NATURAL-GAS MARKET RULES (*)

approved with a Decree of the Minister of Economic Development of 6 March 2013, 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
Text and Annexes

1.1 These Natural-Gas Market Rules (hereafter "Rules") and the documents annexed hereto, which are an integral and essential part hereof, contain the rules governing the operation of the gas market adopted in compliance with Article 30 of Law no. 99 of 23 July 2009, Article 8, para. 2, and Article 32, para. 2 of Legislative Decree no. 93 of 1 June 2011, as well as with the provisions referred to in Decisions nos. 312/2016/R/GAS and 612/2018/R/GAS of the Italian Regulatory Authority for Energy, Networks and Environment.

Article 2
Definitions

2.1 For the purposes of these Rules:

a) ***ARERA*** (or "Authority") shall mean *Autorità di Regolazione per Energia Reti e Ambiente* (Italian Regulatory Authority for Energy, Networks and Environment), which was set up in compliance with Law no. 481 of 14 November 1995;

a bis) ***ACER*** shall mean the European Union Agency for the Coordination of Energy Regulators, i.e. the agency that is mandated, *inter alia*, to monitor the trading activity of wholesale energy products "to detect and prevent market manipulation and trading based on inside information";

b) ***Order Book*** shall mean the on-line report of trading orders that Market Participants have entered into the market information system and that are ranked by price and time of entry;

c) ***CSEA*** shall mean *Cassa per i servizi energetici e ambientali* (electricity and environmental services fund);

d) ***Identification code of the storage company*** shall mean the alphanumerical code uniquely identifying the storage company for which an MGS-enabled user can submit bids/offers into the MGS;

e) ***Identification Code of the Market Participant*** shall mean the alphanumerical code uniquely identifying a party in view of participation in the market;

f) ***Identification Code of the Offer Point*** shall mean the alphanumerical code uniquely identifying an offer point in respect of which a user enabled for the MPL or for the MVS is entitled to submit offers;

g) ***Identification code of the session*** shall mean the alphanumerical code uniquely identifying an MGAS session;

h) ***Network Code*** shall mean the rules for the access to and delivery of the natural gas transmission service established by *Snam Rete Gas* pursuant to Article 24, paragraph 5, of Legislative Decree no. 164/00 and approved by the Authority pursuant to Resolution of 4 July 2003, No. 75, as subsequently amended and supplemented;

i) ***PSV identification Code*** shall mean the code adopted by *Snam Rete Gas* that identifies the Market Participant enabled for the PSV, indicated in the Technical Rules;

j) ***Segment for the supply of system gas*** (AGS) shall mean the market segment whose sessions are organised in the MGP-GAS and MI-GAS, in which the Balance Responsible Party acquires the resources necessary for the operation of the gas system according to

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Resolution 451/2019/R/Gas;

k) ***Terms and Conditions for Trading Natural Gas at the PSV*** shall mean the terms and conditions (*Condizioni per la cessione e lo scambio di gas naturale al PSV*) approved by ARERA with its Decision 22/04 of 26 February 2004, as subsequently amended and supplemented;

l) ***Spot Contracts*** shall mean the contracts tradable in the MP-GAS and MVS and identified herein;

m) ***Forward Contracts*** shall mean the contracts tradable in the MT-GAS and identified in the Technical Rules;

n) ***Legislative Decree 164/00*** shall mean Legislative Decree no. 164 of 23 May 2000 implementing Directive 98/30/EC concerning common rules for the internal market in natural gas, as per Article 41 of Law no. 144 of 17 May 1999, as subsequently amended and supplemented;

o) ***Legislative Decree 79/99*** shall mean Legislative Decree no. 79 of 16 March 1999 implementing Directive 96/92/EC concerning common rules for the internal market in electricity, published in *Gazzetta Ufficiale* no. 75 of 31 March 1999;

p) ***Legislative Decree 93/11*** shall mean Legislative Decree no. 93 of 1 July 2011 implementing Directives 2009/72/EC, 2009/73/EC and 2008/92/EC concerning common rules for the internal market in electricity, in natural gas and a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users, and repealing Directives 2003/54/EC and 2003/55/EC, published in *Supplemento Ordinario* no. 157/L, *Gazzetta Ufficiale* no. 148 of 28 June 2011, as subsequently amended and supplemented;

q) ***Decree of 9 August 2013*** shall mean the Decree adopted by the Ministry of Economic Development on 9 August 2013, setting the date of take-off of the MT-GAS, as of which these Rules shall fully supersede the Gas Market Rules, approved by the Ministry of Economic Development on 26 November 2010, as subsequently amended and supplemented;

r) ***ARERA's Decision 312/2016/R/GAS*** means the decision of 16 June 2016 titled "Gas balancing, implementing Commission Regulation (EU) No 312/2014" that incorporates and supplements the provisions of Commission Regulation (EU) No 312/2014;

s) ***ARERA's Decision 612/2018/R/GAS*** means the decision of 27 November 2018 titled "Provisions on imbalance price referred to in paragraph 5.4 of the Integrated Balancing Text (TIB)", which also provides for the participation of Snam Stoccaggio in the MGAS;

t) ***Resolution 451/2019/R/GAS*** shall mean the Authority's resolution of 5 November 2019 on "Additional provisions on the procurement of resources necessary for the operation of the gas system by the Balance Responsible Party" adopted in order to supplement the provisions pursuant to the Authority's Resolution 208/2019/R/GAS of 28 May 2019 concerning "Provisions functional for the supply of the resources necessary for the functioning of the gas system";

t bis) ***ARERA's Resolution 376/2026/R/gas*** shall mean the Authority's resolution of 20 October 2026, as subsequently amended and supplemented, on "Implementation of the liquidity service pursuant to article 10 of Law-Decree no. 21 of 20 February 2026", adopted under art. 10, para. 2 of Law-Decree no. 21 of 20 February 2026, as amended and converted into Law no. 49 of 10 April 2026;

u) ***Exclusion from the Market*** shall mean the loss of the status of Market Participant;

v) ***Guarantee Fund*** shall mean the fund established by CSEA, referred to in ARERA's Opinion 4/2013/I/GAS, in Resolution 365/2013/R/gas, and in Resolution 502/2016/R/GAS, as subsequently amended by the Authority with a dedicated provision;

w) ***Working Day*** shall mean a day from Monday to Friday, with the exception of holidays recognised by the State for all civil purposes, as well as any other days indicated in the

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Technical Rules.

x) ***GME*** shall mean *Gestore dei Mercati Energetici S.p.A.*, the company (*società per azioni*) that is vested, among others, with the economic management of the electricity market under Article 5 of Legislative Decree 79/99 and the economic management of the natural-gas market under Article 30 of Law no. 99 of 23 July 2009;

x bis) ***IG Index GME*** shall mean the reference index of the Italian gas market that GME calculates for each gas-day under the procedures indicated herein;

y) ***Storage company*** shall mean the company providing the storage service and offering storage capacity to the users of the service;

z) ***Law no. 99 of 23 July 2009*** shall mean the law concerning provisions on development and internationalisation of companies, as well as on energy matters, published in *Gazzetta Ufficiale* no. 176, *Supplemento Ordinario* of 31July 2009;

aa) ***Billing*** shall mean the determination of the values of payables and receivables;

bb) ***Market Making*** shall mean the activity performed to improve the liquidity of the market that the Market Participant agrees to carry out pursuant to the provisions laid down in these Rules;

cc) ***Market*** shall mean the Gas Market ***(Mercato del Gas - MGAS)*** organised and managed by GME and consisting of the Spot Gas Market (MP-GAS) and of the Forward Gas Market with delivery-making/-taking obligation (MT-GAS), as well as of the Market for the Management of Voluntary Solidarity Measures (MVS);

dd) ***Spot Gas Market*** (*Mercato del Gas a Pronti* – MP-GAS) shall mean the set of the Day-Ahead Gas Market (MGP-GAS), of the Intra-Day Gas Market (MI-GAS), of the Locational Products Market (MPL), and the organised market for the trading of storage gas (MGS) - where spot contracts are traded;

ee) ***Forward Gas Market with delivery-making/-taking obligation*** (*Mercato del Gas a Termine con obbligo di consegna e ritiro* - MT-GAS) shall mean the market where forward contracts are traded;

ff) ***Day-Ahead Gas Market*** (*Mercato del Giorno Prima del Gas* - MGP-GAS*)* shall mean the venue where gas demand bids and supply offers are traded for the applicable period, or more consecutive applicable periods, with delivery taking place on the gas-days following the one on which the last MGP-GAS session ends, pursuant to the provisions of these Rules;

gg) ***Locational Products Market*** shall mean the market hosting the sessions provided for in Article 6 of the TIB, activated at the request of the Balance Responsible Party, and dedicated to the trading of demand bids and supply offers concerning the same gas-day of the session or the following gas-day;

hh) ***Electricity Market (ME)*** shall mean the set composed by the Daily Products Market (MPEG), the Day-Ahead Market (MGP), the Intra-Day Market (MI), the Ancillary Services Market (MSD), and the Forward Electricity Market (MTE).

ii) ***Intra-Day Gas Market*** *(Mercato Infragiornaliero del Gas* - MI-GAS*)* shall mean the venue where gas demand bids and supply offers are traded for the applicable period corresponding to the one in which the MI-GAS session ends;

jj) ***Regulated Market for the trading of gas stored (MGS)*** shall mean the market dedicated to the trading of sale/purchase offers of gas storage referred to Article 7 of the TIB;

jj bis) ***Market for the Management of Voluntary Solidarity Measures (MVS)*** shall mean the market where, in compliance with the provisions of Article 8 of Legislative Decree 93/11, sessions are held for the procurement of gas by Market Participants requesting solidarity; these sessions are activated at the request of the Balance Responsible Party;

kk) ***Netting*** **markets** shall mean the set consisting of the netting markets of the ME and the netting markets of the MGAS, considered as a whole for the purpose of verifying the

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adequacy of the capacity of the guarantees, the offsetting and regulation of the related payments, as well as default;

ll) ***Netting markets of the ME*** shall mean the MGP and the MI;

mm) ***Netting markets of the MGAS*** shall mean the markets that form the MPGAS;

nn) ***Auction Trading*** shall mean the mechanism of trading which involves the submission, change and cancellation of trading orders within a given time interval, with a view to concluding contracts at a single future time and at a single price***;***

nn bis) ***Catching Trading*** shall mean the trading mechanism based on the conclusion of transactions through the selection of supply offers, valued at the price quoted in the supply offer selected;

oo) ***Continuous Trading*** shall mean the trading mechanism based on automatic matching on the Order Book of continuous demand bids with supply offers during the trading sessions where new bids/offers are presented*;*

pp) ***Accepted Bid/Offer*** shall mean an adequate bid/offer for which the Market Participant acquires the right to receive the requested service or the obligation to supply the offered service, at prices established in accordance herewith;

qq) ***Adequate Bid/Offer*** shall mean a valid bid/offer which has been submitted pursuant to these Rules;

rr) ***Multiple Bid/Offer*** shall mean a bid/offer consisting of a set of simple bids/offers submitted by the same Market Participant in the auction session of the MGP-GAS (if set forth in these Rules), in the MPL, MVS, MGS or AGS for the same applicable period and referring to the same type of bid/offer (demand bid/supply offer) and, if presented in the MPL or MVS, referring to the same offer point;

rr bis) ***Predefined Bid/Offer*** shall mean a simple or multiple bid/offer that is submitted by a user enabled for the MVS before the opening of a session of the MVS and that is taken into consideration for the selection of the same bids/offers in the subsequent sessions of the MVS itself;

ss) ***Simple Bid/Offer*** shall mean a bid/offer presented in the auction session of the MGP-GAS (if set forth in these Rules), in the MPL, MVS, MGS, or AGS that specifies a quantity of gas offered for purchase or sale and a corresponding unit price, referred to an applicable period and, if presented in the MPL or MVS, referred to an offer point;

tt) ***Valid Bid/Offer*** shall mean a bid/offer submitted in accordance with the procedures and within the time limits indicated herein;

uu) ***Market Participant*** *shall* mean a natural or legal person, including the PA Market Participant, admitted to trading in the market;

vv) ***PA Market Participant*** shall mean the Administration as per Art. 1, paragraph 209 of Law no. 244 of 24 December 2007;

ww) ***Electricity Market Participant*** shall mean a natural or legal person (individual or organisation) admitted to trading in the electricity market organised and managed by *GME;*

ww bis) ***Market Participant Requesting Solidarity*** shall mean a party that has been identified by a Member State requesting solidarity and notified by Snam Rete Gas to GME; such party may procure gas by selecting supply offers in the MVS after having acquired the status of Market Participant;

xx) ***Forward Account Registration Platform*** **(PCE)** shall mean the venue for registering transactions and forward schedules that is organised and managed by GME according to Article 17 of Annex A of Authority's decision no. 111/06 as subsequently amended and supplemented;

yy) ***Delivery Period*** shall mean the period in which the gas underlying spot and forward contracts is injected/withdrawn;

zz) ***Trading Period*** shall mean the period during which spot and forward contracts are traded;

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aaa) ***Applicable Period*** shall mean the gas-day, i.e. the period of 24 consecutive hours beginning at 6:00 of each calendar day and ending at 6:00 of the next calendar day;

bbb) ***PSV*** shall mean the *Sistema per Scambi/Cessioni di Gas al Punto di Scambio Virtuale – modulo PSV* (gas trading system at the Virtual Trading Point – PSV) referred to in ARERA's Decision 22/04 (as subsequently amended and supplemented) and organised and managed *by Snam Rete Gas*;

ccc) ***Net MGAS Position*** shall mean the net delivery position, obtained as the algebraic sum, calculated for each applicable period, of the gas volumes (underlying the purchase and sale contracts concluded by the Participant in the MGP-GAS and MI-GAS, including purchase and sale contracts concluded in the AGS and MT-GAS) to be delivered;

ddd) ***Contractual Position*** shall mean the algebraic sum, calculated for each type of contract, of the gas volumes underlying the purchase and sale contracts concluded by the Market Participant in the MGP-GAS, in the MI-GAS and in the MT-GAS;

eee) ***MPL Position*** shall mean the delivery position, referred to each offer point, of the amount of gas underlying the contracts for the purchase or sale concluded by an MPL-enabled user in the MPL;

fff) ***Check Price*** shall mean the price determined by GME for carrying out adequacy verifications in the MGAS;

ggg) ***Remuneration price*** shall mean the remuneration price referred to in Articles 45, 53, 103, and 105 sexies of these Rules;

hhh) ***Reference Price*** shall mean the average price per MWh, weighted for the related volumes, of all transactions concluded in an MGP-GAS, MI-GAS, MGS, and MT-GAS session referred to in Articles 32, 37, 54, and 59 of these Rules, respectively;

iii) ***Offer Point*** shall mean the entry and/or exit point of the transmission network to which the quantity of demand bids and supply offers for the purpose of trading in the MPL and MVS refers;

iii bis) ***REMIT*** shall mean Regulation (EU) No. 1227/2011 of the European Parliament and the Council of 25 October 2011 on wholesale market integrity and transparency, as subsequently amended and supplemented, *inter alia*, by Regulation (EU) 2024/1106;

jjj) ***Balance Responsible Party*** shall mean Snam Rete Gas;

jjj bis) ***Request for cancellation*** shall mean the request for cancellation of transactions submitted by a Market Participant that has made an error in entering an offer, which was matched during a continuous trading session of the MGP-GAS or the MI-GAS;

kkk) ***Sitting*** shall mean, for the auction session of the MGP-GAS (if set forth in these Rules), for the MPL and MGS markets, and for the AGS segment, the time period during which bids/offers must be submitted in order to be considered valid;

lll) ***Market Session*** shall mean the set of activities directly related to receiving and processing bids/offers, as well as determining the corresponding results, or selecting bids/offers;

mmm) ***Settlement*** shall mean the payment process in the MGAS, where applicable;

nnn) ***Snam Rete Gas*** shall mean *Snam Rete Gas S.p.A,* the company established on 15 November 2000, which carries out the transmission and dispatching of gas;

ooo) ***Snam Stoccaggio*** shall mean Snam Stoccaggio S.p.A., the largest storage company established on 31 October 2001;

ppp) ***Suspension of the Market Participant from the Market*** shall mean the temporary prohibition for a Market Participant to submit bids/offers into the market;

qqq) **Integrated text of the Electricity Market Rules** shall mean the electricity market rules pursuant to Article 5 of Legislative Decree no. 79 of 16 March 1999;

rrr) ***TIB*** shall mean the "Consolidated Text of the Balancing" as subsequently modified and integrated, annexed to Resolution 312/2016/R/GAS and that forms part thereof;

sss) ***User enabled for the MGS*** shall mean the Market Participant communicated by the

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storage company that has enabled the same Market Participant;

ttt) ***User enabled for the MPL*** shall mean the Market Participant, communicated by Snam Rete Gas, which has been enabled to submit bids in respect of the offer points that it holds;

uuu) ***User enabled for the MVS*** shall mean the Market Participant, communicated by Snam Rete Gas, which has been enabled to submit supply offers in the MVS in respect of the offer points that it holds.

2.2 For the purposes of these Rules, please see, where applicable, the definitions in Article 2, para. 2.1 of the Integrated Text of the Electricity Market Rules.

Article 3
General Principles and Amendments to the Rules

3.1 GME shall fulfil its responsibilities in transparent and non-discriminatory ways with a view to safeguarding the proper operation of the MGAS.

3.2 With exception to the confidentiality obligations covered hereby or by the market participation agreement referred to in Article 13, para. 13.1 b) hereof, GME may at any time report behaviours directly or indirectly affecting the proper operation of the market to the relevant authorities.

3.3 GME shall put in place an organisational structure suitable for preventing real or potential conflicts of interest and adopt procedures for monitoring compliance both with these Rules and with the Technical Rules.

3.4 In their activities in the market, Market Participants are required to abide by common principles of correctness and good faith.

3.5 GME may propose amendments hereto and notify them to the parties concerned by posting them on its website or by other suitable means, allowing at least fifteen days for the submission of comments, if any. Taking into account the comments received, GME shall submit the proposed amendments (and their rationale) to the Minister of Environment and Energy Security for approval after hearing the opinion of ARERA.

3.6 The procedure referred to in para. 3.5 above shall not apply to urgent amendments hereto having the purpose of safeguarding the regular functioning of the market or in the case of amendment of the Rules to the applicable regulatory provisions. Any such amendment proposed by GME shall have effect as of the date of its publication on GME's website and be timely submitted to the Minister of Environment and Energy Security for approval after hearing the opinion of ARERA. In case of non-approval, the amendment shall cease to have effect as of the date of notification of the Minister's decision to GME. GME shall timely notify the outcome of the approval procedure to Market Participants by posting an appropriate notice on its website.

Article 4
Technical Rules

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4.1 The implementing and procedural provisions hereof shall be set out in the Technical Rules (*Disposizioni Tecniche di Funzionamento* - DTF). In formulating the Technical Rules, GME shall adopt criteria of neutrality, transparency, objectivity and competition between or among Market Participants.

4.2 The Technical Rules shall be posted on GME's website and become effective as of the date of their publication.

4.3 GME may also provide interested parties with draft versions of the Technical Rules, setting a date by which such parties may submit their comments.

Article 5
Units of Measurement and Rounding off

5.1 For the purposes of the market GME follows the unit of measurement defined in the Technical Rules

5.2 For the purposes of the market, figures shall be rounded off according to the mathematical criterion. In particular, figures shall be rounded up or down to the nearest last decimal allowed and, if the result is halfway, they shall be rounded up.

5.3 In case of acceptance of bids/offers under the *pro quota* criterion referred to in Articles 53, paragraph 53.5, and 105 sexies, paragraph 105 sexies.4 below, if the application of the provisions referred to in paragraph 5.2 above gives rise to remainders, these remainders shall be allocated to the bid/offer having higher time priority.

Article 6
Access to GME's Information System

6.1 Access to GME's information system shall take place through the Internet in compliance with the procedures and within the time limits defined in the Technical Rules or by any other means as defined therein.

Article 7
Fees for the Services Provided by GME

7.1 For the services provided by GME in the MGAS, Market Participants shall pay:
a) an access fee;
b) a yearly fixed fee;
c) a fee for the MWh traded;
d) a fee applied in the event of submission of a request for cancellation of transactions as mentioned in Article 61 bis below.
Market Participants in the MGAS shall also pay to GME specific fees for the services provided under Article 9, para 9.5 below.

7.2 If the MGAS Market Participant is at the same time an Electricity Market

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Participant, it shall not pay the fee referred to in para. 7.1 a) above to GME.

7.3 On a yearly basis, GME shall determine the extent of the fees referred to in para. 7.1 a), b), c), and d) above. The amount of the fees, having effect as of 1 January of the following year, shall be published on GME's website.

7.4 The structure, extent, and effective date of the fees referred to in para 7.1 above, for the services provided under Article 9, para. 9.5 below, shall be published on GME's website.

Article 8
Contribution to the Resources to Be Used for Default Management [repealed]

Article 9
Market Information

9.1 The data and market results, at the aggregate level, are in the public domain and published on GME's website. Participants shall have access to data and market information that directly concern them.

9.2 Except in cases where the reporting obligation derives from laws, regulations or other measures adopted by authorities, and from the provisions set forth in Article 23, paragraph 23.3 below, GME publishes:

a) as for the MGP-GAS and MI-GAS, the data on bids/offers after the expiry of three months from the last day available for the trading of the gas-day to which such bids/offers refer, or for the AGS segment, the data relating to the bids/offers after three months from the day of the session to which such bids/offers refer;
b) as for the MPL market, the data on bids/offers after the expiry of the three months from the day of the session to which the bids/offers refer;
c) as for the MGS market, the data on bids/offers after the expiry of the seven days from the session to which the bids/offers refer;
d) the data regarding the transactions concluded anonymously in the MT-GAS, after three months from the last day of trading of the contract to which the bids/offers refer;
e) for the MVS market, the data pertaining to bids/offers three months after the day of the session to which the bids/offers refer.

9.3 GME shall publish on its website, and in the market information system, the information relevant to the determination of the imbalance price referred to in Decision 312/2016/R/GAS.

9.4 GME shall send Snam Rete Gas and storage companies the information necessary for the activities in their sphere of competence.

9.5 Under the provisions of REMIT, GME shall transmit to ACER the data and information concerning the operations made by Market Participants in the MGAS.

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Article 10
Communication and Publication of Data and Information

10.1 Unless otherwise specified, the communication and publication of data and information provided for herein shall be carried out with electronic means. In particular:

a) communication to a Market Participant shall take place by making available data and information in the section of GME's information system whose access is restricted to that Market Participant;
b) publication shall take place by making available data and information in the section of GME's information system whose access is non-restricted.

10.2 Bids/offers submitted by Market Participants shall be deemed to be received on the date and at the time recorded by GME's information system.
Any other communication shall be deemed to be received:

a) on the day and at the time of receipt, if it arrives between 08:00 and 17:00 of a working day;
b) at 08:00 of the first working day following the day of receipt, if it arrives between 17:00 and 24:00 of a working day, or between 00:00 and 24:00 of a non-working day;
c) at 08:00 of the day of receipt, if it arrives between 00:00 and 08:00 of a working day.

10.3 For the purpose of determining the time of receipt of a communication, the time shall be obtained from GME's records. For electronic communications, the time shall be obtained from GME's information system.

Article 11
Security of Access

11.1 Market Participants shall have access to the market through special procedures defined in the Technical Rules. Such procedures shall guarantee the identification of Market Participants and authenticate their transactions.

11.2 Market Participants shall treat their access codes and any other data or device required to access GME's information system as confidential.

TITLE II
ADMISSION TO THE MARKET

Article 12
Requirements for Admission to the Market

12.1 Parties applying for admission to the market shall have adequate experience and competence in the use of ICT systems and related security systems, or have employees or assistants with such experience and competence.

12.2 The following parties shall not be admitted to the market:

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a) parties that have been convicted with a final judgement (except in cases of rehabilitation/reinstatement), or with a judgement applying the penalty at the request of the parties (except in cases of extinction of the crime), to imprisonment for the crime referred to in Article 501 of the Italian Criminal Code, for one of the violations of the secrecy of electronic communications referred to in Articles 617 *quater, quinquies, sexies* of the Criminal Code, for computer fraud as per Article 640 *ter* of the Criminal Code, for fraud against the State or other public body as per Article 640, para. 2, no. 1 of the Criminal Code, as well as for income tax and value added tax crimes as per Legislative Decree no. 74 of 10 March 2000;
b) parties that have been excluded from the market during the sixty months preceding the presentation of the new application form, except as provided in subparagraph c) below, and except in cases of exclusion referred to in Article 21 below;
c) parties that have been excluded from the MGAS against which, at the date of submission of the new application, GME still claims an accrued and unpaid credit in the MGAS.

12.3 If the party applying for market admission is an organisation, the requirements stated in para. 12.2 above shall refer to the owner, legal representative or duly authorised person.

12.4 Where reference is to be made, in full or in part, to foreign legal systems, GME shall verify compliance with the admission requirements mentioned in paras. 12.2 and 12.3 above based on a substantial equivalence evaluation.

Article 13
Market Participation Application and Market Participation Agreement

13.1 A party intending to participate in the market must submit to GME (in accordance with the procedures and within the time limits established in the Technical Rules):
a) a market participation application (*Domanda di ammissione al mercato*) in the format annexed hereto (*Annex A*), together with the documents indicated in Article 14 below;
b) a signed copy of the market participation agreement (*Contratto di adesione al mercato*) in the format annexed hereto (*Annex B*).

Article 14
Documents to Be Enclosed to the Market Participation Application

14.1 The market participation application, duly signed by the applicant, shall be accompanied by:
a) a declaration in compliance with Decree no. 445 of the President of the Republic of 28 December 2000, stating that the applicant or, if the applicant is an organisation, the party referred to in Article 12, para. 12.3 above, has not been subject in Italy to measures implying the loss of the qualifications mentioned in Article 12, para. 12.2, subpara. a) above, or subject abroad to measures corresponding to those which would imply the loss of the same qualifications under the Italian legal system, or other equivalent documents based on which GME shall carry out a substantial equivalence evaluation;
b) if the market participation application is signed by the legal representative or other duly authorised person, a declaration in compliance with Decree no. 445 of the President of the Republic of 28 December 2000, certifying his/her powers

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of representation, or other equivalent documents based on which GME shall carry out a substantial equivalence evaluation.

14.2 If the documents referred to in para. 14.1 above are already held by GME, the applicant shall be exempted from submitting them, but it shall submit a declaration indicating this fact, specifying the date of submission of the documents to GME and certifying that the content of such documents is still current.

Article 15
Admission Procedure

15.1 GME shall notify the applicant of its admission to the market or of the rejection of its application (and the reasons for the rejection) within fifteen calendar days of receipt of the application, after verifying the fulfilment of the requirements stated in Article 12 above, as well as the regularity of the submitted documents. Such notification shall be made in accordance with the modalities and within the time limits that are defined in the Technical Rules.

15.2 For the purpose of verifying the fulfilment of the requirements referred to in Article 12, para. 12.1 above, GME may ask the applicant to provide appropriate documents.

15.3 In case of incomplete or irregular documents, GME shall - under the modalities and within the time limits defined in the Technical Rules - communicate to the applicant the steps necessary to complete or regularise the documents, as well as the date by which it shall do so. Such notification shall suspend the time limit referred to in para. 15.1 above, which shall run again from the date upon which GME receives the completed or regularised documents.

15.4 Upon admission, the applicant shall acquire the status of Market Participant.

Article 16
Admission of Snam Rete Gas and Snam Stoccaggio to the Market

16.1 With exception to Article 15 above, Snam Rete Gas and Snam Stoccaggio shall by right acquire the status of Market Participant.

16.2 With the agreement signed between Snam Rete Gas and GME, as well as between Snam Stoccaggio and GME, specific arrangements for management of the information flows functional to the balancing system can be provided together with specific guarantees for the fulfilment of the obligations resulting from the participation in the MGAS of Snam Rete Gas and Snam Stoccaggio. These are alternatives to those set forth in Article 70, having the same effect as the guarantees provided for therein.

Article 17
Register of Market Participants

17.1 The parties admitted to the market as per Articles 15 and 16 above shall be entered into an appropriate Register of Market Participants (*Elenco degli operatori ammessi al mercato*). The Register shall be created and held by GME in compliance with

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Regulation (EU) 2016/679, as subsequently amended and supplemented.

17.2 The Register of Market Participants shall include the following data for each Market Participant:

a) identification code of the Market Participant;
b) surname and name, or company name or registered name, place of residence and place of domicile if different from the place of residence or registered office, taxpayer's code, VAT number, telephone numbers, e-mail addresses and the persons to whom communications, if any, shall be sent and related contact data;
c) status of the Market Participant: admitted, active, suspended, pending request for exclusion, excluded;
d) where applicable, the identification code of the storage company for which the Market Participant is entitled to submit bids/offers;
e) PSV identification code;
f) where applicable, the identification code of the offer points in respect of which the Market Participant is entitled to submit bids/offers;
g) the bank details of the Market Participant;
h) the amount of financial guarantees posted in favour of GME;
i) the taxation scheme applicable to the Market Participant;
j) ACER code.

17.3 GME shall post the following data and information about Market Participants on its website:

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

17.4 Each Market Participant may access its own data and information contained in the Register of Market Participants.

Article 18
Data and Information for Participation in the Market

18.1 Each Market Participant shall request GME to enter into the Register of Market Participants the data and information referred to in Article 17, para. 17.2 g), according to the terms described in the Technical Rules, as well as data and information according to Article 17, para. 17.2 i) above.

