

## **Technical Rule no. 04 Rev. 7 ME**

(under Article 4 of the Integrated Text of the ME Rules, approved by the Decree of the Minister of Productive Activities of 19 December 2003, as subsequently amended and supplemented)

<b>Title</b>	<b>Submission, compliance, allocation and return of guarantees</b>
Reference Legislation	Article 79, paras. 79.3 and 79.4, Article 80, paras. 80.8 bis and 80.9 and Article 135 of the Integrated Text of the ME Rules

**In force from 28 November 2019**

## Table of content

1. FOREWORD .....	3
2. SUBMISSION OF DEPOSIT .....	4
3. ALLOCATION OF GUARANTEE .....	5
4. RETURN OF GUARANTEES.....	6
5. TRANSITIONAL PROVISIONS.....	7
5.1 Allocation of guarantees provided pursuant to the ME Rules in force until the day before of the go live date of netting markets by Market Participant not also admitted to the MGAS. ....	7
5.2 Modalities to conform the guarantees provided according to ANNEX 3 or in the form of a non-interest-bearing cash deposit pursuant to the ME Rules in force until the day before of the go live date of netting markets for the Market Participant admitted to the MGAS after the go live date of netting markets .....	8
5.3 Modalities to conform the guarantees provided according to ANNEX 5 pursuant to the ME Rules in force until the day before of the go live date of netting markets for the Market Participant also admitted to the MGAS after the go live date of netting markets .....	12
5.4 Modalities to conform the guarantees provided according to ANNEX 7 pursuant to the ME Rules in force until the day before of the go live date of netting markets for the Market Participant also admitted to the PCE that after the go live date of netting markets is admitted to the MGAS ..	15
5.5 Modalities to conform the guarantees for the Market Participant admitted to the MGAS as of the go live date of netting markets .....	17

## 1. FOREWORD

Article 79, paragraph 79.3, of the ME Rules provides that as an alternative or as an addition to the guarantees provided in the form of a bank guarantee, participants may provide 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 according to the procedure defined in the Technical Rules. The PA participants shall submit 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 pursuant to Article 78 of the ME Rules according to the provisions of the Technical Rules.

Article 79, paragraph 79.4, of the ME Rules provides that the participant shall allocate the amount of the financial guarantees posted, in the form of bank guarantee, or in the form of non-interest-bearing cash deposit, according to the procedures defined in the Technical Rules.

Article 80, as of paragraphs 80.8 bis and 80.9, of ME Rules provides that the participant may at any time request the return of the bank guarantees or of the non-interest-bearing cash deposit provided as a guarantee and that the request is accepted upon positive verification by GME of the amounts for which the requesting Market Participant proves to be a debtor. Furthermore, according to these provisions, if the verification of the request for the return is successful, the modification of the amount covered by the guarantee will be immediately valid for the purpose of the adequacy verifications and GME will return the guarantee in accordance with the procedures provided for in the Technical Rules. In the event of an increase in the deposit, the participant shall pay, in the manner described in the Technical Rules, the related amount to the bank account held by GME at the treasury institute.

Article 135, paragraphs 135.4, 135.5, 135.6, 135.7 and 135.8 of the ME Rules governing the transitional provisions of guarantees provide the following elements to be regulated in the Technical Rules:

- the modalities of allocation of the guarantees provided pursuant to the ME Rules in force until the day before of the go live date of netting markets by the Market Participant not admitted to the MGAS;
- the modalities by which the participant is required to conform the guarantees, when after it is admitted to the MGAS;
- the modalities by which the Market Participant who is also a MGAS Market Participant already at the go live date of netting markets is required to conform the guarantees posted according to the versions of the ME Rules and the MGAS Rules in force until the day before of the go live date of netting markets;

Article 135, paragraph 135.9, of the ME Rules provides that the Market Participant who continues to use the bank guarantee posted according to Annex 3 of the version of the ME Rules in force until the day before of the go live date of netting markets if it wishes to subsequently change the amount covered by the guarantee, pursuant to Article 80, paragraph 80.2, it must first conform the aforementioned annex to Annex 3 of the ME Rules, as defined in the Technical Rules.

