

Technical Rule no. 11 rev.1 PCE

(under article 4 of the Rules Governing the OTC Registration Platform – PCE Rules)

Title	Loss of qualifications or failure to fulfil obligations by the bank issuing the bank guarantee
Reference Legislation	Article 56, para. 56.3 and Article 68, para. 68.1 of the PCE Rules.

successfully verified by the Director of Markets of AEEG (Autorità per l'Energia Elettrica e il Gas – electricity & gas regulator) with Resolution of 5 April 2007,
as subsequently amended and supplemented

1. Foreword

Article 56, para. 56.3 of the PCE Rules provides that, if the bank issuing the bank guarantee, or the controlling company referred to in Article 56, para. 56.2 of the PCE Rules, no longer meets one or both of the requirements specified in Article 56, para. 56.1 a) of the PCE Rules, then the bank guarantees issued by the bank shall remain valid up to the end of the time period specified in the Technical Rules.

Article 68, para. 68.1 of the PCE Rules provides that, if the banks issuing the bank guarantees receive a request for redemption thereof and fail to make the consequent payment within the time period indicated therein, then the bank guarantees shall remain valid until the date specified in the Technical Rules.

2. Loss of qualifications by the bank issuing the bank guarantee

If the bank issuing the bank guarantee, or the controlling company referred to in Article 56, para. 56.2 of the PCE Rules, no longer meets one or both of the requirements specified in Article 56, para. 56.1 a) of the PCE Rules, then the bank guarantees issued by the bank will remain valid up to the end of the invoicing period following the one in which such qualifications have been lost. Therefore, in order to submit requests for registering transactions and schedules pertaining to subsequent periods, the Participant shall post a new bank guarantee issued by a different bank meeting the requirements indicated in Article 56, para. 56.1 a) of the PCE Rules.

3. Failure to fulfil obligations by the bank issuing the bank guarantee

If the bank issuing the bank guarantee has received a request for redemption thereof owing to default of a Participant and has not made the consequent payment within the time period indicated therein, then the bank guarantees issued by the same bank in favour of other Participants will remain valid until the end of the invoicing period following the one in which such default has occurred.

Therefore, in order to submit requests for registering transactions and schedules pertaining to subsequent periods, Participants must post a new bank guarantee issued by a different bank meeting the requirements mentioned in Article 56, para. 56.1 a) of the PCE Rules.

4. Transient provision

The time limit mentioned in article 56, para. 56.3 of the PCE Rules will be postponed by an additional invoicing period, for Participants whose issuing banks no longer meet the rating requirements specified in the PCE Rules as a result of the July 2013 downrating.