice to each debtor participant, the amounts relating to the purchase transactions concluded by the participant;
 - b) shall notify to each creditor participant, the amounts relating to the sale transactions concluded by the participant.
- 35.2 Following the notifications referred to in paragraph 35.1 subpara. b) above, the participants shall issue an invoice to GME for the amounts indicated.
- 35.3 The time limits and modalities for invoicing to GME, referred to in paragraph 35.2 above shall be defined in the Technical Rules.
- 35.4 The invoices and notifications referred to in paragraphs 35.1 and 35.2 above shall be provided to market participants, according to the modalities and within the time limits defined in the Technical Rules.
- 35.5 The invoices and notifications referred to in paragraphs 35.1 and 35.2 above shall display at least the following elements, where applicable:
- a) the amounts of CICs traded;
 - b) the prices at which the amounts referred to in letter a) above have been traded;
 - c) the tax amount, if chargeable;

d) the total amount.

SECTION II SETTLEMENT OF MARKET PAYMENTS

Article 36 Payments of market participants to GME

36.1 GME shall satisfy the receivables due from its debtor participants according to the modalities and within the time limits defined in the Technical Rules, using the available deposit made by them up to capacity pursuant to Article 31 above.

Article 37 Payments of GME to market participants

37.1 GME shall pay its creditors for an amount equal to the value of the transactions according to the modalities and within the time limits defined in the Technical Rules.

37.2 If GME, for reasons not attributable to it, makes payments beyond the terms defined in the Technical Rules, creditor participants shall be granted interests calculated by applying the rate published on GME's website.

SECTION III INVOICING AND SETTLEMENT OF FEES

Article 38 Invoicing of fees for services provided by GME

38.1 GME shall invoice each market participant for the amount relating to the fees referred to in Article 6 above, according to the modalities and within the time limits defined in the Technical Rules.

Article 39 Payment of fees for services provided by GME

39.1 Market participants shall make payments to GME of the fees referred to in Article 6 above, according to the modalities and within the time limits defined in the Technical Rules.

TITLE IV
DISCIPLINARY MEASURES, CLAIMS AND DISPUTES

CHAPTER I
BREACHES AND DISCIPLINARY MEASURES

Article 40
Breaches of the Rules and of the Technical Rules

- 40.1 The following behaviours shall be considered as breaches of the Rules and of the Technical Rules:
- a) negligence, imprudence and inexperience in the use of communication systems and the sending of trading proposals;
 - b) the specious use of claims referred to in Chapter II of this Title;
 - c) the disclosure to third parties of confidential information relating to third party participants, or to the market participant itself, and concerning, in particular, the access codes to the market information system, any other data necessary for access to the market information system and the content of offers submitted by third party participants to GME, unless this occurs for the fulfilment of obligations imposed by laws, regulations or provisions of competent authorities;
 - d) attempted unauthorized access to restricted areas of the market information system;
 - e) all forms of use, for malicious purposes, of communication and trading proposals sending system;
 - f) any other behaviour contrary to the ordinary principles of correctness and good faith referred to in Article 3, paragraph 3.4 above, including the submission of offers on the market or the dissemination of information that could alter the performance and correct functioning of the market and/or trigger a distortion of prices, as well as of the results of the market itself.

Article 41
Disciplinary measures

- 41.1 If GME verifies the existence of the breached referred to in Article 40 above, it shall adopt against the participant, in compliance with the principle of equality and equal treatment, taking into account the seriousness of the breach, any possible recurrent violation and according to the graduality of referred to in Article 42 below, the following disciplinary measures:
- a) written notice;
 - b) suspension of the participant from the market;
 - c) exclusion of the participant from the market.
- 41.2 In the event that the disciplinary measures of suspension or exclusion from the market are adopted, the market participant may be granted, under the control of GME, the conclusion of the operations that are still open, as well as any possible unavoidable operations connected with the same.