Article 135, paragraph 135.10 of ME Rules provides that the Market Participant who continues to use the bank guarantee posted according to Annex 5 or Annex 7 of the version of the ME Rules in force until the day before of the go live date of netting markets ,if it wishes to modify the amount covered by the bank guarantee and/or the term of validity and effectiveness of the same, pursuant to Article 80, paragraph 80.2, must previously conform the aforementioned annexes to Annex 5 of the ME Rules, as defined in the Technical Rules.

## **2. SUBMISSION OF DEPOSIT**

The submission or the increase of the deposit must be paid by the Market Participant through SEPA Credit Transfer with Priority or equivalent procedures from the bank account whose bank details have been previously communicated to GME pursuant to Article 17, paragraph 17.1 of ME Rules according to the modalities identified in the Technical Rules 8 ME.

### 3. ALLOCATION OF GUARANTEE

A Market Participant who has provided guarantees to GME, both in the form of bank guarantee and non-interest-bearing cash deposit is required, pursuant to Article 79, paragraph 79.4, of the ME Rules, to allocate the amounts of the guarantees on the different markets/platforms on which it may or wishes to operate, by submitting a declaration to GME, made by the legal representative, or by another person with the necessary powers, supplemented with the identity document of the same person and drawn up in accordance with the form published on GME's website. In this declaration the Market Participant, according to the type of guarantee provided (bank guarantee or non-interest-bearing cash deposit), as well as the form of bank guarantee provided, must indicate the amount of the guarantee that it wishes to allocate to cover the regulation of the payables arising on:

- a) *netting* markets<sup>1</sup>
- b) MPEG;
- c) MTE/CDE<sup>2</sup>;
- d) MT-GAS<sup>3</sup>;
- e) PCE<sup>4</sup>.

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

The declarations can be re-posted at any time if the Market Participant wishes to change the allocation of the guaranteed amount to cover the payables.

Except as provided for in the case of declarations that entail a decrease in the amount previously allocated, the declarations, in order to verify the adequacy of the offers, are valid within the second working day from their reception by GME, or from the date specified by the Market Participant in the aforementioned declaration, provided that such date falls after the second working day following that of receipt by GME of said declaration.

---

<sup>1</sup> If the Market Participant is also admitted to the MGAS, the portion indicated in the netting markets will be automatically extended also to cover payables arising on the netting markets of the MGAS.

<sup>2</sup> The award of the guarantee on the MTE/CDE is possible only if the Market Participant has posted guarantees in the form of a non-interest-bearing cash deposit or in the form of a bank guarantee with no expiration date.

<sup>3</sup> The award of the guarantee on the MT-GAS is possible only if the MGAS Market Participant has posted guarantees in the form of a non-interest-bearing cash deposit or in the form of a bank guarantee with no expiration date.

<sup>4</sup> If the Market Participant is also admitted to the PCE.

If the declaration entails a decrease in the amount previously allocated to cover the payables that may arise on the PCE, the ME or the MGAS, GME will accept the request, after verifying that the amounts on the PCE, ME or MGAS for which the applicant Market Participant is exposed are adequately covered by the guarantee, and the same, following a positive verification, will have immediate effect for the purpose of the adequacy verifications.

#### **4. RETURN OF GUARANTEES**

Pursuant to Article 80, paragraphs 80.8 bis and 80.9 of the ME Rules, the Market Participant may at any time request:

- the return of the bank guarantees posted pursuant to Article 79, paragraph 79.1 of the ME Rules;
- the refund, even partial, of the amount paid pursuant to Article 79, paragraph 79.3 of the ME Rules.

The acceptance of these requests is subject to GME's positive verification of the amounts for which the requesting Market Participant is a debtor. If the verification has a positive outcome, the modification of the amount covered by the guarantee will be immediately valid for the purpose of the adequacy verifications and GME:

- in case of a bank guarantee, shall inform the Market Participant of the immediate effect of the modifications requested to the treasury institute to provide for the return of the guarantee to the address shown in the text of the bank guarantee or alternatively to the references indicated by the Market Participant in the return request;
- in case of a non-interest-bearing cash deposit, shall repay it to the bank account indicated by the Market Participant pursuant to Article 17, paragraph 17.1 of the ME Rules in accordance with the procedures referred to in the previous paragraph 2 via SEPA Credit Transfer Urgent/Priority.