18.2 The entry of the data and information referred to in Article 17, para. 17.2 d), e), and f) above shall follow the notifications referred to in Article 25 below.

18.3 The entry of the data and information referred to in Article 17, para. 17.2 h) above shall follow the notifications referred to in Article 70, paras. 70.4, 70.12, and 70.15, as well as in Article 71, paras. 71.5, 71.9, and 71.10 below.

18.4 The request for entry of data and information as per Article 17, para. 17.2 i) above shall be accompanied by a statement of the Market Participant's applicable VAT scheme in accordance with the provisions of the Technical Rules.

18.5 Upon request of data and information entry, referred to in Article 17, para. 17.2, subpara. g) above, the Market Participant shall enclose, for the purpose of submitting bids in the market, a declaration authorising GME to withdraw directly from the Market Participant's bank account, held with a financial institution that

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has activated the SEPA Direct Debit Business to Business payment scheme, the amounts due to GME, as provided in the Technical Rules.

18.6 On receipt of the requests referred to in para. 18.1 above, GME shall update the Register of Market Participants. The modification requested shall have effect by the end of the second working day following receipt of the request by GME.

18.7 With a view to submitting bids/offers into the market, Market Participants shall communicate the data and information referred to in Article 17, para. 17.2 j) above in accordance with the provisions of the Technical Rules. If such data has already been communicated to GME, Market Participants shall be exempted from communicating it, as indicated in the Technical Rules.

Article 19
Request of Information

19.1 GME shall monitor compliance with these Rules and the Technical Rules, with a view to ensuring the proper functioning of the market according to principles of neutrality, transparency, objectivity and competition between or among Market Participants. To this end, GME may request Market Participants to provide information or documents concerning their transactions in the market and also convene them for hearings.

19.2 GME shall reserve the right to verify whether Market Participants still meet the requirements for admission to the market. To this end, GME may require additional documents or the updating of the already submitted ones.

Article 20
Notification Obligations

20.1 Market Participants are required to notify GME promptly - and in any case within three working days of its occurrence - of any change in circumstances that may involve the loss or change of any of the requirements for the admission to the market or may modify data and information referred to in Article 17, para. 17.2 b), g), h), i), and j) above that they have declared and that have been entered into the Register of Market Participants.

20.2 GME shall update the Register of Market Participants taking into account the notifications mentioned in para. 20.1 above.

Article 21
Exclusion from the Market on Request

21.1 For the purposes of exclusion from the market, Market Participants shall - under the modalities and within the time limits defined in the Technical Rules - hand in or deliver an appropriate written request to GME's registered office, possibly indicating the date from which exclusion is requested.

21.2 Without prejudice to para. 21.3 below, the exclusion from the market on request shall

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run from the later of the following dates:

a) the second working day following receipt by GME of the request referred to in para. 21.1 above;
b) the date indicated in the request referred to in para. 21.1 above.

21.3 On the date identified under para 21.2 above, GME shall determine the Market Participant's net delivery positions, obtained from the algebraic sum of the transactions concluded in the MGP-GAS, MI-GAS and MT-GAS until such date. If the Market Participant holds net MGAS positions, the date of exclusion shall not be the one identified under para. 21.2 above, but shall run from the working day following the one on which the Market Participant has closed the above positions.

21.4 Without prejudice to the provisions of the above paragraphs, the exclusion from the market on request shall not exempt the Market Participant from fulfilling obligations arising from commitments made in the MGAS.

21.5 During the period of suspension from the market, the Market Participant cannot request its exclusion under this Article.

TITLE III
OPERATION OF THE MARKET

Article 22
Purpose of the Market

22.1 The Gas Market (MGAS) shall consist of:

a) the Spot Gas Market (MP-GAS);
b) the Forward Gas Market with delivery-making/-taking obligation (MT-GAS);
c) the Market for the Management of Voluntary Solidarity Measures (MVS).

22.2 The Spot Gas Market (MP-GAS) shall consist of:

a) the Day-Ahead Gas Market (MGP-GAS);
b) the Intra-Day Gas Market (MI-GAS);
c) the Locational Products Market (MPL);
d) the Regulated Market for the trading of the gas stored (MGS).

22.3 With the exception of the MGS, Market Participants in the MGAS may negotiate purchase and sale contracts concerning gas volumes that GME shall register in the PSV system on behalf of the same Market Participants in accordance with Article 26 below.

22.4 GME shall be the counterparty of Market Participants in the gas purchase and sale contracts concluded in the MGAS, except in the MVS.

22.4 bis In the contracts concluded in the MVS, the buying counterparty of Market Participants shall be the Market Participant requesting solidarity. The obligations to deliver gas and to make the related payments, resulting from the selection of supply offers submitted by Market Participants into the MVS, shall solely arise between the

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Market Participant requesting solidarity and the Market Participant whose offers have been selected.

22.5 GME may impose limits to the submission of bids/offers into the MGAS by one or more Market Participants, in the manner and the terms defined in the Technical Rules.

22.6 The applicable period for the markets referred to in para. 22.1 above shall be equal to the gas-day, i.e. to the period of 24 consecutive hours beginning at 06:00 of each calendar day and ending at 06:00 of the subsequent calendar day.

22.7 GME, as a user enabled for the PSV, registers in this system its net delivery position corresponding to the purchase and sale transactions concluded by the Market Participant in the MGAS, with the exception of the MGS and of the MVS, in the manner defined in Article 26 below.

Article 23
Market Sessions

23.1 In the Technical Rules, GME shall indicate the calendar of the days and hours of the MGP-GAS, MI-GAS, including the calendar of days and hours of the AGS sessions and sittings, and MT-GAS sessions. GME may change these hours - also for specific types of contracts - in order to ensure the orderly performance of transactions. Any change shall be timely notified to Market Participants.

23.2 Transactions in the MGP-GAS and MI-GAS, without prejudice to the provisions of Article 23.12 and Title VII, Section I, Subsection IV below, as well as in the MT-GAS shall take place under the continuous-trading mechanism.

23.3 The individual transactions concluded in the continuous-trading markets may be made known in anonymous form to MGAS Market Participants, in the market information system, with the specification of the traded volume and of the related price.

23.4 The MPL sessions are held at the request of Snam Rete Gas. To this end, Snam Rete Gas shall disclose GME, in the manner defined in the specific agreement, with at least two hours in advance, except in cases of particular urgency, the following information:

a) The bid/offer type (purchase/sale);
b) The offer point or the offer points to which the bid/offer relates;
c) The gas day moment from which the flows change is required;
d) The terms of the session management for the selection of the bids/offers;
e) The reasons for which the activation of the session is required referred to in Article 2, paragraph 2.3 e) of the TIB or whether the supply is necessary for the management of any deviations provided between the overall injections and withdrawals of the grid.

23.5 After receiving the notice referred to in paragraph 23.4 above, may suspend the trading in the MGP-GAS, MI-GAS, MT-GAS, and MGS.

23.6 After receiving the notice referred to in paragraph 23.4 above, GME shall inform

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the participants by publication of the relevant contents on the IT platform of the market.

23.7 The opening and closing times of the sessions and those when the MPL sessions take place are specified by GME on the platform of the market together with the information referred to in paragraph 23.6 above, in accordance with the provisions of the Technical Rules.

23.8 During the same day, more sessions of the MPL may be held. These sessions can be referred to the same gas day of execution or to the gas day immediately after the closing of the session.

23.9 The opening and closing time of the MGS sitting and session are established in the Technical Rules.

23.10 The MGS session takes place on a daily basis and relates to the gas-day immediately before the closing of the session.

23.11 The AGS sessions are held on a daily basis and refer to the gas-day following the session as well as to the same gas-day.

23.12 The trading in the MPL, MGS and AGS shall take place under the auction-trading mechanism.

23.13 GME shall organise the sessions of the MVS at the request of Snam Rete Gas. For this purpose, Snam Rete Gas shall transmit the following data to GME under the procedures established in an appropriate agreement:

a) the timing of the sessions for selection of offers;
b) the name/s of the Member State/s requesting the activation of voluntary solidarity measures;
c) the name of the Market Participant requesting solidarity and associated with the Member State;
d) the volumes of gas requested by each Member State, specifying whether such volumes may be made known to Market Participants.

23.14 After receiving a request under para. 23.13 above and a possible request from Snam Rete Gas to publish information about the activation of possible solidarity measures, GME shall notify Market Participants thereof through the market information system.

23.15 Each session of the MVS shall refer to a single gas delivery day.

23.16 Trading in the MVS shall take place under the catching trading mechanism.

Article 24
Definitivity of Transactions

24.1 Without prejudice to the provisions of Article 61 bis below, the gas transactions concluded in the MGP-GAS, MI-GAS and MT-GAS shall be definitive and binding - also for the purposes of the guarantee, of the offsetting, of the billing and of the settlement of payables and receivables, as well as of the related obligations - as of the time at which demand bids and supply offers, verified to be valid and

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adequate, are matched or accepted in the bidding system under Articles 32, 37, 59, and 105 sexies below, respectively.

24.2 The gas transactions concluded in the MPL, MGS, and AGS shall be definitive and binding - also for the purposes of the guarantee, of the offsetting, of the billing and of the settlement of payables and receivables, as well as of the related obligations - as of the time at which demand bids and supply offers, verified to be valid and adequate, are accepted in the bidding system under Articles 45, 53, and 103 below, and registered or confirmed pursuant to Article 46, 54 and 104 below.

24.3 The gas transactions concluded in the MVS shall be definitive and binding for the purposes of the consequent obligations falling on selling Market Participants and on solidarity-requesting Market Participants, respectively - as of the time at which supply offers, verified to be valid and adequate, are selected in accordance with the provisions of Article 61 sexies below.

Article 25
Data and Information for Participation in the MGAS

25.1 For the purpose of submitting bids/offers in the MGAS, Market Participants shall be enabled for the PSV.

25.2 For each of the sessions of the MGP-GAS, MI-GAS and MT-GAS to be held, Snam Rete Gas shall daily provide GME, under the procedures and within the time limits established by GME and Snam Rete Gas in a specific agreement, with the updated list of Market Participants enabled for the PSV; for each Market Participant, the list shall include at least the following data:

a) identification data;
b) PSV identification code.

25.3 For each of the MPL session to be held, Snam Rete Gas shall provide GME, under the procedures and within the time limits established by GME and Snam Rete Gas in a specific agreement, with the estimated imbalance price referred to in Article 44 below, the offer points with respect to which Snam Rete Gas can request the activation of a session of the MPL for the purchase or sale of gas quantities, pursuant to Article 23, paragraph 23.4, subpara b) above, the updated list of the users enabled for the MPL; for each user, the list shall include at least the following data:

a) identification data;
b) PSV identification code;
c) identification code of the offer points to which the user is enabled to refer bids/offers;
d) the value of the maximum exposure referred to in Article 44 below.

25.4 For each of the MGS sessions to be held, each storage company shall daily provide GME, under the procedures and within the time limits established by GME and the storage company in specific agreements, the updated list of the users enabled for the MGS; for each user, the list shall include at least the following data:

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a) identification data;
b) PSV identification code;
c) identification code of the storage company;
d) maximum limits as per Article 52 below.

25.4 bis For each MVS session to be held, GME shall receive from Snam Rete Gas – under the procedures and within the time limits identified by GME and Snam Rete Gas in an appropriate agreement under Article 16 above – the updated list of users enabled for the MVS and, for each of them, at least the following data:

a) identification data;
b) PSV identification code;
c) identification code of the offer points of the transmission network in respect of which the user is enabled to refer bids/offers;
d) for each offer point, the maximum overall volume of gas that can be offered by the user;
e) the minimum volume, equal for all users, which can be offered for sale by the user for each bid/offer.

25.5 The data referred to in paragraph 25.2, 25.3, 25.4, and 25.4 bis above shall take effect on the dates indicated in the Technical Rules.

Article 26
Registration of the MGAS Net Delivery Position and the MPL Position at the PSV

26.1 GME shall determine, for each Market Participant, the MGAS net position related to the single gas-days under each contract traded in the MGP-GAS, MI-GAS and MT-GAS under the terms defined in the Technical Rules:

26.2 For each applicable period, the MGAS net position is given by the sum of the purchase and sale transactions concluded by each Market Participant related to the delivery gas-day.

26.3 For the purpose of calculating the MGAS net position, purchase transactions are considered to have a negative sign and sale transactions are considered to have a positive sign.

26.4 The MGAS net position and the MPL position are registered in the PSV system by GME in the manner and the terms defined in the Technical Rules. For forward contracts traded in the MTGAS, recording is performed from the trading of the MGP-GAS of the related spot contracts, after the application of the cascading mechanism set forth in Article 60 below and within the MI-GAS trading session of the same spot contracts.

26.5 Registration of the MGAS net position of the Market Participant is admissible if the following conditions are met:
a) the Market Participant is not suspended;
b) it is guaranteed as per Article 72;
c) the Market Participant is authorised to operate the PSV, based on the most recent

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information received from Snam Rete Gas under Article 25, paragraph 25.2 above; d) it complies with the provisions of the Conditions for selling and trading natural gas at the PSV.

26.6 The MPL position referred to paragraph 26.4 is registered in compliance with the procedures and terms defined by GME and Snam Rete Gas in the specific agreement.

26.7 GME's information system returns the results of the validation and adequacy verifications referred to in paragraph 26.5 and:

a) in case of failure: i. the registration of the MGAS net position is rejected, indicating the reasons; ii. the capacity of the guarantee may be reduced according to Article 72, para. 72.4 subpara. e) below; iii. the procedure described in para. 26.8 below shall activate; iv. for each MWh of the net delivery position unregistered in the PSV, a 2 Euro/MWh penalty is applied according to modalities and time limits described in the Technical Rules. As provided for by ARERA, GME shall transfer the amounts deriving from the application of this penalty to the guarantee fund;
b) if successful, it allows the registration of the MGAS net position, causing the registration at the PSV of the corresponding transactions for which the counterparty is GME.

26.8 In case of failure to register partially or totally the MGAS net position at the PSV, GME shall close the net position under Article 81 below.

26.9 The registration of transactions at the PSV under this Article shall cause Market Participants to acquire the rights and obligations contained in the Conditions for trading natural gas at the PSV.

Article 27
Market Making

27.1 In order to improve the liquidity of the products traded in the market, GME may provide for the operation of the Market Making activity, in compliance with procedures and terms defined in the Technical Rules.

27.2 If provided for under the paragraph 27.1 above, Market Participants interested in the Market Making activity shall present GME a specific request in compliance with procedures and terms defined in the Technical Rules.

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SECTION I

SPOT GAS MARKET
(MP-GAS)

Article 28

Purpose of the MP-GAS and Types of Tradable Contracts

28.1 The contracts tradable in the MP-GAS shall have a delivery period equal to the gas-day, or the single consecutive gas-days, included in the contract

28.2 The volume of gas underlying each contract shall be defined in the Technical Rules.

28.3 The contracts tradable in the MP-GAS and the duration of the trading period of each contract referred to in this Section shall be defined in the Technical Rules.

SUBSECTION I

DAY-AHEAD GAS MARKET
(MGP-GAS)

Article 29
Purpose of the MGP-GAS

29.1 In the MGP-GAS, Market Participants may enter gas demand bids and supply offers in respect of the daily contracts with delivery period corresponding to the following gas-day or to single consecutive and following gas-days in relation to the last MGP-GAS session in which said contracts have been traded.

Article 30
Submission of Bids/Offers in continuous trading

30.1 Bids/offers shall be submitted in accordance with the procedures and within the time limits defined in the Technical Rules. They shall contain at least the following data:
a) identification code of the Market Participant submitting the bid/offer;
b) identification code of the session of the MGP-GAS for which the bid/offer is submitted;
c) type of bid/offer (demand bid/supply offer);
d) offered volume;
e) unit price for the offered volume.

30.2 The volumes specified in demand bids and supply offers shall only have positive values.

30.3 In its Technical Rules, GME may provide that Market Participants may enter bids/offers without a price limit. In this instance, the provisions of this subsection concerning any bids/offers of this type shall apply.

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30.4 Market Participants shall not enter:

a) bids/offers with a price limit equal to zero or with a negative price limit;
b) demand bids or supply offers without a price limit, if no supply offers or demand bids with a price limit are present in the order book, respectively.

30.5 In the order book, bids/offers which have been verified to be valid and adequate under Article 31 below shall be ranked in decreasing price order (demand bids) and in increasing price order (supply offers). If bids/offers have an equal price, they shall be ranked on the basis of their time of entry. Bids/offers without a price limit shall have the maximum price priority.

30.6 Market Participants may submit the following bids/offers in compliance with the modalities indicated in the Technical Rules.

30.7 In a compatible manner with the chosen execution referred to in para. 30.6 above, Market Participants may change or cancel bids/offers that have not yet been matched. Changed bids/offers shall lose the time priority that they have previously acquired.

30.8 Bids/offers shall be posted in the order book without specifying the proposing Market Participant, thus ensuring its anonymity.

Article 31
Validation and Adequacy Verification of Bids/Offers in Continuous Trading

31.1 GME shall verify the validity and adequacy of each bid/offer received, ensuring that:

a) the Market Participant is not suspended;
b) the Market Participant is authorised to operate at the PSV based on the latest information obtained from Snam Rete Gas under Article 25, para. 25.2 above;
c) the bid/offer has been submitted in compliance with the modalities referred to in Article 30, para. 30.1 above;
d) the bid/offer specifies all the data referred to in Article 30, para. 30.1 above;
e) the price and volumes specified in the bid/offer fall within the limits identified in the Technical Rules. GME may change the above limits to ensure the orderly performance of transactions;
f) the bid/offer falls within the possible limits imposed by GME under Article 22, para. 22.5 above;
g) the bid/offer is guaranteed under Article 72 below.

31.2 For the purpose of carrying out the verification referred to in para. 31.1 subpara. g) above, if a bid/offer is submitted without specifying a price, its price shall be considered to be equal to the one of the best bids/offers of opposite sign included in the order book until exhaustion of the same bid/offer.

31.3 GME's information system shall return the outcome of the validation and adequacy verification of the bids/offers referred to in Article 31.1 above and:

a) if the outcome is negative, it shall reject the entry of bids/offers into the order book, explaining the reasons for the rejection;
b) if the outcome is positive, it shall enter the bids/offers into the order book.

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Article 32
Continuous Trading in the MGP-GAS

32.1 During continuous trading, transactions shall be concluded through automatic matching of demand bids and supply offers which: i) have been verified to be valid and adequate under Article 31 above, ii) are present in the order book and iii) are ranked under the priority criteria referred to in Article 30, para. 30.5 above.

32.2 The entry of a demand bid with a price limit shall determine the matching of the bid (until it is exhausted) with one or more supply offers having a price lower than or equal to the one of the entered bid.

32.3 The entry of a supply offer with a price limit shall determine the matching of the offer (until it is exhausted) with one or more demand bids having a price higher than or equal to the one of the entered offer.

32.4 The entry of a bid/offer without a price limit shall determine the matching of the bid/offer (until it is exhausted) with one or more bids/offers of opposite sign that are present in the order book upon entry of the bid/offer.

32.5 In a compatible manner with the chosen execution referred to in Article 30, para. 30.6 above:
a) if a bid/offer with a price limit is partially executed, its unexecuted part generates a bid/offer that remains posted in the order book with the same price and time priority as those of the original bid/offer;
b) if a bid/offer without a price limit is partially executed, its unexecuted part generates a bid/offer that remains posted in the order book with the same price as the one of the latest transaction concluded and the same time priority as the one of the original bid/offer.

32.6 For each transaction concluded under paras. 32.2 and 32.3 above, the price shall be equal to the one of the bid/offer having time priority.

32.7 Demand bids and supply offers shall not be matched if they have been submitted by the same Market Participant.

32.8 At the end of the continuous-trading phase, GME may determine and publish a reference price, as well as a closing price under the procedures set out in the Technical Rules.

Article 32 Bis
Reference Index of the MGP-GAS – IG Index GME

32 bis The reference index of the MGP-GAS – "IG Index GME" – shall be calculated by GME for each gas-day, as set out in the Technical Rules, on the basis of the matching prices of bids/offers in the MGP-GAS; such prices shall be recorded in a time band ensuring the comparability of the IG Index GME with the main European reference indicators.

32 bis.1 GME shall notify Market Participants, with adequate advance notice, of any changes to the procedure for calculation of the IG Index GME.

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Article 33
Notification of the Results of the MGP-GAS in Continuous Trading

33.1 At the end of the session, GME shall publish the results of the MGP-GAS session specifying at least the following data and information:

a) minimum price and maximum price of the session;
b) volume traded in the session.

SUBSECTION II
INTRA-DAY GAS MARKET
(MI-GAS)

Article 34
Purpose of the MI-GAS

34.1 MI-GAS Market Participants may submit gas demand bids and supply offers in respect of the daily contracts whose delivery period corresponds to the calendar gas-day on which the MI-GAS session takes place.

Article 35
Submission of Bids/Offers in Continuous Trading

35.1 Bids/offers shall be submitted in accordance with the procedures and within the time limits defined in the Technical Rules. They shall specify at least the following data:

a) identification code of the Market Participant submitting the bid/offer;
b) identification code of the session of the MI-GAS for which the bid/offer is submitted;
c) type of bid/offer (demand bid/supply offer);
d) offered volume;
e) unit price for the offered volume.

35.2 The volumes specified in demand bids and supply offers shall only have positive integer values.

35.3 In its Technical Rules, GME may provide that Market Participants may enter bids/offers without a price limit. In this instance, the provisions of this subsection concerning any bids/offers of this type shall apply.

35.4 Market Participants shall not enter:

a) bids/offers with a price limit equal to zero or with a negative price limit;
b) demand bids or supply offers without a price limit, if no supply offers or demand bids with a price limit are present in the order book, respectively.

35.5 In the order book, bids/offers which have been verified to be valid and adequate under Article 36 below shall be ranked in decreasing price order (demand bids) and

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in increasing price order (supply offers). If bids/offers have an equal price, they shall be ranked on the basis of their time of entry. Bids/offers without a price limit shall have the maximum price priority.

35.6 Market Participants may submit bids/offers in compliance with the terms specified in the Technical Rules.

35.7 In a compatible manner with the chosen execution referred to in paragraph 35.6 above, Market Participants may change or cancel bids/offers that have not yet been matched. Changed bids/offers shall lose the time priority that they have previously acquired.

35.8 Bids/offers shall be posted in the order book without specifying the proposing Market Participant, thus ensuring its anonymity.

Article 36
Validation and Adequacy Verification of Bids/Offers in Continuous Trading

36.1 After receiving bids/offers, GME shall verify their validity and adequacy, ensuring that:

a) the Market Participant is not suspended;
b) the Market Participant is authorised to operate at the PSV, based on the latest information obtained from Snam Rete Gas under Article 25, para. 25.2 above;
c) the bid/offer has been submitted in compliance with the modalities referred to in Article 35, para. 35.1 above;
d) the bid/offer shows all the data reported in Article 35, para. 35.1 above;
e) the price and volumes specified in the bid/offer fall within the limits identified in the Technical Rules. GME may change these limits in order to ensure the proper performance of transactions;
f) the bid/offer falls within the possible limits imposed by GME under Article 22, para. 22.5 above;
g) the bid/offer is guaranteed under Article 72 below.

36.2 For the purposes of the verification referred to in para. 36.1 subpara. g) above, if a bid/offer is submitted without specifying a price, its price shall be considered to be equal to the one of the best bids/offers of opposite sign included in the order book, until exhaustion of the same bid/offer.

36.3 GME's information system shall return the outcome of the validation and adequacy verifications of the bids/offers referred to in Article 36.1 above and:

a) if the outcome is negative, it shall reject the entry of bids/offers into the order book, explaining the reasons for the rejection;
b) if the outcome is positive, it shall enter the bids/orders into the order book.

Article 37
Continuous Trading in the MI-GAS

37.1 During continuous trading, transactions shall be concluded through automatic matching of demand bids and supply offers which: i) have been verified to be valid and adequate under Article 36 above, ii) are present in the order book, and iii) are

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ranked under the priority criteria referred to in Article 35, para. 35.5 above.

37.2 The entry of a demand bid with a price limit shall determine the matching of the bid (until it is exhausted) with one or more supply offers having a price lower than or equal to the one of the entered bid.

37.3 The entry of a supply offer with a price limit shall determine the matching of the offer (until it is exhausted) with one or more demand bids having a price higher than or equal to the one of the entered offer.

37.4 The entry of a bid/offer without a price limit shall determine the matching of the bid/offer (until it is exhausted) with one or more bids/offers of opposite sign that are present in the order book upon entry of such bid/offer.

37.5 In a compatible manner with the chosen execution referred to in Article 35, para. 35.6:

a) if a bid/offer with a price limit is partially executed, its unexecuted part generates a bid/offer that remains posted in the order book with the same price and time priority as the original bid/offer;
b) if a bid/offer without a price limit is partially executed, its unexecuted part generates a bid/offer that remains posted in the order book with the same price as the one of the latest transaction concluded and the same time priority as the one of the original bid/offer.

37.6 For each transaction concluded under paras. 37.2 and 37.3 above, the price shall be equal to the one of the bid/offer having time priority.

37.7 Demand bids and supply offers shall not be matched if they have been submitted by the same Market Participant.

37.8 At the end of the continuous-trading phase, GME may determine a reference price, as well as a closing price in accordance with the modalities established in the Technical Rules.

Article 38
Notification of the Results of the MI-GAS in Continuous Trading

38.1 Upon the closing of the session, GME shall publish the results of the MI-GAS session, specifying at least the following data and information:

a) minimum price and maximum price of the session;
b) volume traded in the session.

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SUBSECTION III
LOCATIONAL PRODUCTS MARKET (MPL)

Article 39
Purpose of the MPL

39.1 In the MPL, Market Participants, as users enabled for the MPL, may submit bids/offers of gas referred to offer points that they hold, as communicated by Snam Rete Gas under Article 25, para. 25.3 above.

Article 40
Submission of Bids/Offers by Market Participants

40.1 Bids/offers shall be submitted in accordance with the procedures and within the time limits defined in the Technical Rules. They shall specify at least the following data:

a) identification code of the Market Participant submitting the bid/offer;
b) identification code of the MPL session to which the bid/offer refers;
c) identification code of the offer point to which the bid/offer refers;
d) type of bid/offer (demand bid/supply offer);
e) offered quantity;
f) unit price for the offered quantity.

40.2 Market Participants shall submit into the MPL only bids/offers having a sign opposite to that of Snam Rete Gas, as set forth in Article 41 below.

40.3 The quantities specified in offers/bids shall only have positive values.

40.4 Bids/offers cannot be submitted without specifying their price.

40.5 The price referred to in paragraph 40.1, subpara. f), can only have values greater than or equal to zero and it cannot exceed the maximum limit possibly defined in the Technical Rules.

40.6 Market Participants may submit simple or multiple bids/offers. The maximum number of simple bids/offers making up a multiple bid/offer is defined in the Technical Rules. For the purposes of determining the outcome of the session, each multiple bid/offer is considered as a set of simple bids/offers.

40.7 For the purposes of determining the outcome of the session, pursuant to Article 45 below, the quantities specified in the bids/offers may also be only partially accepted.

40.8 A valid bid/offer, pursuant to Article 42 below, may be replaced with a new offer until the end of the auction session.

40.9 A valid bid/offer under Article 42 below, may be revoked until the end of the auction session.

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Article 41
Submission of Bids/Offers by Snam Rete Gas

41.1 With regard to each of MPL session of which Snam Rete Gas has requested the activation under Article 23, paragraph 23.4 above, Snam Rete Gas shall submit its bids/offers indicating at least the following information:

a) identification code of the session to which the bid/offer refers;
b) type of bid/offer (demand/supply offer);
c) offered quantity;
d) unit price for the offered quantity;
e) the reasons for which the activation of the session is required (operational/balancing) referred to in Article 23, para. 23.4, subpara. e) above.

41.2 The quantities specified in the offers/bids shall only have positive values.

41.3 For the purposes of determining the outcome of the session, pursuant to Article 45 below, the quantities specified in the bids/offers may also be only partially accepted.

Article 42
Validation and Priority Order of the Submitted Bids/Offers

42.1 GME carries out validation controls after submission of bids/offers into the MPL by Market Participants, as referred to in Article 40 above, verifying that:

a) the Market Participant has not been suspended when the bid/offer is received;
b) the bid/offer has been submitted in compliance with the modalities specified in Article 40 above;
c) the bid/offer presents all the indications referred to in Article 40 above and complies with the price limits set forth therein.

42.2 GME, following the submission of bids/offers into the MPL by Snam Rete Gas, shall carry out the validation checks, verifying that the bid/offer has been submitted in the manner referred to in Article 41 above, and includes all the information provided therein.

42. 3 GME shall check the validity of the bids/offers received within the deadline established in the Technical Rules.

42.4 Supply offers submitted by Market Participants under Article 40 above, checked to be valid, shall be ranked in non-decreasing price order.

42.5 Demand bids submitted by Market Participants under Article 40 above, checked to be valid, shall be ranked in non-increasing price order.

42.6 If two or more bids/offers submitted by Market Participants pursuant to Article 40 above bear the same price, the priority order shall be defined by the time of submission of the bid/offer.

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Article 43
Adequacy Verification of Bids/Offers

43.1 At the end of the session, GME carries out the adequacy verification of the bids/offers submitted by Market Participants other than Snam Rete Gas pursuant to Article 40 above and verified to be valid.

