Technical Rule no. 18 rev. 06 MGAS

(pursuant to Article 4 of the Natural-Gas Market Rules, approved by a Decree of 6 March 2013 issued by the Ministry of Economic Development, as subsequently amended and integrated)

Title	**Market Making activity**

Reference Legislation	Article 27 of the Natural-Gas Market Rules

Published on 27 November 2026

1. FOREWORD

Article 27, paragraph 27.1 of the Rules provides that in order to improve the liquidity of the products traded on the market, the GME may provide for the Market Making activity, in compliance with procedures and terms defined in the Technical Rules.

Article 27, paragraph 27.2, established that if provided for under the paragraph 27.1, the 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

2. SUBMISSION OF THE REQUEST FOR CARRYING OUT THE MARKET MAKING ACTIVITY

The request for carrying out the Market Making activity can be submitted by all MGAS participants which have adequate professionalism and competence in the use of computer systems and related security systems, or which have employees or collaborators with such professionalism and competence.

Participants interested in carrying out the Market Making activity shall:

(i) submit a request to carry out the Market Making activity in compliance with the form in the Annex to this Technical Rule;

(ii) undersign the Participation Agreement on the last page for carrying out the Market Making activity referred to in Article 27 of the MGAS Rules, in compliance with the form in the Annex to this Technical Rule, by means of which the Contractor declares *inter alia*, to unconditionally know and accept the MGAS Rules and related Technical Rules;

(iii) complete and undersign to the Product Selection Form in compliance with the form in the appendix to this Technical Rule.

If the applicant is a legal person, the aforementioned documentation must be undersigned by the legal representative or another person with the necessary powers and accompanied by a declaration prepared pursuant to the Decree of the President of the Republic no. 445 of 28 December 2000, certifying the possession of the representation powers or other equivalent documentation on the basis of which GME will carry out a substantial equivalence evaluation. If GME already possesses such an equivalent declaration/documentation, the party concerned shall be exempted from preparing it by submitting a statement containing such indication, the date of delivery to GME of the relevant documentation and the confirmation by GME about the current content of the same.

The above documentation must be sent to GME - in its original form - by ordinary mail or courier, or certified e-mail.

By means of a special communication by GME, which is to be forwarded by registered letter with acknowledgement of receipt, or certified e-mail, within 15 calendar days immediately following receipt of the above documentation, the requesting participant is granted the opportunity to carry out the Market Making activity, as a Liquidity Provider (LP), subject to the conditions set out in paragraph 3 below.

If the documentation submitted by the participant is irregular or incomplete, GME shall communicate to the person concerned, by registered letter with acknowledgement of receipt, or by certified e-mail, the necessary steps to regularise or complete the documentation as well as the deadline to fulfil such obligation. From the date of receipt by the GME of the original documentation that is regularised or completed, GME will again take 15 days to carry out the aforementioned checks on the documentation submitted and to take the related actions. If, within the deadline specified by GME, the participant fails to comply with GME's request, the latter will reject the same request.

GME notifies the Liquidity Provider, by registered letter with acknowledgment of receipt, or by certified e-mail, with a notice of at least 15 calendar days, the date on which the latter may start the service. Participants carrying out the Market Making activity are listed in a specific public list by GME, with the indication, for each participant, of at least the following information:

a) last name and first name, or company name;

b) place of residence or registered office.

By mere way of clarification, it should be noted that the aforementioned list would exclusively include participants which, from time to time and as specified in paragraph 3 below, will perform the Market Making activity as LP participants.

It is understood that an LP participant may not carry out the Market Making activity during any period of suspension from the MGAS and, due to such suspension, the LP participant will be deleted from the aforementioned public list. Once the suspension period is expired, the LP participant will be listed again in the public list in accordance with the provisions of paragraph 3, no. 4.

The termination of the Market Making activity does not exonerate the participant from fulfilling the obligations arising from the commitments previously undertaken.

Unless otherwise provided in this Technical Rule, all the provisions of the MGAS Rules remain valid and binding for each LP participant.

3. MARKET MAKING CONDITIONS AND TERMS

Carrying out the Market Making activity in the MGAS involves the commitment, but not the obligation, by the participants which have signed with GME the Participation Agreement for carrying out the Market Making activity to support, as LPs, the liquidity of specific products traded on the market, through the display of bids/offers or the conclusion of related transactions.

The simultaneous presence of a number of participants qualified as LPs between a minimum of **3 (three)** and a maximum of **7 (seven)** is a necessary condition for the activation and maintenance of the Market Making activity in the MGAS.