## 5. TRANSITIONAL PROVISIONS

### 5.1 Allocation of guarantees provided pursuant to the ME Rules in force until the day before of the go live date of netting markets by Market Participant<sup>5</sup> not also admitted to the MGAS.

The Market Participant who has posted a guarantee to GME, pursuant to the version of the ME Rules in force until the day before of the go live date of netting markets, both in the form of a bank guarantee and in the form of a non-interest-bearing cash deposit, and who wishes to modify the allocation of the amount of guarantees previously communicated, pursuant to Article 135 , paragraph 135.4 of the ME Rules, shall submit to GME a declaration made by the legal representative, or by another person with the necessary powers, accompanied by the identity document of the same person and drawn up in compliance with the form published on GME's website. In this declaration the Market Participant, depending on the form of guarantee given (bank guarantee or non-interest-bearing cash deposit), as well as the form of guarantee posted (Annex 3<sup>6</sup>, Annex 5<sup>7</sup> or Annex 7<sup>8</sup>), shall indicate the amount of the guarantee that it wishes to allocate to cover the regulation of payables arising on:

- a) *netting* markets of the ME
- b) MPEG;
- c) MTE/CDE<sup>9</sup>;
- d) PCE.

Until a different declaration of allocation is provided, the latest allocations communicated by the Market Participant to the GME shall be considered as valid and if the Market Participant has never posted any declaration to indicate how the amount of the guarantee should be allocated between the energy markets and the PCE, the amount of the same guarantees will be used entirely to cover the payables arising from the netting markets of the ME.

The declarations can be reposted at any time if the Market Participant wishes to modify the allocation of the amount covered by the guarantee to cover the payables.

---

<sup>5</sup> Possibly also admitted to the PCE

<sup>6</sup> It can be used to guarantee the regulation of payables arising on all the ME and on the PCE.

<sup>7</sup> It can be used to guarantee the regulation of payables arising on the netting markets of the ME and on the MPEG.

<sup>8</sup> It can be used to guarantee the regulation of the payables arising on the netting markets of the ME, on the MPEG and on the PCE.

<sup>9</sup> The award of the guarantee on the MTE / CDE is possible only if the participant has posted guarantees in the form of a non-interest-bearing cash deposit or in the form of a bank guarantee in accordance with Annex 3 of the ME Rules in force until the day before of the go live date of netting markets

Except as provided for in the case of declarations that lead to a reduction in the amount previously allocated, the declarations, for the purpose of verifying the adequacy, are valid within the second working day after the receipt by GME; or from the date specified by the Market Participant in the aforementioned declaration, provided that such date falls after the second working day following the receipt by GME of the aforesaid declaration.

If the declaration entails a reduction in the amount previously allocated to cover the payables arising on the PCE and the ME, GME will accept the request after verifying that the amounts on the PCE or on the ME, for which the requesting Market Participant is exposed, are adequately covered by guarantee and the same, following a positive verification, will have immediate effect for the purpose of the adequacy verifications.

Please note that the aforementioned allocations are valid as long as the Market Participant is admitted to only ME and/or PCE. Therefore, if the Market Participant is subsequently admitted to the MGAS as well, it is required to conform the guarantees pursuant to paragraphs 5.2, 5.3 and 5.4 below, submitting the new allocation of the guarantees pursuant to paragraph 3 above.

**5.2 Modalities to conform the guarantees provided according to ANNEX 3 or in the form of a non-interest-bearing cash deposit pursuant to the ME Rules in force until the day before of the go live date of netting markets. for the Market Participant<sup>10</sup> admitted to the MGAS after the go live date of netting markets**

The Market Participant who has posted a guarantee to GME, pursuant to the version of the ME Rules in force until the day before of the go live date of netting markets, both in the form of bank guarantee in accordance with **ANNEX 3**, and in the form of a non-interest-bearing cash deposit, and which, after is also admitted to the MGAS, pursuant to Article 135, paragraph 135.4, of the ME Rules:

A. in order to operate on the netting markets, on the MPEG, on the MTE/CDE, on the MT-GAS and on the PCE, is required:

- if the Market Participant has originally posted guarantees in the form of a bank guarantee according to **ANNEX 3**, to:
  - submit the request to return the guarantee originally provided, which must be positively verified by GME, according to the modalities and terms referred to in paragraph 4 above, together with a new guarantee

---

<sup>10</sup> Possibly also admitted to the PCE.



pursuant to Article 79, paragraph 79.1, of the ME Regulation according to Annex 3 of the same;

or, as an alternative, to:

- make the guarantee originally provided in compliance with Annex 3 of the ME Rules, submitting, for this purpose, to the GME treasury institute the letter modifying the bank guarantee issued in compliance with the model published on GME's website, signed by the legal representative of the guarantor bank, or by another person having the necessary powers, accompanied by the identity document of the same person.

Failing that, or if the Market Participant:

a) fails to submit a new guarantee according to Annex 3 or fails to make the guarantee originally posted compliant with the aforesaid annex;

or

b) while submitting a new guarantee according to Annex 3, fails to submit the request of return of the guarantee originally posted, or submits the request of return but it is not positively verified by GME,

it may continue to operate solely on the ME and/or the PCE, according to the allocations indicated pursuant to paragraph 5.1 above. The amount of the new guarantee, in this case, and lacking a different allocation indicated by the Market Participant, will be cumulated in equal parts with the shares of the available amount of the guarantee posted, possibly indicated pursuant to paragraph 5.1 above.

As far as the guarantees not in line with the provisions of the ME Rules in force from the go live date of netting markets, please note that, if the Market Participant wishes to subsequently modify the amount thereof, it is required to previously conform the same guarantees in the manner described in this paragraph 5.2, pursuant to Article 135, paragraph 135.9, of the ME Rules.

- carry out the allocation of the guarantees, in accordance with the modalities described in paragraph 3 above.

- if the Market Participant has originally posted guarantees in the form of a non-interest bearing cash deposit to:

- make the guarantee deposit originally provided in line with the ME Rules, submitting for this purpose, to GME the letter of amendment of the non-interest bearing cash deposit drawn up in accordance with the form published on GME website, signed by the legal representative or by another person having the necessary powers, accompanied by the identity document of the same.

Failing this, the Market Participant may continue to operate solely on the ME and/or PCE, according to the allocations indicated pursuant to paragraph 5.1 above even if it posts a new guarantee deposit which, without a different allocation indicated by the Market Participant, will be cumulated in equal parts with the shares of allocation of the original guarantee referred to in paragraph 5.1 above.

- carry out the allocation of the guarantee deposits, in accordance with the modalities defined in paragraph 3 above.

B. in order to operate on the netting markets, on the MPEG and on the PCE is required:

- if the Market Participant has originally posted guarantees in the form of a bank guarantee according to **ANNEX 3**, to:

- submit the request to return the guarantee originally provided, positively verified by GME, according to the modalities and terms referred to in paragraph 4 above, together with a new guarantee pursuant to Article 79, paragraph 79.1, of the ME Rules according to Annex 3 or Annex 5 thereof;

or, alternatively, to:

- make the guarantee originally provided in compliance with Annex 3 of the ME Rules, submitting, for this purpose, to the GME treasury institute the letter modifying the bank guarantee issued in compliance with the model published on GME's website, signed by the legal

representative of the guarantor bank, or by another person having the necessary powers, accompanied by the identity document of the same person.

Failing that, or if the Market Participant:

a) fails to submit a new guarantee according to Annex 3 or Annex 5, or fails to make the guarantee originally posted compliant with Annex 3;

or

b) while submitting a new guarantee according to Annex 3 or Annex 5, fails to submit the request to return the guarantee originally posted, or submits the request for return but it is not positively verified by GME,

it may continue to operate solely on the ME and/or PCE, according to the allocations indicated pursuant to paragraph 5.1 above. The amount of the new guarantee, in this case and lacking a different allocation indicated by the Market Participant, will be cumulated, in the event of a new guarantee posted pursuant to Annex 3, in equal parts with the shares of the available amount of the guarantee possibly indicated pursuant to paragraph 5.1 above; if a new guarantee is posted pursuant to Annex 5, in equal parts with the shares of the available amount of the guarantee possibly indicated pursuant to paragraph 5.1 above for activity on netting markets of the ME, on the MPEG and on the PCE;

As far as the guarantees not conformed with the provisions of the ME Rules in force from the go live date of netting markets, please note that, if the Market Participant wishes to change the amount of the guarantee in a second time, it is required to conform in advance the same guarantees as described in this paragraph 5.2, pursuant to Article 135, paragraphs 135.9 and 135.10, of the ME Rules.