- 41.3 Once an alleged breach has been detected, GME shall send the market participant a notice containing:
- a) description of the alleged breach;
 - b) setting of a term, not less than ten days, for the possible submission of pleadings and documents and for any request for a hearing.
- 41.4 If the market participant requests a hearing, or if GME deems such a hearing necessary, GME shall set the date of the same by promptly informing the participant. In the event that the market participant does not show up in the hearing, and this is not deferred to another date if justified reasons arise, GME shall proceed on the basis of the elements acquired. In case of postponement of the hearing, this cannot take place beyond the tenth day following the date originally set for the hearing.
- 41.5 GME, on the basis of the elements acquired, shall adopt any disciplinary measure, or order the filing of the procedure, within thirty days from the hearing or, if this has not been requested or has not been deemed necessary by GME, within thirty days from the sending of the communication referred to in paragraph 41.3 above.
- 41.6 If the alleged breaches are such as to hinder the correct functioning of the market, GME, as a precaution, may suspend the market participant from the market over the course of the disciplinary procedure.
- 41.7 The disciplinary measure, adequately motivated, or its filing, shall be communicated to the market participant concerned. Any disciplinary measure adopted shall be communicated, for information, to the Ministry of Environment and Energy Security, and to GSE.

Article 42
Gradual implementation of disciplinary measures

- 42.1 In cases where the breaches are due to the fault of the participant, GME may adopt the following disciplinary measures:
- a) written notice;
 - b) suspension from the market for a number of trading sessions of not less than one and not more than four. In the event of recurrent violation, the suspension from the market shall be applicable for four sessions.
- 42.2 In the event that the breaches referred to in paragraph 42.1 above have hindered the correct functioning of the market, GME may suspend the market participant from the market for a period of not less than five months and not more than one year. In the

event of a recurrent violation, the suspension from the market shall be applicable for a period of one year.

- 42.3 In cases where the breaches are due to wilful misconduct of the operator, GME may adopt the following disciplinary measures:
- a) suspension from the market for a period of not less than six months and not more than eighteen months. In the event of a recurrent violation, the suspension from the market shall be applicable for a period of eighteen months.
 - b) Exclusion from the market
- 42.4 In cases where the breaches referred to in paragraph 42.3 above have hindered to the correct functioning of the market, GME may adopt the following disciplinary measures:
- a) suspension from the market for a period of not less than eighteen months and not more than three years. In the event of recurrent violation, the suspension from the market shall be applicable for a period of three years.
 - b) exclusion from the market.

Article 43
Suspension for failure to fulfil communication obligations and for failure to pay the fee

- 43.1 In addition to the cases provided for in Article 42 above, GME shall suspend the market participant from the market in the following cases:
- a. in the event that the market participant fails to fulfil the disclosure obligation pursuant to Article 22, para. 22.1 above, or the information communicated pursuant to Article 22, para. 22.1 above does not allow GME to find the market participant, i.e. the market participant fails to provide the information or documentation required pursuant to Article 21, para. 21.2 above. The suspension shall be applicable until the date GME receives the communication referred to in Article 22, para. 22.1 above, or until the date on which the market participant becomes available again on the basis of the information communicated pursuant to Article 22, paragraph 22.1 above, or until the date GME receives the information or documentation referred to in Article 21, paragraph 21.2 above;
 - b. in the event that the market participant fails to fulfil the obligation to pay the fee referred to in Article 6, paragraph 6.1 above, as provided for in Article 39 above. The suspension shall be applicable until the date of fulfilment of this obligation by of the market participant and in any case for a period not exceeding six months, after which the market participant shall be excluded from the market.

Article 44
Notification of disciplinary measures

- 44.1 GME shall anonymously notify the adoption of the disciplinary measures referred to in Article 41, para. 41.1, subpara. b) and c) above, by publishing it, with the exception of the confidential parts, on its website, at least thirty days after the notification of the disciplinary measure to the market participant concerned, unless the issue has been

brought forward the Court of Arbitration. In the latter case, the adoption of the disciplinary measure shall be made public, only if confirmed by the Court of Arbitration.