Therefore, it is understood that:

i. lacking the above mentioned minimum number, even in the course of the activity, results in the deactivation, for all remaining LP participants, of the Market Making activity on the markets/products in which such activity is provided; in such a case, GME will notify such LP participants the end of the period from which the Market Making activity is deactivated by registered letter with acknowledgment of receipt, or by certified e-mail.

ii. the restoration of this minimum number results in the re-activation of the Market Making activity for all pre-existing LP participants; in such a case, GME shall notify such LP participants by registered letter with acknowledgment of receipt, with a notice of at least 15 calendar days, the time limit from which the Market Making activity will be reactivated;

iii. if during the activity new Participation Agreements for carrying out Market Making activities that do not exceed the maximum number are signed, GME updates the list of LP participants;

iv. if during the activity new Participation Agreements to carry out the Market Making activity that exceed the maximum number are concluded, GME, taking into account the

Participation Agreements concluded by the end of the fifth month of the current semester, updates, within the following fifteen days, the list of maximum of 7 (seven) LP participants, which will be valid from the following semester. The semesters are calculated starting from the date of the first activation of the Market Making activity in the MGAS. To update the list, GME, upon positive checks referred to in paragraph 2 above, will select the LP participants based on the following criteria:

- **Quality of the service** provided by the LPs already active[1] in the 5 months before the update of the LP participants' list, on the basis of which the related score is granted as follows:
  - an LP that has performed the service for a percentage of valid sessions exceeding 75%, is granted a positive score up to a maximum of 10 points calculated as follows:

$$40 * \left(\frac{Fulfilled\ sessions}{Valid\ Sessions} - 0,75 \right)$$

  - an LP that has performed the service for a percentage of valid sessions between a value not lower than 50% and not higher than 75%, is granted a zero-score;
  - an LP that has performed the service for a percentage of valid sessions[2] lower than 50%, is granted a negative score calculated as follows:

$$Max\ [40 * \left(\frac{Fulfilled\ sessions}{Valid\ Sessions} - 0,5 \right);\ -10]$$

Obviously, inactive LPs will be granted a zero score.

[1] This criterion applies only to the "active" LPs (i.e. LP participants **included** in the list of LPs at the time of selection). No score is then granted (i.e. zero-score) to "Inactive" LPs (i.e. LP participants **not included** in the list of 10 LP participants at the time of selection).

[2] "Valid sessions" are the number of sessions in which the LP role might have been carried out. The "fulfilled sessions" are the number of sessions in which the LP has fulfilled its envisaged obligations. Obviously, the valid sessions will be counted considering a number of sessions equal to the number of products for which, in each session, the LP will have to fulfil its envisaged obligations.

- **Amounts traded**[3] in the 5 months before the update of the LP participants' list, granting a score proportional to the amounts traded[4] in the MGP-GAS and MI-GAS, calculated as follows:

$$\frac{Traded\ amount - Minimum\ Amount}{Maximum\ Amount - Minimum\ Amount}$$

In order to calculate the overall score, each of the two criteria indicated above is weighted by 50%.

$$LP\ score = quality\ of\ service\ score * \alpha + 10 * \frac{Traded\ amount - Minimum\ amount}{Maximum\ amount - Minimum\ amount} * \beta$$

With $\alpha = \beta = 50\%$

If, during the period covered by the Market Making Agreement, the maximum number of LP participants is exceeded, GME may suspend the Market Making activity and the related obligations of the parties, without prejudice to the right of withdrawal of the LP participant.

3.1. Markets and products for which the presence of the LP participant is provided

The Market Making activity is provided in the MGP-GAS with reference to the trading of the daily product and of the WE product specified in paragraph 3.2 below.

GME may add or remove products for which the Market Making activity must be carried out.

If the Contractor intends to add or remove one or more products, it must duly fill in and submit to GME, by registered letter with acknowledgment of receipt or by certified e-mail, the "Add/Edit Products Form" form in the original copy in compliance with the form in the attached Technical Rule, duly signed.

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[3] This criterion applies to both "active" and "inactive" LPs.

[4] The traded amounts are the trades, expressed in MWh/day for the number of relevant periods (gas-days) covered by the contract, concluded in the MGP-GAS and MI-GAS by each LP participant ("active" and "inactive").
The minimum amount is the traded volume, expressed in MWh/day for the number of relevant periods (gas-days) covered by the contract, concluded in the MGP-GAS and MI-GAS by each LP participant ("active" and "inactive") with smaller traded quantity than all other LP participants ("active" and "inactive"). The maximum amount is the traded volume, expressed in MWh/day for the number of relevant periods (gas-days) covered by the contract, concluded in the MGP-GAS and MI-GAS by each LP participant ("active" and "inactive") with higher traded quantity than all other LP participants ("active" and "inactive").

Upon receipt of the "Add/Edit Product Form", GME, once verified that this form has been properly completed and duly signed, will communicate to the LP by registered letter with acknowledgement of receipt or by certified e-mail, with a notice of at least 15 days of the calendar, the date from which the Add/Edit Products requested by the LP will begin.

3.2. How to fulfil the commitment

The Market Making activity is foreseen on the MGP-GAS only on the days that go from Monday to Friday (provided that they are working days according to the reference timetable published by GME under Technical Rule no. 07 MGAS). In particular, this activity is carried out:

- in weeks with no midweek holidays:
    - from Monday to Thursday: on the daily product G+1;
    - on Friday: on the WE product (Saturday and Sunday) and on G+3 (on Monday of the following week);
- in weeks with midweek holidays immediately preceding or following the weekend (i.e. Saturday and Sunday):
    - on all midweek working days, except on the working day preceding the first holiday: on the daily product G+1;
    - on the working day preceding the first holiday: on the WE product (Saturday, Sunday and holidays immediately before or after them) and on the daily product G+i (i>3) coinciding with the first working day after the last holiday;
- in weeks with midweek holidays separate from the weekend (from Monday through Thursday, Monday and Friday being working days):
    - on all midweek working days: on the daily product G+1;
    - on the working day preceding the first holiday: also on daily products G+2 (if there is a midweek holiday) and G+3 (if there are two midweek holidays);
    - on Friday: on the WE product (Saturday and Sunday) and on G+3 (Monday of the following week).