- carry out the allocation of the guarantees, in accordance with the modalities defined in paragraph 3 above.

- if the Market Participant has originally posted guarantees in the form of a non-interest bearing cash deposit, to:

- make the guarantee deposit originally provided in compliance with the ME Rules, submitting, for this purpose, to GME the letter of amendment of the non-interest bearing deposit drawn up in accordance with the model published on GME's website, signed by the legal representative or by another person having the necessary powers, accompanied by the identity document of the same person.

Failing this, the Market Participant may continue to operate solely on the ME and/or PCE, according to the allocations indicated pursuant to paragraph 5.1 above even if it posts a new guarantee deposit which, without a different allocation indicated by the Market Participant, will be cumulated in equal parts with the shares of allocation of the original guarantee referred to in paragraph 5.1 above.

- carry out the allocation of the guarantee deposit, in accordance with the modalities defined in paragraph 3 above.

**5.3 Modalities to conform the guarantees provided according to ANNEX 5 pursuant to the ME Rules in force until the day before of the go live date of netting markets for the Market Participant also admitted to the MGAS after the go live date of netting markets.**

The Market Participant who has posted a guarantee to GME, pursuant to the version of the ME Rules in force until the day before of the go live date of netting markets, in the form of a bank guarantee pursuant to **ANNEX 5** which, after is also admitted to the MGAS, pursuant to Article 135, paragraph 135.4, of the ME Rules:

A. to operate on the netting markets, on the MPEG, on the MTE/CDE, on the MT-GAS and possibly, after its admission to the PCE also on the PCE, is required to:

- submit the request of return of the guarantee originally provided, which must be positively verified by GME, according to the modalities and terms referred to in paragraph 4 above, together with a new guarantee

pursuant to Article 79, paragraph 79.1, of the ME Regulation according to Annex 3 of the same;

Failing that, or if the Market Participant:

a) fails to submit a new guarantee according to Annex 3;

or

b) while submitting a new guarantee according to Annex 3, fails to submit the request to return the guarantee originally posted, or submits the request for return but it is not positively verified by GME,

it may continue to operate solely on the MPE, according to the allocations indicated pursuant to paragraph 5.1 above. The amount of the new guarantee, in this case and lacking a different allocation indicated by the Market Participant, will be cumulated in equal parts with the shares of the available amount of the guarantee possibly indicated pursuant to paragraph 5.1 above, for the activity on netting markets of the ME and MPEG.

As far as the guarantees not conformed to the provisions of the ME Rules in force from the go live date of netting markets, please note that, if the Market Participant wishes to change the amount and/or the term of validity of effectiveness of the same in a second time, it is required to conform in advance the same guarantees as described in this paragraph 5.3, pursuant to Article 135, paragraphs 135.10 and 135.10, of the ME Rules.

- carry out the allocation of the guarantees, in accordance with the modalities defined in paragraph 3 above.

B. to operate on the netting markets and on the MPEG, is required to:

- submit the request of return of the guarantee originally provided, which must be positively verified by GME, according to the modalities and terms referred to in paragraph 4 above, together with a new guarantee pursuant to Article 79, paragraph 79.1, of the ME Rules pursuant to Annex 3 or Annex 5 thereof;

or, as an alternative, to:

- conform the guarantee originally provided in line with Annex 5 of the ME Rules, submitting, for this purpose, to the GME treasury institute the letter of amendment of the bank guarantee issued in compliance with the form published on GME website, signed by the legal representative of the guarantor bank, or by another person having the necessary powers, accompanied by the identity document of the same person.