CHAPTER II CLAIMS

Article 45

Methods for submission and minimum content of claims

- 45.1 Claims relating to the market shall be electronically sent, under penalty of inadmissibility, in the terms indicated in this Chapter and by using the specific functionality available in the market information system.
- 45.2 Any claim must include, under penalty of inadmissibility, the indication of the following elements:
- a) identification code of the trading proposal and/or of the transaction subject to claim, as attributed by the market information system, or any other reference that allows its clear identification;
 - b) GME's decision being challenged;
 - c) a brief description of the reasons underlying the claim.

Article 46

Claims following validity control and adequacy check of trading proposals

- 46.1 Market participant may challenge the outcome of the checks and verifications referred to in Article 27 above by sending a communication to GME by 4.00 pm on the second working day following that in which this result has been notified to the participant.

Article 47

Claims in relation to market result

- 47.1 Market participant may dispute the market result, in relation to the results of the process of accepting the trading proposals and determining the prices at which these proposals are valued, by sending a communication to GME by 4.00 pm on the second following working day to the one in which these results have been notified to the participant.

Article 48
Claims in relation to invoicing operations

- 48.1 Market participant may dispute the result of the invoicing operations referred to in Title III, Chapter III, Section I, by sending a notification to GME according to the modalities and within the time limits defined in the Technical Rules.
- 48.2 In the case referred to in paragraph 48.1 above, GME shall suspend payments relating to the operations subject to claim. Interest on late payments shall be granted on the amounts due resulting following the claims, amounting to the legal interest rate.

Article 49
Verification of claims

- 49.1 GME shall inform the market participant concerned of the result of the verification of the claims referred to in Article 46, Article 47 and Article 48 by 4.00 pm on the second working day following the deadline for submitting these claims.
- 49.2 If a claim referred to in Article 46 and Article 47 above, relating to a trading proposal invalid or inadequate, or to a proposal that was rejected or not accepted on the market, is accepted as GME's decision being challenged appears to be affected by error or omission attributable to GME, in the event that the proposal would have been accepted without GME's decision subject to the claim, GME shall grant the market participant concerned an indemnity amount not exceeding ten thousand/00 euro.
- 49.3 Acceptance of the amount granted by GME, by way of indemnity, pursuant to paragraph 49.2 above, implies the participant's waiver of the claim resolution remedies provided for in Chapter III of this Title.
- 49.4 The limit set out in paragraph 49.2 above shall apply, with reference to the claims indicated therein and any claim arising therefrom, also to the decisions following the arbitration procedures referred to in Article 50 below.
- 49.5 In the event that a claim referred to in Article 48 above is accepted, GME shall make the consequent corrections.
- 49.6 Acceptance of a claim shall not imply the change of the result of the market session to which it refers.

CHAPTER III DISPUTES

Article 50 Settlements of disputes

- 50.1 Without prejudice to the provisions of paragraph 50.2 below, an appeal may be lodged with the Court of Arbitration:
- a) against the rejection of admission to the MCIC;
 - b) against the disciplinary measures referred to in Article 41, paragraph 41.1;
 - c) if the market participant does not accept the result of the verification of the claim referred to in Article 49.
- 50.2 Disputes concerning the non-payment, even partial, of the fees referred to in Article 6 shall be subject to the exclusive jurisdiction of the Italian judge.
- 50.3 Without prejudice to the provisions of paragraph 50.2 above, the Court of Arbitration, in addition to the provisions of paragraph 50.1 above, shall also be competent for any other dispute between GME and the market participant regarding the interpretation and application of the Rules and of the Technical Rules.
- 50.4 The arbitration procedure must be proposed, under penalty of forfeiture, within thirty days from the notification of the provision referred to in paragraph 50.1, subpara. a) of the disciplinary measure referred to in paragraph 50.1, subpara. b) above, or the result of the dispute referred to in the previous, paragraph 50.1, subpara c).
- 50.5 The Court of Arbitration is made up of three members, one of whom is appointed by GME, one appointed by the market participant and a third party, acting as President, appointed by common agreement of the arbitrators appointed by the parties, or in case of disagreement, by the President of the Court of Rome, pursuant to article 810 of the code of civil procedure.
- 50.6 The Court of Arbitration shall decide according to law, and the arbitration procedure shall be carried out according to the provisions contained in articles 806 and following of the code of civil procedure.
- 50.7 The Court of Arbitration is based in Rome at GME's registered office.