For the definitions of daily product and WE product, reference is to be made to Technical Rule no. 07 MGAS.

By 15 December of each year, GME publishes – on its website and in the SIMGAS (information system of the gas market) - together with the reference timetable referred to in Technical Rule no. 07 MGAS, the detailed timetable of the sessions and products for which the Market Making service is active.,
The commitment to carry out the Market Marketing activity for the aforementioned products of the MGP-GAS may be deemed fulfilled if the LP participant, during a calendar month and for a number of sessions amounting to at least 75 % of valid[5] sessions (market sessions that take place on the working days of that month[6]), has met all the conditions envisaged for one of the following two (alternative) methods by which it can fulfil this commitment:

1st METHOD – display of bids/offers

Submission, *(i)* on an ongoing basis, and *(ii)* for market sessions taking place on working days, of bids/offers on products on which the market making activity is envisaged, in compliance with all the following requirements:

- **Minimum amount to offer:** both offers must relate to an amount equal to or greater than the minimum amount indicated in **TABLE 1**.
  In the case that bids/offers refer to different amounts, in order to comply with the minimum quantity requirement, the bid/offer for the smaller quantity will be considered;

- **Maximum spread permitted:** the difference between the sale price and the purchase price should not exceed the maximum spread shown in **TABLE 1**.

- **Minimum presence on the book:** the bids/offers must remain "simultaneously" on the trading book for a time not less than the one shown in **TABLE 1** during the time window from 2 pm to 6 pm or, only on working days immediately preceding 25 December and 1 January, during the time window from 9 am to 1 pm.
  The time may also be non-consecutive, provided it is included within the time window.

If there are more than one bid/offer, the prices of which are within the maximum spread permitted, the best bid/offer among the offer with the lowest price and the bid with the highest price will be considered, in order to comply with the above requirements.

[5] If the actual provision of the service by an LP participant is carried out during a calendar month, only the sessions that take place on working days after the aforementioned date are considered valid for that participant and for that calendar month. In any case, where 75% of the valid sessions do not correspond to an integer, the minimum number of sessions in which the LP obligation must be fulfilled is equal to the integer obtained by rounding mathematically the product between 75% and the number of valid sessions.

[6] Obviously, the valid sessions will be counted considering a number of sessions equal to the number of products for which, in each session, the LP will have to fulfil the envisaged obligations.

Each valid session in which the above requirements are fulfilled will contribute to determine the number of fulfilled sessions, valid for verifying the fulfilment of the commitment undertaken by the LP participant.

2nd METHOD – minimum amount matched during a session

Conclusion of transactions on products on which the market making activity is envisaged, for a **minimum amount** in compliance with both the following requirements:

- **minimum amount for fulfilling the commitment of the LP participant in a session**: this requirement is deemed to be fulfilled if the LP participant has completed the purchase/sale trades by matching at least three offers each with a quantity not less than the "minimum amount to offer", during the time window from 2 pm to 6 pm or, only on working days immediately preceding 25 December and 1 January, during the time window from 9 am to 1 pm, as per **TABLE 1**.

- **maximum spread permitted:** the difference between the selling price and the purchase price must not be higher than the maximum spread shown in **TABLE 1**. Where there are more than one bids/offers whose prices are within the maximum spread permitted, in order to comply with this requirement, the bids with the lowest price and the offers with the highest price will be considered. It is also understood that, in order for this requirement to be fulfilled, it is necessary that, at the time of conclusion of the transaction that contributes to the fulfilment of the "minimum amount for fulfilling the commitment of the LP participant in a session", the LP participant simultaneously enters in the book an offer of a sign opposite to that of the matching and that the price difference between the two offers meets the "maximum spread permitted" criterion.

Each valid session in which the above requirements are fulfilled will contribute to determine the number of fulfilled sessions, valid for verifying the fulfilment of the commitment undertaken by the LP participant.

TABLE 1

Maximum spread permitted	Minimum amount to offer (in each session)	Minimum presence in the book
0.5 €/MWh	Contracts corresponding to 500 MWh/day	2 hours (time window 2 pm – 6 pm)*
*only on working days immediately preceding 25 December and 1 January, during the time window 9 am – 1 pm		

3.3. Fees paid to the LP participant

GME will pay the following fees to participants that have carried out the Market Making activity during a calendar month[7] in compliance with the aforementioned terms, methods and conditions:

- a *fixed fee* of:
  - €160 if on the same day of trading LP fulfils its obligations with reference to only the one product for which the performing of the market making activity is envisaged;
  - €240 if on the same day of trading LP fulfils its obligations with reference to two or more products for which the performing of the market making activity is envisaged;
- a *variable fee* of €0.01/MWh for each MWh traded in the MGP-GAS for the products for which the market making activity is envisaged. This fee is recognised to the participant, starting from the effective date of the service[8], for the volumes traded in any session of the same calendar month and for the same product as the trading session in which the right to the fee was accrued. Hence, the non-working days and the volumes traded outside the time window 2 pm – 6 pm or, only on working days immediately preceding 25 December and 1 January, outside the time window 9 am –1 pm, will be included.