43.2 A bid/offer submitted by a Market Participant other than Snam Rete Gas is adequate if it complies with the following conditions:

a) the Market Participant is not suspended;
b) the Market Participants holds the offer point to which the bid/offer refers, based on the most recent information received from Snam Rete Gas, under Article 25, paragraph 25.3 above;
c) the bid/offer meets the additional requirements and limits that may be identified by Snam Rete Gas in the Network Code and defined in the Technical Rules;
d) the bid/offer complies with any limit imposed by GME under Article 22, paragraph 22.5 above;
e) the bid/offer is guaranteed under Article 44 and Article 72 below.

Article 44
Verification of Financial Adequacy

44.1 For each user enabled for the MPL, GME shall obtain from Snam Rete Gas, as referred to in Article 25, paragraph 25.3 above and in the Technical Rules, the value of the maximum exposure that the user can acquire towards Snam Rete Gas and the estimated imbalance price, defined by Snam Rete Gas for the verification of the supply offers referred to in Article 43, paragraph 43.2, subpara. e) above.

44.2 According to the modalities laid down in the Technical Rules, the supply offer is entirely or partially guaranteed, under Article 43, paragraph 43.2, subpara. e) above, if the quantity is less than or equal to the amount determined by the ratio of the value of the maximum exposure which the same user can acquire towards Snam Rete Gas to the estimated imbalance price referred to in paragraph 44.1 above, reduced by the amount of supply offers, with a higher priority and already verified to be adequate.

Article 45
Results of the Session

45.1 GME shall identify the accepted bids/offers and the corresponding remuneration price, as provided in this Article.

45.2 GME shall accept adequate bids/offers submitted by Market Participants and shall determine the corresponding remuneration prices as specified in Annex G, so that:

a) the net value of the resulting transactions is maximum, provided that the amount of gas, specified in accepted supply offers, is equal to the amount of gas specified in demand bids accepted;
b) the remuneration price of the bids/offers is equal to that of the last accepted

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bid/offer of opposite sign to that of the Balance Responsible Party, or to that of the Balance Responsible Party in the case where it is not entirely accepted.

45.3 For the purposes of paragraph 45.2 above, net value of transactions shall mean the difference between the total value of accepted demand bids and the total value of accepted supply offers. These overall values are determined by valuing the amount of gas specified in each accepted bid/offer, or the accepted quantity in case of partial acceptance of the bid/offer, at the price associated with the bid/offer.

45.4 The principle of time priority referred to in Article 42, paragraph 42.6 above shall apply for the purpose of determining the outcome of the session for the bids/offers that have the same price.

Article 46
Notification of Results

46.1 Within the time limit defined in the Technical Rules, GME shall identify the accepted bids/offers and the corresponding remuneration prices in the manner referred to in Article 45 and shall define:

a) the remuneration prices for accepted supply offers and demand bids;
b) the overall amounts of gas in the accepted supply offers and demand bids;
c) the demand curve and the supply curve.

46.2 At the end of each session, following the successful completion of the registration referred to in Article 26, paragraph 26.4 above, GME, within the time limit defined in the Technical Rules, shall publish the results specifying at least the following data and information:

a) remuneration price referred to in para. 46.1, subpara. a) above;
b) total amounts of gas subject of the accepted supply offers/demand bids referred to in paragraph 46.1, subpara. b) above;
c) demand curve and supply curve referred to in para. 46.1, subpara. c) above;
d) total quantity of gas related to each offer point referred to in Article 23, paragraph 23.4, subpara. b) above.

46.3 Within the same time limit as referred to in paragraph 46.2 above, GME shall notify to each Participant that has submitted bids/offers into the MPL and limited to such bids/offers:

a) submitted and accepted bids/offers, indicating the amount of gas accepted;
b) bids/offers rejected as invalid or inadequate as a result of the checks referred to in Article 42 and Article 43 above, indicating the reasons for such rejection.

46.4 If GME and/or Snam Rete Gas, before the publication and notification of the results, detect having committed material errors in the work of defining, compiling, loading, and management of data and functional information to the execution of a session, GME, in agreement with Snam Rete Gas, shall identify any actions to be taken and shall inform any interested Market Participants.

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SUBSECTION IV

REGULATED MARKET FOR THE TRADING OF STORED GAS (MGS)

Article 47
Purpose of the MGS

47.1 In the MGS, Market Participants, as users enabled for the MGS, may submit bids/offers of stored gas resources, in compliance with the maximum limits as reported by each storage company under Article 25, paragraph 25.4 above.

Article 48
Submission of Bids/Offers by Market Participants

48.1 The trading offers of the Market Participants shall be submitted, in the course of the trading session, in compliance with the modalities defined in the Technical Rules, indicating at least the following information:

a) identification code of the Market Participants submitting the bid/offer;
b) identification code of the MGS session for which the bid/offer is submitted;
c) type of bid/offer (supply/demand offer);
d) offered volume;
e) unit price for the offered volume;
f) storage company code to which the bid/offer refers.

48.2 The quantities specified in the bids/offers shall only have positive values.

48.3 Bids/offers cannot be submitted without specifying their price.

48.4 The price referred to bids/offers can only have values greater than or equal to zero and cannot exceed the maximum limit possibly defined in the Technical Rules.

48.5 Market Participants may submit simple or multiple bids/offers. The maximum number of simple bids/offers making up a multiple bid/offer is defined in the Technical Rules. For the purposes of determining the outcome of the session, each multiple bid/offer is considered as a set of simple bids/offers.

48.6 If the Market Participant has already submitted:

a) demand bids during a sitting, the Market Participant cannot submit supply offers with a price lower than or equal to the price of the demand bids already submitted;
b) supply offers during a sitting, the Market Participant cannot submit demand bids with a price higher than or equal to the price of the supply offers already submitted;

48.7 For the purposes of determining the outcome of the session, pursuant to Article

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53 below, the quantities specified in the bids/offers may also be only partially accepted.

48.8 A valid bid/offer, pursuant to Article 50 below, may be replaced with a new bid/offer until the end of the auction session.

48.9 A valid bid/offer under Article 50 below may be revoked until the end of the auction session.

48.10 The storage companies in respect of which bids/offers can be submitted into the MGS shall be indicated in the Technical Rules.

Article 49
Submission of Bids/Offers by Snam Rete Gas

49.1 The trading offers of Snam Rete Gas expressed for the purposes of the TIB and of Decision 312/2016/R/GAS shall be submitted in compliance with the modalities and terms defined in the Technical Rules, indicating at least the following information:

a) identification code of the session for which the bid/offer is submitted;
b) type of bid/offer (supply offer/demand bid);
c) offered quantity;
d) unit price for the offered quantity;
e) identification code of the storage company to which the offer refers.

49.2 The quantities specified in the offers/bids shall only have positive values.

49.3 For the purposes of determining the outcome of the session, pursuant to Article 53 below, the quantities specified in the bids/offers may also be only partially accepted.

49.4 In the same sitting, Snam Rete Gas may submit bids/offers, for the purposes referred to in paragraph 49.1 above.

Article 50
Validation and Priority Order of the Submitted Bids/Offers

50.1 Following the submission of bids/offers referred to in Article 48 above by Market Participants, GME carries out the validation controls, ensuring that:

a) the Market Participant is not suspended at the time of receipt of the offer;
b) the bid/offer has been submitted in compliance with the modalities referred to in Article 48 above;
c) the bid/offer carries all the data referred to in Article 48 above and complies with the price limits set forth therein.

50.2 Following the submission of bids/offers by Snam Rete Gas, GME carries out the validation controls, ensuring that the bids/offers have been submitted in compliance with the modalities referred to in Article 49 above and include all the information provided therein.

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50.3 GME checks the validity of the bids/offers received within the deadline established in the Technical Rules.

50.4 Supply offers submitted by Market Participants pursuant to Article 48 above, checked to be valid, are ranked in non-decreasing price order.

50.5 Demand bids submitted by Market Participants pursuant to Article 48 above, checked to be valid, are ranked in non-increasing price order.

50.6 Without prejudice to Article 53, para. 53.5 below, if two or more bids/offers submitted by Market Participants pursuant to Article 48 above share the same price, the priority order shall be defined by the time of submission of the bid/offer.

50.7 As an exception to the provisions of paragraphs 50.4, 50.5, and 50.6 above, if the bids/offers submitted by Market Participants and the bids/offers submitted by Snam Stoccaggio have the same price, the bids/offers submitted by Snam Stoccaggio shall have the maximum priority with respect to bids/offers submitted by other Market Participants pursuant to Article 48 above.

50.8 As an exception to the provisions of paragraphs 50.4, 50.5, and 50.6 above, if the bids/offers submitted by Market Participants or by Snam Stoccaggio and those submitted by Snam Rete Gas pursuant to Article 49 above and for the purposes set forth in Article 2, paragraph 2.5 of the TIB, have the same price, the bids/offers submitted by Snam Rete Gas shall have the maximum priority with respect to bids/offers submitted by Market Participants or by Snam Stoccaggio pursuant to Article 48 above.

50.9 If Snam Rete Gas has submitted bids/offers for purposes other than those referred to in Article 2, paragraph 2.5 of the TIB, these bids/offers are ranked as provided in paragraphs 50.4, 50.5, and 50.6 above.

Article 51
Adequacy Verification of Bids/Offers

51.1 At the end of the session, GME carries out the adequacy verification of bids/offers submitted by Market Participants other than Snam Rete Gas, and checked to be valid.

51.2 A bid/offer submitted by a Market Participant other than Snam Rete Gas is adequate if it complies with the following conditions:

a) the Market Participant is not suspended;
b) the Market Participant is a user enabled for the MGS based on the most recent information collected from each storage company, under Article 25, paragraph 25.4 above, referred to the applicable period to which the offer refers;
c) the bids/offers comply with the total maximum limits of tradable amounts referred to in Article 7, paragraph 7.4 of the TIB according to the provisions of Article 52 below;
d) the bid/offer complies with any limit imposed by GME under Article 22, paragraph 22.5 above;
e) the bid/offer is guaranteed under Article 72 below.

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Article 52
Maximum Tradable Volume

52.1 Within the closing of each sitting, GME receives from each storage company, under Article 25, paragraph 25.4 above, the overall maximum daily supply/demand limits concerning the amount of gas that each user enabled for the MGS can offer in the MGS itself, with reference to each storage company of which the same Market Participant is a user.

52.2 If GME does not receive from a storage company the data referred to in paragraph 52.1 above, within the period specified therein, GME shall postpone the closure of the sitting related to the same storage company, notifying Market Participants thereof. If GME, before the new deadline set for the closure of the sitting, does not receive such data, it shall proceed as defined in the Technical Rules.

52.3 For the demand bids submitted by each Market Participant with reference to each storage company of which the same Market Participant is a user enabled for the MGS, GME, under Article 51, paragraph 51.2, subpara. c) above, shall verify that the sum of the quantities of gas specified in the demand bids does not exceed the overall daily maximum gas that can be bought with reference to the aforementioned storage company.

52.4 For supply offers submitted by each Market Participant with reference to each storage company of which the same Market Participant is a user enabled for the MGS, GME, under Article 51, paragraph 51.2, subpara. c) above, shall verify that the sum of the quantities of gas specified in the supply offers does not exceed the overall daily maximum gas that can be sold with reference to the aforementioned storage company.

52.5 If the daily maximum limits referred to in paragraph 52.1 above, or in paragraph 52.4 above, are not respected, GME shall consider to be adequate only the bids/offers (or part thereof) whose amounts, based on their priority order, contribute to reaching the overall daily maximum limit. GME shall reject the remaining bids/offers or part thereof.

Article 53
Results of the Session

53.1 GME shall determine the results of the MGS session separately for each storage company referred to in Article 48, paragraph 48.10 above.

53.2 GME shall identify the accepted bids/offers and the corresponding remuneration price in respect of each storage company, as provided in this Article.

53.3 GME accepts adequate bids/offers submitted by Market Participants and determines the corresponding remuneration rates, as specified in Annex G, so that:

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a) the net value of the resulting transactions is maximum, provided that the amount of gas, specified in accepted supply offers is equal to the amount of gas specified in accepted demand bids;

b) the remuneration price of the quantities of combined bids/offers is equal to the price corresponding to the minimum cost required for satisfying an increase in the demand for gas and for which all the following offers/bids are accepted: all supply offers whose remuneration offer price is lower than the remuneration price, and only those whose price is not higher than it, and all the demand bids whose offer price is higher than the remuneration price, and only those whose price is not lower than it.

53.4 For the purposes of paragraph 53.3 above, net value of transactions shall mean the difference between the total value of accepted demand bids and the overall value of accepted supply offers. Such overall values are determined by valuing the amount of gas specified in each accepted bid/offer, or the accepted quantity in case of partial acceptance of the bid/offer, at the price specified in the bid/offer.

53.5 Pursuant to this Article, as well as to Annex G, in case of partial acceptance bids/offers that have the same price and that, pursuant to Article 50, paragraphs 50.4 and 50.5 above, have the lowest price priority among the accepted bids/offers, such bids/offers are accepted on a pro-rata basis, for an amount proportional to the amount of the aforementioned bids/offers. The pro-rata criterion does not apply:
a) to the offer/bid of Snam Stoccaggio which, when having the same price as the bids/offers of other Market Participants, always has the maximum priority;
b) to the offer/bid of Snam Rete Gas prepared for the purposes of Article 2, paragraph 2.5 of the TIB, which, when having the same price as the bids/offers of Market Participants or as the bid/offer of Snam Stoccaggio, always has the maximum priority.

Article 54
Notification of Results

54.1 Within the time limit defined in the Technical Rules, in respect of each storage company, GME shall identify the accepted bids/offers and the corresponding remuneration price in the manner referred to in Article 53 above and shall define:

a) the remuneration price of the demand bids and supply offers accepted;
b) the overall quantities of gas relating to demand bids and supply offers accepted;
c) demand curve and supply curve;

54.2 At the end of each session, prior to the publication and communication of the results set forth in paragraphs 54.3 and 54.4 below, GME shall send to each storage company the information concerning the same company referred to in paragraph 54.1, subparas. a) and b) above, as well as information about the quantities of gas corresponding to the bids/offers accepted for each Market Participant, in order to receive confirmation on the proper management of the data and information referred to in Article 25 and Article 52 above, considered for the execution of the session.

54.3 Upon receipt of the confirmation referred to in paragraph 54.2 above, GME shall

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publish the results, within the time period defined in the Technical Rules and for each storage company, specifying at least the following data and information:

a) the remuneration price referred to in paragraph 54.1, subpara. a) above;
b) the overall quantities of gas relating to demand bids and supply offers accepted referred to in paragraph 54.1 subpara. b) above;
c) the demand curve and supply curve referred to in paragraph 54.1, subpara. c) above.

54.4 Within the time period referred to in paragraph 54.3 above, GME shall notify to each Market Participant that has submitted bids/offers into the MGS and limited to such bids/offers:

a) accepted bids/offers specifying the amount of gas accepted;
b) bids/offers rejected as being inadequate and invalid as a result of the verifications referred to in Articles 50 and 51 above, specifying the reasons for such rejection.

54.5 If GME and/or the storage company, before the publication and notification of the results, detect having committed material errors in the work of defining, compiling, loading, and management of data and information functional to the execution of a session, GME, in agreement with the storage company, shall identify any actions to be taken and shall inform any interested Market Participants.

54.6 Within the time period defined in the Technical Rules, GME shall determine and publish a reference price of the MGS, calculating the average of the remuneration prices referred to in paragraph 54.1, subpara. a) above, weighted for the accepted quantities referred to in paragraph 54.1, subpara. b) above, with respect to each storage company.

SECTION II
FORWARD GAS MARKET
(MT-GAS)

Article 55
Purpose of the MT-GAS

55.1 Market Participants conclude forward gas contracts in the MT-GAS with obligation to deliver.

55.2 The list of forward contracts and the duration of the trading period thereof shall be defined in the Technical Rules.

55.3 The volume of gas underlying each contract shall be defined in the Technical Rules.

Article 56
Submission of Bids/Offers

56.1 Bids/offers shall be submitted in accordance with the procedures and within the time limits defined in the Technical Rules. They shall specify at least the following data:

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a) identification code of the Market Participant submitting the bid/offer;
b) type and delivery period of the contract;
c) type of bid/offer (demand bid/supply offer);
d) offered volume;
e) unit price for the offered volume.

56.2 The volumes specified in demand bids and supply offers shall only have positive integer values.

56.3 In its Technical Rules, GME may provide that Market Participants may enter bids/offers without a price limit. In this instance, the provisions of this section concerning any bids/offers of this type shall apply.

56.4 Market Participants shall not enter:
a) bids/offers with a price limit equal to zero or with a negative price limit;
b) demand bids or supply offers without a price limit, if no supply offers or demand bids with a price limit are present in the order book, respectively.

56.5 In the order book, bids/offers which have been verified to be valid and adequate under Article 58 below shall be ranked in decreasing price order (demand bids) and in increasing price order (supply offers). If bids/offers have an equal price, they shall be ranked on the basis of their time of entry. Bids/offers without a price limit shall have the maximum price priority.

56.6 Market Participants may submit the following bids/offers according to the procedures defined in the Technical Rules

56.7 Subject to the execution mode chosen under paragraph 56.6 above, Market Participants may change or cancel bids/offers that have not yet been matched. Changed bids/offers shall lose the time priority that they have previously acquired.

56.8 Bids/offers shall be posted in the order book without specifying the proposing Market Participant, thus ensuring its anonymity.

Article 57
Order Book and Minimum Tradable Volume

57.1 GME shall organise an order book for each type of contract and each delivery period.

57.2 The minimum tradable volume shall be equal to 1 (one) contract, as defined in Article 55, para. 55.3 above.

Article 58
Validation and Adequacy Verification of Bids/Offers

58.1 After receiving bids/offers, GME shall verify their validity and adequacy, ensuring that:
a) the Market Participant is not suspended;
b) the Market Participant is authorised to operate at the PSV, based on the latest information obtained from Snam Rete Gas under Article 25, para. 25.2 above;
c) the bid/offer has been submitted in compliance with the modalities referred to in

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Article 56, para. 56.1 above;

d) the bid/offer contains all the data reported in Article 56, para. 56.1 above;
e) the price and volumes specified in the bid/offer fall within the limits identified in the Technical Rules. GME may change these limits to ensure the regular performance of transactions;
f) the bid/offer falls within the possible limits imposed by GME under Article 22, para. 22.5 above;
g) the bid/offer is guaranteed under Article 72 below.

58.2 For the purpose of carrying out the verification referred to in para. 58.1, subpara. g) above, if a bid/offer is submitted without specifying a price, its price shall be considered to be equal to the one of the best bids/offers of opposite sign included in the order book until exhaustion of the same bid/offer.

58.3 GME's information system shall return the outcome of the validations and technical adequacy verifications of the bids/offers referred to in Article 58.1 above and:
a) if the outcome is negative, it shall reject the entry of bids/offers into the order book, explaining the reasons for the rejection;
b) if the outcome is positive, it shall enter the bids/offers into the order book.

Article 59
Continuous Trading

59.1 During continuous trading, transactions shall be concluded through automatic matching of demand bids and supply offers which: i) have been verified to be valid and adequate under Article 58 above, ii) are present in the order book, and iii) are ranked under the priority criteria referred to in Article 56, para. 56.5 above.

59.2 The entry of a demand bid with a price limit shall determine the matching of the bid (until it is exhausted) with one or more supply offers having a price lower than or equal to the one of the entered bid.

59.3 The entry of a supply offer with a price limit shall determine the matching of the offer (until it is exhausted) with one or more demand bids having a price higher than or equal to the one of the entered offer.

59.4 The entry of a bid/offer without a price limit shall determine the matching of the bid/offer (until it is exhausted) with one or more bids/offers of opposite sign that are present in the order book upon entry of such bid/offer.

59.5 Subject to the execution mode chosen under Article 56, para. 56.6 above:
a) if a bid/offer with a price limit is partially executed, its unexecuted part generates a bid/offer that remains posted in the order book with the same price and time priority as the original bid/offer;
b) if a bid/offer without a price limit is partially executed, its unexecuted part generates a bid/offer that remains posted in the order book with the same price as the one of the latest transaction concluded and the same time priority as the one of the original bid/offer.

59.6 For each transaction concluded under paras. 59.2 and 59.3 above, the price shall be equal to the one of the bid/offer having time priority.

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59.7 Demand bids and supply offers shall not be matched if they have been submitted by the same Market Participant.

59.8 GME may allow each Market Participant to register in the market the forward contracts that it has concluded off the market, under the procedures and within the time limits indicated in the Technical Rules.

59.9 The bids/offers mentioned in para. 59.8 above shall be valid if they meet all the requirements of Article 58 above and pass any other verification as indicated in the Technical Rules.

59.10 At the end of the continuous-trading stage, GME may determine a reference price, as well as a closing price in accordance with the modalities established in the Technical Rules.

Article 60
Cascading Mechanism

60.1 After their trading period, forward contracts shall be settled under the cascading mechanism, in accordance with the procedures and within the time limits specified in the Technical Rules. Under this mechanism, the contractual positions held in respect of each forward contract shall - at the end of the corresponding trading period - be replaced with equivalent contractual positions with shorter delivery periods.

Article 61
Notification of the Results of the MT-GAS

61.1 Upon the closing of the session, GME shall publish the results of the continuous-trading session, specifying at least the following data and information:
a) minimum price and maximum price of the session;
b) volume traded in the session.

SECTION II BIS
ERROR MANAGEMENT

Article 61 Bis
Cancellation upon Request

61 bis.1 A Market Participant that has made an error in entering a bid/offer, which has been matched during a continuous-trading session of the MGP-GAS or MI-GAS, may request GME to cancel the related concluded transactions, according to the provisions regulated in this article.

61 bis.2 The cancellation request mentioned in the previous paragraph 61 bis.1 must be submitted by the Market Participant, according to the methods and terms defined in the Technical Rules.

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61 bis.3 GME, once received the cancellation request, checks its admissibility on the basis of the criteria defined in the Technical Rules.

61 bis.4 If the checks referred to in paragraph 61 bis.3 above give a positive outcome, GME shall cancel the transactions, notifying both the requesting Market Participant and the counterparty Market Participants concerned, according to the methods and terms established in the same Technical Rule. In case of a negative outcome, GME rejects the request, indicating the reasons to the requesting Market Participant.

61 bis.5 GME informs the remaining MGAS Participants that the transactions have been cancelled, according to the methods and terms defined in the same Technical Rule.

61 bis.6 The fees mentioned in Article 7, paragraph 7.1, subpara. c) above are not applied to the transactions cancelled pursuant to this Article.

SECTION II TER
MARKET FOR THE MANAGEMENT OF VOLUNTARY SOLIDARITY MEASURES (MVS)

Article 61 Ter
Purpose of the MVS

61 ter.1 In the MVS, Market Participants requesting solidarity shall procure the gas resources that they need to respond to the requests for activation of voluntary solidarity measures made by the corresponding Member States.

61 ter.2 In each session of the MVS, Market Participants, as users enabled for the MVS, may submit supply offers in respect of the offer points that they hold, as communicated by Snam Rete Gas under Article 25, para.25.4 bis above. If such Market Participants are at the same time solidarity-requesting Market Participants, then the provisions of Article 61 sexies, para. 61 sexies.1 below shall apply.

61 ter.3 In the MVS, contracts with a delivery period equal to one gas-day may be traded.

61 ter.4 The volume of gas underlying each contract tradable in the MVS shall be defined in the Technical Rules.

Article 61 Quater
Submission of Supply Offers by Market Participants

61 quater.1 Simple or predefined supply offers shall be submitted in accordance with the Technical Rules and specify at least the following data:

a) identification code of the Market Participant submitting the offer;
b) identification code of the MVS session for which the offer is submitted, where

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applicable;

c) identification code of the offer point to which the offer refers;
d) volume offered for sale;
e) unit price for the offered volume;
f) possible specification of predefined offer.

61 quater.2 The volumes specified in the offers may only have positive values and they shall not be lower than the minimum volume communicated by Snam Rete Gas to GME under Article 25, para.25.4 bis, subpara. e) above and made known to Market Participants as established in the Technical Rules.

61 quater.3 Offers shall not be submitted without specifying a price.

61 quater.4 The price mentioned in para. 61 quater.1, subpara. e) above shall only have values higher than or equal to zero and it shall not exceed the maximum limit defined in the Technical Rules.

61 quater.5 If the Technical Rules so specify, Market Participants may submit multiple offers. The maximum number of simple offers making up a multiple offer shall be defined in the Technical Rules. For the purposes of selection, each multiple offer shall be considered as a set of simple offers.

61 quater.6 In the order book, offers that have been verified to be valid and adequate under Article 61 quinquies below shall be ranked in non-decreasing price order. If their price is the same, they shall be ranked by time of entry.

61 quater.7 An offer may be changed or cancelled until its selection.

Article 61 Quinquies
Verification of Validity and Adequacy of Supply Offers

61 quinquies.1 Within the time limits defined in the Technical Rules, GME shall verify the validity and adequacy of supply offers, ensuring that:

a) the Market Participant is not suspended from the MGAS;
b) the Market Participant is a user enabled for the MVS and holding the offer point to which the offer refers, based on the latest information obtained from Snam Rete Gas under Article 25, para. 25.4 bis above;
c) the offer has been submitted in compliance with the modalities referred to in Article 61 quater above;
d) the offer contains all the data reported in Article 61 quater above and complies with the price and volume limits established therein;
e) based on the latest information obtained from Snam Rete Gas under Article 25, para. 25.4 bis above, the volume of gas specified in the offer does not exceed the maximum overall volume of gas that can be offered by the MVS user for the same offer point, decreased by the sum of the gas volumes specified in the other supply offers of the same user referring to the same offer point, having higher priority, and already verified to be adequate;
f) the offer is compliant with other requirements and limits possibly specified in *pro*

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tempore rules and procedures communicated by Snam Rete Gas and defined by GME in its Technical Rules;

g) the offer falls within the possible limits imposed by GME under Article 22, para. 22.5 above.

61 quinquies.2 GME's information system shall return the outcome of the validity and adequacy verifications of the offers referred to in Article 61 quinquies.1, and:

a) if the outcome is negative, it shall reject the entry of offers into the order book;
b) if the outcome is positive, it shall enter the offers into the order book.

Article 61 Sexies
Selection of Supply Offers and Notification of Results

61 sexies.1 The Market Participant requesting solidarity shall select the offers present in the order book of the MVS under the provisions of the Technical Rules.

61 sexies.2 The Market Participant requesting solidary shall not be allowed to select supply offers that it may have submitted as a user enabled for the MVS.

61 sexies.3 Market Participants requesting solidarity shall select the offers referred to in para. 61 sexies.1 above under the following criteria:
a) offers shall be accepted for the entire offered volume;
b) each accepted offer shall be valued at the related unit selling price.

61 sexies.4 Within the time limit defined in the Technical Rules, GME shall publish the results of the MVS, specifying at least the following data:
a) the overall gas volumes covered by supply offers selected under para. 61 sexies.1 above;
b) the volume requested to be purchased by Market Participants requesting solidarity, if this information has been made known to Market Participants based on the indications provided by Snam Rete Gas under Article 23,para. 23.13, subpara. c) above.

61 sexies.5 Within the time limit mentioned in para. 61 sexies.4 above, GME shall communicate:
a) to each Market Participant that has submitted supply offers into the MVS, those that it has submitted and that, as a result of the session, have been selected and, for each selected supply offer, the data of the solidarity-requesting Market Participant that has selected it;
b) to each Market Participant requesting solidarity, for each selected supply offer, the data of the selling Market Participant that has submitted the supply offer selected.

62 sexies.6 Within the time limits defined in the agreement entered between GME and Snam Rete Gas, as referred to in Article 16 above, GME shall communicate to Snam Rete Gas the supply offers selected in the MVS, specifying, for each of them, the volume and the price, as well as the Market Participant that has submitted the supply offer and the solidarity-requesting Market Participant that has selected it.

63 sexies.7 The reference price of the MVS session shall be published by GME based on the indications provided by ARERA.

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SECTION III
EMERGENCY PROCEDURE AND SUSPENSION OF THE MGAS

Article 62
Emergency Procedure

62.1 Emergency conditions shall be the following:

a) the case where GME is unable to receive bids/offers or the cancellation requests submitted by Market Participants according to the modalities set forth in these Rules;

b) the case where GME is unable to determine the results of a market session or to carry out the admissibility checks of a cancellation request;

c) the case where GME is unable to communicate the results of a market session or of a cancellation request to Market Participants and, for the MGS only, to storage companies;

d) the case where it is not possible to register the net positions at the PSV, as per Article 26 above.

62.2 If the case referred to in para. 62.1, subpara. a) above occurs, GME shall - in accordance with the modalities stated in the Technical Rules - notify Market Participants and, in the event that the emergency condition concerns the receipt of offers/bids, Snam Rete Gas or each storage company (if related to the MGS) of the occurrence of the emergency condition and of the new opening time of the MGAS trading session. If, by the new opening time of the trading session, the emergency condition persists, GME shall temporarily suspend transactions in the market.

62.3 If the cases referred to in para. 62.1, subparas. b) and c) above occur, GME shall - in accordance with the modalities stated in the Technical Rules - suspend transactions in the MGAS and notify Market Participants and, in the event that the emergency condition is related to the determination and communication of results, Snam Rete Gas or each storage company (if related to the MGS) of the occurrence of the emergency condition.

