

Technical Rule no. 14rev. 1 MGAS

(under article 4 of the Natural-Gas Market Rules, approved by the Ministry of Economic Development with its Decree of 6 March 2013, as subsequently amended and supplemented)

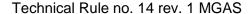
Title	Loss of Qualifications or Default by the Bank Issuing the Bank Guarantee
Reference Legislation	Article 70, para. 70.8, and Article 80, para. 80.1 - Natural Gas Market Rules

In force from xxxxxxx



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1. Foreword

Article 70, para. 70.8 of the MGAS Rules provides that, if the bank issuing the bank guarantee or the controlling company issuing the statement referred to in Article 70, para. 70.7 of the MGAS Rules no longer meets one or both of the requirements set forth in Article 70, para. 70.2 of the MGAS Rules, or if the controlling company loses the control of the bank issuing the bank guarantee as per Article 2359, paras. 1 and 2 of the Italian Civil Code, then the bank guarantees issued by such bank shall remain valid until the date specified in the Technical Rules.

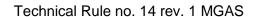
Article 80, para. 80.1 of the MGAS Rules provides that the bank guarantees issued by the bank that, after receiving a request for enforcement, fail to make the consequent payment within the time limits specified therein, shall remain valid until the date established in the Technical Rules.

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

2.1 Guarantees provided according to Annex C of the MGAS Rules

In the event that the bank issuing the bank guarantee or the controlling company that has issued the statement referred to in Article 70, para. 70.7 of the MGAS Rules, loses one or both of the qualifications set forth in Article 70, para. 70.2 of the MGAS Rules, or if the controlling company loses control of the bank issuing the bank guarantee, pursuant to Article 2359, paras. 1 and 2 of the Civil Code., the relevant bank guarantees issued by such bank as a guarantee provided by the Market Participant to GME for the purposes of financial adequacy verifications:

- for the share of the overall amount allocated to MGAS netting markets, they remain valid
 until the end of the invoicing period in which it falls the sixtieth calendar day following that
 on which the loss of the qualification has occurred, unless the Market Participant priorly
 posts another suitable guarantee and the request to return the bank guarantee submitted
 is positively verified by GME according to Article 71, par. 71.9 of the MGAS Rules.
- for the share of the overall amount allocated to MT-GAS, they immediately lose their validity both for the submission of bids/offers and the conclusion of trades, and the



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registration of net position to be delivered to the PSV. It is understood that such bank guarantees remain valid in relation to the management of the default;

for the share of the overall amount allocated to the PCE, they remain valid until the end of
the invoicing period in which it falls the sixtieth calendar day following that on which the
loss of the qualification has occurred, unless the Market Participant priorly posts another
suitable guarantee and the request to return the bank guarantee submitted is positively
verified by GME according to Article 80, par. 80.8 bis of the ME Rules.

If the Market Participant is also a ME Market Participant, Technical Rules 03 ME applies.

2.2 Guarantees provided according to Annex E of the MGAS Rules

In the event that the bank issuing the guarantee or the controlling company that has issued the statement referred to in Article 70, para. 70.7 of the MGAS Rules, loses one or both of the qualifications set forth in Article 70, para. 70.2 of the MGAS Rules, or if the controlling company loses control of the bank issuing the bank guarantee, pursuant to Article 2359, paras. 1 and 2 of the Civil Code., the relevant bank guarantees issued by such bank as a guarantee provided by the Market Participant to GME for the purposes of financial adequacy verifications:

- for the share of the overall amount allocated to MGAS netting markets, remain valid until
 the end of the invoicing period in which it falls the sixtieth calendar day following that on
 which the loss of the qualification has occurred, unless the Market Participant priorly posts
 another suitable guarantee and request to return the bank guarantee submitted is
 positively verified by GME according to Article 71, par. 71.9 of the MGAS Rules.
- for the share of the overall amount allocated to the PCE, remain valid until the end of the invoicing period in which it falls the sixtieth calendar day following that on which the loss of the qualification has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the bank guarantee submitted is positively verified by GME according to Article 71, par. 71.9 of the MGAS Rules.