The terms and conditions for invoicing and payment of the fees are set out in Technical Rule no. 16 MGAS as subsequently amended and integrated.

[7] See note 1
[8] See note 1

4. Conditions for the suspension of the *market making* activity

The *Market Making* activity is suspended even in the event of a partial suspension of a market session to be held on a working day for which this service is provided, provided that, in the event of partial suspension, the same applies to the time window 2 pm – 6 pm or, only on working days immediately preceding 25 December and 1 January, to the time window 9 am – 1 pm.

GME reserves the right to suspend the market making activity, *inter alia*, in the following cases:

i. in the presence of anomalous trends in price volatility on MGAS; and/or

ii. in the presence of another circumstance that prevents the regular market making activity; and/or

iii. upon request of ARERA and/or the Ministry of Economic Development.

In the event of a suspension of the Market Making activity, that market session will not be considered for the purpose of achieving 75% of sessions useful for fulfilling the commitment of the LP participant[9].

In the event that GME is not able to foresee *ex ante* the occurrence of the aforementioned suspension hypothesis for one or more market sessions, it may remove *ex post* the above market session (s) from the calculation of the useful sessions.
It is understood that in the latter case, the LP participant that has carried out the market making activity, in compliance with the terms, methods and conditions set out in paragraph 3 above, will see its *ex-post* eliminated session regularly counted in order to achieve the 75% referred to in paragraph 3.2 above.

[9] By way of example, if within a month, for a particular product, there are 20 market sessions taking place on working days and one of these sessions is suspended, the target of 75% of useful sessions is calculated including no longer 20 sessions, but considering only 19 sessions. The number of useful sessions in this month would thus go from 15 (20*75% = 15) to 14 (19*75% = 14.25).

Annex 1

Market Making Activity Request Form

Market Making Activity Request Form under article 27 of the Natural-Gas Market Rules

…….…….…… the company/other ……..……

(first/last name) (company name)

resident/registered office in ……, Prov. ……..,..... ,

(address)

Taxpayer's code..……..…….., VAT No ....., in the person of

……..……, as.....;

GIVEN THAT

- the carrying out of Market Making activity within the natural-gas market is provided by Art. 27 of the Natural-Gas Market Rules approved, pursuant to art. 30, paragraph 1, of the Law of 23 July 2009, no. 99 (hereinafter: Law 99/09), with Decree of the Minister for Economic Development of 6 March 2013 (hereinafter: MD 6 March 2013), as subsequently amended and supplemented, which replaces in full, pursuant to the Decree of 9 August 2013, the provisions of the Natural-Gas Market Rules, approved, pursuant to art. 30, paragraph 2, of Law 99/09, by the Ministry of Economic Development, after consulting the Authority for Electricity, Gas and Water on 26 November 2010, as subsequently amended and supplemented (hereinafter: Rules);
- the Technical Rules referred to in Article 4 of the Rules are published on GME's website and shall enter into force on the date of their publication;

Taking this into account,

the undersigned……

or

the company/other.....,

in the person of ……..……as… .....,

(legal representative or person with necessary powers)

APPLIES FOR

the carrying out the Market Making activity referred to in Article 27, pursuant to the same Article 27, paragraph 27.2, of the Rules.

To this end, please find enclosed a signed copy of the Participation Agreement for the carrying out of the Market Making activity – in accordance with the form attached to the relevant Technical Rules - and a signed copy of the Product Selection Form, and - if the applicant is a legal person – a signed copy of the declaration notifying the powers of representation of the party submitting the application.

the undersigned……

or

the company/other.....,

in the person of ……..……as… .....,

(legal representative or person with necessary powers)

HEREBY DECLARES

1) to comply with the rules referred to in the Rules and in the Technical Rules, which declares to know and to accept without any condition or reservation;
2) to have the necessary professionalism and skills in the use of computer systems and related security systems, or to have employees or auxiliaries with such professionalism and skills;

3) that the contact person for any communication is Mr./Mrs..... ,C.F./ Passport[10] No. ……Telephone no..... e-mail address……

Pursuant to EU Regulation 679/2016, and subsequent amendments and additions, the personal data specified in this request will be processed for the fulfilment of the obligations arising from it and for the fulfilment of the obligations arising from the Rules and the Technical Rules, by means of computer system, in order to ensure the confidentiality and security of data, as indicated in the information provided pursuant to Articles 13 and 14 of the EU Regulation 679/2016 and published on the GME website. The applicant acknowledges this information and grants his/her consent to the processing and communication of personal data to third parties in the manner and for the purposes indicated in the information itself in compliance with the applicable law.

(*) Adding the flag in the corresponding box is mandatory since the provision of personal data is necessary for carrying out the Market Making activity.

Place, date

……...

Signature

……..

[10] The passport number of the contact person for communications may be indicated as an alternative to the taxpayer's code only if such a person, non-Italian, does not have the taxpayer's code.