**TITLE V
FINAL PROVISIONS**

CHAPTER I

FINAL PROVISIONS

Article 51

Awardees of contracts for the provision of services for the market

- 51.1 The parties who have been awarded contracts for services and/or supplies for the creation of the market information system shall not be admitted to this market for a period of three years starting from the operational start of the market.

Article 52

Entry into force

- 52.1 These Rules shall be published on GME's website and shall enter into force from the date of their publication.



Annex 1

Market Participation Application

Market participation application,

referred to in Article 15, paragraph 15.1, subpara. a) of the Market Rules for certificates of release to consumption of biofuels

I, the undersigned.....
(name and surname)
born in *on*.....
residing in
(address)
tax code *VAT number*.....
telephone number *certified e-mail address*
e-mail address.....

or

The company.../other
(company name or registered name)
having its registered office in
(address)
tax code.....*VAT number*.....
telephone number *certified e-mail address*
e-mail address.....

represented by *in his/her the capacity of*.....
(legal representative or duly authorised person)

WHEREAS

- the organization of and procedures for the management of the for certificates of release to consumption of biofuels Market are defined in the Rules of the market for certificates of release to consumption of biofuels (hereinafter: Rules), prepared by GME and approved by decree of the Director General of the Directorate General for supply, efficiency and competitiveness of energy (DGAECE) of the Ministry of Economic Development of 2 April 2020, pursuant to article 6, paragraph 5 bis of the Ministerial Decree of the Ministry of Economic Development of 10 October 2014, as subsequently amended and supplemented;

- the Technical Rules referred to in article 4 of the Rules are posted on GME's website and enter into force upon the date of their publication;

Now, therefore,

I, the undersigned.....

or

the company/other

.....,

represented by in his/her the capacity of.....,
(legal representative or duly authorised person)

APPLY/APPLIES

for admission to the certificates of release to consumption of biofuels Market under article 15 of the Rules, under the procedure referred to in Article 17 of the Rules.

For this purpose, I, the undersigned / the company/other.....enclose/s the documents mentioned in Article 16 of the Rules, which are an integral part hereof, as well as a signed copy of the Market Participation Agreement, referred to in Article 15, paragraph 15.1, subpara. b) of the Rules, and whose forms are annexed thereto.

The undersigned.....

or

The company/other

.....,

represented byin his/her the capacity of.....,
(legal representative or duly authorised person)

- 1) declare/s that I/it have/has read and understood the Rules and the Technical Rules and unconditionally accept/s to be bound thereby;

- 2) .declare/s that I/it have /has adequate professional qualifications and that I/it am/is proficient in the use of Information Technology (IT) or Information communication Technology systems and related security systems, or that I/it rely/relies on IT – or ICT - employees or assistants with such professional qualification and proficiency;
- 3) declare/s that the that the contact person for any communication is:

Mr./Mrs.
(Name and Surname)

- telephone number.....;
- e-mail address.....;

- 4) declare/s that I/it access/es GME's information system through the following operating profile/s:

I.
(name of the operating profile)

II.
(name of the operating profile)

III.
(name of the operating profile)

- 5) (*where applicable*) declare/s that the identification code/s of the ownership account/s in the BIOCAR Portal assigned by the GSE is/are:

- for the operating profile
(name of the operating profile)
- for the operating profile
(name of the operating profile)
- for the operating profile
(name of the operating profile)

- 6) Declare/s that my/its bank details are as follows:

IBAN;

BIC/SWIFT.....

- pursuant to Regulation (EU) 679/2016, as subsequently amended and supplemented, the personal data indicated in this participation application will be processed, for the execution of the obligations deriving from it and for the execution of the obligations deriving from the Rules, by means of IT support , in order to guarantee the confidentiality and security of the data, as indicated in the information provided pursuant to articles 13 and 14 of the aforementioned Regulation (EU) 679/2016 and published on GME’s website at: [http: // www. mercatoelettrico.org/It/GME/Info/Privacy.aspx](http://www.mercatoelettrico.org/It/GME/Info/Privacy.aspx). The applicant acknowledges the aforementioned information and gives his/her consent to the processing and communication of personal data to third parties in the modality and for the purposes indicated in the information, in compliance with current legislation.