62.4 If the case referred to in para. 62.1, subpara. d) above occurs, GME shall - in accordance with the modalities stated in the Technical Rules - notify Market Participants of the occurrence of the emergency condition and, where possible, of its duration. If the emergency condition is due to:

a) planned impossibility to register at the PSV, then GME shall - where possible - register the net position of Market Participants ahead of the time limits defined in Article 26 above;

b) unplanned impossibility to register at the PSV, namely no operation of the systems for exchange of the information flows functional to the registrations at the PSV, GME, in agreement with SRG, shall identify, where possible, the new registration time limits. If, even following the new time limits, it is not possible to register at the PSV, GME shall close the net positions of Market Participants.

It shall be understood that Market Participants shall have no claims of whatsoever nature, including for damages, against GME for failure to register the net delivery position at the PSV owing to the above-mentioned cases of unavailability.

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62.5 GME shall close the net positions in compliance with para. 62.4 subpara. b) above by assigning to Market Participants a transaction of opposite sign, having a price equal to the weighted average price of the transactions that have contributed to determining the aforesaid net position. The fee referred to in Article 7, para. 7.1 c) shall not be applied to the above transactions.

62.6 GME shall – according to the modalities indicated in the Technical Rules – notify Market Participants of the actions undertaken in compliance with para. 62.4 subparas. a) and b) above.

Article 63
Suspension of the MGAS

63.1 GME shall suspend the MGAS under emergency conditions as directed by the Ministry of Environment and Energy Security, taking into account, among others, the results of the assessments made by the national gas system emergency and monitoring committee.

63.2 GME shall suspend the MGAS if Snam Rete Gas requests the suspension owing to emergency conditions in its systems.

63.3 If the case of Article 62, para. 62.1 d) above occurs, GME may suspend the sessions of the MGAS.

63.4 Without prejudice to the provisions of paras. 63.1, 63.2, and 63.3 above, if GME identifies abnormal trends in trading in the MGAS or identifies or suspects irregular or unlawful behaviours by one or more Market Participants, it shall notify the Ministry of Environment and Energy Security and the Authority thereof and, as directed by the Ministry of Environment and Energy Security after hearing the opinion of the Authority, it shall suspend trading in the MGAS or one or more sessions thereof even with immediate effect.

63.5 GME shall make known the suspension decision referred to in paras. 63.1, 63.2, 63.3, and 63.4 above by posting it on its website.

63.6 After the suspension referred to in paras. 63.1, 63.2, 63.3, and 63.4 above, GME shall make known the reinstatement of trading in the MGAS by posting an appropriate notice on its website.

63.7 In all cases of suspension of the MGAS, GME shall provide the Ministry of Environment and Energy Security and the Authority with an appropriate report on the related impacts.

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TITLE IV
BILLING AND INVOICING OF PAYABLES AND RECEIVABLES

SECTION I
BILLING OF PAYABLES AND RECEIVABLES

Article 64
Billing of Accepted Bids/Offers

64.1 At the end of each session of the MGAS, or as soon as all the necessary data and information is available, GME shall determine the values of the following payables and receivables - increased by VAT, where chargeable - and notify each Market Participant thereof:
a) purchase transactions;
b) sale transactions.

64.2 At the end of each invoicing period, GME shall determine the following values and notify each Market Participant thereof:
a) purchases concluded under para. 64.1 a) above;
b) sales concluded under para. 64.1 b) above.

SECTION II
INVOICING OF PAYABLES AND RECEIVABLES

Article 65
Invoicing Period

65.1 The invoicing period for the payables and receivables pertaining to the MGAS shall be specified in the Technical Rules.

Article 66
Invoicing

66.1 For each invoicing period, according to the modalities and within the time periods specified in the Technical Rules, GME shall:
a) issue invoices to each Market Participant in debit towards GME for the amounts specified in Article 64, para. 64.2 subpara. a) above, for all the gas-days included in the invoicing period;
b) notify each Market Participant in credit towards GME of the amounts referred to in Article 64, para. 64.2 subpara. b) above, for all the gas-days included in the invoicing period;
c) issue invoices to each Market Participant for the fees due for the MWh traded

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as per Article 7, para. 7.1 subpara. c) above;

66.2 Following the notifications referred to in para. 66.1 subpara. b) above, Market Participants shall issue invoices for the specified amounts to GME.

66.3 The time periods and formalities for the issuing of invoices to GME, as set forth in para. 66.2 above, for the purposes of what is set out in Article 73 below, shall be specified in the Technical Rules.

66.4 The invoices and notifications referred to in para. 66.1 above shall be provided to Market Participants by electronic means, according to the modalities set forth in the Technical Rules.

66.5 The procedures and time limits for the issuing of invoices by a defaulting Market Participant under Article 77, para. 77.1 subpara. b) below shall be set out in the Technical Rules.

Article 67
Invoice Contents

67.1 For each gas-day included in the invoicing period and for each of the markets making up the MP-GAS, the invoices and notifications referred to in Article 66, para. 66.1 above shall specify at least the following data, where applicable:
a) types of contract traded;
b) the volumes of gas underlying accepted bids/offers;
c) the price at which the volumes mentioned in subpara. b) above have been valued;
d) the taxes applied;
e) the total amount.

67.2 For each applicable delivery period included in the invoicing period and for each session of the MT-GAS, the invoices and notifications referred to in Article 66, para. 66.1 above shall specify at least the following data, where applicable:
a) the type of traded contracts;
b) the amount of gas related to the transactions concluded;
c) the price at which the contracts mentioned in subpara. a) above have been valued;
d) the taxes applied;
e) the total amount.

67.3 The provisions of paras. 67.1 and 67.2 above shall not apply to the invoices mentioned in Article 66, para. 66.1 subpara. c) above.

67.4 The invoices referred to in Article 66, para. 66.1 subpara. c) above shall specify at least the following data:
a) the volumes of gas underlying accepted bids/offers;
b) the fees applied to the MWh traded;
c) the taxes, where applicable;
d) the total amount.

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Article 68
Application of Fees for the Services Provided by GME

68.1 The access fee and the yearly fixed fee referred to in Article 7, para. 7.1 subpara. a), b), and d) above - increased by VAT, where chargeable - shall be invoiced in accordance with the modalities and within the time limits defined in the Technical Rules.

68.2 The fees for the services provided under Article 9, para. 9.5 above, referred to in Article 7, para. 7.1 above, shall be invoiced in accordance with the modalities and within the time limits defined in the Technical Rules, and increased by VAT, where chargeable.

TITLE V
GUARANTEE SYSTEMS, SETTLEMENT OF PAYMENTS AND DEFAULT

SECTION I
GUARANTEE SYSTEMS

Article 69
Treasury Services

69.1 GME shall entrust its treasury services to a leading bank or financial institution.

Article 70
Financial Guarantees of Market Participants

70.1 In order to cover the obligations they intend to take on in the market, Market Participants shall post financial guarantees, which may be cumulated with one another in the form of first-demand bank guarantees as referred to in par 70.2 below, according to:
a) Annex C of the Rules, if they intend to operate on the netting markets of the MGAS and on the MTGAS,
b) Annex E or, alternatively or cumulatively, according to Annex C of the Rules, if they intend to operate on the netting markets of the MGAS.

70.2 Financial guarantees intended as first-demand bank guarantees must be issued by banking institutions which are members of the bank register (“Albo”) as per Article 13 of legislative decree no. 385, 1 September 1993, and which have a long-term rating attributed by at least one of the following rating agencies: Standard & Poor’s Rating Services, Moody’s Investor Service, Fitch and DBRS. The rating shall not be lower than BBB- on Standard & Poor’s or Fitch’s scale or Baa3 on the scale of Moody’s Investor Service or BBB low on DBRS’ scale.

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70.3 Alternatively to or cumulative to guarantees posted in the form of a bank guarantee as per para. 70.1 above, Market Participants may post guarantees in the form of a non-interest bearing cash deposit, to be paid into the bank account held by GME at the treasury institute with the terms described in the Technical Rules. PA Participants shall post guarantees exclusively in the form of a non-interest-bearing cash deposit to be paid into the bank account held by GME at the treasury institute referred to in Article 69 above with the terms described in the Technical Rules.

70.4 Market Participants that have posted guarantees as bank guarantees or non-interest bearing cash deposits shall allocate the amount of such guarantees, according to the modalities set out in the Technical Rules.

70.5 If the Market Participant is also a participant of the PCE, in order to cover the obligations arising from the submission of registration applications on the PCE, it may use a share of the guarantees referred to in pars. 70.1 and 70.3 above, according to the allocations communicated as per para. 70.4 above.

70.6 If the Market Participant is also an ME participant:
a) the share of the guarantees posted according to pars. 70.1 and 70.3 above, intended to cover obligations taken on netting markets of the MGAS, according to the allocations notified as per para. 70.4 above, is automatically considered also to cover the obligations on the netting markets of the ME;
b) the share of the guarantees posted according to Annex 3 and/or Annex 5, as well as in the form of non-interest-bearing cash deposit, as per the Integrated text of the electricity market rules, intended to cover the obligations taken on the netting markets of the ME, according to the allocations notified as per Integrated text of electricity market rules, is automatically considered also to cover obligations on the netting markets of the MGAS;
c) may allocate part of the guarantees referred to in para. 70.1 subpara. a) above (Annex C of the Rules) and in par 70.3 above, according to allocations referred to in para. 70.4 above, to cover obligations arising in the MPEG and the MTE;
d) may allocate part of the guarantees posted according to Annex 3, as well as in the form of non-interest-bearing cash deposit, of the Integrated text of the electricity market rules to cover obligations taken on in the MTGAS, according to the modalities and terms on guarantees allocations described in the Technical Rules of the Integrated text of the electricity market rules;
e) may use allocate part of the guarantees referred to in para. 70.1 subpara. b) above Annex 5, and in para. 70.3 above according to the allocations referred to in para. 70.4 above to cover obligations taken on in the MPEG.

70.7 In the case of a bank guarantee, if the issuing bank is subject to control as per art. 2359, paras. 1 and 2 of the Italian Civil Code and does not meet the requirements set forth in para. 70.1 above, then the guarantee issued by such bank shall be supported by a statement issued by its controlling company. In such statement, the controlling company, which shall meet the requirements specified in para. 70.1 above, shall undertake the following obligations:

a) if a change takes place in the structure of the company and such change is such as to involve the loss of control as per art. 2359, paras. 1 and 2 of the Italian Civil Code, then the company shall timely notify GME thereof;
b) if, when receiving a request for enforcing the bank guarantee, the issuing bank defaults on its obligations or is in the position referred to in subpara. a) above, then the company shall guarantee the fulfilment of the obligation

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undertaken by its controlled company.

70.8 If the issuing bank or the controlling company that has issued the statement mentioned in para. 70.7 above no longer meets one or both of the requirements specified in para. 70.1 above, or if the controlling company loses the control of the issuing bank as per art. 2359, paras. 1 and 2 of the Italian Civil Code, then the bank guarantees issued by such bank shall remain valid until the end of the time period specified in the Technical Rules.

70.9 The bank guarantee and the statement mentioned in para. 70.7 above shall be submitted to the treasury institute referred to in Article 69 above.

70.10 By the end of the working day following the one on which the bank guarantee and the statement mentioned in para. 70.7 above have been submitted, the treasury institute shall verify whether: i) the guarantee is complete and conforms to the format attached hereto (*Annex C*); ii) it has been issued by a bank meeting the requirements specified in para. 70.1 above; and iii) the statement issued by the controlling company has the content referred to in para. 70.7 subpara. a) and b) above.

70.11 Within the time limit specified in para. 70.10 above, the treasury institute shall notify the Market Participant and GME of any deficiencies identified upon the verification of the submitted bank guarantee or of the statement mentioned in para. 70.7 above.

70.12 If the verification has a positive outcome, the treasury institute shall notify GME, within the time limit specified in para. 70.10 above, of the amount covered by the bank guarantee and of the start of the period of validity of the guarantee and of the statement mentioned in para. 70.7 above.

70.13 The Market Participant may dispute the results of the verification carried out by the treasury institute by filing an appeal with the Court of Arbitration mentioned in Article 95 below.

70.14 The amount covered by the bank guarantee and by the statement referred to in para. 70.7 above shall be valid and effective within the second working day following the day on which GME receives the notification referred to in para. 70.12 above.

70.15 The amount guaranteed by the non-interest-bearing cash deposit shall be valid and effective only within the second working day following the one on which such deposit has been credited to GME's bank account with the treasury institute. The deposit shall be deemed to have been credited to GME's bank account on the date and at the time recorded by the information system of GME's treasury institute.

Article 71
Amount of the Guarantee

71.1 The amount of the guarantee (whether a bank guarantee or a non-interest-bearing cash deposit) to be taken into consideration for the adequacy verification shall be determined by the Market Participant on the basis of the bids/offers that it intends to submit.

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71.2 The Market Participant that has posted bank guarantees according to Annex C may at any time change the guaranteed amount, by submitting an updating letter with the new amount in the format of *Annex D* hereto or a new bank guarantee to the treasury institute. The Market Participant that has posted bank guarantees according to Annex E may, at any time, request a change in the amount guaranteed or in the validity by submitting an updating letter with the form in Annex F of the Rules or a new bank guarantee to the treasury institute.

71.3 By the end of the working day following the one of submission of the letter updating the bank guarantee, the treasury institute shall verify whether the letter conforms to the specified format.

71.4 Within the time limit specified in para. 71.3 above, the treasury institute shall notify the Market Participant and GME of any deficiencies identified upon the verification of the submitted updating letter.

71.5 If the verification has a positive outcome, the bank in charge of GME's treasury services shall notify GME, within the time limit referred to in para. 71.3 above, of the new guaranteed amount and of the date from which the new value shall apply.

71.6 The new bank guarantee and the updating letter shall be verified according to the provisions contained in Article 70 above.

71.7 Except as provided in pars. 71.8 and 71.9 below, the modification of the amount of the bank guarantee shall have effect within the second working day following that on which GME receives the notification referred to in para. 71.5 above, or from the date specified by the Market Participant in the notification referred to in in para. 71.5 above, provided that such date falls after the second working day following that on which GME receives such notification.

71.8 If the request for modification referred to in para. 71.2 above concerns a decrease of the amount of the bank guarantee, the acceptance of such request shall be subject to verification by GME. GME shall verify whether the requesting Market Participant is in debit towards GME. If the Market Participant is not in debit, GME shall notify the Market Participant of the immediate validity of the requested modification for the purposes of the adequacy verifications.

71.9 The Market Participant may at any time request the return of the bank guarantee posted pursuant to the provisions of this Rules. The acceptance of this request is subject to GME's positive verification of the amounts for which the requesting Market Participant is a debtor. If the verification is positive, GME shall notify the Market Participant of the immediate validity of the requested modifications for the purposes of the adequacy verifications. GME shall return the bank guarantee in accordance with the procedures provided for in the Technical Rules.

71.10 The Market Participant may at any time request the modification (increase or decrease) of the amount of the guarantee posted in the form of a non-interest-bearing cash deposit. The Market Participant may ask for refund (even partial) of the deposited amount provided that, by doing so, the Market Participant's position is entirely guaranteed. If the verification has a positive outcome, the reduction of the guaranteed amount will have immediate validity for adequacy verification

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purposes. GME shall refund the deposit according to the terms described in the Technical Rules. If the Market Participant requests an increase of the amount of the guarantee, it shall deposit, according to the terms described in the Technical Rules, the related amount into the account held by GME with the treasury institute. After verifying whether the Market Participant's deposit has been credited to its bank account, GME shall modify the guaranteed amount with validity and effect within the second working day following the one on which such deposit has been credited. The amount so credited shall be deemed to have been received on the date and at the time recorded by the information system of the treasury institute.

Article 72
Available Amount of the Guarantee
for the Purposes of the Adequacy Verification

72.1 GME shall determine and update the available amount of the guarantee considering the allocation made by the Market Participant according to Article 70, paras. 70.4 and 70.6 above under the modalities and within the time limits defined in the Technical Rules.

72.2 Where the available amount of the guarantee, updated under the modalities indicated in the Technical Rules, is not sufficient, the Market Participant shall increase it under the procedures and within the time limits defined in the Technical rules. Pending the increase of the guaranteed amount, the Market Participant cannot carry out negotiations determining the increase in their exposure towards GME, as per Technical Rules.

72.3 Where the Market Participant does not increase the guaranteed amount in accordance with para. 72.2 above, GME shall apply the default procedure referred to in Section III below.

72.4 The determination and the updating of the available amount of the guarantee, as well as the adequacy verifications shall be carried out under the modalities specified in the Technical Rules and the following principles:

a) with a view to creating an adequate maintenance margin, the guaranteed amount of Market Participants is decreased by an amount determined according to the modalities and terms is specified in the Technical Rules;
b) bids/offers submitted into the MGP-GAS, MI-GAS and MT-GAS are adequate if the related guarantees cover the payables/receivables arising therefrom, as specified in the Technical Rules;
c) bids submitted into the MPL and MGS are adequate if the related guarantees cover the payables/receivables arising therefrom;
d) the registration of the MGAS net delivery buy position at the PSV is adequate if the related guarantee totally covers its value;
e) if the net delivery position cannot be registered at the PSV under Article 26 above, GME may decrease the available amount of the guarantee.
f) Where a Market Participant participates in netting markets, the capacity amount of the guarantee considered for adequacy verifications of offers/bids submitted by Market Participants in the MPGAS shall be determined by aggregating their participation in the MGP and MI, according to the Integrated text of the electricity market rules.

72.5 For the purposes of the adequacy verifications in the MGP-GAS, MI-GAS and MT-

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GAS, GME may define:

a) a check price for each contract traded in the MGP-GAS, MI-GAS and MT-GAS; this price is set daily on the basis of bids/offers submitted into and/or concluded in the MGP-GAS, MI-GAS and MT-GAS in a given time period; GME may determine the check price also on the basis of other indicators or procedures involving Market Participants;
b) a parameter α, which is determined on the basis of the volatility of the prices of the listed contracts;
c) a parameter β, which is determined on the basis of the price correlation between different delivery periods.

72.6 The values of parameters α and β shall be defined in the Technical Rules.

72.7 The amounts referred to in the above paragraphs, to be taken into consideration for the adequacy verification, shall not include the fees specified in Article 7, para. 7.1 above.

SECTION II
SETTLEMENT OF PAYMENTS

Article 73
Offsetting of Payments

73.1 The settlement period is defined by GME in the Technical Rules.

73.2 For each settlement period and each Market Participant, GME shall - under the modalities and within the time limits established in the Technical Rules - determine distinct net positions of debit and/or credit towards GME pertaining to:
a) the balance of payables and receivables resulting from purchase and sale transactions carried out in the MPGAS;
b) the balance of payables and receivables resulting from purchase and sale transactions carried out in the MT-GAS;
c) the balance of payables and receivables resulting from transactions referred to in Article 81, para. 81.1 subpara b) below, respectively.

73.3 GME shall communicate to each Market Participant, according to the formalities and within the time periods specified in the Technical Rules, the results of the determinations referred to in para. 73.2 above, based on which payments shall be made according to the provisions and within the time periods specified in Articles 74 and 76 below.

73.4 In case of participation in netting markets, the balance of payables and receivables resulting from purchase and sale transactions carried out in the MGAS shall be determined according to Title V, Section II of the Integrated Text of the Electricity Market Rules.

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Article 74
Payments from Market Participants to GME

74.1 As a result of the determinations referred to in Article 73 above:

a) non-PA Market Participants qualified as debtors towards GME, shall settle through the treasury institute the amounts due for each net position, determined and communicated by GME under Article 73, paragraph 73.3 above, according to terms and conditions provided in the Technical Rules;

b) GME satisfies its receivables due by debtors PA Market Participants according to the terms and conditions provided in the Technical Rules utilising their available cash deposit until reaching the amount of such receivables.

74.2 If the due amount is not paid in accordance with paragraph 74.1, subpara. a) above, the debtor Participants of GME may settle the amount due to the treasury institute, plus interest for late payment and a penalty, determined according to the criteria and to the extent shown in Article 82, according to terms and conditions provided in the Technical Rules. In implementing what provided for by the Authority, GME shall transfer the amounts resulting from the application of default interest and penalties above the guarantee fund.

74.3 If the due payment is not fully or partly received by the treasury institute as provided for in subpara. 74.2 above, GME shall apply the default procedure referred to in Section III below.

Article 75
Payments of Fees

75.1 The amounts specified in Article 66, para. 66.1, subpara c) and Article 68 above shall be paid in accordance with the procedures and within the time limits specified in the Technical Rules.

Article 76
Payments from GME to Market Participants

76.1 Payments to Market Participants qualifying as creditors towards GME as a result of the determinations referred to in Article 73 above shall be made according to the provisions of this Article.

76.2 After receiving the payments referred to in Article 74, para. 74.1 above, GME shall make payments to Market Participants qualifying as creditors towards GME after the determinations referred to in Article 73 above, in accordance with the modalities and within the time limits established in the Technical Rules.

76.3 After receiving the payments referred to in Article 74, para. 74.2 above, GME shall make payments to Market Participants qualifying as creditors towards GME after the determinations referred to in Article 73 above, in accordance with the modalities and within the time limits established in the Technical Rules.

76.4 After receiving the payments referred to in Article 74, para. 74.3 above, GME shall make *pro quota* payments to Market Participants qualifying as creditors towards

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GME after the determinations referred to in Article 73 above, in accordance with the modalities and within the time limits established in the Technical Rules.

76.5 If GME, by its own fault, makes the payments beyond the time limits mentioned in this Article, it shall pay default interest to Market Participants at the rate posted on GME's website.

SECTION III
DEFAULT

Article 77
Cases of Default by the Market Participant

77.1 A Market Participant of the MGAS shall be in default:
a) if it has not made the payments to GME, in accordance with Article 74, paragraph 74.2 above.
b) if it fails to update the guarantee as per Article 72 above.

77.2 The default of a Market Participant of the netting markets is determined and regulated according to Title V, Section III of the Integrated Text of the Electricity Market Rules.

Article 78
Management of Default

78.1 In the cases of default referred to in Article 77, GME shall:
a) suspend the Market Participant from the MGAS and the ME, if it is also admitted to the MGAS
b) enforce the guarantees posted under Section I of this Title;
c) close the MGAS net positions under Article 81 below and all MTE's contractual positions according to the Integrated Text of the Electricity Market Rules, if it is also admitted to the ME.

78.2 If the guarantees enforced under para. 78.1 subpara b) above are insufficient to cover the debit of the defaulting Market Participant or if the bank issuing the guarantee defaults on its obligations under Article 80 below, GME shall contribute to covering the debits of the defaulting Market Participants or of the bank issuing the guarantee, by using, in the following order:
a) the Guarantee Fund according to the modalities and time limits set out in the Technical Rules;
b) its own funds for a maximum amount determined on a yearly basis and allocated for this purpose; this amount, posted on GME's website, shall be set by the Ministry of Environment and Energy Security at the proposal of GME.

78.3 If the resources used by GME under subpara. b) above are not sufficient to cover the debits of the defaulting Market Participants or of the bank issuing the guarantee, GME shall - for the uncovered part - resort to the risk pooling mechanism defined by the Authority. It shall be understood that, in this case, GME shall make payments to Market Participants for the uncovered portion of the credit under Article 76, para. 76.4 above only after receiving the amounts resulting from the application of the aforesaid risk pooling mechanism. As a consequence, creditor Market Participants shall have no right or claim towards GME for the portion of credit not yet covered.

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78.4 GME shall institute any ordinary judicial proceedings as needed to recover the amounts due by the defaulting Market Participant or issuing bank. The possibly recovered amounts shall restore the amounts used by GME to cover debits according to the following order:

a) the amounts used under the risk pooling mechanism mentioned in para. 78.3 above;
b) the own funds mentioned in para. 78.2;
c) amounts withdrawn from the Guarantee Fund mentioned in para. 78.2 a) above.

78.5 Without prejudice to the provisions of the specific agreements referred to in Article 16, paragraph 16.2 above, in the event of default by the Market Participants by right pursuant to Article 16 above, GME shall use, according to the procedures and time limits regulated in a specific provision, the Guarantee Fund or, in the event of insufficiency of the latter, the risk pooling mechanism defined by ARERA.

Article 79
Suspension of the Market Participant

79.1 Except for what provided for in para. 79.2 below, GME shall revoke the suspension of the Market Participant pursuant to Article 78, para. 78.1 a) above if the cause for the suspension is no more.

79.2 Six months after the suspension, GME shall exclude the Market Participant from the MGAS and the ME, if it is also admitted to the ME.

Article 80
Default by the Bank Issuing the Guarantee

80.1 If the guarantee has been posted in the form of a bank guarantee and if, after receiving a request for enforcement of the bank guarantee, the issuing bank fails to make the consequent payment within the time limit indicated therein, such bank guarantee as well as the other bank guarantees issued by the same bank shall remain valid until the time limit established in the Technical Rules.

80.2 If, after receiving a request for enforcement of the bank guarantee, the issuing bank fails to make the consequent payment within the time limit indicated therein, GME shall not accept any new bank guarantees issued by the same bank for the purposes of Article 70 above. If the issuing bank fulfils its guaranteed obligation after the time limit indicated in the bank guarantee, GME may decide not to accept the new bank guarantees issued by the same bank for the purposes of Article 70 above up to a maximum period of twelve months from the date of the late fulfilment.

Article 81
Closing of the Market Participant's Positions

81.1 In the cases of default pursuant to Article 77 above as well as in cases described in Article 26, para. 26.8 above, GME shall - under the modalities and within the time limits established in the Technical Rules - determine the MGAS net positions of the Market Participant and:

a) for net delivery positions for which there are corresponding contracts traded in the MT-GAS, close these net delivery positions, by closing the defaulting Market

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Participant contractual positions, by concluding opposite sign transactions in the MT-GAS that are attributed to the Market Participant itself;

b) for net delivery positions for which there are corresponding contracts traded in the MGP-GAS and MI-GAS, as well as for positions for which the procedure referred to in subparagraph a) above did not allow the closure, adjust at the balancing system the net position undelivered by the Market Participant. In this case, at the end of the session of MI-GAS related to the applicable period of the net undelivered position, GME shall assign to the Market Participant a transaction in the MGAS with opposite sign, for an amount equal to that of the net delivery position unregistered at the PSV and a price equal to the price applied in the balancing system, on the same gas-day, to the imbalances having the same sign as that of the unregistered position.

81.2 In accordance with the provisions established by the Authority, GME shall transfer to the guarantee fund any financial surplus resulting from the billing of the closure of net delivery positions of defaulting Market Participants made pursuant to the preceding paragraph 81.1 subpara b) above.

Article 82
Default Interest and Penalties

82.1 In case of enforcement of the guarantees, the amount owed by the Market Participant in debit shall be increased by a penalty, by default interest as specified in para. 82.2 below, as well as by the related enforcement fees, if the guarantee has been posted in the form of a bank guarantee.

82.2 The default interest shall be determined by applying to the relevant late payments:

a) in respect of the net position referred to in Article 73, para. 73.2 subparas. a) and b) above, the legal interest rate to the amount owed by the Market Participant, except as provided in subpara. b) below;

b) in respect of part of the net delivery position referred to in Article 73, para. 73.2 subpara. a) above, referred to purchase transactions as per Article 81, para. 81.1 subpara b) above, the legal interest rate or the default interest specified in the Technical Rules at a rate conforming to the provisions of the network code.

82.3 The default interest mentioned in para. 82.2 subpara a) above shall be applied for a number of days equal to:

a) the number of days of late payment, if the Market Participant pays within the time limits specified in Article 74, para. 74.2 above;

b) the number of days elapsing from the time limit specified in Article 74, para. 74.1 above to the day on which the issuing bank pays the enforced amount to GME, if the bank guarantee is enforced.

82.4 The penalty covered by para. 82.1 above shall be equal to one per cent and applied to the cases of late payment identified in the Technical Rules.

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TITLE VI

DISCIPLINARY MEASURES, COMPLAINTS AND DISPUTES

SECTION I

BREACHES AND DISCIPLINARY MEASURES

Article 83
Breaches of the Rules and Technical Rules

83.1 The following behaviours shall be considered as breaches of these Rules and of the Technical Rules:

a) negligence, imprudence and unskilfulness in the use of the systems of communication and submission of bids/offers;
b) vexatious use of the complaint procedure defined in Section II below of this Title;
c) disclosure to third parties of confidential information related to the Market Participant or other Market Participants, in particular as regards the codes of access to GME's information system, any other data pertaining to such access and the contents of bids/offers submitted by other Market Participants to GME, except in the fulfilment of obligations arising from laws, regulations or decisions issued or adopted by the relevant authorities;
d) any attempt to access restricted sections of GME's information system;
e) any use for fraudulent purposes of the systems of communication and submission of bids/offers;
f) any other conduct contrary to the common principles of correctness and good faith referred to in Article 3, para. 3.4 above.

Article 84
Disciplinary Measures

84.1 If the breaches referred to in Article 83 above are ascertained, GME may - respecting the principles of impartiality and equality of treatment and bearing in mind the severity of the breach and its possible recurrence - apply the following disciplinary measures to Market Participants on the basis of the scale referred to in Article 85 below:

a) a private written notice of the breach;
b) a pecuniary penalty;
c) the suspension of the Market Participant from the market;
d) the exclusion of the Market Participant from the market.

84.2 If a measure of pecuniary penalty is imposed and the same has not been paid by the Market Participant within six months from the date of notice of such disciplinary measure, GME may also suspend the Market Participant from the market until payment of such penalty.

84.3 In case of suspension or exclusion from the market, the Market Participant involved may - under the supervision of GME - close any transaction still in progress

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and carry out any other transaction unavoidably connected therewith.

84.4 After identifying a breach, GME shall serve a notice to the Market Participant involved. The notice shall include:

a) a description of the alleged breach;
b) a deadline of at least ten days for the Market Participant to possibly submit pleadings and documents and request a hearing.