Annex 2

Participation Agreement for carrying out the Market Making Activity referred to in Article 27 of the Natural-Gas Market Rules

Participation Agreement for carrying out the Market Making Activity referred to in Article 27 of the Natural-Gas Market Rules

BETWEEN

Gestore dei Mercati Energetici S.p.A., with registered office in Viale Maresciallo Pilsudski n. 122/124, 00197 Rome, Taxpayer's code and VAT No. 06208031002 ("GME"),

AND

…… the company/other ……..……
(first name/last name) (company name)

resident/registered office in ……, Prov. ……..,..... ,
(address)

Taxpayer's code...……..…….., VAT No ..... , in the person of ……..……, as.....(hereinafter: Contractor);

GME and the Contractor, hereinafter referred to as "the Party" and collectively as the "Parties",

GIVEN THAT

A. GME is a joint-stock company established under Article 5, paragraph 1 of Legislative Decree no. 79 of 16 March 1999 - which is entrusted, inter alia, pursuant to Article 30, paragraph 1, of Law no. 99 of 23 July 2009 (hereinafter Law 99/09), with the exclusive economic management of the natural-gas market (hereinafter: the Market);

B. GME has provided 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, which replaces in full, in accordance with the Decree of 9 August 2013, the provisions of the Natural-Gas Market Rules, approved, pursuant to art. 30, paragraph 2, of Law 99/09, by the Ministry of Economic Development, after consultation with the Authority for Electricity, Gas and Water on 26 November 2010, as subsequently amended and supplemented (hereinafter: Rules);

C. Pursuant to Article 27, paragraph 27.2 of the Rules, the participants interested in carrying out the *Market Making* activity shall submit a specific request to GME, in accordance with the terms and conditions set forth in the Technical Rules;

D. Pursuant to the Technical Rules referred to in art. 27, paragraph 27.2 of the Rules, the participant interested in carrying out the Market Making activity shall submit to GME a signed copy of the Participation Agreement for carrying out of the Market Making activity referred to in Article 27 of the MGAS Rules (hereinafter “Agreement");

E. The Market Making activity and the economic conditions granted to the Contractor are regulated by the relevant Technical Rules;

F. The Contractor is the Market Participant;

G. Pursuant to and for the purposes of the Rules, GME is the counterparty of the market participants;

H. For any item not covered by this Agreement, including the terms and definitions used, the provisions of the Rules and Technical Rules shall be applied.

THAT BEING SAID

The parties hereby agree as follows.

Article 1

Subject of the agreement and validity of the preamble

1.1. This Agreement defines the rights and obligations of the Parties in relation to the *Market Making* activity with respect to the products (each "Product" and, collectively, the "Products") selected in the "Product Selection Form" referred to in the relevant Technical Rules (hereinafter: Form).

1.2. If the Contractor intends to add or remove one or more Products, he/she must duly fill in and send to GME, to the address provided in the following Article 10, the original copy of the Add/Edit Product Form referred to in the relevant Technical Rules (hereinafter: Add/Edit Product Form), duly signed by the legal representative of the Contractor.

1.3. Unless otherwise provided in this Agreement, all the provisions of the Rules, Technical Rules and the Market Participation Agreement referred to in Article 13, paragraph 13.1, subpara. b) of the Rules, shall remain valid and binding.

1.4. The preamble of this Agreement forms an integral part thereof.

Article 2

Obligations of the Contractor

2.1. The Contractor shall:

a) comply with the Rules and Technical Rules and stay current on amendments to such acts. It is understood that, if the Contractor does not intend to accept any modification or addition to the Rules and to the Technical Rules, the Contractor shall have the right to terminate this Agreement by sending a notice under the established procedure and to the address indicated in the following Article 10. After fifteen days from the legal disclosure of such amendments and additions, without the Contractor's intention to terminate this Agreement, the changes themselves will be deemed tacitly accepted. Trades on the Market, under this Agreement, during the abovementioned time shall be understood as implicit acceptance of the new terms. However, under no circumstances may such changes represent reasonable ground for the breach of the Contractor's obligations on the Market;

b) adopt technological systems to carry out the Market Making activities compatible with GME's computer system and update them in the event of GME's modifications to the computer system itself;

c) adopt appropriate technological systems for carrying out business activities related to the invoicing of payables/receivables of the Market, compatible with the GME's computer system and capable of ensuring the correct, timely and safe exchange of data and information transmitted by means of computer systems, in the manner and within the terms set forth in the Rules and Technical Rules;

d) provide staff with adequate professionalism and skills in the use of the technological systems referred to in points (b) and (c) above;

e) promptly notify GME of any inconvenience or operational anomaly, or any circumstance, condition or fact affecting or that may affect, in full or in part, the proper carrying out of the Market Making activity;

f) adhere to the invoicing and payment system for the carrying out of the Market Making activity, referred to in the relevant Technical Rules;

g) indemnify and hold GME harmless against any damages or costs that may have been suffered, even as a result of acts promoted by a third party, as a consequence of acts or conduct of the Contractor, as well as by any auxiliaries, agents and associates, in violation of this Agreement, the Rules, the Technical Rules, and any other legislative or regulatory provisions, or acts and measures issued by GME or by competent authorities.