Failing that, or if the Market Participant:

a) fails to submit a new guarantee according to Annex 3 or Annex 5, or fails to make the guarantee originally posted compliant with Annex 5;

or

b) while submitting a new guarantee according to Annex 3 or Annex 5, fails to submit the request of return of the guarantee originally posted, or submits the request for return but it is not positively verified by GME,

it may continue to operate solely on the MPE, according to the allocations indicated pursuant to paragraph 5.1 above. The amount of the new guarantee, in this case and lacking a different allocation indicated by the Market Participant, will be cumulated in equal parts with the shares of the available amount of the guarantee possibly indicated pursuant to paragraph 5.1 above, for the activity on netting markets of the ME and MPEG.

As far as the guarantees not conformed with the provisions of the ME Rules in force from the go live date of netting markets, please note that, if the Market Participant wishes to modify the amount and/or the term of validity of effectiveness of the same in a second time, it is required to conform in advance the same guarantees as described in this paragraph 5.3, pursuant to Article 135, paragraphs 135.10 of the ME Rules.

- carry out the allocation of the guarantees, in accordance with the modalities defined in paragraph 3 above.

**5.4 Modalities to conform the guarantees provided according to ANNEX 7 pursuant to the ME Rules in force until the day before of the go live date of netting markets for the Market Participant also admitted to the PCE that after the go live date of netting markets is also admitted to the MGAS**

The ME and PCE Market Participant who has posted a guarantee to GME, pursuant to the ME Rules until the day before of the go live date of netting markets, in the form of a bank guarantee according to **ANNEX 7** which, after is also admitted to the MGAS, pursuant to Article 135, paragraph 135.5, of the ME Rules:

A. to operate on the netting markets, on the MPEG, on the MTE/CDE, on the MT-GAS and on the PCE is required to:

- submit the request of return of the guarantee originally provided, which must be positively verified by GME, according to the modalities and terms referred to in paragraph 4 above, together with a new guarantee pursuant to Article 79, paragraph 79.1, of the ME Rules according to Annex 3 of the same Rules;

Failing that, or if the Market Participant:

a) fails to submit a new guarantee according to Annex 3;

or

b) while submitting a new guarantee according to Annex 3, fails to submit the request of return of the guarantee originally posted, or submits the request for return but it is not positively verified by GME,

it may continue to operate solely on the MPE and PCE, according to the allocations indicated pursuant to paragraph 5.1 above. The amount of the new guarantee, in this case and lacking a different allocation indicated by the Market Participant, will be cumulated, in the event of a new guarantee posted pursuant to Annex 3, in equal parts with the shares of the available amount of the guarantee possibly indicated pursuant to paragraph 5.1 above, for the activity on netting markets of the ME, MPEG and on PCE.

As far as the guarantees not conformed with the provisions of the ME Rules in force from the go live date of netting markets, please note that, if the Market Participant wishes to modify the amount of the same in a second time, it is required to conform

in advance the same guarantees as described in this paragraph 5.4, pursuant to Article 135, paragraphs 135.10 and 135.10, of the ME Rules.

- carry out the allocation of the guarantees, in accordance with the modalities defined in paragraph 3 above.

B. to operate on the netting markets, on the MPEG and on the PCE, is required to:

- submit the request to return the guarantee originally provided, which must be positively verified by GME, according to the modalities and terms referred to in paragraph 4 above, together with a new guarantee pursuant to Article 79, paragraph 79.1, of the ME Rules pursuant to Annex 3 or Annex 5 thereof;

or, as an alternative, to:

- make the guarantee originally provided compliant with Annex 5 of the ME Rules, submitting, for this purpose, to the GME treasury institute the letter of modification of the bank guarantee issued in compliance with the form published on GME website, signed by the legal representative of the guarantor bank, or by another person having the necessary powers, accompanied by the identity document of the same person.