Place, date

.....

Signature

.....



Annex 2

Market Participation Agreement

**Market Participation Agreement,
referred to in Article 15, paragraph 15.1, subpara. b), of the
Market Rules for certificates of release to consumption of biofuels**

BETWEEN

Gestore dei Mercati Energetici S.p.A., having its registered office in Rome, Viale
Maresciallo Pilsudski 122-124, 00197, Italy, tax code 06208031002 and VAT number
IT06208031002 (hereinafter referred to as: GME)

AND

...../the company/other
(name and surname) (company name or registered name)

residing in/having its registered office in Prov.....
(address)

tax code....., VAT number....., represented by..... in his/her
capacity of.....(hereinafter referred to as “the Contracting
Party”);

GME and the Contracting Party, hereinafter referred to as, individually, the “Party”, and,
jointly, the “Parties”,

WHEREAS

- A. GME is the joint-stock company, established pursuant to article 5, paragraph 1, of the legislative decree of 16 March 1999, no. 79 (hereinafter: Legislative Decree no. 79/99), which is vested with, *inter alia*, pursuant to Article 6, paragraph 5 bis, of the Ministerial Decree of the Ministry of Economic Development of 10 October 2014 (hereinafter: Ministerial Decree of 10 October 2014), the organization and management of the market for certificates of release to consumption of biofuels;
- B. Gestore dei Servizi Energetici - GSE S.p.A. is the joint-stock company established pursuant to article 3, paragraph 4, of Legislative Decree no. 79/99 and article 1, paragraphs 1, subpara. a), b) and c), and 3, of the Decree of the President of the Council of Ministers of 11 May 2004 published in the Official Journal, General series, no.115 of 18 May 2004, which is vested with, *inter alia*, the operational and managerial responsibilities for the implementation of the obligation to release biofuels to consumption, pursuant to article 33, paragraph 5-sexies of the Legislative Decree no. 28 of 3 March 2011, as subsequently amended by subsequent implementing regulatory provisions;
- C. GME has prepared, pursuant to article 6, paragraph 5 bis, of the Ministerial Decree of 10 October 2014, the market rules for certificates of release to consumption of biofuels (hereinafter: Rules), approved by decree of the general director of the Directorate-General for supply, efficiency and competitiveness of energy (DGAECE) of the Ministry of Economic Development on 2 April 2020. as subsequently amended and

supplemented;

- D. pursuant to article 15, paragraph 15.1, subpara. b) of the Rules, the party wishing to participate in the market for certificates of release to consumption of biofuels (hereinafter: "Market") shall submit a signed copy of the "Market Participation Agreement "(hereinafter: Agreement);
- E. the Technical Rules referred to in article 4 of the Rules are published on GME's website and shall become effective from the date of their publication;
- F. pursuant to and for the purposes of the Rules, GME is the counterparty of the participants in the Market;

NOW, THEREFORE

The Parties hereby agree as follows.

Article 1 **Scope of the Agreement and validity of the whereas**

1.1 This Agreement defines:

- a) rights and obligations of the Contracting Party towards GME;
- b) the terms and conditions under which GME undertakes to provide services relating to transaction in the Market (hereinafter: "Services");

1.2 The whereas of this Agreement shall constitute an integral and substantial part of the Agreement.

Article 2 **Obligations of the Contracting Party**

2.1 The Contracting Party declares to know and accept, without any conditions or reservations, the Rules, as resulting from the applicable legislation. The Contracting Party also declares to be well aware of GME's IT support system (hereinafter: the System), in its current configuration or that, in any case, it undertakes to do so.