Article 3

Fulfilment criteria of the Market Making activity

3.1. In order to carry out the Market Making activity, the Contractor, for each Product selected in the Form, undertakes to carry out this activity in accordance with the provisions of the Technical Rules.

Article 4

GME performance

4.1. GME will perform the provisions of this Agreement in compliance with the same Agreement, the Rules and the Technical Rules.

4.2. GME shall provide the Contractor with the necessary collaboration to enable the Contractor to access the GME's computer system in compliance, in particular, with the provisions of the Technical Rules. It is understood that the performance of the activities and the provision of the tools required for the access are of exclusive responsibility and will be entirely borne by the Contractor.

4.3. GME may modify the technical, functional, administrative and operational modalities of the Market Making activity, as a result of modifications or additions to the Rules or to the Technical Rules.

4.4. GME undertakes to verify that the Contractor has complied with the obligations set out in Article 3 above for the purposes referred to in Article 5 below.

4.5. GME undertakes to promptly notify the Contractor of any inconvenience or operational anomaly, or any circumstance, condition, or event that affect or may affect, in full or in part, the proper carrying out of the Market Making activity.

4.6. GME undertakes to promptly notify the temporary suspension of the Market Making activity on each product for which the Contractor has undertaken to perform such activity, in the cases specified in the relevant Technical Rules.

4.7. It is understood that GME may identify specific mechanisms aimed at taking into account any suspension, including partial, or cancellation of a market session, in order to enhance the Market Making activity carried out by the Contractor, as provided for in the relevant Technical Rule.

4.8. GME and the Contractor shall acknowledge that GME shall not be liable for any failure or malfunction of telecommunication lines (e.g. telephones) and Internet connection.

4.9. The Contractor acknowledges that GME has the right to use third parties designated by GME for the purposes of this Agreement, provided that the contractual relationship is in any case solely between the Contractor and the GME.

4.10. GME undertakes to provide the Contractor with all information relating to the Market Making activity.

4.11. Except as provided for in paragraph 4.12 below, GME's obligations under this Article 4 are obligations of care and skills and not obligations to achieve results.

4.12. GME undertakes to indemnify and hold GME harmless against any damages or costs that may have been suffered, even as a result of acts promoted by a third party, as a consequence of acts or conduct of the Contractor, as well as by any auxiliaries, agents and associates, for the carrying out of activities provided for by this Agreement in violation of this Agreement, the Rules, the Technical Rules, and any other legislative or regulatory provisions applicable to the same Agreement.

Article 5

Fees granted by GME

4.1. If the Contractor has carried out the Market Making activity in accordance with the criteria set forth in the relevant Technical Rules, GME grants the Contractor with fees, whose structure and amount are defined in the relevant Technical Rules.

4.2. The invoicing and payment of the fees referred to in the previous paragraph 5.1 shall be made in accordance with the terms and conditions set out in the relevant Technical Rules.

Article 6

Limitation of liability, force majeure and accident

6.1. Except as provided for in the Rules, when carrying out the activities under this Agreement, GME is liable for any contractual and non-contractual damages provided that these represent immediate and direct consequence of its conduct caused by gross negligence or guilt and, in the latter case, only if they are foreseeable at the date of this Agreement. The Parties mutually agree that there will be no compensation or indemnification obligation for damages that are an indirect or unforeseeable consequence of GME's conduct, including, but not limited to, damages resulting from the loss of business/customer opportunity or loss of profits.

6.2. The Contractor shall be obliged to inform GME of any claim for compensation for the performance of the activities referred to in this Agreement within and not later than fifteen working days from the date on which the Contractor knew or should have known, resorting to the due diligence, the occurrence of the harmful event, providing at the same time a precise indication of the circumstances in which the harmful event and the damage occurred. The relevant supporting documentation must be notified to GME within and not later than twenty working days from the day the Contractor knew or should have known, resorting to the due diligence, of the occurrence of the harmful event.

6.3. There shall be no liability of the GME and of the Contractor for default due to force majeure, accidents, or events beyond their control, such as for example, wars, riots, earthquakes,

floods, fires, strikes, power failures or failures in the system dedicated to data transmission lines forming part of the computer system, when such interruptions are attributable exclusively to the behaviour of third parties.

6.4. In cases of force majeure and accident, and in general in all cases where the Contractor's activity is potentially detrimental to the integrity or security of the computer system, GME may suspend access to the computer system without the need for prior notice about the circumstances that have caused the suspension.

Article 7

Duration and effectiveness of the Agreement

7.1 This Agreement shall be deemed concluded with the Contractor's signature and with consequent receipt, in original copy, by GME and has an indefinite duration. The effectiveness of the Agreement is subject (i) to GME's positive verification of the completeness and correctness of the documentation sent by the Contractor and of the presence of the requirements for the carrying out of the Market Making activity and (ii) to the first activation of the Market Making activity in compliance with the provisions of the relevant Technical Rules. GME will notify the Contractor of the result of the sub (i) above, in compliance with the procedures and time limits provided for in the Technical Rules.

7.2 Failure to reach the minimum number of Liquidity Providers (LP participants), under this Agreement, established in the relevant Technical Rules, the Market Making activity and the related obligations of the Parties set forth in this Agreement will remain suspended until the minimum number of LPs is reached and, in any event, without prejudice to the Contractor's right to terminate this Agreement pursuant to the following Article 8.1.