Failing that, or if the Market Participant:

a) fails to submit a new guarantee according to Annex 3 or Annex 5, or fails to make the guarantee originally posted compliant with Annex 5;

or

b) while submitting a new guarantee according to Annex 3 or Annex 5, fails to submit the request of return of the guarantee originally posted, or submits the request for return but it is not positively verified by GME,

it may continue to operate solely on the MPE and PCE, according to the allocations indicated pursuant to paragraph 5.1 above. The amount of the new guarantee, in this case and lacking a different allocation indicated by the Market Participant, will be cumulated, in the event of a new guarantee posted pursuant to Annex 3, in equal parts with the shares of the available amount of the guarantee



possibly indicated pursuant to paragraph 5.1 above, for operations on netting markets of the ME, MPEG and on PCE.

As far as the guarantees not conformed with the provisions of the ME Rules in force from the go live date of netting markets, please note that, if the Market Participant wishes to modify the amount of the same in a second time, it is required to conform in advance the same guarantees as described in this paragraph 5.4, pursuant to Article 135, paragraphs 135.10, of the ME Rules.

- carry out the allocation of the guarantees, in accordance with the modalities defined in paragraph 3 above.

#### **5.5 Modalities to conform the guarantees for the Market Participant admitted to the MGAS as of the go live date of netting markets**

The Market Participant that has posted guarantees to GME, pursuant to the version of the ME Rules or the MGAS Rules in force until the day before of the go live date of netting markets both in the form of a bank guarantee and in the form of a non-interest-bearing cash deposit, and that as of this date therefore, it is also admitted to the MGAS, pursuant to Article 135, paragraphs 135.6 and 135.7, of the ME Rules is required to conform the guarantees originally posted, proceeding, for the guarantees originally posted on the ME according to the modalities described in paragraphs 5.2, 5.3 and 5.4 above, for the guarantees originally posted on the MGAS according to the modalities described in the Technical Rule no. 19 MGAS.

Without the aforementioned conformation to the ME guarantees, the Market Participant may continue<sup>11</sup> to operate solely on the MTE/CDE, the MPEG and the PCE, depending on the form of guarantee provided (bank guarantee or non-interest-bearing cash deposit), as well as on the form of bank guarantee (Annex 3, Annex 5 or Annex 7 of the ME Rules in force until the day before of the go live date of netting markets), submitting a declaration for the allocation of the amount of the guarantees available. To this end, the Market Participant is required to submit to GME a declaration made by the legal representative, or by another person with the necessary powers, accompanied by the identity document of

---

<sup>11</sup> If the participant, in a second time, wishes to modify the amount of the guarantees provided in the form of bank guarantee according to the models set forth in the ME Rules in force until the day before of the go live

the same person and drawn up in accordance with the form published on GME's website. In this declaration, the Market Participant must indicate the amount of the available guarantee that it wishes to allocate to cover the regulation of the payables arising on:

- a) MPEG;
- b) MTE/CDE<sup>12</sup>;
- c) PCE<sup>13</sup>.

Without this declaration, the amount of the guarantees between the energy markets and the PCE will be allocated in equal parts among MPEG, MTE/CDE and PCE<sup>14</sup>.

The declarations can be re-posted at any time if the Market Participant wishes to modify the allocation of the amount covered by guarantee to cover the payables.

Except as provided for in the case of declarations that lead to a decrease in the amount previously allocated, the declarations, in order to verify the adequacy, are valid within the second working day following the day of receipt by GME; or from the date specified by the Market Participant in the aforementioned declaration, provided that such date falls after the second working day following that of receipt by GME of the aforesaid declaration.

If a declaration entails a decrease in the amount previously allocated to cover the payables possibly arising on the markets/PCE, GME will accept the request after verifying that the amounts on the markets/PCE for which the requesting Market Participant is exposed are adequately covered by guarantee.

Please note that the aforementioned allocations are valid until the Market Participant conform the guarantees pursuant to paragraphs 5.2, 5.3 and 5.4 above, submitting the new allocation of the guarantees pursuant to paragraph 3 above.

---

date of netting markets, it is required to conform the same guarantees in accordance with the modalities described in paragraph 5.2 above.

<sup>12</sup> The award of the guarantee on the MTE/CDE is possible only if the Market Participant has posted guarantees in the form of a non-interest-bearing cash deposit or in the form of a bank guarantee in accordance with Annex 3 of the ME Rules in force until the day before of the go live date of netting markets

<sup>13</sup> If also admitted to the PCE.

<sup>14</sup> If also admitted to the PCE.