**PARTICIPATION AGREEMENT   
in the energy markets administered by BRM**

**nr. ......./................**

Closed between:

ROMANIAN COMMODITY EXCHANGE - S.A.

Commercial Register No J40/19450/1992

Unique Registration Code RO1562694

Guarantee account: RO50 RNCB 0082 0009 9180 0641 - lei

Current account: RO64 RNCB 0082 0009 9180 0001 - lei

Licence no. 2269/14.12.2018 (centralised natural gas market operator) and no. 2314/30.03.2022 (electricity market operator) issued by the National Energy Regulatory Authority, hereinafter referred to as "BRM",

and

Society .........................................................................................................................................

with registered office in town.............................., street ................., postal code.........................................., tel......................., fax.................., e-mail address................, with bank account ...................., account no............................................

Commercial Register No. ............................................................................

Unique Registration Code..........................................................................................................

hereinafter referred to as "Participant",

for the purpose of participating in the electricity and natural gas markets, administered by the Romanian Commodity Exchange, in accordance with Annex 1 to this Agreement

**I. Terminology and applicable law**

**(1)** The terms used in this Agreement are defined in the Electricity and Natural Gas Law No 123/2012, as amended and supplemented, and in the BRM Regulations and Procedures applicable to the Markets, as applicable.

(2) For the purposes of this Convention, the terms, expressions and abbreviations used shall have the following meaning:

**Asset Backing** - means natural gas, electricity or green certificates, in the form of products accepted for trading on each Market, according to the Market Regulations;

**ANRE** - National Energy Regulatory Authority;

**Agreement** - this agreement for participation in the energy markets administered by BRM;

**Market** - means any regulated or unregulated market, administered by BRM on the basis of licenses issued by ANRE or otherwise, under the provisions of the Electricity and Natural Gas Law no. 123/2012, having as its object transactions with the Support Asset, with the exception of the natural gas balancing market, existing or to be operated in the future;

**Market Regulations** - means the Regulations and Procedures issued by the BRM as operator of a Market or as counterparty, as the case may be, applicable to a Market, as provided therein and published on the BRM website;

**Bank Guarantee Letter** - a document by which the guaranteeing bank irrevocably and unconditionally undertakes to pay, at the first written request of the BRM, any amount up to a maximum amount set by the Participant, as the originator of the guarantee, issued according to the model agreed by the BRM and valid for transactions carried out on any of the Markets.

**II. Object of the Convention**

**(**1) The object of the Agreement is the provision by the BRM of the services of organisation and administration of the Markets and the granting of the Participant the right to carry out sale-purchase transactions with the Underlying Asset on the Markets selected by ticking the appropriate boxes in Appendix 1, in accordance with the primary and secondary legislation applicable to the respective Market and the Market Regulations. Participation in Markets other than those selected by ticking the appropriate boxes in Appendix 1 may only be effected after the conclusion of an addendum to this Agreement.

(2) Except as expressly provided for in the primary and secondary legislation applicable to that Market, participation in any Market is voluntary and may only be undertaken to the extent that the Participant is entitled to participate in that Market in accordance with the primary and secondary legislation applicable to that Market and the Market Regulations. The BRM shall verify the Participant's entitlement to participate in each selected Market prior to the signing of Annex 1 to this Agreement. For the avoidance of doubt, any reference to a Market in this Agreement shall refer to a Market in which the Participant is entitled to participate in accordance with the primary and secondary legislation applicable to that Market and the Market Regulations.

(3) By entering into this Convention, the Parties acknowledge their mutual rights and obligations concerning the organised framework for the conduct of transactions on the Markets, based on specific rules laid down in the Markets Regulations. By accepting this Agreement, the Participant agrees to the application of the Market Regulations, with their subsequent amendments made in accordance with their provisions.

(4) Participants shall have the right to enter into transactions in the Underlying Asset on the Marketplaces. Transactions shall be concluded on the basis of orders entered on the trading platform for the relevant Marketplace, which orders shall contain firm commitments to contract by the Participant.