7.3 In the event that, under this Agreement, the maximum number of LPs defined in the relevant Technical Rules is exceeded, the Market Making activity and the related obligations of the Parties set forth this Agreement may be suspended at the sole discretion of GME on the basis of the criteria set out in the aforementioned Technical Rules and, in

any event, without prejudice the Contractor's right to terminate this Agreement pursuant to Article 8.1 below.

7.4 The Agreement, as well as any additional cases expressly provided in the Agreement, will cease to have any effect in the event of total deactivation of the *Market Making* activity, including due to amendments in the applicable rules.

Article 8

Termination and withdrawal

8.1 In addition to the provisions of Article 7 of this Agreement, the Contractor may withdraw from the Agreement at any time upon written notice to GME at least 30 working days from the date on which the withdrawal becomes effective, to be sent under the established procedure and to the address indicated in the following Article 10.

8.2 The Agreement will be deemed automatically terminated, without the need for any notification, in the event of (i) any loss by the Contractor, for any cause, of the qualification of Participant, as acquired pursuant to the Rules; (ii) total or partial closure of one or more markets of the Market for which the Contractor carries out the Market Making activity under this Agreement; (iii) termination of the trading of one or more Market Products for which the Contractor carries out the Market Making activity under this Agreement. It is understood that GME's total or partial closure of one or more (but not all) markets of the Market, or the cessation of the trading of one or more Market Products for which the Contractor carries out the Market Making activity, will be a reason for automatic termination of the activity performed in the market subject to total or partial closure, or of the Product whose trading is over.

8.3 GME may withdraw from the Agreement at any time by prior written notice to the Contractor under the established procedure and to the address referred to in Article 10, at least 5 (five) working days from the date on which the withdrawal becomes effective.

8.4 The termination of the Agreement for any cause shall in no way affect any other right to which a Party is entitled under this Agreement or any applicable law of general application,

nor shall it affect any right or obligation of a Party that has already arisen as of the date of termination.

Article 9

Variations, tacit acceptance and resolutive condition

9.1 GME may modify the Agreement, also due to changes or additions to the Rules or Technical Rules or regulatory changes. In that case, except as provided for in Article 8.2 (ii) and/or 8.2 (iii) above, GME undertakes to notify the proposal of unilateral amendment of the Agreement by registered mail with acknowledgement of receipt or other means suitable to confirm receipt of the contract by the Contractor, and to publish the relevant notice on its website. It is understood that, if the Contractor does not intend to accept such changes, the Contractor shall have the right to terminate this Agreement pursuant to the provisions of Article 8.1 above. After 15 (fifteen) days of receipt of the unilateral amendment to the Agreement, without the Contractor having notified GME of its intention to terminate this Agreement, the same changes shall be deemed to be tacitly accepted. If the Contractor carries out Market Making activity - after the receipt of the notice of changes to the Agreement and after the above time limit of 15 (fifteen) das, it will be deemed as implicit acceptance of the changes. However, under no circumstances shall such changes represent grounds for the breach of the Contractor's obligations under this Agreement.

9.2 In the event that the unilateral amendments to the Agreement were subject to the specific written approval in order to become effective, GME will send the notice referred to in Article 9.1 above, accompanied by the contract documentation which is to be specifically signed and submitted in original to GME under the established procedure and to the address indicated in the following Article 10. Without prejudice to the right of withdrawal of the Contractor pursuant to Article 9.1 above, failing to submit the written approval to GME by the Contractor within the time limit of 20 (twenty) calendar days upon receipt by the Contractor of the notification sent by GME, will result in the termination of this Agreement. The termination will be effective following the previously mentioned time limit of 20 (twenty) calendar days. If the unilateral change of the Agreement subject to the formalities of the specific written approval in order to be effective, only concerns the changes of one or more Products, the absence of specific written approval in

the terms and in the manner referred to in this paragraph , will result in the sole termination of the Product(s) subject to change.

9.3 In the event that, following the conclusion of the Agreement, new additional Products ("Additional Products") for which the Market Making activity is carried out have been made available, GME undertakes to notify the availability of Additional Products by publishing the relevant notice on its website. If the Contractor wishes to select one or more Additional Products, he/she shall follow the procedure provided for in Article 1.2 above.

Article 10

General clauses

10.1 The invalidity or nullity of one or more clauses of this Agreement will not compromise the validity of the remaining clauses, which shall in any case remain in full force and effect.

10.2 This Agreement and the rights and obligations arising out of it by the Parties may not be transferred to third parties except as expressly provided in this Agreement.

10.3 Without prejudice to the provisions of Article 6, paragraph 6.2, the failing or delayed exercise of one of the rights attributable to a Party under this Agreement shall not be considered to be a waiver of such rights.

10.4 Except as provided for in Article 2, paragraph 2.2, subpara. a), any amendment to the Agreement shall be made in writing.

10.5 For the purposes of this Agreement, each Party confirms its actual domicile in the Market Participation Agreement referred to in Article 13, paragraph 13.1. b) of the Rules.