2.2 The Contracting Party undertakes to:

- a) comply with the Rules, the Technical Rules and keep itself updated on any changes to these acts. It is understood, where the Contracting Party does not accept any changes and additions to the Rules and the Technical Rules, the Contracting Party will have the right to withdraw from this Agreement, giving notice according to the modalities and to the address specified in article 9, paragraph 9.6 below. After fifteen days from the date of publication, in the modalities set forth, of these changes and additions, without the Contracting Party having given notice of his/her intention to withdraw from this Agreement, the changes shall be considered tacitly accepted. Any trading on the Market pending the

aforementioned term will be understood as an implicit acceptance of the new terms and conditions. However, in no case the aforementioned changes will constitute a reason that could justify the failure of the Contracting Party to fulfil the obligations undertaken on the Market;

- b) adopt adequate technological systems for carrying out the trading activity, which shall be compatible with the System, as well as to update them following any changes made by GME to the System;
- c) adopt adequate technological systems for carrying out the activities relating to the invoicing of the economic items of the Market, compatible with the System and suitable for ensuring a correct, timely and secure exchange of data and information electronically transmitted, in the modalities and within the terms and conditions provided by the Rules and by the Technical Rules;
- d) employ staff with adequate professional skill and competence in the use of the technological systems referred to in subparas. b) and c) above;
- e) adhere to the guarantee system referred to in Title III, Chapter II of the Rules and to the payment settlement service referred to in Title III, Chapter III of the Rules;
- f) to notify GME timely and, where possible, in good time so as to allow GME, in order to guarantee the regular operation of the Market, to implement any corrective actions that may be necessary, regarding any inconvenience or operational anomaly deriving from technical problems, or any other event that has determined or could determine the failure or inaccurate performance of the Services. In particular, the Contracting Party undertakes to notify to GME, with the utmost timeliness and in the modalities provided for in article 9, paragraph 9.6 below, the occurrence of any events, even if only potentially dangerous for the integrity and safety of the System (such as, by way of example, theft of confidential documentation relating to access to the System or unauthorized access to the Contracting Party's premises in which this documentation is kept);
- g) cooperate with GME, or with third parties appointed by the same, also by allowing their employees or assistants to access Contracting Party's premises, in order to carry out any operations on the Contracting Party's hardware and software as may be necessary to ensure the proper functioning of the Market. It is understood that, GME shall be liable, pursuant to article 2049 of the civil code, for any damages caused upon such operations;
- h) respect GME's rights of ownership on the data transmitted through the System and on the trademarks registered or used by the same, as well as GME's or third-party suppliers' rights of ownership on the software programs used for the provision of the Services;
- i) to maintain confidentiality on the devices referred to in Article 4, paragraph 4.1 below, and use them, or allow their use by duly authorized persons, exclusively for accessing and carrying out trading activities on the Market. The Contracting Party, therefore, shall undertake all responsibility for unauthorized access to the Market by third parties and undertakes to hold GME harmless from any damage or threat to the integrity or security of the System that may result from the negligence of the Contracting Party or of its staff in the safekeeping of such devices. ;
- j) timely request GME to disable the devices referred to in subpara. i) above and to allocate new or different devices in all cases where the Contracting Party has reasons to believe that unauthorized persons may make an improper use thereof;

- k) hold GME harmless from any damage or cost that GME may have incurred, even as a result of actions or conduct promoted by third parties, as a result of acts or behaviours carried out by the Contracting Party, as well as by his/her staff members, assistants or consultants in violation of this Agreement, of the Rules, of the Technical Rules, as well as any other legislative or regulatory provision, or instruments and provisions issued by GME or by competent authorities.