If the Market Participant is also a ME Market Participant, Technical Rules 03 ME appies.



2.3 Guarantees provided according to Annex C of the MGAS Rules version in force until the day before of the go live date of netting markets

With reference to guarantees provided according to Annex C of the MGAS Rules in force until the day before of the go live date of netting markets in the event that the bank or the controlling company that has issued the statement referred to in Article 70, para. 70.7 of the MGAS Rules, loses one or both of the qualifications set forth in Article 70, para. 70.2 of the MGAS Rules, or if the controlling company loses control of the bank issuing the guarantee, pursuant to Article 2359, paras. 1 and 2 of the Civil Code., the relevant bank guarantees, issued by such bank as a guarantee provided by the Market Participant to GME for the purposes of financial adequacy verifications, remain valid until one of the above mentioned events takes place.

3. Default by the bank issuing the bank guarantee

3.1 Guarantees provided according to Annex C of the MGAS Rules

The banks guarantees issued by banks that, after receiving the request for enforcement, fail to make the consequent payment within the time limits stated therein:

- for the share of the overall amount allocated to MGAS netting markets, for the purpose of
 financial adequacy verifications, remain valid until the end of the invoicing period in which
 it falls the thirtieth calendar day following that on which the event has occurred, unless the
 Market Participant priorly posts another suitable guarantee and the request to return the
 bank guarantee submitted is positively verified by GME according to Article 71, par. 71.9 of
 the MGAS Rules.
- for the share of the overall amount allocated to MT-GAS, for the purpose of financial adequacy verifications, immediately lose their validity both for the submission of bids/offers and the conclusion of trading, and for the registration of the net position to be delivered to the PSV. It is understood that such bank guarantees remain valid in relation to the management of the default;
- for the share of the overall amount allocated to the PCE, for the purpose of financial adequacy verifications, remain valid until the end of the invoicing period in which it falls



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the thirtieth calendar day following that on which the event has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the bank guarantee submitted is positively verified by GME according to Article 71, par. 71.9 of the MGAS Rules.

If the Market Participant is also a ME Market Participant, Technical Rules 03 ME applies.

3.2 Guarantees provided according to Annex E of the MGAS Rules

The banks guarantees issued by banks that, after receiving the request for enforcement, fail to make the consequent payment within the time limits stated therein:

- for the share of the overall amount allocated to MGAS netting markets, for the purpose of
 financial adequacy verifications, remain valid until the end of the invoicing period in which
 it falls the thirtieth calendar day following that on which the event has occurred, unless the
 Market Participant priorly posts another suitable guarantee and request to return the bank
 guarantee submitted is positively verified by GME according to Article 71, par. 71.9 of the
 MGAS Rules.
- for the share of the overall amount allocated to the PCE, for the purpose of financial adequacy verifications, remain valid until the end of the invoicing period in which it falls the thirtieth calendar day following that on which the event has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the bank guarantee submitted is positively verified by GME according to Article 71, par. 71.9 of the MGAS Rules.

If the participant is also a ME Market Participant, Technical Rules 03 ME applies.

3.3 Guarantees provided according to Annex C of the MGAS Rules version in force until the day before of the go live date of netting markets

With reference to the bank guarantees provided according to Annex C of the MGAS Rules in force until the day before of the go live date of netting markets and issued by a bank that, after receiving the request of enforcement, fails to make the consequent payment within the time limits stated therein, such guarantees remain valid, for financial adequacy verifications:



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- for the share of the overall amount allocated to MGAS netting markets, until the end of the
 invoicing period in which it falls the thirtieth calendar day following that on which the event
 has occurred, unless the Market Participant priorly posts another suitable guarantee and
 the request to return the bank guarantee submitted is positively verified by GME according
 to Article 71, par. 71.9 of the MGAS Rules.
- for the share of the overall amount allocated to MT-GAS, until the moment the above mentioned event occurs both for the submission of bids/offers and the conclusion of trading, and for the registration of the net position to be delivered to the PSV. It is understood that such bank guarantees remain valid in relation to the management of the default;