84.5 If the Market Participant requests a hearing or GME deems such hearing appropriate, GME shall set the date of the same and promptly notify the Market Participant thereof. If the Market Participant does not appear at the hearing and the hearing is not postponed to another date for justified reasons, GME shall make a decision on the basis of available evidence. In case of postponement of the hearing, this cannot, in any case, take place after the tenth day following the date originally set for the same.

84.6 Based on available evidence, GME shall apply the disciplinary measure or dismiss the case within thirty days from the hearing or, if this hearing is not required or not deemed necessary by GME, within thirty days from the notice referred to in paragraph 84.4 above.

84.7 Where the alleged breaches are such as to involve the imminent danger of the proper operation of the market, GME shall, on a precautionary basis, suspend the Market Participant from the market during the course of the disciplinary procedure.

84.8 The disciplinary measure and the grounds thereof or the decision to dismiss the case shall be notified to the Market Participant concerned. In case a disciplinary measure is implemented ,the same shall be notified to the Ministry of Environment and Energy Security.

Article 85
Graduation of Disciplinary Measures

85.1 Where the breaches are due to the fault of the Market Participant, GME may apply the following disciplinary measures:

a) a private written notice of the breach;
b) suspension from the market for a minimum period of five days and a maximum period of one month. In case of recurrence, the suspension from the market shall be equal to one month.

85.2 If the breaches mentioned in para. 85.1 above have caused disturbances to the proper functioning of the market, GME may suspend the Market Participant from the market for a minimum period of one month and a maximum period of one year. In case of recurrence, the suspension from the market shall be equal to one year.

85.3 If the breaches are due to the intentional wrongdoing of the Market Participant, GME may apply the following disciplinary measures:

a) suspension from the market for a minimum period of six months and a maximum period of eighteen months. In case of recurrence, the suspension from the market shall be equal to eighteen months.
b) exclusion from the market.

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85.4 If the breaches mentioned in para. 85.3 above have caused disturbances to the proper functioning of the market, GME may apply the following disciplinary measures:

a) suspension from the market for a minimum period of eighteen months and a maximum period of three years. In case of recurrence, the suspension from the market shall be equal to three years.
b) exclusion from the market.

85.5 As an alternative to the disciplinary measure of suspension from the market referred to in paras. 85.1 subpara b), 85.2, 85.3 subpara a), and 85.4 subpara a) above, GME may apply a pecuniary penalty of a minimum of twenty thousand/00 Euro and of a maximum of one hundred million/00 Euro. This penalty shall be based on the extent and severity of the damage arising from the breach. If the Market Participant has failed to make payment of the penalty within six months from the date of notice of such disciplinary measure, GME may also suspend the Market Participant from the market until the date of payment of such penalty.

Article 86
Suspension for Non-Fulfilment of Notification Obligations and Non-Payment of Fees

86.1 In addition to the cases provided for in Articles 78 and 85 above, GME shall suspend the Market Participant from the market or apply the pecuniary penalty referred to in Article 85, para. 85.5 above in the following cases:

a) where the Market Participant does not fulfil its obligation of notification as per Article 20, para. 20.1 above or the information disclosed pursuant to Article 20, para. 20.1 above do not allow GME finding the Market Participant or the latter does not supply the information or documentation required pursuant to Article 19, para. 19.2 above. The suspension shall have effect until the date on which GME receives the notification as per Article 20, para. 20.1 above or the information and documentation referred to in Article 19, para 19.2 or until when the Market Participant becomes available again on the basis of the information disclosed under Article 20, para. 20.1 above;
b) where the Market Participant fails to pay the fees specified in Article 7 above, according to the provisions of Article 75 above. The suspension shall have effect until the date on which the Market Participant fulfils said obligations and, however, within six months; after this period of time, the Market Participant shall be excluded from the market.

Article 87
Publication of Disciplinary Measures

87.1 After applying the disciplinary measures referred to in Article 84, para. 84.1 subparas. b), c), and d) above, GME shall publish the same, with the exception of the confidential sections of the same measures, on its website thirty days after serving the relevant notice of the disciplinary measure to the Market Participant concerned, unless the case has been brought before the Court of Arbitration. In this case, GME shall disclose the adoption of the disciplinary measure only if it is confirmed by the Court of Arbitration

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Article 88
Challenging Denial of Admission to the MGAS and Disciplinary Measures

88.1 Without prejudice to Article 96 below, the Market Participant may file an appeal with the Court of Arbitration against the denial of admission to the market or the disciplinary measures applied under Article 84, para. 84.1 above. The appeal shall be filed - under penalty of lapse - within thirty days of the notification of the denial procedure or of the disciplinary measure.

SECTION II COMPLAINTS

Article 89
Submission Formalities and Minimum Contents of Complaints regarding the results of validation and adequacy verifications of bids/offers, market results, and billing procedures

89.1 Complaints relating to validations and verifications as per Articles 31, 36, 43, 51, 58, and 61 quinquies above, as well as Articles 101, 102, 105 quater, and 105 quinquies below, at the end of each of the markets composing the MGAS, as well as of billing procedures as per Article 64 above shall, under penalty of inadmissibility, be submitted in electronic form within the time limits set forth in this Section and using the appropriate forms available in GME's information system.

89.2 All complaints shall, under penalty of inadmissibility, include the following elements:

a) identification code of the disputed bid/offer, as assigned by GME's information system, or any other reference permitting to uniquely identify it;
b) decision of GME which is being disputed;
c) concise description of the grounds for the complaint.

Article 90
Complaints about Results of Validation and Adequacy Verification of Bids/Offers

90.1 The Market Participant may dispute the results of the validations and verifications referred to in Articles 31, 36, 43, 51, 58, and 61 quinquies above, as well as Articles 101, 102, 105 quater, and 105 quinquies below, by sending a notification to GME within 60 minutes of GME's decision.

Article 91
Complaints about Market Results

91.1 The Market Participant may dispute the results of each of the markets making up the MGAS, namely the results of the process of acceptance of bids/offers and of determination of the prices at which they are valued, by sending a notification to GME within 60 minutes of GME's decision.

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Article 92
Complaints about Billing Procedures

92.1 The Market Participant may dispute the results of the billing procedures referred to in Title IV, Section I above, by sending a notification to GME by 16:00 of the second working day following the one on which such results are notified to the Market Participant.

Article 93
Complaints about Invoicing and Settlement Procedures

93.1 The Market Participant may dispute the results of the invoicing procedures referred to in Title IV, Section II, or the settlement determinations under Title V, Section II by sending a notification to GME, under penalty of inadmissibility, according to the modalities and within the time limits set forth in the Technical Rules.

93.2 In the case referred to in paragraph 93.1 above, GME takes any action specified in the Technical Rules according to the modalities and the time limits provided therein. On the amounts, if any, due to Market Participants as a result of the disputes, default interest - at the rate indicated in Article 82 above - shall be paid on the amounts payable after complaint resolution

Article 94
Complaint Resolution

94.1 GME shall notify the Market Participant concerned of the outcome of the verification of the complaints as per Articles 90, 91, 92, and 93 above, by 16:00 of the second working day following receipt of the complaint.

94.2 Where a complaint brought as per Articles 90 and 91 above is accepted because GME's disputed decision is affected by errors or omissions for which GME is responsible, GME shall pay a compensation of a maximum of ten thousand/00 Euro to the Market Participant concerned.

94.3 The Market Participant's acceptance of GME's compensation indicated in para. 94.2 above shall imply the Market Participant's waiver of the dispute resolution procedure mentioned in Section III below of this Title.

94.4 The compensation limit specified in para. 94.2 above shall apply not only to the complaints indicated therein and to any dispute arising therefrom, but also to the decisions resulting from the arbitration procedures referred to in Articles 95 and 96, para. 96.2 below.

94.5 If a complaint brought pursuant to Article 92 above is accepted, GME shall carry out the related corrections.

94.6 If a complaint described in Articles 93 is accepted, GME shall carry out the appropriate adjustment according to the provisions of the Technical Rules.

94.7 The acceptance of a complaint shall not change the result of the market session to which it refers.

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SECTION III DISPUTES

Article 95
Court of Arbitration

95.1 Without prejudice to the provisions of Article 96, para. 96.1 below, any dispute arising between GME and Market Participants over the interpretation and implementation of these Rules and the Technical Rules shall be settled by a Court of Arbitration.

95.2 The Court of Arbitration shall be composed of three members: one appointed by GME, one appointed by the Market Participant and a third member, acting as President, appointed jointly by the arbitrators appointed by parties or, in case of disagreement, by the President of the Court of Rome, under Article 810 of the Italian Civil Procedure Code.

95.3 The Court of Arbitration shall render its decisions in accordance with the applicable laws and the arbitration procedure shall take place in compliance with Article 806 and subsequent articles of the Italian Civil Procedure Code.

95.4 The Court of Arbitration shall be based in Rome at GME's registered office.

95.5 If the Market Participant does not accept the result of the complaint examination referred to in Article 94, the same may bring an appeal to the Court of Arbitration. In such cases, as well as against the verification of the financial guarantees referred to in Article 70 para. 70.13 above, or against the outcome of the verification of the updating letter referred to in Article 71, para. 71.6 above, the arbitration procedure shall be promoted, under penalty of forfeiture, within thirty days from the notification of the outcome of the verifications which are subject of the claim.

Article 96
Dispute Resolution

96.1 In addition to the cases referred to in Article 78, para. 78.4 above, disputes concerning failure to make payments, in full or in part, for the following items shall be subject to the exclusive jurisdiction of Italian courts:

a) fees referred to in Article 7, para. 7.1 above;
b) amounts referred to in Article 84, para. 84.1 b) above;
c) amount referred to in Article 85, para. 85.5 above.

96.2 Without prejudice to the provisions of para. 96.1 above and as an alternative to the provisions of Article 95 above, at the request of one of the parties concerned, disputes between GME and Market Participants and between or among Market Participants shall be settled by arbitration procedures, as established by ARERA pursuant to Article 2, para. 24, subpara b) of Law no. 481 of 14 November 1995.

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TITLE VII
TRANSITIONAL AND FINAL PROVISIONS

SECTION I
TRANSITIONAL PROVISIONS

SUBSECTION I
GUARANTEES [repealed]

Article 97
Provisions pertaining to guarantees [repealed]

SUBSECTION II
SEGMENT FOR THE SUPPLY OF SYSTEM GAS (AGS)

Article 98
Subject of the AGS segment

98.1 In implementation of the provisions of Resolution 451/2019/R/ GAS, Snam Rete Gas acquires the resources necessary for the operation of the gas system on the AGS segment, as part of the MP-GAS, whose sessions are held, respectively, within the framework of MGP-GAS and MI-GAS.

Article 99
Submissions of Offers/Bids by Market Participants

99.1 The offers/bids of Market Participants must be submitted, according to the modalities and the deadlines defined in the Technical Rules, by indicating at least the following information:

a) the identification code of the Market Participant submitting the offer/bid;

b) the identification code of the AGS session for which the offer/bid is submitted;

c) the type of offer (purchase/sale);

d) the offered quantity;

e) the unit price for the offered quantity.

99.2 The quantities specified in the purchase and sale offers can only have positive values.

99.3 The price associated with sale and purchase offers can only have values greater than

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or equal to zero and cannot be higher than the maximum limit defined in the Technical Rules.

99.4 Market Participants may submit simple or multiple offers. The maximum number of simple bids/offers included in a multiple bid/offer is defined in the Technical Rules. In order to determine the outcome of the session each multiple bid/offer is considered as a set of simple bids/offers.

99.5 In order to determine the outcome of the session, pursuant to Article 103 below, the quantities covered by the purchase or sale offers can also be only partially accepted.

99.6 A valid bid/offer, pursuant to Article 101 below, may be replaced with a new bid/offer until the end of the auction session.

99.7 A valid bid/offer pursuant to Article 101 below may be revoked until the end of the auction session.

Article 100
Submission of Bids/Offers by Snam Rete Gas

100.1 With regard to each AGS session, Snam Rete Gas shall submit purchase or sale offers by indicating at least the following information:

a) the identification code of the AGS session for which the offer/bid is submitted;
b) the type of offer (purchase/sale);
c) the offered quantity;
d) the unit price for the offered quantity.

100.2 The quantities specified in the purchase and sale offers can only have positive values.

100.3 The price associated with sale and purchase offers can only have values greater than or equal to zero and cannot be higher than the maximum limit defined in the Technical Rules.

100.4 In order to determine the outcome of the session, pursuant to Article 103 below, the quantities covered by the purchase or sale offers can also be accepted only partially.

100.5 A valid bid/offer, pursuant to Article 101 below, may be replaced with a new bid/offer until the end of the auction session.

100.6 A valid bid/offer pursuant to Article 101 below may be revoked until the end of the auction session.

Article 101
Validity Checks and Priority Order of the Submitted Offers/Bids

101.1 GME, following the submission of the offers/bids by Market Participants, referred to in Article 99 above, shall carry out validity checks, verifying that:

a) the Market Participant is not suspended when receiving the bid/offer;

b) the offer/bid was submitted in accordance with the modalities set out in Article 99 above;

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c) the offer/bid contains all the information referred to in Article 99 above and complies with the price limits therein.

101.2 GME, following the submission of the offer/bid by Snam Rete Gas, shall carry out validity checks, verifying that the offer/bid has been submitted according to Article 100 above and includes all the indications provided therein.

101.3 GME shall check the validity of the offers/bids received within the deadline set in the Technical Rules.

101.4 Supply offers, submitted by Market Participants pursuant to Article 99 above, once validated, shall be ordered by non-decreasing price.

101.5 Demand bids, submitted by Market Participants pursuant to Article 99 above, once validated, shall be ordered by non-increasing price.

101.6 When two or more offers/bids submitted by Market Participants pursuant to Article 99 above have the same price, the order of priority is defined according to the time of submission of the offers/bids.

101.7 With exception to the provisions of paragraph 101.6 above, when offers/bids submitted by Market Participants and the offers/bids submitted by Snam Rete Gas pursuant to Article 100 above have the same price, the offers/bids submitted by Snam Rete Gas have the highest priority compared to the offers/bids submitted by Market Participants pursuant to Article 99 above. It remains understood that, when the offers/bids submitted by Snam Rete Gas have the same price, the provisions of paragraph 101.6 above shall apply.

Article 102
Adequacy Checks of Offers/Bids by Market Participants

102.1 GME, at the end of the session, shall perform the adequacy checks of the offers/bids submitted by Market Participants, other than Snam Rete Gas, and verified as valid.

102.2 An offer/bid submitted by a Market Participant other than Snam Rete Gas is adequate if it meets the following conditions:

a) the Market Participant is not suspended;

b) the Market Participant is authorised to operate at the PSV, based on the most recent information acquired from Snam Rete Gas pursuant to Article 25, paragraph 25.2 above;

c) it complies with the additional requirements and limits identified by Snam Rete Gas in the network code and defined in the Technical Rules;

d) it complies with any limits imposed by GME pursuant to Article 22, para. 22.5 above;

e) it is guaranteed pursuant to Article 72 above.

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Article 103
Outcome of the Session

103.1 GME shall identify the accepted offers/bids and the corresponding price, in accordance with the provisions of this Article.

103.2 In order to determine the outcome of the AGS sessions, among the verified offers/bids, GME shall only consider the offers/bids of Market Participants with the opposite sign to the offer/bid or the balance of the offers/bids submitted by Snam Rete Gas.

103.3 GME shall accept the offers/bids of Market Participants and determine the corresponding remuneration prices so that:

a) the net value of the resulting transactions is maximum provided that the amount of gas, subject of the accepted supply offers, is equal to the amount of gas covered by the accepted demand bids;

b) the remuneration price of accepted offers/bids is equal to that of the last accepted offer/bid with an opposite sign compared to the offer/bid or the balance of the offers/bids submitted by Snam Rete Gas.

103.4 For the purposes of paragraph 103.3 above, the net value of the transactions is the difference between the total value of the accepted demand bids and the total value of the accepted supply offers. These overall values are determined by valuing the quantity of gas specified in each accepted offer/bid, or the amount accepted in the event of partial acceptance of the offer/bid, at the price associated with the offer/bid itself.

103.5 In order to determine the outcomes of the session, the time priority order referred to in Article 101, paragraphs 101.6 and 101.7 shall apply to offers/bids having the same price.

Article 104
Notification of Outcomes

104.1 Within the term defined in the Technical Rules, GME shall identify the accepted offers/bids and the corresponding remuneration price according to the provisions referred to in Article 103 above and shall define:

a) the remuneration price of the accepted offers/bids;

b) the total amounts of gas subject of accepted offers/bids;

c) the demand curve and the supply curve.

104.2 At the end of each session, GME, within the terms defined in the Technical Rules, shall publish the outcomes reporting at least the following data and information:

a) price referred to in paragraph 104.1, subpara a) above;

b) the total amounts of gas subject of accepted offers/bids as per paragraph 104.1, subpara b) above;

c) the demand curve and the supply curve referred to in paragraph 104.1, subpara c) above.

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104.3 Within the same terms as in paragraph 104.2 above, GME shall notify each Market Participant that submitted offers/bids in the AGS, limited to these offers/bids:

a) offers/bids submitted and accepted, specifying the amount of gas accepted;

b) offers/bids rejected as they are not found to be adequate following the checks referred to in Article 101 and Article 102 above, indicating the reason.

104.4 If GME and/or Snam Rete Gas, before publication and notification of the outcomes, identify any material error in the execution of the activities regarding definition, completion, upload and management of the data and information functional to the execution of a session, GME, in agreement with Snam Rete Gas, shall identify the possible actions to be taken and notify them to Market Participants for the parts of their interest.

SUBSECTION III
TRANSITIONAL PROVISIONS REGARDING SETTLEMENT OF PAYMENTS

Article 105
Transitional Provisions regarding Settlement of Payments

105.1 Until further notice, the settlement of payments by debtors as referred in Article 74, paragraph 74.1, subpara. a), is transiently made through an urgent SEPA Credit Transfer or equivalent, according to the modalities and within the terms defined in the Technical Rules.

105.2 During the transitional period mentioned in the previous paragraph:

a) the provision, as referred in Article 18, paragraph 18.5 above, does not apply;

b) the amounts of default interest and penalties due by debtors to GME for delayed payments shall be paid to GME creditors in the cases provided in the Technical Rules, according to the modalities and within the terms defined therein, with exception of the provisions established by the previous Article 74, paragraph 74.2.

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SUBSECTION IV
TRANSITIONAL PROVISIONS REGARDING AUCTIONS UNDER ARTICLE 10 OF LAW-DECREE 21/2026

Article 105 Bis
Auctions under Article 10 of Law-Decree 21/2026

105 bis.1 The auction sessions referred to in Article 10, para.1, subpara a), no. 2 of Law-Decree 21/2026 shall take place in the MGP-GAS in compliance with ARERA's Resolution 376/2026/R/gas, or with the applicable reference legislation.

In the Technical Rules, GME shall specify: *i.* the timing for activation of the MGP-GAS auction sessions referred to in ARERA's Resolution 376/2026/R/gas, or in the applicable reference legislation; *ii.* the contracts tradable in the MGP-GAS, for which auction trading is also envisaged; and *iii.* the procedures and time limits for the holding of auctions. For such contracts, during the auction session, the related continuous trading shall be suspended.

It is understood that all contracts in the MGP-GAS shall be traded solely under the continuous trading mechanism, if the holding of an auction session is not specified in ARERA's Resolution 376/2026/R/gas, or in the applicable reference legislation.

105 bis.2 Market Participants that are under the obligation to submit supply offers for predefined daily volumes of natural gas under Article 10, para. 1, subpara. a), no. 2 of Law-Decree 21/2026 may submit their supply offers in the MGP-GAS auction sessions referred to in para. 105 bis.1 above, pursuant to the same Law-Decree 21/2026, and to the provisions of ARERA's Resolution 376/2026/R/gas, or of the applicable reference legislation.

Article 105 Ter
Submission of Bids/Offers during Auction Trading

105 ter.1 Market Participants shall submit their bids/offers during the sitting in accordance with the procedures defined in the Technical Rules, by specifying at least the following information:

a) identification code of the Market Participant submitting the bid/offer;
b) identification code of the MGP-GAS session for which the bid/offer is submitted;
c) type of bid/offer (demand bid/supply offer);
d) volume offered;
e) unit price for the volume offered.

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105 ter.2 If, at the time of suspension of continuous trading in the MGP-GAS, there are bids/offers that have not been executed, they shall be deemed to have been submitted for auction. Such bids/offers shall be taken into account in the auction sitting with the volume and price displayed in the order book and with the time priority of the original proposal.

105 ter.3 The volumes specified in demand bids and supply offers shall only have positive values.

105 ter.4 Demand bids and supply offers shall not be submitted without specifying their price.

105 ter.5 The price associated with demand bids and supply offers shall only have values higher than or equal to zero and, in any case, they shall not exceed the maximum limit possibly defined in the Technical Rules.

105 ter.6 Market Participants may submit simple or multiple bids/offers. The maximum number of simple bids/offers making up a multiple bid/offer is defined in the Technical Rules. For the purposes of determining the outcome of the auction, each multiple bid/offer is considered as a set of simple bids/offers.

105 ter.7 If a Market Participant has already submitted:

a) demand bids during a sitting, it shall not submit supply offers with a price lower than or equal to the price of demand bids already submitted;
b) supply offers during a sitting, it shall not submit demand bids with a price higher than or equal to the price of supply offers already submitted.

105 ter.8 For the purposes of determining the outcome of the auction pursuant to Article 105 sexies below, the volumes specified in demand bids or supply offers may also be only partially accepted.

105 ter.9 A valid bid/offer pursuant to Article 105 quater below may be replaced with a new bid/offer until the end of the auction sitting.

105 ter.10 A valid bid/offer pursuant to Article 105 quater may be revoked until the end of the auction sitting.

Article 105 Quater
Validation and Priority Order of Bids/Offers during Auction Trading

105 quater.1 After receiving bids/offers, GME shall verify their validity, ensuring that:

a) the Market Participant is not suspended at the time of receipt of the bid/offer;
b) the bid/offer has been submitted in compliance with the modalities referred to in Article 105 ter above;
c) the bid/offer contains all the data referred to in Article 105 ter above:

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d) the price and volumes specified in the bid/offer fall within the limits indicated in the Technical Rules. GME may change such limits to ensure the regular conduct of trading;
e) the bid/offer has been received within the time limits defining the duration of the sitting of the auction-trading phase.

105 quater.2 Supply offers that have been validated shall be ranked in non-decreasing price order, from those with the lowest price to those with the highest price. Demand bids that have been validated shall be ranked in non-increasing price order, from those with the highest price to those with the lowest price.

105 quater.3 Without prejudice to Article 105 sexies below, if the price of bids/offers resulting from the application of para. 105 quater.2 above is the same, then the priority order shall correspond to the time at which such bids/offers have been received.

Article 105 Quinquies
Verification of the Adequacy of Bids/Offers during Auction Trading

105 quinquies.1 Following the submission of bids/offers, GME shall verify the adequacy of bids/offers that have been validated.

105 quinquies.2 A bid/offer shall be deemed to be adequate, if it satisfies the following requirements:
a) the Market Participant is not suspended;
b) the Market Participant is authorised to operate at the PSV, based on the latest information received from Snam Rete Gas under Article 25, para. 25.2 above;
c) the bid/offer satisfies the limits, if any, imposed by GME under Article 22, para. 22.5 above;
d) the bid/offer is guaranteed under Article 72 below.

Article 105 Sexies
Auction Trading

105 sexies.1 The provisions of this article shall apply to each bid/offer received and deemed to be valid and adequate in the MGP-GAS auction sitting.

105 sexies.2 GME shall identify the accepted bids/offers and the corresponding remuneration price in such a way that:
a) the net value of the resulting transactions is maximum, provided that the volume of gas underlying the accepted supply offers is equal to the volume of gas underlying the accepted demand bids;
b) the remuneration price of gas is equal to the minimum cost, determined on the basis of demand bids and supply offers deemed to be valid and adequate;
c) the accepted supply offers are only those whose offer price does not exceed the price referred to in subparagraph b) above;
d) the accepted demand bids are only those whose offer price is not lower than the price referred to in subparagraph b) above.

105 sexies.3 For the purposes of para. 105 sexies.2, subpara. a) above, net value of transactions shall mean the difference between the overall value of the accepted demand bids and the overall value of the accepted supply offers. These overall values

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shall be determined by valuing the volume of gas specified in each accepted bid/offer, or the accepted volume if the bid/offer has been partially accepted, at the price specified in that bid/offer.

105 sexies.4 If bids/offers with the same price are to be partially accepted, such bids/offers shall be accepted under the *pro quota* criterion for a volume proportional to the volume underlying such bids/offers.

105 sexies.5 GME shall notify each Market Participant that has submitted bids/offers of:

a) after bid/offer submission, the bids/offers that have been rejected because they have not been deemed to be valid and adequate upon the verifications referred to in Articles 105 quater and 105 quinquies above, indicating the reason for the rejection;
b) at the end of the auction: the accepted bids/offers, specifying the accepted volume of gas.

105 sexies.6 Bids/offers that have not been accepted, even partially, following the determination of the auction results referred to in paragraph 105 sexies.2 above, shall be definitively deleted and they shall not transferred to the subsequent continuous-trading phase of the MGP-GAS.

Article 105 Septies
Notification of the Results of Auction Trading

105 septies.1 Upon closing the auction session of the MGP-GAS, GME shall publish the results, specifying at least the following data and information:

a) the remuneration price of the accepted supply offers and demand bids;
b) the overall volumes of gas underlying the accepted demand bids and supply offers;
c) the demand curve and the supply curve.

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SECTION II
FINAL PROVISIONS

Article 106
Functioning of the Information System

106.1 GME may suspend, postpone or close in advance a market sitting or session in case of technical malfunctions of its information system.

106.2 For the purpose of guaranteeing and safeguarding the proper technical functioning, as well as an efficient use of GME's information system and, in general, the proper operation of the market, GME may impose limits to the submission, cancellation and change of trading orders, as well as to the number of logons of each Market Participant or of specific categories of Market Participants to GME's information system.

Annex A

Market Participation Application

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Market Participation Application,
under Article 13, para. 13.1 a) of the Natural-Gas Market Rules

I, the undersigned…
(name and surname)
born in… on…,
residing in …,
(address)
taxpayer's 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)
taxpayer's code …, VAT number …
telephone number …, certified e-mail
address … e-mail address …
represented by …in his/her capacity of …
(legal representative or duly authorised person)

WHEREAS

- the organisation, management and operation of the gas market are governed by the Natural-Gas Market Rules (hereafter the "Rules"), approved under art. 30, para. 1 of Law no. 99 of 23 July 2009 (hereafter "Law 99/09") by the Minister of Economic Development with his Decree of 6 March 2013 (hereafter "Ministerial Decree of 6 Mar. 2013), as subsequently amended and supplemented, and fully superseding - under the Decree of 9 August 2013 - the Gas Market Rules, approved under art. 30, para. 2 of Law 99/09 by the Ministry of Economic Development after hearing the opinion of *Autorità di Regolazione per energia reti e ambiente* (ARERA - Italian Regulatory Authority for Energy, Networks and Environment) on 26 November 2010, as subsequently amended and supplemented;

- the Technical Rules, referred to in Article 4 of the Rules, shall be 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 capacity of …,

(*legal representative or duly authorised person)*

APPLY/APPLIES

for admission to the Gas Market under Article 13 of the Rules and the procedure referred to in Article 15 thereof.
For this purpose, I/the company … /other… enclose/s the documents mentioned in Article 14 of the Rules, which shall be an integral part hereof, as well as a signed copy of the Market Participation Agreement referred to in Article 13, 13.1 b) of the Rules, in the format annexed thereto.

I, the undersigned…

or

The company/*other* …
represented by … in his/her 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 that I/it accept/s to be bound thereby without any condition or reservation;

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2) declare/s that I/it am/is proficient in the use of ICT systems and related security systems or that I/it rely/relies on ICT-proficient employees or assistants;

3) designate/s Mr./Mrs…, whose contact data are …. as contact person for communications, if any;

4) designate/s the following party/parties to access GME's information system on behalf of the Applicant:

for the Spot Gas Market (MP-GAS and for the Market for the Management of Voluntary Solidarity Measures (MVS):

a) Mr. /Mrs …, Tax Code/Passport number (*) …….; date of birth ……..; nationality (**) ……..; … telephone number … mobile number……e-mail address …;
b) ...
c) ...;

for the Forward Gas Market (MT-GAS):

a) Mr. /Mrs …, Tax Code/Passport number (*) …….; date of birth ……..; nationality (**) ……..; telephone number … mobile number……e-mail address …;
b) ...
c) ...;

pursuant to EU Regulation 679/2016, no. 196, and subsequent amendments and additions, the personal data shown in this application form will be processed electronically while fulfilling the obligations deriving from it and the obligations under the Rules, so as to ensure the confidentiality and the safety of the data, according to the privacy policy issued under Articles 13 and 14of the aforementioned EU Regulation 679/2016 and posted on GME's website (https://gme.mercatoelettrico.org/it-it/Home/Privacy/InformativaUE). The Applicant notes the above and gives his/her/its consent to the processing and communication to third parties of personal data in the manner and for the purposes shown in the policy in accordance with local regulations.

(*) The passport number can only be indicated as an alternative to the tax code for foreign citizens not resident in Italy who do not have a tax code.

(**) Mandatory field only for subjects for which the passport number has been indicated

Place and date
…
Signature
….