Article 3 **Services of GME**

- 3.1 The Services shall be provided by GME to the Contracting Party in compliance with this Agreement, the Rules and the Technical Rules. GME's obligations relating to the provision of the Services constitute "obligations of means".
- 3.2 GME shall provide the Contracting Party with the necessary collaboration for the Contracting to access the System, in particular, in accordance with the indications set forth in the Technical Rules. It is understood that, the implementation of the activities and the provision of the necessary means of access shall be under the exclusive responsibility and at the sole expense of the Contracting Party.
- 3.3 GME may modify technical, functional, administrative and operational procedures for the supply of the Services, as a result of amendments or additions to the Rules or Technical Rules.
- 3.4 Without prejudice to the provisions of the Rules and the Technical Rules, if the supply of the Services is interrupted, suspended, delayed or subject to malfunctions caused by technical reasons concerning the System, GME shall undertake to do what is necessary to overcome such disservices. It is understood that, if the aforesaid events result from technical problems with the hardware or software used by the Contracting Party to access the System, the Contracting Party shall eliminate the relative causes with the maximum speed. GME and the Contracting Party shall co-operate within the scope of their responsibilities to identify the causes of interruptions, suspensions, delays or malfunctions and to restore the proper functioning of the System as soon as possible.
- 3.5 GME shall be responsible for the correct processing, reporting and transmission of data entered by third parties in the System, or which may result from the Market. GME and the Contracting Party agree that GME's obligations shall not include the checking of the truthfulness, accuracy and completeness of data and information provided by third parties and made available to the Contracting Party as part of the provision of the Services.
- 3.6 GME and the Contracting Party agree that GME is not responsible for non-functioning or malfunctioning of lines of communication (for example, telephone lines), as well as of access to the Internet.
- 3.7 The Contracting Party agrees that GME may make use of third parties designated by GME for the supply of the Services, while it is understood that in every case, the contractual relationship shall be exclusively between the Contracting Party and GME.

3.8 GME shall undertake to respect the Contracting Party's rights of ownership on the data transmitted through the System and on the trademarks registered or used by the Contracting Party and made known to GME.

3.9 GME shall hold the Contracting Party harmless against any damage or cost as the Contracting Party may incur, also as a result of actions of third parties, caused by the actions or conduct of GME or of its staff members, assistants or consultants in the management and supply of the Services which are in violation of this Agreement, the Electricity Market Rules or Technical Rules, as well as of any other legislative provision or regulation applicable hereto.

Article 4 **Means of access to the System**

4.1 For the purpose of accessing the System, the Contracting Party shall use the technical security devices indicated by GME, such as, for example, the user code together with password, smart card or other means of strong authentication.

4.2 Access to the system shall be made in accordance with the provisions specified in the Technical Rules.

Article 5 **Consideration**

5.1 For the Services supplied in accordance herewith, the Contracting Party shall pay the fees determined by GME pursuant to Article 6 of the Rules, according to the procedures and time limits defined in Article 39 of the Rules.

5.2 Where the System is totally disabled and such as to prevent the Contracting Party from carrying out transactions in the Market, the fee referred to in Article 6, paragraph 6.1, subpara. b) of the Rules, shall be reduced proportionally to the period in which such deactivation occurred. and such as to prevent the Contracting Party from carrying out transactions in the Market, the fees referred to in para. 5.1 above shall be reduced proportionally to the period in which such disabling has occurred.

Article 6 **Limitation of liability, force majeure and fortuitous events**

6.1 Notwithstanding the provisions of the Rules, GME shall, in carrying out the Services, be liable for damages of a contractual and extra-contractual nature, exclusively when they constitute the immediate and direct consequence of wilful or serious misconduct and, in the latter case, are foreseeable upon the date of signature of this Agreement. The Parties agree that there shall be no obligation of compensation or indemnity for damages that are an indirect or unpredictable consequence of the conduct of GME, including but not limited to damages resulting from the loss of business opportunities, customers or profits.

6.2 The Contracting Party shall notify GME, under penalty of lapse of time limit, of any claim to compensation relating to the supply of the Services within and not later than fifteen working days from the day on which the Contracting Party has come to know or should have known, using proper diligence, of the occurrence of the damaging event, providing

a detailed report of the circumstances of the damaging event and of the damages so produced. The relative documentation in support of the claim shall be transmitted to GME within and not later than twenty working days from the day on which the Contracting Party has become aware or should have become aware, using proper diligence, of the occurrence of the damaging event.

- 6.3 GME and the Contracting Party shall not be liable for default due to force majeure, fortuitous cases, or events beyond their control, including but not limited to wars, uprisings, earthquakes, floods, fires, strikes, interruptions in electricity supply or in operation of the data transmission lines which are part of the System, when such interruptions are exclusively the fault of third parties.
- 6.4 GME may, in cases of force majeure or fortuitous events, and, in general, in all cases where the operations of the Contracting Party may potentially damage the integrity or security of the System, suspend access to the System without the necessity of prior notification of the circumstances giving rise to the suspension.