10.6 Except as otherwise provided in this Agreement, any communication or notification to be made under the same Agreement must be made in writing and delivered in person, including by courier, or by registered letter with acknowledgment of receipt, or by e-mail with acknowledgment of receipt, or by certified e-mail to the addresses indicated by each Party in the Market Participation Agreement referred to in Article 13, paragraph 13.1.subpara. b) of the Rules.

10.7 Communications shall be deemed to have been received on the date of signature of the acknowledgment of receipt if they are delivered in person, or when they arrive at the address of the recipient if they are sent by registered letter with acknowledgment of receipt,

or on the date of receipt of the receipt message if sent by e-mail, or on the date of receipt of the delivery message if sent by certified e-mail.

Article 11

Applicable Law

11.1 This Agreement is regulated by the Italian Law.

Article 12

Disputes

12.1 Without prejudice to the provisions of Article 12, paragraph 12.2 below, any dispute that may arise between GME and the Contractor in connection with this Agreement shall be settled in accordance with the provisions of Title VI of the Rules, which are hereby incorporated and transcribed.

12.2 In any case, the courts of Italy have exclusive jurisdiction for disputes arising from the non-payment, even partial, of the fees referred to in Article 5 above.

Article 13

Privacy

13.1 Pursuant to EU Regulation 679/2016 and subsequent amendments and additions, the personal data indicated in this Agreement will be processed by GME in relation to its execution, to the conclusion and execution of the related relationships and services and for all the relevant regulatory obligations, in order to guarantee the confidentiality and security of the same data, according to the provisions of the statement provided pursuant to articles 13-14 of the aforementioned EU Regulation 679/2016 and published on GME's website. The Contractor acknowledges the above statement, and the processing provided therein.

The Contractor

…….

The following clauses of the Agreement are hereby expressly approved, pursuant to and for the purposes of Articles 1341 and 1342 of the Civil Code: Article 2.1 (a) (Natural-Gas Market Rules, Technical Rules, and amendments thereto); Article 2.1 (g) (indemnity of the Contractor); Article 4.8 (Exclusion of Liability); Article 6.1 (Limitation of GME's liability); Article 6.2 (termination); 6.4 (suspension); Article 7 (contract duration and effectiveness); Article 8.2 (resolution condition); Article 8.3 (GME’s withdrawal); Article 9.1 (variations and tacit assent); Article 9.2 (resolution condition); Article 11 (applicable law); Articles 12.1 and 12.2 (Disputes).

Annex 3

Gestore dei Mercati Energetici S.p.A.
Viale Maresciallo Pilsudski 122/124
00197
Rome

Registered letter with acknowledgment of receipt

Product Selection Form

…….…….. the company/other ……..……..

(*first name and last name)* (*company name*)

resident/registered office in ……., Prov. ……..,……,

(address)

Taxpayer's code……..……..,VAT no……., in the person of ……..……., as ……;

in compliance with the provisions of the Participation Agreement for the carrying out of the Market Making activity referred to in Article 27 of the Natural-Gas Market Rules, undertakes to carry out the Market Making activity for the following products (each of them "Product" and, collectively, "Products"):

Market	**Products**	**Initials**
MGP-GAS	Daily contract and weekend contract*	

(*) the daily contracts are those indicated in Technical Rule no. 18 MGAS.

(note for completion: it is necessary to sign in the selection column, near the Product for which the Market Making activity is to be carried out)

_____

Signature

Annex (if any): Self-declaration of powers of representation, made pursuant to the Decree of the President of the Republic 445/2000/other documentation certifying such powers.

Annex 3

Gestore dei Mercati Energetici S.p.A.
Viale Maresciallo Pilsudski 122/124
00197
Rome

Registered letter with acknowledgment of receipt

Add/Edit Products Form

…… the company/other ……
(first name and last name) (company name)
resident/registered office in ……, Prov. …… ,……,
(address)
Taxpayer's code……, VAT no.……, in the person of…… , as
……;

pursuant to art. 1.2 of the Participation Agreement for carrying out the Market Making activity referred to in Article 27 of the Natural-Gas Market Rules stipulated with Gestore dei Mercati Energetici SpA, hereby requests the following changes to the selection of Products (as defined in the Agreement):

Market	Products	Add	Delete
MGP-GAS	Daily contract and weekend contract*		

(*) the daily contracts are those indicated in Technical Rule no. 18 MGAS.

(note for completion: (1) it is required to complete the "Add" or "Delete" column, near the Product that is to be added or deleted for the Market Making activity; (2) the Contractor shall not re-select Products for which he/she is already carrying out the Market Making activity if such products are not deleted; 3) "Add" or "Delete" are alternative options.

Signature

Pursuant to EU Regulation 679/2016 and subsequent amendments and additions, the personal data indicated in this Agreement will be processed by GME in relation to its execution, to the conclusion and execution of the related relationships and services and for all the relevant regulatory obligations, in order to guarantee the confidentiality and security of the same data, according to the provisions of the statement provided pursuant to articles 13-14 of the aforementioned EU Regulation 679/2016 and published on GME's website. The Contractor acknowledges the above statement, and the processing provided therein.

Annex (*if any*): Self-declaration of powers of representation, made pursuant to the Decree of the President of the Republic 445/2000/other documentation certifying such powers.