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Annex B

Market Participation Agreement

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Market Participation Agreement,
under Article 13, para. 13.1 b) of the Natural-Gas Market Rules

BETWEEN

Gestore dei Mercati Energetici S.p.A., with registered office in Viale Maresciallo Pilsudski 122-124, 00197 Rome, Italy, taxpayer's code and VAT number 06208031002 (hereafter "GME"),

AND

*(name and surname) … /*the company*/other … (company name or registered name),*
residing in/with registered office in … *(address)*,
taxpayer's code …, VAT number …,
represented by …, in his/her capacity of …, (hereafter the "Contracting Party"),

GME and the Contracting Party, hereafter defined individually as the "Party" and jointly as the "Parties",

WHEREAS

A. *GME* is the company (*società per azioni*) - set up in accordance with Article 5, para. 1 of Legislative Decree no. 79 of 16 March 1999 - which is vested, among others, with the economic management of the Natural-Gas Market (hereafter the "Market") on an exclusive basis under Article 30, para. 1 of Law no. 99 of 23 July 2009 (hereafter "Law 99/09");
B. GME prepared the Natural-Gas Market Rules (hereafter the "Rules"), approved under art. 30, para. 1 of Law 99/09 by the Minister of Economic Development with his Decree of 6 March 2013, as subsequently amended and supplemented, and fully superseding - under the Decree of 9 August 2013 - the Gas Market Rules, approved under art. 30, para. 2 of Law 99/09 by the Ministry of Economic Development after hearing the opinion of *Autorità di Regolazione per Energia Reti e Ambiente* (ARERA – Italian Regulatory Authority for Energy Networks and Environment) on 26 November 2010, as subsequently amended and supplemented;
C. *Snam Rete Gas S.p.A.* (hereafter "SRG") is the company *(società per azioni)* - set up on 15 November 2000 - which carries out the activities of transmission and dispatching of natural gas and which organises and manages the PSV system under ARERA's Decision 22/04, as subsequently amended and supplemented;
D. pursuant to Article 13, para. 13.1 b) of the Rules, a party intending to participate in the market shall submit to GME a signed copy of the *Contratto di adesione al mercato* (Market Participation Agreement, hereafter the "Agreement");
E. the Technical Rules referred to in Article 4 of the Rules shall be published on the website of GME and have effect as of the date of their publication;
F for the purposes and effects of the Rules, GME shall be the counterparty of Market Participants in the Spot Gas Market (MP-GAS) and in the Forward Gas Market with delivery-making/taking obligation (MT-GAS);

NOW, THEREFORE,

the Parties agree as follows:

Article 1
Scope of the Agreement and Validity of the Preamble

1.1 This Agreement defines:
a) the Contracting Party's rights and obligations towards GME;
b) the terms and conditions on which GME shall provide its services in connection with transactions in the Market (hereafter the "Services").

1.2 The Preamble shall be an integral and essential part hereof.

Article 2
Obligations of the Contracting Party

2.1.1 The Contracting Party declares that it is aware of and accepts, without any condition or reservation, the Rules as they result from the applicable legislation. The Contracting Party also

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declares that it fully understands GME's information system (hereafter the "System") in its present configuration or that, in any case, it undertakes to do so.

2.2 The Contracting Party undertakes:

a) to comply with the Rules and the Technical Rules and to keep himself/herself updated with any amendments thereto. It shall be understood that, where the Contracting Party does not intend to accept any amendments and additions to the Rules and Technical Rules, it may withdraw herefrom, giving notice according to the procedures and to the address specified in Article 9, paras. 9.6 and 9.7 below. At any rate, the withdrawal shall have effect only after the Contracting Party has carried out transactions of opposite sign in order to close his/her contractual positions existing in the Forward Gas Market upon submission of the notice of withdrawal and, anyway, only after the Contracting Party has met his/her obligations in connection with his/her participation in the Market. Fifteen days after the legal publication of such amendments and additions, if the Contracting Party has not given notice of his/her intent to withdraw herefrom, such amendments and additions shall be assumed to have been tacitly accepted. Without prejudice to the transactions carried out to give effect to the withdrawal, any transaction carried out in the Market before the end of the above period shall be understood as tacit acceptance of the new terms and conditions. In no case may such amendments constitute a valid reason for the Contracting Party to default on obligations acquired in the Market;

b) to adopt technological systems that are suitable for the trading activity and compatible with the System, as well as to update them as a result of any modification as GME may make to the same System;

c) to adopt technological systems suitable for issuing invoices for the transactions made in the Market, compatible with the System and ensuring a correct, timely and secure exchange of the data and information transmitted electronically, under the procedures and within the time limits specified in the Rules and the Technical Rules;

d) to employ personnel with adequate professional skills and competence in the use of the technological systems referred to in subparas. b) and c) above

e) to join the service of settlement of payments and the guarantee systems referred to in Title V of the Rules;

f) to notify GME timely and, where possible, in good time for GME to make any necessary corrective actions for the purpose of ensuring the proper operation of the Market, of any problem or operational malfunction of a technical nature or any other event which has resulted or might result in the failure to provide or incorrect provision of the Services. In particular, the Contracting Party shall notify GME with the maximum speed and according to the procedures specified in Article 9, paras. 9.6 and 9.7 below, of the occurrence of any event potentially dangerous for the integrity and security of the System (including but not limited to the theft of confidential documents regarding access to the System or unauthorised access to the Contracting Party's premises where such documents are kept);

g) to co-operate with GME or with the third parties designated by GME, also permitting access by their employees or assistants to the Contracting Party's premises for carrying out any operations on the Contracting Party's hardware and software as may be necessary to ensure the proper functioning of the Market. It shall be understood that, pursuant to Article 2049 of the Italian Civil Code, GME shall be liable for any damages caused upon such operations;

h) to respect GME's rights of ownership on the data transmitted through the System and on the trademarks registered or used by GME, as well as GME's or third-party suppliers' rights of ownership on the software programmes used for the provision of the Services;

i) to maintain confidentiality and privacy as regards the devices referred to in Article 4, para. 4.1 below and use or permit their use by specifically designated parties solely for access to and trading in the Market. The Contracting Party shall thus be liable for any unauthorised access to the Market by third parties and hold GME harmless against any damage or danger to the integrity or security of the System that may result from the negligence of the Contracting Party or of his/her personnel in the safekeeping of such devices;

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j) to timely ask GME to disable the devices referred to in subpara. i) above and to assign new or different devices in all cases where the Contracting Party has reason to believe that unauthorised parties may make an improper use thereof;

k) to hold GME harmless against any damage or cost as GME may incur, also as a result of actions of third parties, caused by the actions or conduct of the Contracting Party, as well as of his/her personnel members, assistants or consultants, if any, in violation of this Agreement, of the Rules and of the Technical Rules and of any other legislative provisions or regulations, or instruments and provisions issued by GME or competent authorities.

Article 3
GME's Services

3.1 The Services shall be supplied by GME to the Contracting Party in compliance with this Agreement, the Rules and the Technical Rules. The obligations of GME as regards the supply of the Services shall constitute "obligations of means".

3.2 GME shall give the Contracting Party the necessary co-operation for access to the System, namely in accordance with what is specified in the Technical Rules. It shall be understood that the carrying out of activities and the provision of the necessary means of access shall be the exclusive responsibility and at the sole expense of the Contracting Party.

3.3 GME may modify the technical, functional, operational and administrative 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 what is provided for in the Rules and Technical Rules, if the supply of the Services is interrupted, suspended, delayed or affected by malfunctions caused by technical problems with the System, GME shall do whatever is necessary to overcome such problems. It shall be understood that, if the aforesaid events are due to 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 operation of the System as soon as possible.

3.5 GME shall be responsible for the correct processing and transmission of data and information entered by third parties into the System or arising in 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 shall not be responsible for faults or malfunctions of lines of communication (e.g. telephone lines), as well as of access to the Internet.

3.7 The Contracting Party agrees that GME may rely on 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 undertakes 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 personnel members, assistants or consultants in the management and supply of the Services, which are in violation of this Agreement, the Rules or Technical Rules, as well as of any other legislative provision or regulation applicable hereto.

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Article 4
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 take place in compliance with the provisions specified in the Technical Rules.

Article 5
Fees

5.1 For the Services supplied in accordance herewith, the Contracting Party shall pay the fees determined by GME under Article 75 of the Rules, under the procedures and within the time limits referred to in Article 60 thereof.

5.2 Where the System is totally disabled and prevents 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 Without prejudice to what is provided in the Rules, GME shall, in carrying out the Services, be liable for damages of a contractual and extra-contractual nature, only when they constitute the immediate and direct consequence of wilful misconduct or gross negligence and, in the latter case, are predictable upon the date of the signing hereof. The Parties agree that there shall be no obligation of compensation 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 any claim for damages 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 at the same time a detailed report of the circumstances of the damaging event and of the damages so produced. The relative documents 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 come to know or should have known, 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 the operation of the dedicated data transmission lines which are part of the System, when such interruptions are exclusively the fault of third parties.

6.4 GME shall not be liable for damages incurred by the Contracting Party and/or third parties resulting from any unavailability, for whatever reason, of the PSV system organised and managed by SRG.

6.5 GME may, in cases of force majeure or fortuitous events and, in general, in all cases where the activities of the Contracting Party may 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.

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Article 7
Duration

7.1 This Agreement shall be executed by and upon the signature of the Contracting Party and by and upon the receipt of its original by GME. Its duration shall be unlimited. The Agreement shall have effect after GME has successfully verified the completeness and correctness of the documents 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 the above verifications as per Article 15 of the Rules.

7.2 This Agreement will cease to have 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 provisions;
c) Contracting Party's withdrawal herefrom.

7.3 The dissolution of the Agreement under this Article shall not impair any other right of either party under the Agreement or 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 Market Participant, as acquired in accordance with Article 15 of the Rules, shall constitute reason for *de jure* termination of this Agreement pursuant to Article 1456 of the Italian Civil Code, without prejudice to the right of GME to withhold the fixed fee specified in Article 7, para. 7.1 b) of the Rules by way of indemnity and to 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 impair 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 herefrom shall not be assigned to third parties unless otherwise specified herein.

9.3 Without prejudice to the provisions of Article 6, para. 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 Without prejudice to Article 2, paragraph 2.2, subpara. a), any amendment hereto shall be made 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 122-124, 00197 Rome - Italy,
- …
(address)

9.6 Every communication or notification to be made in accordance herewith shall be made in writing and delivered by hand, also by courier, or sent by registered letter with return receipt, or by e-mail with acknowledgment of receipt or by certified mail, to the following addresses:

- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski 122-124, 00197 Rome - Italy,; e-mail address info@mercatoelettrico.org, gme@pec.mercatoelettrico.org;
- …
(*address*)
Certified e-mail address …, 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

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letter with return receipt, or upon the date of receipt of the acknowledgement of receipt, if sent by e-mail or on the date of receipt of the message of successful delivery, if sent by certified e-mail.

Article 10
Governing law

10.1 This Agreement shall be governed by the Italian law.

Article 11
Disputes

11.1 Any dispute arising between GME and the Contracting Party in connection herewith shall be settled in accordance with the provisions contained in Title VI of the Rules, which shall be deemed to be fully referred to 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 (a) (Rules, Technical Rules and Amendments thereto); Article 2.2 (k) (Disclaimer); Articles 3.5 and 3.6 (Limitation of Liability); Article 6 (Limitation of Liability, Lapse, Suspension of the Service); Article 7 (Cease of Effect of the Agreement); Article 8 (Termination); Article 9.2 (No Assignment); Article 10 (Governing law); Article 11 (Disputes).

The Contracting Party
….
Rome, *(date)*

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Annex C to the Natural gas Market Rules

Integrated Bank Guarantee with no expiration (Netting markets, MPEG, MTE, MTGAS, PCE)

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Bank Guarantee Form,
under Article 70, para. 70.1, subpara a) of the Natural gas Market Rules

Gestore dei Mercati Energetici S.p.A.
Viale Maresciallo Pilsudski, 122-124,
00197 Rome, Italy

(place) …, *(date)* …

Bank guarantee (ref. no. …)

The Bank …, branch of …, with registered office in …, taxpayer's code …, VAT number …, listed at no. … of the Register of Companies *(Registro delle Imprese)* and at no. ... of the Register of Banks (*Albo delle Banche*), capital stock Euro …, represented by its legal representatives … (hereinafter referred to as the "Bank"),

WHEREAS

- … *(surname and name/company name or registered name)*, … *(date and place of birth)*, … *(place of residence and, if different, domicile/registered office)*
  taxpayer's code……,VAT number …
  capital stock Euro …, of which … *(subscribed),* of which … *(paid-up)*, registered with …. (hereinafter referred to as the "Market Participant" or "Applicant"), is Market Participant or wishes to become qualified as Market Participant in one or more of the following markets, following:

– the subscription, pursuant to Article 12, paragraph 12.1, subpara b), of the Integrated Text of the Electricity Market Rules, approved by the Decree of the Minister of Industry, Trade and Handicraft of 9 May 2001 and published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale,* no. 127 of 4 June 2001, as amended by the Decree of the Minister of Productive Activities of 19 December 2003, published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale,* no. 301 of 30 December 2003, as subsequently amended and supplemented (hereinafter referred to as the "ME Rules")., the Electricity Market (ME) Participation Agreement, in the format attached to the aforesaid ME Rules, undertaking, towards *Gestore dei Mercati Energetici S.p.A* (hereinafter referred to as "GME") all the financial obligations towards *Gestore dei Mercati Energetici S.p.A* (hereinafter referred to as "GME") in the Day-Ahead Market (MGP), Intra-Day Market (MI) (hereinafter jointly referred to as netting markets of the ME), Daily Products Market (MPEG), and Forward Electricity Market (MTE) (hereinafter jointly defined as the "energy markets");

– subscription, pursuant to Article 18, paragraph 18.1, subpara b), of the OTC Registration Platform (PCE) Rules - positively verified by the Director of the Markets Directorate of the Regulatory Authority for Energy, Networks and Environment with Regulation of 7 February 2007 (hereinafter: PCE Rules) - of the PCE Participation Agreement, according to the form defined in the Rules, undertaking, as a result, toward GME the pecuniary obligations relating to the PCE with reference to which GME is the counterparty of the Market Participant;

– subscription, pursuant to Article 13, paragraph 13.1, subpara b), of the Natural-gas market Rules - approved, pursuant to art. 30, paragraph 1, of Law 99/09, with Decree of the Minister of Economic Development of 6 March 2013, as subsequently amended and supplemented (hereafter: MGAS) - of the natural gas market (MGAS) participation agreement, undertaking, as a result, towards GME all pecuniary obligations relating to the spot market (hereinafter: netting markets of the MGAS) and to the forward gas market (MTGAS) (hereinafter jointly referred to as the Gas Market);

– pursuant to Article 70, paragraphs 70.1, subpara a), 70.5 and 70.6, of the MGAS Rules, for the coverage of the obligations that they intend to take on the netting markets of the ME and of the MGAS (hereinafter jointly referred to as: netting markets), on the MPEG, on the MTE, on the MTGAS or on the PCE, the Market Participants may post a bank guarantee provided by the banks having the requirements specified in Article 70, paragraph 70.2;

  – the above-mentioned bank guarantee shall be submitted to the bank in charge of GME's treasury services (as set forth in Article 69 of the MGAS Rules), which shall verify the bank guarantee;

  – the Market Participant has submitted a formal request for the issuance of the above-mentioned bank guarantee for a maximum amount of Euro … to cover all prior and future obligations towards GME, in

connection with its participation in the netting markets, MPEG, MTE, MTGAS and PCE, in whatever form (including accessory obligations), except those arising from failure to pay the fees referred to in Article 7, para. 7.1 of the ME Rules and MGAS Rules and Article 7, paragraph 7.1 of the PCE Rules (hereinafter referred to as "prior and future obligations");

- "prior obligations" shall mean all those obligations - even if they are not yet liquid and/or payable - that have already been acquired, pursuant to one or more participation agreements mentioned above, at the time of effect of this bank guarantee; "future obligations" shall mean all those obligations acquired, pursuant to one or more participation agreements mentioned above, after such date.

NOW, THEREFORE,

the Bank issues this guarantee in favour of GME on the terms and conditions indicated below and, anyway, in accordance with and pursuant to the provisions set forth in the ME Rules, MGAS Rules and in the PCE Rules to guarantee all prior and future obligations arising or will arise from the Market Participant towards GME, in relation to its participation in the netting markets, in the MPEG, in the MTE, in the MTGAS and in the PCE, in any capacity, even accessory, except those arising from the non-payment of the fees referred to in Article 7, paragraph 7.1, of the ME Rules and of the MGAS Rules and Article 7, paragraph 7.1, of the PCE Rules. The bank declares that it knows and accepts the provisions set forth in the ME Rules, in the MGAS Rules, in the PCE Rules, in the Technical Rules in force from time to time and all the obligations of the Market Participant deriving from the signature of one or more participation agreements mentioned above.

Article 1
(Validity and effect of the bank guarantee)

The bank guarantee shall be valid and effective from … and not subject to any condition, provided that the verification conducted by the bank in charge of treasury services under Article 70, para. 70.10 of the MGAS Rules has had a positive outcome.

Article 2
(Waiver of preventative enforcement)

The Bank shall – irrevocably, unconditionally and formally waiving the benefit of preventative ***enforcement*** as specified in Article 1944 of the Italian Civil Code - guarantee the fulfilment of all of the Market Participant's "prior obligations" and "future obligations" towards GME in relation to the participation in the energy markets, in the gas Market and in the PCE.

Article 3
(No assessment of the Market Participant's credit worthiness)

The Bank agrees and declares that, as the obligations mentioned in Article 2 above arise from participation in the energy Markets, in the gas Market and in the PCE, they do not involve GME's prior assessment of the Market Participant's credit worthiness, notwithstanding that this letter also represents a special authorisation granted by the Bank to GME for the purposes and effects of Article 1956 of the Italian Civil Code.

Article 4
(Substitution in the bank guarantee contract during the transitional period)

If GME is guaranteed by other guarantees that the Market Participant has previously posted in favour of GME to cover obligations acquired in the energy Markets, in the gas Market and in the PCE and that have been issued in formats other than the present one, then this bank guarantee may substitute the previous guarantees, provided that: i) the guarantee is posted for an amount at least equal to the amount of the "prior obligations"; and ii) the Market Participant submits an appropriate application to GME and to the bank in charge of treasury services upon the submission of this bank guarantee. The substitution shall relieve the previous bank guarantee issuer of its obligations.
Otherwise, this bank guarantee shall not impair the validity and effect of the previous guarantees. In this case, the prior guarantees and this bank guarantee issued to GME shall merely cumulate, without relieving the guarantors of their obligations, notwithstanding the fact that GME may preliminarily enforce the prior guarantees. Moreover, this bank guarantee shall cover the "prior obligations" and the "future obligations" even in case of guarantees preceding this bank guarantee.

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Article 5
(Substitution and succession of bank guarantees over time)

The provisions on substitution and succession of the guarantees over time, referred to in Article 4 above, shall also apply to the cases of multiple bank guarantees that are posted in this format. However, the subsequent guarantor shall waive the benefit of preventative enforcement of the previous guarantor.

Article 6
(Extension of the Bank's liability)

Notwithstanding the provisions of Article 1 above, where the Bank loses one of the qualifications required by the applicable legislation and by the MGAS Rules for issuing and maintaining the bank guarantees, or if the Bank, in the event of enforcement of the guarantee provided respectively pursuant to Article 70 of the MGAS Rules, fails to pay the guaranteed amount, this guarantee shall be valid until the deadline set in the MGAS Rules and in the related Technical Rules in force at the time when the Bank loses one of the requirements identified above or in force at the time the Bank, in the event of enforcement of the bank guarantee, fails to pay the guaranteed amount. The Bank will continue to be liable, in addition to all the obligations acquired by the Market Participant until that time, also for any other obligation, connected to this bank guarantee, which may subsequently arise, until the same Market Participant replaces this bank guarantee with another appropriate guarantee.

Article 7
(First-demand payment)

As an effect of the provisions of Article 2 above, the Bank shall – irrevocably, unconditionally and without delay - pay any amount, without examining the reasons for the request for payment and without raising any exception and/or objection and in spite of any exception, complaint or objection made by the Market Participant and/or third parties (including other guarantors of the same Market Participant) in connection therewith, upon the submission of a mere written request by GME, up to a maximum total amount of Euro …

Article 8
(Modalities of payment by the Bank)

After receiving the request referred to in Article 7 above, to be sent by registered letter with return receipt, preceded by a fax to fax no… or by e-mail with acknowledgement of receipt, or by registered mail (PEC) to……., the Bank shall pay the amount in Euro indicated in the request for payment within ten days of the date of receipt of the registered letter with return receipt or of the PEC and with value date on the same day, by means of bank transfer (Sepa Credit Transfer with Priority former: *bonifico di importo rilevante [BIR])* or equivalent procedures. Where the date of payment falls on a holiday, the deadline shall be postponed to the following first working day.

Article 9
(Derogation from the provisions of Article 1957 of the Italian Civil Code)

The Bank hereby explicitly relieves GME of the obligation to act in accordance with the provisions of Article 1957 of the Italian Civil Code, notwithstanding that, by way of derogation from such article, the Bank shall remain bound by its obligations, even if GME has not submitted a request to the Market Participant or has not diligently persisted in such request.

Article 10 (Partial enforcement)

This guarantee may also be partially enforced, but it shall remain valid and effective for the residual amount.

Article 11
(Autonomy of the bank guarantee)

By way of derogation from Article 1939 of the Italian Civil Code, this guarantee shall be valid and effective even if the Market Participant's principal obligation towards GME is declared invalid or ineffective or if it is modified in any form, even unilaterally only, by GME.

Article 12
(Waiver of the rights covered by Articles 1945, 1947 and 1955 of the Italian Civil Code)

The Bank hereby explicitly and irrevocably waives its rights in accordance with Articles 1945, 1947 and 1955 of the Italian Civil Code.

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Article 13
(Waiver of claims or actions)

The Bank explicitly waives any defence, exception, right to compensation, claim or action towards GME in connection with the obligations arising herefrom, including but not limited to any defence, exception, compensation, claim or action that the Applicant may in any way institute against GME.

Article 14
(Delegation of the rights covered by this bank guarantee)

The Bank hereby accepts that GME's rights of enforcement of this guarantee be exercised by GME or a party specially authorised in writing by GME.

Article 15
(Waiver of the bank guarantee by GME)

GME may at any time and in its sole judgement waive this bank guarantee, by notifying the Bank and the Market Participant's thereof and with effect from 24:00 of the working day on which the Bank receives such notification. In this case, the Bank shall be liable for all the obligations acquired by the Market Participant until that time.

Article 16
(Unilateral withdrawal by the Bank)

The Bank may withdraw from this bank guarantee, by notifying GME and the bank in charge of GME's treasury services thereof by registered letter with return receipt or by registered mail (PEC). The withdrawal from the bank guarantee shall have effect and the bank guarantee shall cease ten days after receipt of the notification by GME or from the date of receipt of delivery, if made by PEC, without prejudice to the provisions of Article 17.

Article 17 (Effects of withdrawal)

GME shall notify the Bank of the amount of obligations, even if they are not yet liquid and/or payable, contracted until the time of effect of the withdrawal, specifying the related reference period.
The bank shall be liable for all obligations, even if they are not yet liquid and/or payable, contracted until the time of effect of the withdrawal, if the Market Participant does not submit to GME a guarantee to cover such obligations.

Article 18
(Notifications)

Notwithstanding the provisions of Article 8 above, all communications or notifications shall be made by registered letter with return receipt or by e-mail with acknowledgment of receipt or by fax or by registered mail (PEC) to the following addresses:

…. *(surname and name/company name or registered name), …(address)*
e-mail address
……
…no……
..registered mail address……
…..

Communications or notifications shall be deemed to have been received upon their arrival at 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 the message of confirmation, if sent by fax or on the date of receipt of delivery, if sent by PEC.

Article 19
Applicable Law and Jurisdiction

This bank guarantee is governed by the Italian Law.
The Court of Rome shall have exclusive jurisdiction over any dispute arising herefrom.

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Registered Name of the Bank

Signatures of its Legal Representatives

For the purposes and effects of Articles 1341 and 1342 of the Italian Civil Code, the Bank hereby specifically approves the clauses and conditions specified in Articles 2 *(Waiver of preventative* enforcement*), 4 (Substitution in the bank guarantee contract during the transitional period), 5 (Substitution and succession of bank guarantees over time), 6 (Extension of the Bank's liability),* 7 *(First-demand payment),* 9 *(Derogation from the provisions of Article 1957 of the Italian Civil Code),* 10 *(Partial* enforcement*),* 11 *(Autonomy of the bank guarantee)*, 12 *(Waiver of the rights specified in Articles 1945, 1947 and 1955 of the Italian Civil Code)*, 13 *(Waiver of claims or actions)* and 19 *(Applicable Law and Jurisdiction)* of this bank guarantee.

The Bank

N.B.: *the signatures of the proxy holders shall be certified in accordance with the applicable legislation.*

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Annex D
to the
Natural
gas
Market
Rules

Updating of Bank Guarantee
submitted according to the
Form referred to in Annex C

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Letter for Updating the Bank Guarantee
under Article 71, para 71.2 of the Natural-Gas Market Rules

Gestore dei Mercati Energetici S.p.A
Viale Maresciallo Pilsudski 122-124,
00197 Rome, Italy

(place) … *(date)* …

Letter updating the bank guarantee issued on … *,* ref. no. …

The Bank …, branch of …, with registered office in …, taxpayer's code …, VAT number …, listed at no. …. of the Register of Companies (*Registro delle Imprese*) and at no. ….of the Register of Banks *(Albo delle banche*), with capital stock of Euro …, represented by its legal representatives … (hereafter the "Bank"),

GRANTS

to …*(Market Participant)*

the modification of the maximum amount guaranteed by the bank guarantee issued on …, ref. no. …, with effect from …(date). As a result, the amount guaranteed by the aforesaid bank guarantee shall be equal to Euro …

The terms and conditions stated in the bank guarantee letter issued on … , ref. no. …, shall remain valid.

Registered Name of the Bank
Signatures of its Proxy Holders

N.B.: the signatures of the proxy holders shall be certified in accordance with the applicable legislation.

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Annex E
to the
Natural
gas
Market

Integrated Bank
Guarantee with
expiration

(Netting markets,
MPEG, PCE)

Bank Guarantee Form,
under Article 70, para. 70.1, subpara b), of the Natural gas Market Rules

Gestore dei Mercati Energetici S.p.A.
Viale Maresciallo Pilsudski, 122-124,
00197 Rome, Italy

(place) …, *(date)* …

Bank guarantee (ref. no. …)

The Bank …, branch of …, with registered office in …, taxpayer's code …, VAT number …, listed at no. … of the Register of Companies *(Registro delle Imprese)* and at no. ... of the Register of Banks (*Albo delle Banche*), capital stock Euro …, represented by its legal representatives … (hereinafter referred to as the "Bank"),

WHEREAS

- … *(surname and name/company name or registered name)*, … *(date and place of birth)*, … *(place of residence and, if different, domicile/registered office)*
  taxpayer's code……,VAT number …
  capital stock Euro …, of which … *(subscribed),* of which … *(paid-up)*, registered with …. (hereinafter referred to as the "Market Participant" or "Applicant"), is Market Participant or wishes to become qualified as Market Participant in one or more of the following markets, following the:

- subscription, pursuant to Article 12, para. 12.1 b) of the Electricity Market Rule -, approved by decree of the Minister for Productive Activities on 19 December 2003, published in the ordinary integration to the Official Journal no. 301 of 30 December 2003, General Series, and subsequent amendments and additions (hereafter: ME Rules) - of the Electricity Market (ME) Participation Agreement, according to the form defined in the ME Rules, acquiring, towards Gestore dei Mercati Energetici SpA (hereinafter: GME), the pecuniary obligations relating to the day-ahead energy market and to the intraday market (hereinafter referred to as: netting markets of the ME) and to the daily products market (MPEG), (hereinafter jointly defined as: "MPE markets");

- subscription, pursuant to Article 18, paragraph 18.1, subpara b), of the OTC Registration Platform (PCE) Rules - positively verified by the Director of the Markets Directorate of the Regulatory Authority for Energy, Networks and Environment with Regulation of 7 February 2007 (hereinafter: PCE Rules) - of the PCE Participation Agreement, according to the form defined in the Rules, undertaking, as a result, toward GME the pecuniary obligations relating to the PCE with reference to which GME is the counterparty of the Market Participant;

- subscription, pursuant to Article 13, paragraph 13.1, subpara b), of the Natural-gas market Rules - approved, pursuant to art. 30, paragraph 1, of Law 99/09, with Decree of the Minister of Economic Development of 6 March 2013, as subsequently amended and supplemented (hereafter: MGAS Rules) - of the market participation agreement, according to the form provided in the MGAS Rules, undertaking towards GME all pecuniary obligations relating to the spot market (hereinafter: netting markets of the MGAS);

- as per Article 70, para. 70.1, subpara b), 70.5 and 70.6 of the MGAS Rules, for the purpose of covering obligations that they wishes to acquire in the netting markets of the ME and MGAS (hereinafter jointly referred to as netting markets), in the MPEG or PCE, Market Participants are required to post a bank guarantee issued by banks meeting the requirements specified in the same Article 70, para. 70.2;

- the above-mentioned bank guarantee shall be submitted to the bank in charge of GME's treasury services (as set forth in Article 69 of the MGAS Rules), which shall verify the bank guarantee;

- the Market Participant has submitted a formal request for the above-mentioned bank guarantee for a maximum amount of Euro … to cover all obligations towards GME, in connection with its participation in the netting markets, MPEG and PCE, in whatever form (including accessory obligations), except those arising from failure to pay the fees referred to in Article 7, para. 7.1 of the ME Rules and MGAS Rules and referred to in Article 7 paragraph 7.1 of the PCE Rules.