Article 7 Duration

- 7.1 This Agreement shall be executed by and upon the signature of the Contracting Party and with the receipt of its original by GME and has an unlimited duration. The effectiveness of the Agreement shall be subject to the positive verification by GME of the completeness and correctness of the documentation submitted by the Contracting Party and the fulfilment of the requirements for admission of the Contracting Party to the Market. GME shall notify the Contracting Party of the outcome of said verifications pursuant to article 17 of the Rules.
- 7.2 This Agreement shall cease to have validity and effect upon the occurrence of one of the following events:
- a) exclusion of the Contracting Party from the Market;
 - b) total disabling of the System as a result of amendments to the applicable rules;
 - c) Contracting Party's withdrawal herefrom.
- 7.3 The termination of the Agreement under this Article shall not impair any other right of either party under the Agreement or under the applicable legislation, and any right or obligation of either party that has already arisen upon the date of dissolution.

Article 8 Termination

- 8.1 Any loss for whatever reason of the status of Participant, as acquired pursuant to article 17 of the Rules, shall constitute reason for de jure termination of this Agreement pursuant to article 1456 of the Italian Civil Code, notwithstanding the right of GME to withhold the fixed fee referred to in Article 6, paragraph 6.1, subpara. b) of the Rules by way of indemnity and any other further right to compensation for any additional damages.

Article 9
General clauses

- 9.1 The invalidity or nullity of one or more of the clauses of this Agreement shall not affect the validity of the remaining clauses, which shall retain in every case their full force and effect.
- 9.2 This Agreement and the rights and obligations for the Parties resulting therefrom shall not be assigned to third parties unless otherwise specified herein.
- 9.3 Without prejudice to the provisions of article 6, paragraph. 6.2 above, failure or delay by either Party to exercise the rights arising herefrom shall not represent a waiver of such rights.
- 9.4 This Agreement, drawn up in Italian, shall be signed and initialled on each page in the modalities defined in the Technical Rules. Notwithstanding the provisions of article 2, paragraph 2.2, subpara. a) above, any amendment to the Agreement shall be in writing.
- 9.5 For the purposes of this Agreement, the Parties elect domicile at the following addresses:
- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski no. 122/124
00197 Roma;
 -
(address)
- 9.6 Any communication or notification to be made in accordance herewith shall be in writing and delivered by hand or by courier, or sent by registered letter with return receipt, or by fax, or by e-mail with acknowledgment of receipt, to following addresses:
- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski no. 122/124, 00197 Roma, fax number: + 39 06 8012 4524; e-mail address: info@mercatoelettrico.org; certified e-mail address: gme@pec.mercatoelettrico.org;
 -
(address)
e-mail address..... certified e-mail address
- 9.7 Communications shall be deemed to have been received upon the date of signature of their receipt of delivery, if delivered by hand, or when they reach the receiver's address, if sent by registered letter with return receipt, or upon the date of acknowledgement of receipt, if sent by e-mail, or upon the date of acknowledgement of delivery, if sent by certified e-mail.

**Article
10
Applicable
legislation**

10.1 This Agreement is governed by the Italian Law

**Article
11
Disputes**

11.1 Any dispute that may arise between GME and the Contracting Party in connection herewith shall be settled according to the provisions contained in Title IV of the Rules, which shall be deemed to be integrally referenced and transcribed herein.

The Contracting Party

.....

For the purposes and effects of Articles 1341 and 1342 of the Italian Civil Code, I hereby specifically approve the following clauses of the Agreement: Article 2.2 subpara. a) (Rules and Technical Rules and amendments thereto); Article 2.2, subpara. i) (Liability for unauthorized Market access); Article 2.2 subpara. k) (Hold harmless); Articles 3.5 and 3.6 (Limitation of Liability); Article 6 (Limitation of liability, force majeure and fortuitous events); Article 7 (Duration); Article 8 (Termination); Article 9.2 (Prohibition of assignment); Article 10 (Applicable legislation); Article 11 (Disputes).

The Contracting Party

.....

Rome, *(date)*