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NOW, THEREFORE,

the Bank issues this guarantee in favour of GME on the terms and conditions indicated below and, anyway, in accordance with and pursuant to the provisions set forth in the ME Rules, MGAS Rules and in the PCE Rules to guarantee all the obligations arising or deriving from the Market Participant towards GME, in relation to its participation in the netting markets, in the MPEG and in the PCE, in any capacity, even accessory, except those arising from the non-payment of the fees referred to in Article 7, paragraph 7.1, of the ME Rules and of the MGAS Rules and Article 7, paragraph 7.1, of the PCE Rules. The bank declares that it knows and accepts the provisions set forth in the ME Rules, in the MGAS Rules, in the PCE Rules, in the Technical Rules in force from time to time and all the obligations of the Market Participant deriving from the signature of one or more participation agreements mentioned above.

1. The bank guarantee shall be valid and effective from … to ….

2. The Bank shall - irrevocably, unconditionally and formally waiving the benefit of preventative enforcement as specified in Article 1944 of the Italian Civil Code - guarantee the fulfilment of all of the Market Participant's obligations towards GME arising from its participation in the netting markets, in the MPEG and in the PCE, in whatever form (including accessory obligations), except those arising from failure to pay the fees referred to in Article 7, para. 7.1 of the ME Rules and MGAS Rules and referred to in Article 1, paragraph 7.1 of the PCE Rules in the period of validity and effect of this bank guarantee.

3. Notwithstanding the provisions of point 1 above, where the Bank loses one of the qualifications required for issuing bank guarantees or where the Bank - in case of enforcement of the bank guarantee issued under Article 70, para. 70.1 of the MGAS Rules – fails to pay the guaranteed amount, this guarantee shall be valid until the deadline set in the MGAS Rules and in the related Technical Rules in force at the time when the Bank loses one of the requirements identified above or in force at the time the Bank, in the event of enforcement of the bank guarantee, fails to pay the guaranteed amount. It is understood that the Bank shall be liable not only for all the Applicant's obligations acquired until such date but also for any other obligation which may be connected with this bank guarantee and which may subsequently arise.

4. As an effect of the provisions of point 2 above, the Bank shall – irrevocably, unconditionally and without delay - pay any amount, without examining the reasons for the request for payment and in spite of any exception, complaint or objection made by the Market Participant (and/or third party) in connection therewith, upon the submission of a mere written request by GME, up to a maximum total amount of Euro …

5. After receiving the request referred to in point 4 above, to be sent by registered letter with return receipt, preceded by a fax to fax no…….. or by e-mail message with acknowledgement of receipt, or by registered mail (PEC to……the Bank shall pay the amount in Euro indicated in the request for payment within ten days of the date of receipt of the registered letter with return receipt and with value date on the same day, by means of bank transfer (Sepa Credit Transfer with Priority*)* or equivalent procedures. Where the date of payment falls on a holiday, the deadline shall be postponed to the following first working day.

6. The Bank hereby explicitly relieves GME of the obligation to act in accordance with the provisions of Article 1957 of the Italian Civil Code, notwithstanding that, by way of derogation from such Article, the Bank shall remain bound by its obligations, even if GME has not submitted a request to the Market Participant or has not persisted in such request.

7. This guarantee may also be partially enforced, but it shall remain valid and effective for the residual amount.

8. By way of derogation from Article 1939 of the Italian Civil Code, this bank guarantee shall be valid and effective even if the Market Participant's principal obligation towards GME is declared invalid.

9. The Bank hereby explicitly and irrevocably waives its rights in accordance with Articles 1945, 1947 and 1955 of the Italian Civil Code.

10. The Bank explicitly waives any defence, exception, right to compensation, claim or action towards GME in connection with the obligations arising herefrom, including but not limited to any defence, exception, compensation, claim or action that the Applicant may in any way institute against GME.

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11. The Bank hereby accepts that GME's rights of enforcement of this bank guarantee be exercised by GME or a party specially authorised by GME.

12. Notwithstanding the provisions of point 5 above, all communications or notifications shall be made by registered letter with return receipt or by e-mail with acknowledgment of receipt or by fax or registered mail to the following addresses:

…. *(surname and name/company name or registered name), …(address)*
e-mail address … fax no…..
registered mail (PEC)
no…….
Communications or notifications shall be deemed to have been received upon their arrival at 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 receipt, if sent by fax or on the date of receipt of delivery, if made by PEC.

13. This bank guarantee is governed by the Italian Law. The Court of Rome shall have exclusive jurisdiction over any dispute arising herefrom.

Registered Name of the Bank

Signatures of its Legal Representatives

For the purposes and effects of Articles 1341 and 1342 of the Italian Civil Code, the Bank hereby specifically approves the clauses and conditions specified in points 2 *(Waiver of preventative* enforcement*),* 3 *(Extension of the Bank's liability),* 4 *(First-demand payment),* 6 *(Derogation from the provisions of Article 1957 of the Italian Civil Code),* 7 *(Partial* enforcement*),* 8 (*Derogation from validity*), 9 (*Waiver of the rights specified in Articles 1945, 1947 and 1955 of the Italian Civil Code),* 13 *(Waiver of claims or actions)* and 13 *(Applicable Law and Jurisdiction)* of this bank guarantee.

The Bank

N.B.: *the signatures of the legal representatives shall be certified in accordance with the applicable legislation.*

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Annex F
to the
Natural
gas
Market
Rules

Updating of Bank Guarantee
submitted according to the
form referred to in Annex E

Letter for Updating the Amount of Bank Guarantees,
under Article 71, para. 71.2 of the Natural gas Market Rules

Gestore dei Mercati Energetici S.p.A.
Viale Maresciallo Pilsudski, 122-124,
00197 Rome, Italy

(place) … *(date)* …

Letter updating the bank guarantee issued on … , ref. no. …

The bank …, branch of …, with registered office in …, taxpayer's code …, VAT number …, listed at no. …. of the Register of Companies (*Registro delle Imprese*) and at no. ….of the Register of Banks (*Albo delle banche*), with capital stock of Euro …, represented by its legal representatives … (hereinafter the Bank),

GRANTS

to …*(Market Participant)*

- the modification of the maximum amount guaranteed by the bank guarantee issued on …, ref. no. …, to take effect from …*(date)*. As a result, the amount guaranteed by the aforesaid bank guarantee shall be equal to Euro …

  and/or

- the modification of the period of validity and effectiveness referred to in point 1 of the same bank guarantee. As a result, the bank guarantee shall be valid and effective until…..

The terms and conditions stated in the bank guarantee letter issued on … , ref. no. …, shall remain valid.

Registered Name of the Bank
Signatures of its Legal Representatives

N.B.: the signatures of the legal representatives shall be certified in accordance with the applicable legislation.

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Annex G

Determination of the Results of the MPL and of the MGS

Determination of the results of the PB-GAS

Articles 45 and 53 of the MGAS Rules set out the criteria under which GME shall identify the accepted bids/offers and the corresponding remuneration price.

The following are some graphs describing the volumes and clearing prices identified in the various cases of intersection between the aggregated demand curve and supply curve.

1. General criterion

Under the general rule indicated in Articles 45.2 a) and 53.2 a) of the MGAS Rules, the accepted bids/offers shall be identified in such a way that the net value of the resulting transactions is maximum, provided that the gas volume covered by the accepted supply offers is equal to the gas volume covered by the accepted demand bids.

The net value of transactions shall – pursuant to Articles 45.3 and 53.3 of the MGAS Rules – mean the difference between the overall value of the accepted demand bids and the overall value of the accepted supply offers.

Therefore, under the general rule for acceptance of bids/offers, GME shall identify the accepted bids/offers in such a way that the accepted volumes for sale are equal to the accepted volumes for purchase and that the area included between the demand curve and the supply curve is maximised.

2. Combination of offers/bids in the MPL

Pursuant to Article 40, paragraph 40.2 of the Rules, GME combines in the MPL only the Market Participants' offers/bids having a sign opposite that of the offer/bid of Snam Rete Gas, .

The application of the criteria for the determination of the price in accordance with Article 45, paragraph 45.2 b) of the MGAS Rules implies that the remuneration price is equal to the price of the last accepted offer/bid, having a sign opposite to that of the offer/bid submitted by Snam Rete Gas, as shown in Figures 1a and 1b.

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Figure 1a

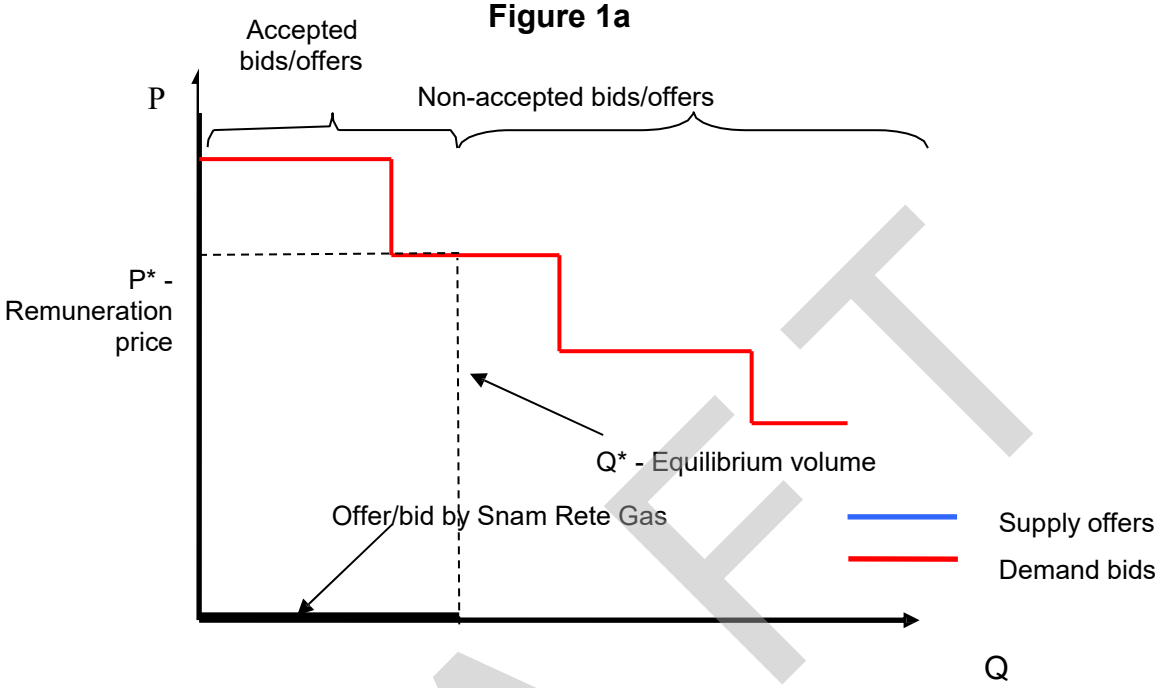
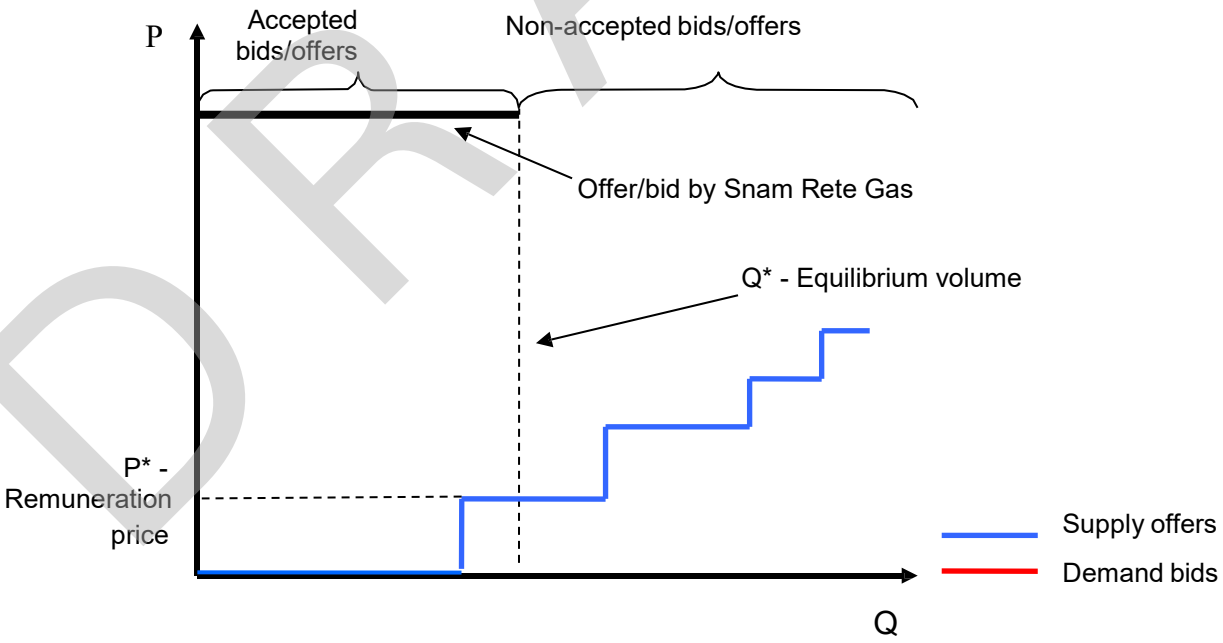


Figure 1b



The same Article 45, paragraph 45.2 b) of the MGAS Rules also provides that, if the sum of the quantities of offers/bids of Market Participants having a sign opposite to that of the offer/bid submitted by Snam Rete Gas is lower than the quantity offered by Snam Rete Gas, the remuneration price is instead equal to the price of the Snam Rete Gas offer/bid, as shown in Figures 2a and 2b.

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Figure 2a

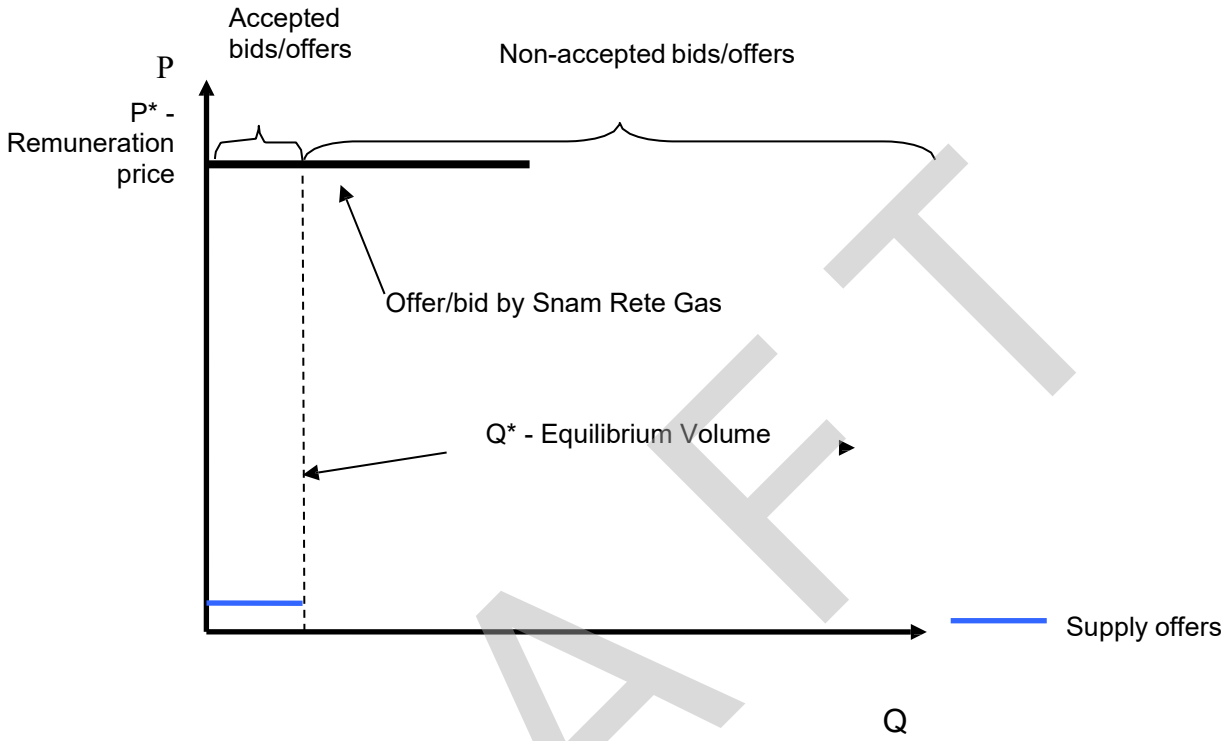
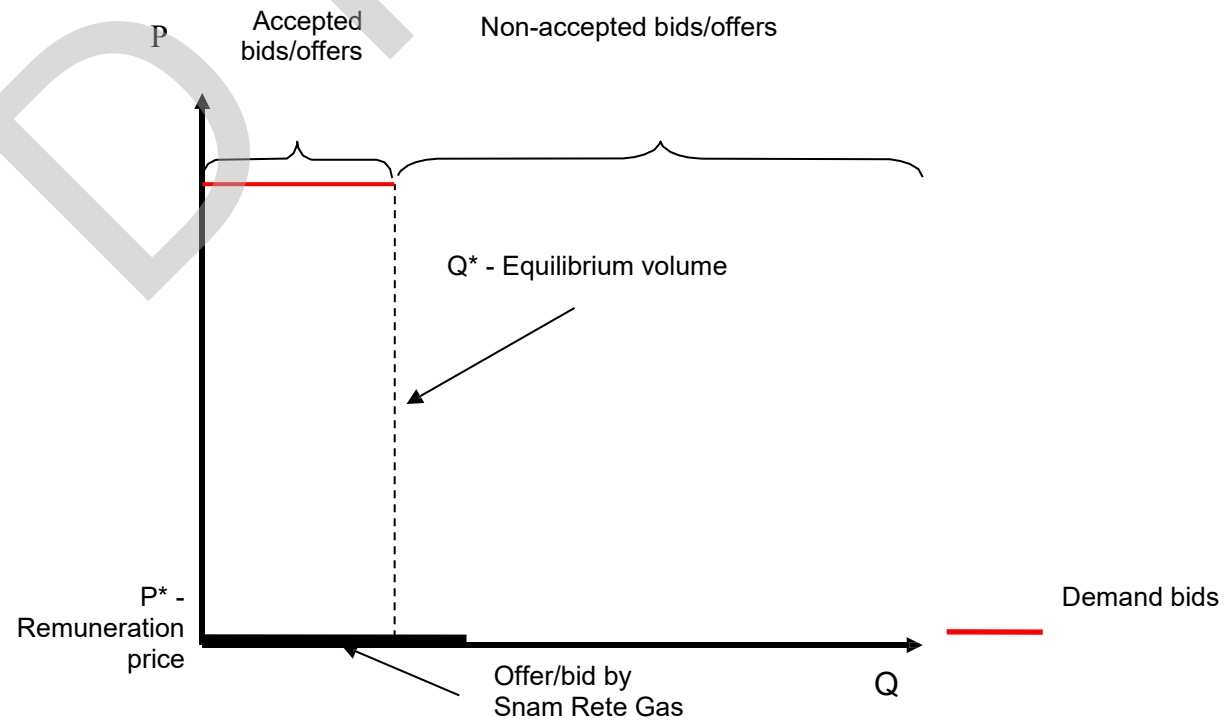


Figure 2b



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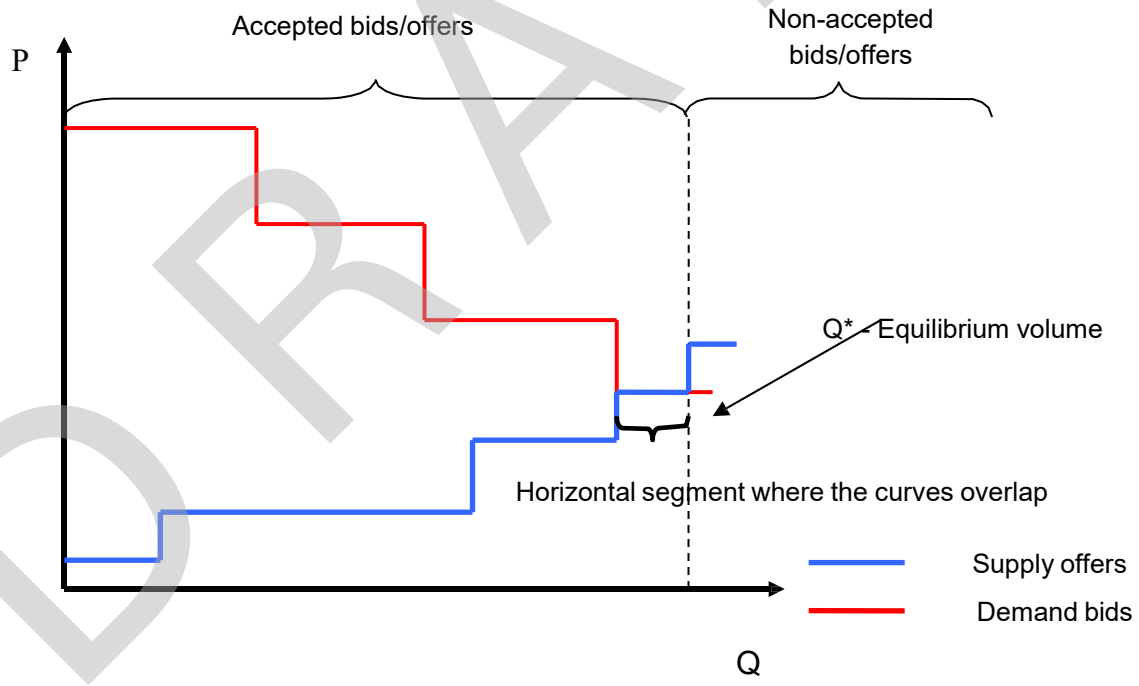
3. Combination of offers/bids in the MGS

In the MGS, Market Participants can submit supply offers and demand bids, regardless of the submission of an offer/bid by SRG during the session.

Depending on the point of intersection between the supply and demand curves, or according to the segment along which the curves overlap, this paragraph shows the manner in which the accepted volumes and the remuneration price are determined, by applying the criteria laid down in Article 53 of the MGAS Rules.

In the event that the supply and demand curves intersect in the horizontal segment of both curves, any volume along the horizontal segment where the two curves overlap is consistent with the criterion described above. In this case, as shown in Figure 1a, GME shall identify the accepted bids/offers at the equilibrium volume (Q*) corresponding to the highest value of the range of volumes of the horizontal segment in which the demand and supply curves overlap.

Figure 3a



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As regards the identification of the remuneration price of bids/offers, the general rule establishes that such price shall be determined under the criterion of the least cost of satisfying an increase in gas withdrawal.
The application of the above criterion involves that if the demand and supply curves intersect:

- in a point or horizontal segment, the remuneration price shall be the one corresponding to such point or horizontal segment;
- in a vertical segment of the two curves, the remuneration price shall be equal to the minimum limit of such vertical segment.

In this way, the remuneration price shall be such as to guarantee that:

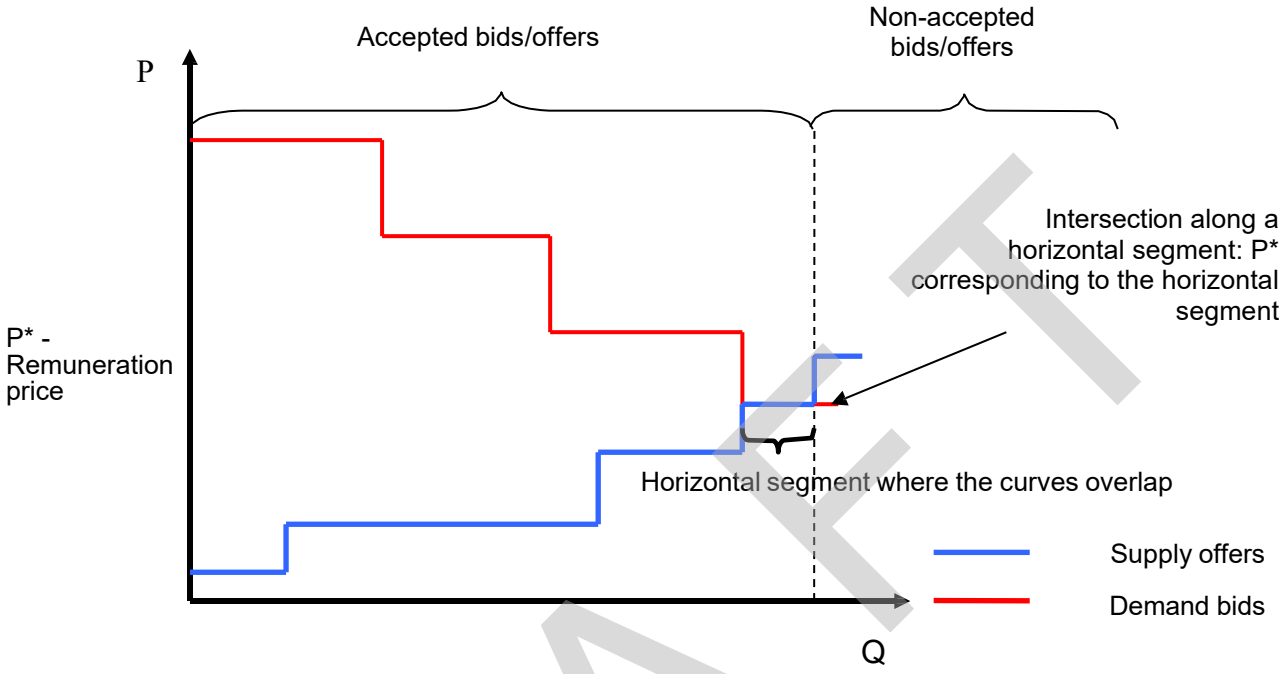
- all supply offers having a price lower than the remuneration price are accepted;
- all demand bids having a price higher than the remuneration price are accepted;
- demand bids and supply offers having a price equal to the remuneration price are accepted for their full or partial volume offered;
- only the supply offers and demand bids having a price higher than and lower than the remuneration price are not accepted, respectively,.

The Figures below show the remuneration prices and the volumes accepted in the different cases of intersection between the supply and demand curves[1].

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[1] Although some of the figures show the presence of offers/bids of Snam Rete Gas, the participation of Snam Rete Gas in the MGS sessions is not mandatory. The presence of an offer/bid of Snam Rete Gas does not change the methods used to identify the remuneration price and the total volume accepted.

Figure 3b



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Figure 4a

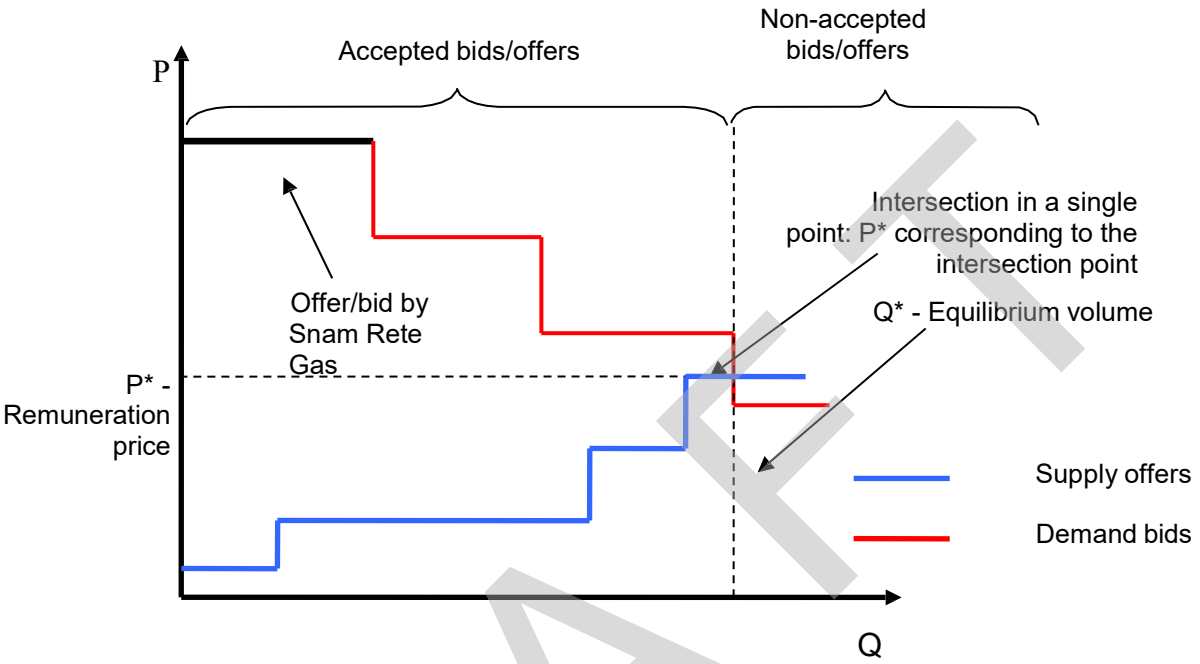
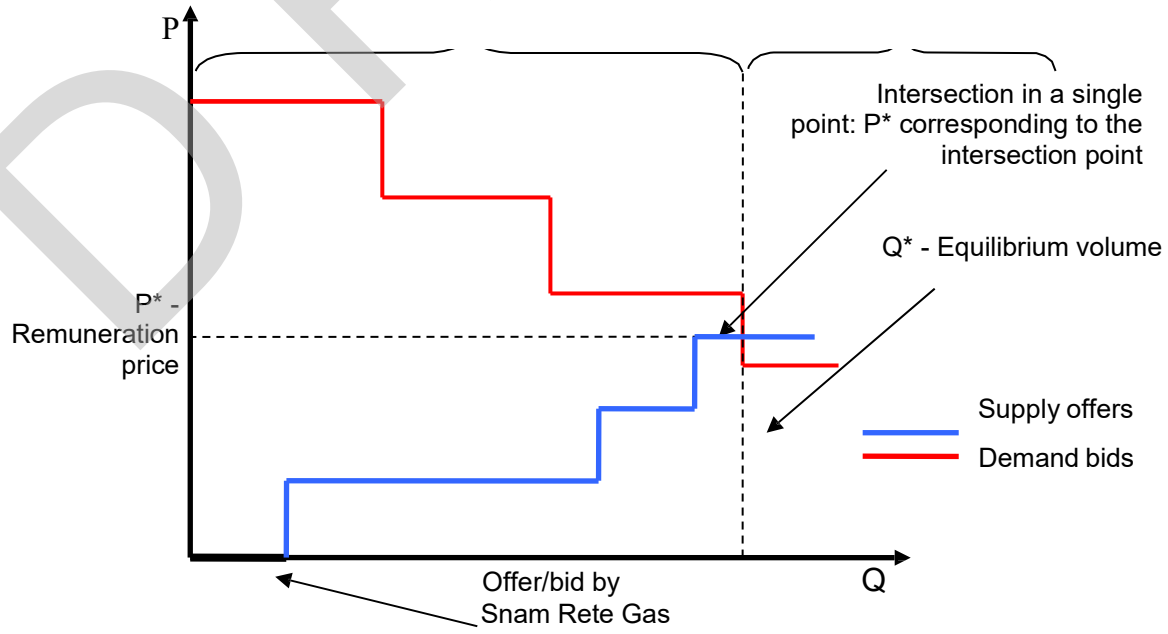


Figure 4b



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Figure 5a

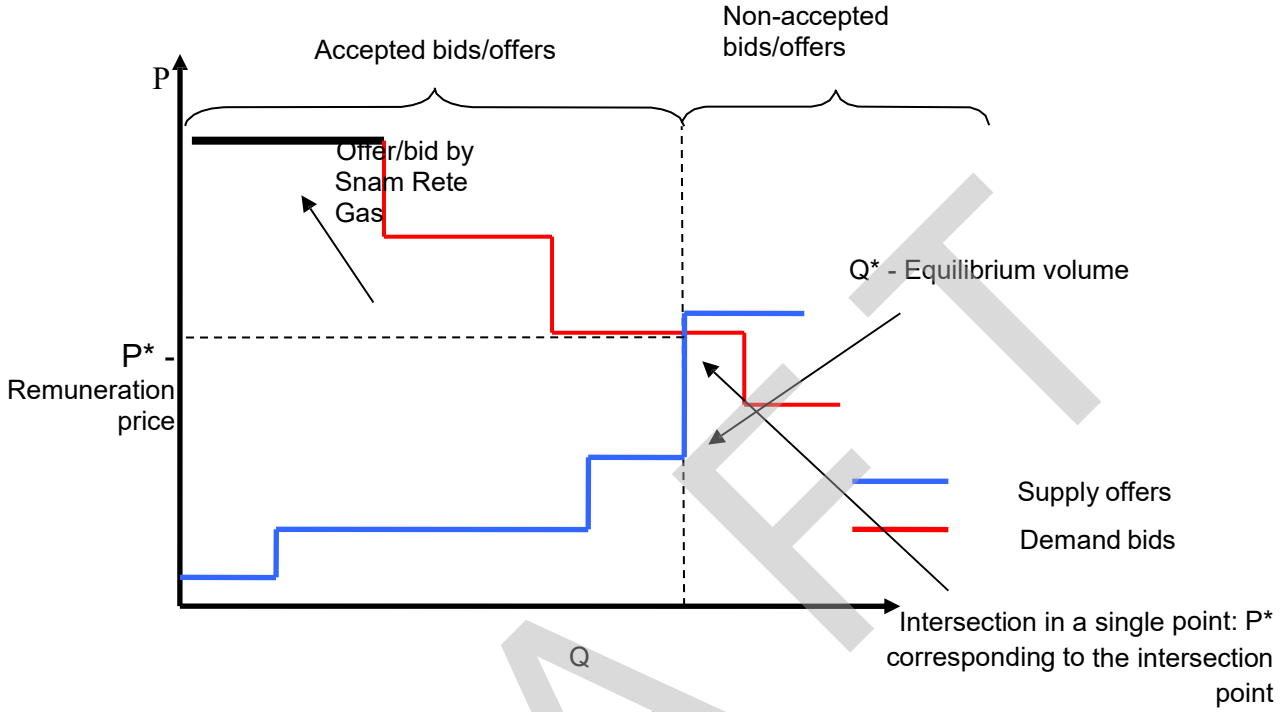
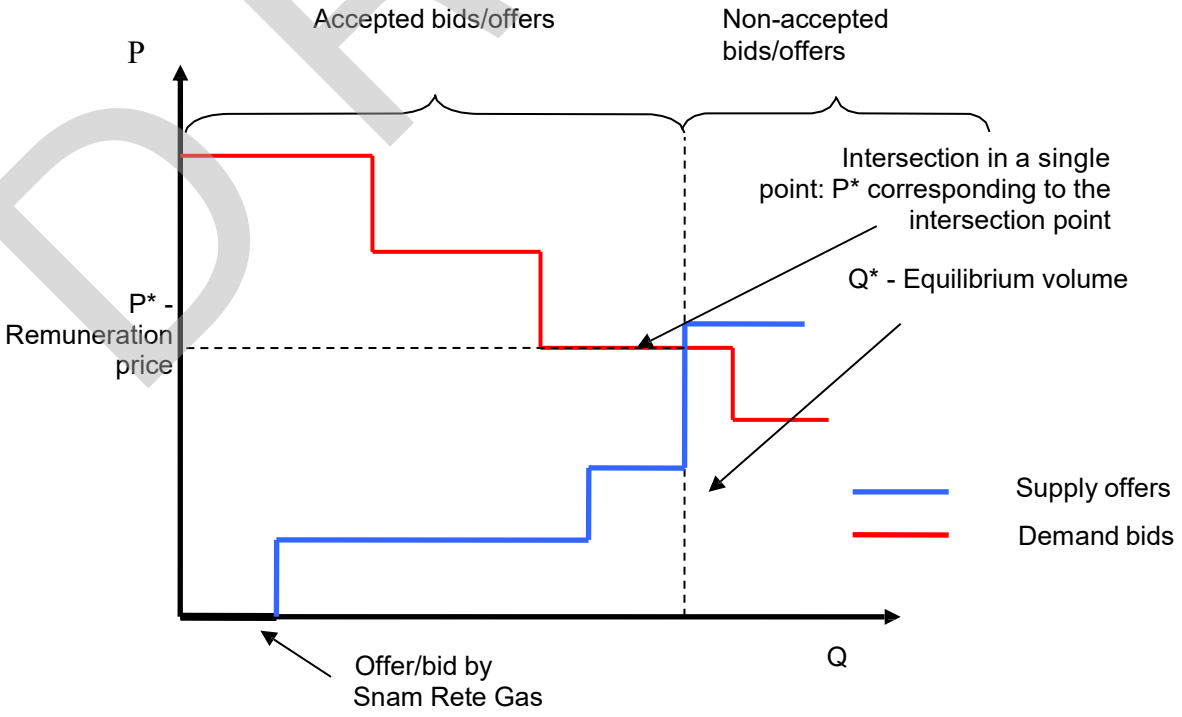


Figure 5b



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Figure 6a

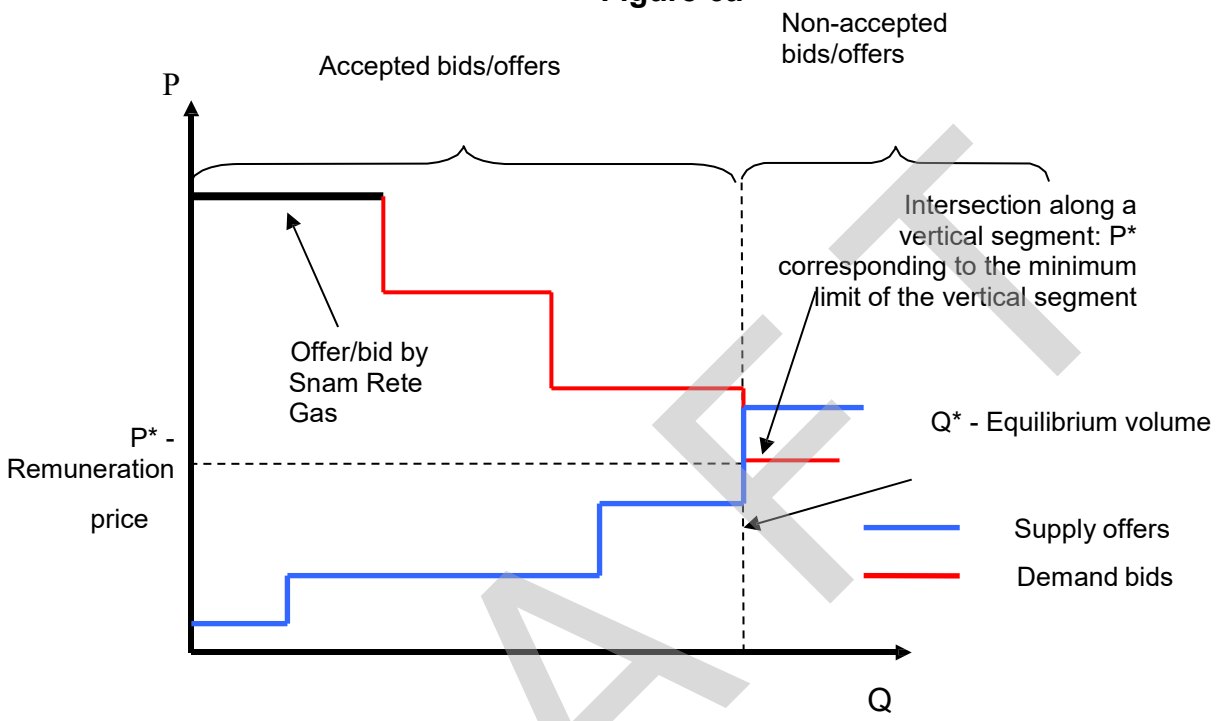
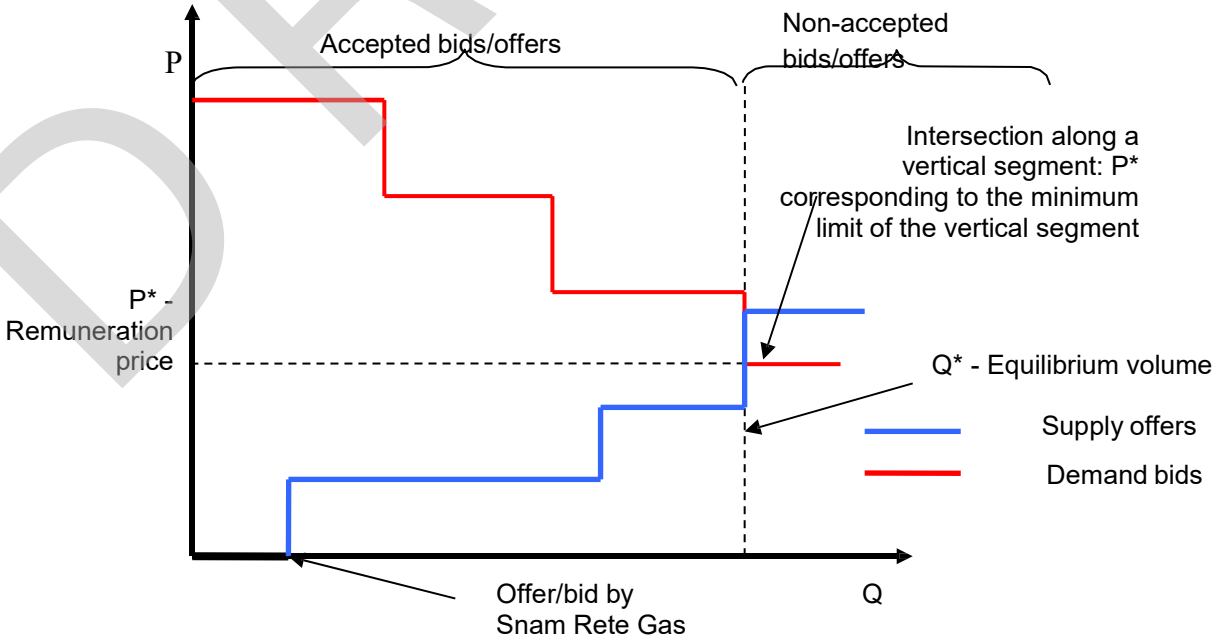


Figure 6b



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Figure 7a

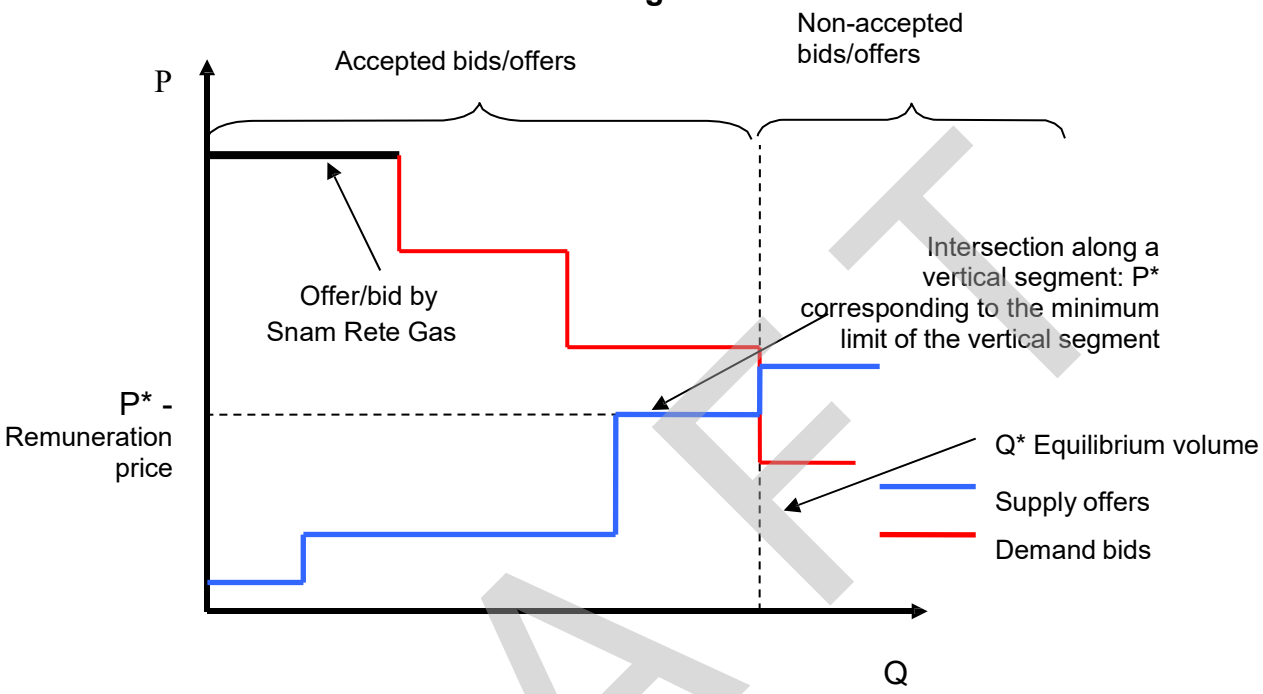
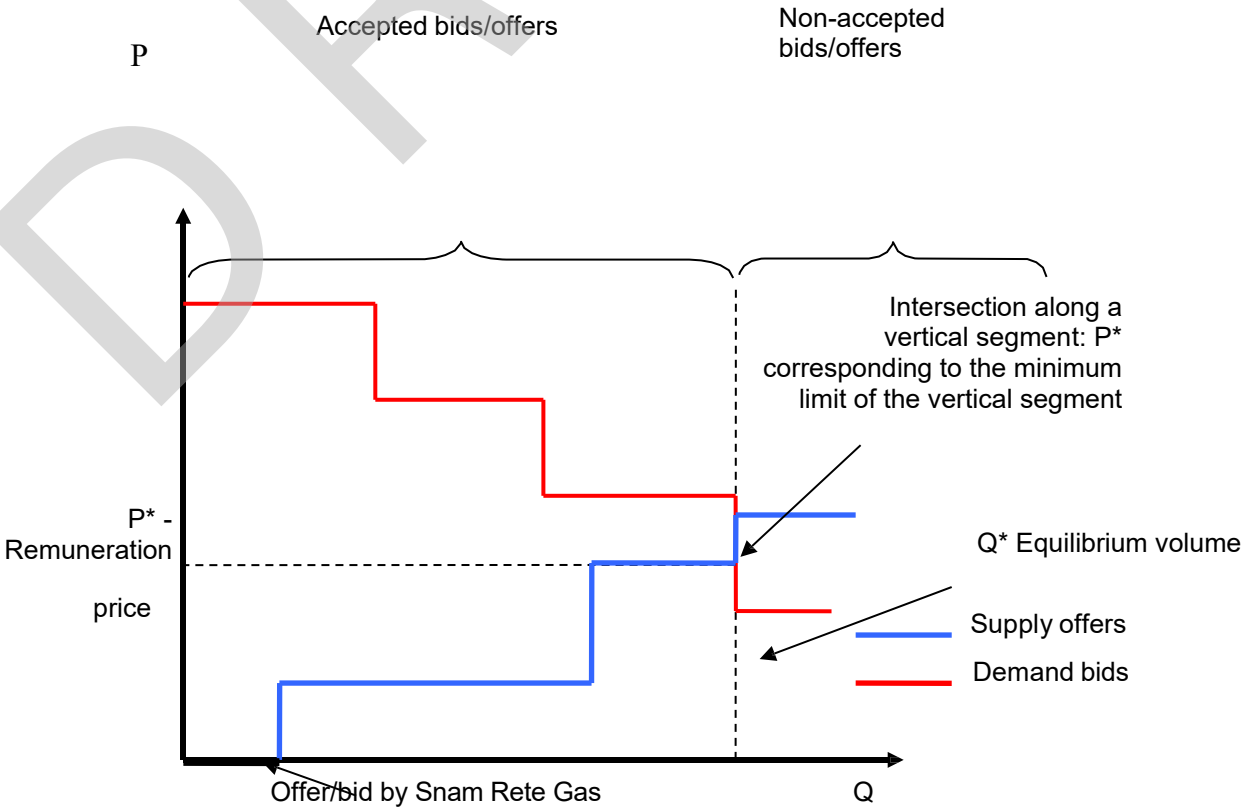
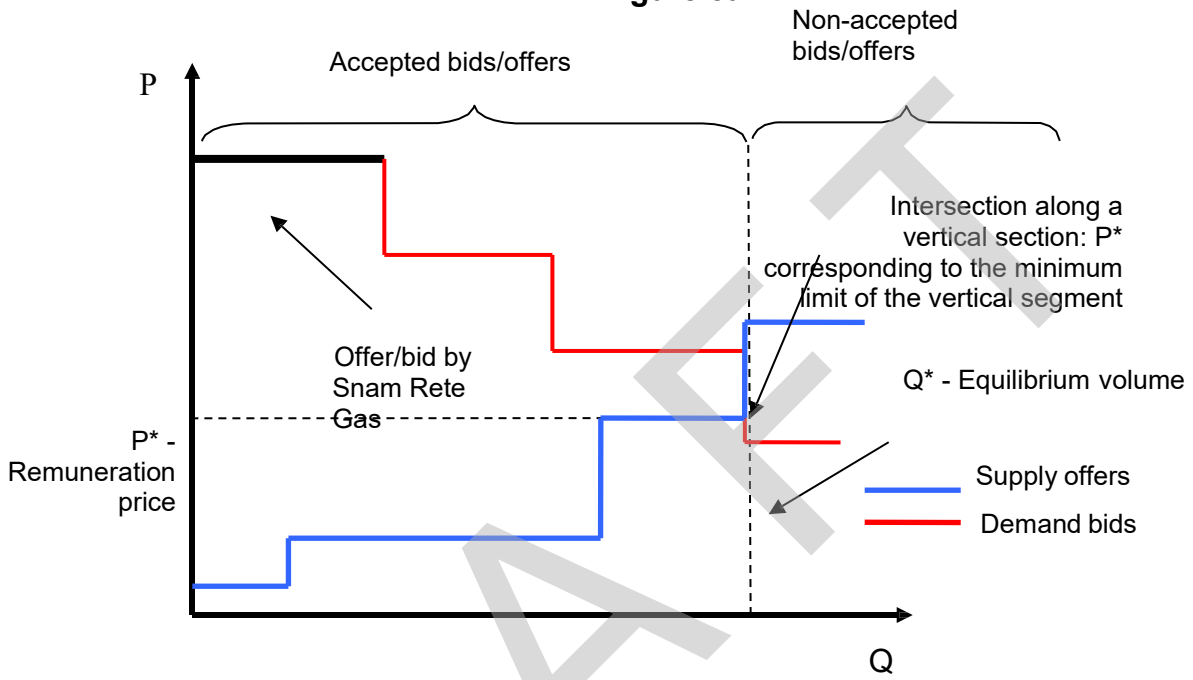


Figure 7b



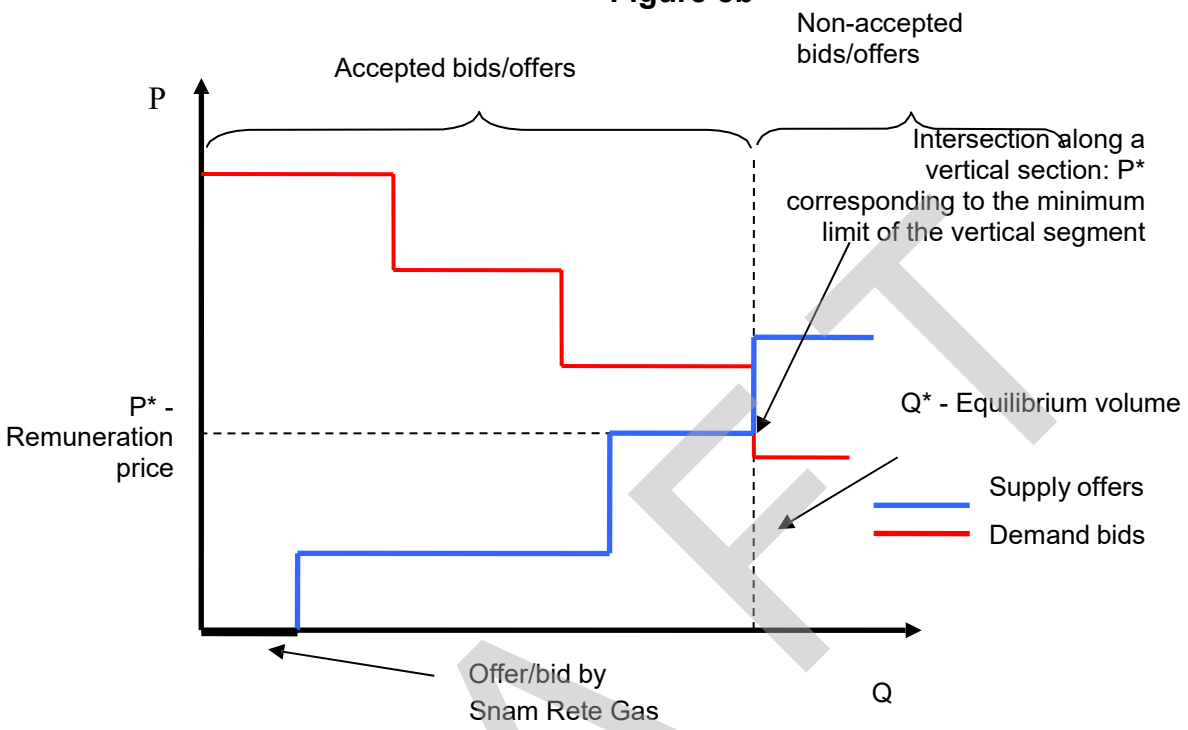
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Figure 8a



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Figure 8b



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Figure 9a

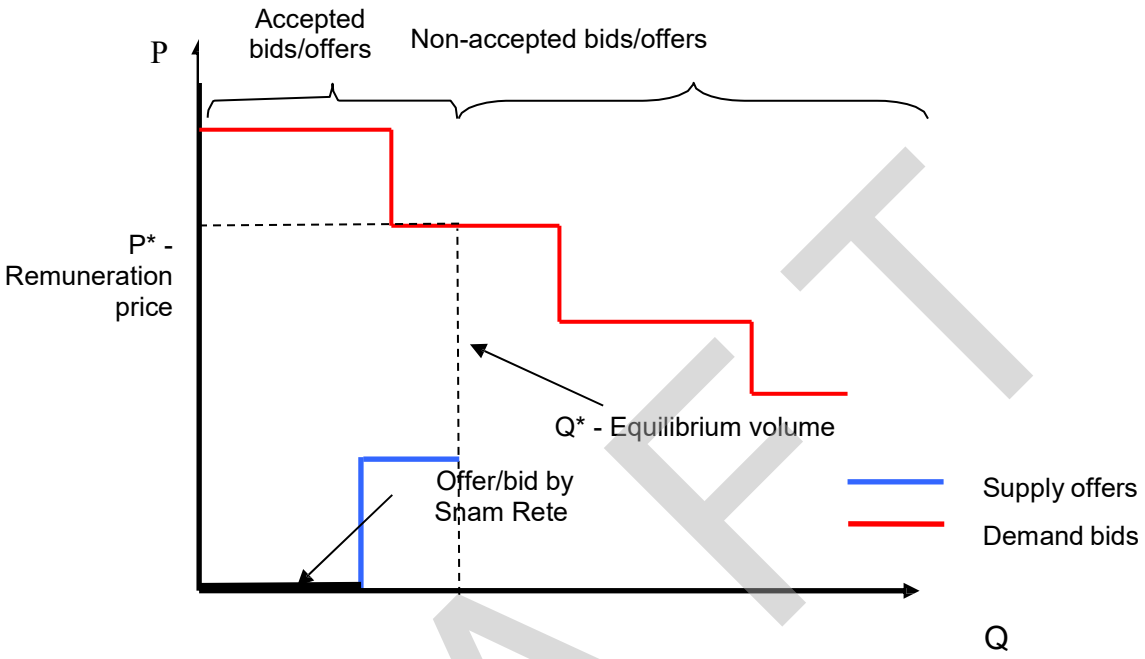
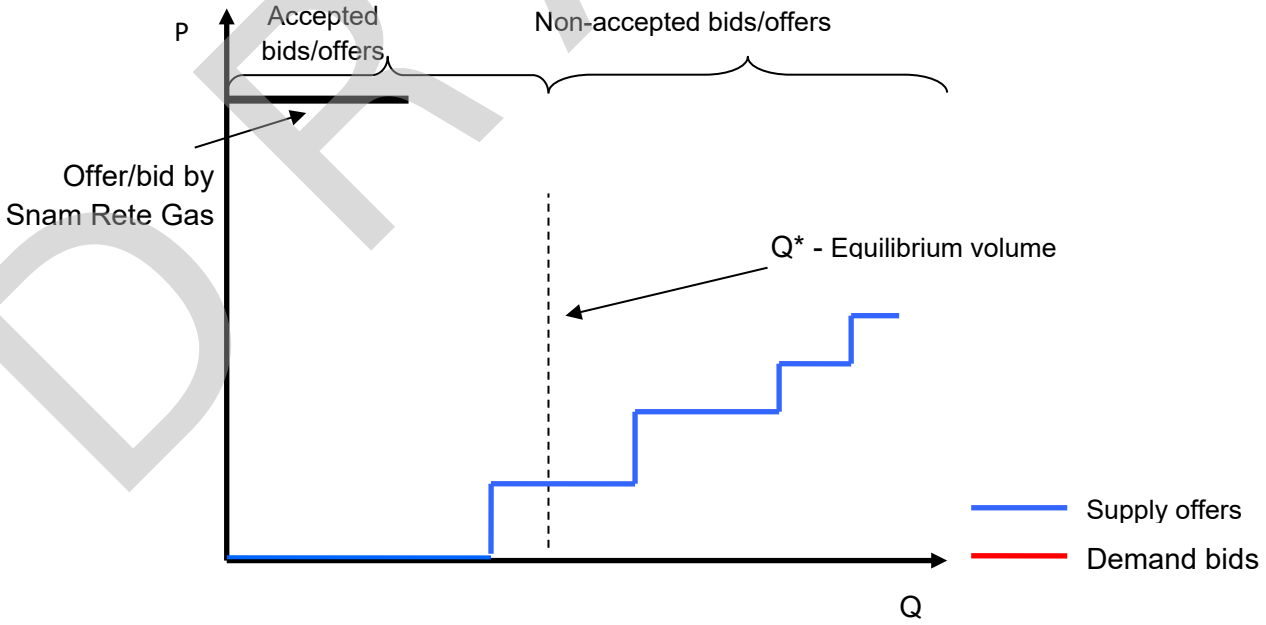


Figure 9b



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