(5) The conditions for participation in trading sessions, the offering, trading, publication and making available of the results of trading sessions, receipts and payments for transactions on each Market shall be carried out in accordance with the provisions of the Market Regulations or of the commercial contracts concluded, respectively of the post-trading methods selected, in accordance with the Market Regulations.

(6) By ticking the appropriate boxes in Annex 1, the provisions of Annexes 2, 3, and/or 4 to this Arrangement shall apply to the Participant as appropriate. In the event of a discrepancy between the terms of this Agreement and the special terms in the Annexes applicable to a Market, the special terms in the Annex for the Markets to which that Annex refers shall apply.

(7) If the Participant's identification data contained in the Arrangement changes, the parties shall sign an addendum to the Arrangement recording the changes.

**III. Rights and obligations of the parties**

**Art. 3. The** rights of the Market Participant are as follows:

a) to receive from the BRM, at its request, assistance and practical training sessions on the use of the Market trading system;

b) enter bids and/or offers to buy the Underlying Asset into the trading system for the Market according to the daily trading schedule;

c) to view the bids placed by other market participants in the trading system related to the Market, in accordance with the Market Regulations;

c) amend, suspend or cancel its bid/offer for the Underlying Asset during the trading session, in accordance with the Market Regulations;

d) where the BRM assumes the role of counterparty on a Market, to collect the consideration for the collection rights related to the sale positions of the Underlying Asset and to issue and send to the BRM the related invoice;

e) decide to withdraw from a Market on its own initiative on the basis of a written notice sent to the BRM, with 15 days' notice;

h) The Participant shall be entitled to the return of collateral provided for the purpose of participation in a trading session in accordance with the provisions of the Market Regulations;

f) to receive tax invoices for services provided by the BRM under this Agreement.

**Art. 4.** The obligations of the Market Participant are as follows:

a) comply with the provisions of the Convention and the Market Regulations;

b) to comply with the obligations to notify or physically record all transactions carried out on the Markets, in accordance with the secondary legislation applicable to the Underlying Asset, unless this task is incumbent on BRM as counterparty;

(c) accept as binding commitments trade confirmations and trade notifications and enter into trade contracts relating to trades confirmed by the trading system of a Market, through the trade contracts applicable to that trade or through the post-trade methods selected, in accordance with the Market Regulations;

d) to execute all transactions concluded on the Markets in accordance with the provisions of the concluded trading contracts and the selected post-trading methods in accordance with the Market Regulations;

e) for transactions intermediated by the counterparty with electricity as a Supporting Asset, to communicate within 24 hours any change in any data relating to the balancing party, respectively any failure to comply with the obligations arising from the transactions;

f) provide the BRM with a Bank Guarantee Letter conforming to the model agreed by the BRM or another method of guarantee provided for by the Market Regulations;

g) verify the records of its own transactions in the trading systems related to the Market, in accordance with the Market Regulations;

h) ensure that the value of the Bank Guarantee Letter or other collateral required by the Market Regulations covers the value of the intended sale/purchase or transaction or the marked-to-market price of the Underlying Asset, as the case may be;

i) to pay in full the countervalue of the payment obligations related to the fees and commissions for trading on the Markets, respectively the fees related to other services offered to the Participant, as published on the BRM website;

k) to respond quickly and concisely to any request for clarification from the BRM/other Market Participants sent through the BRM;

l) to ensure participation in the Markets through qualified brokers, familiar with the trading systems and the Markets Regulations, including the BRM regulations on market participation conduct, the provisions of the Electricity and Natural Gas Law No 123/2012, the secondary legislation issued by ANRE, the provisions of Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (REMIT), and the relevant prohibitions and rules of criminal and tax law.

**Art. 5. The** rights of the BRM are as follows:

1. request and receive from the Participant the Bank Guarantee Letter issued in favour of BRM or other guarantees accepted in accordance with the Market Regulations, prior to and after trading sessions in which the Participant wishes to place bids or offers on the Markets, as provided for in the Market Regulations;
2. execute the Bank Guarantee Letter of Payment in the event that the Participant breaches its payment obligations under this Arrangement or the Market Regulations;
3. issue and collect the invoice of the Participant who has carried out transactions on the Markets (including the VAT countervalue), related to the countervalue of the payment obligations related to the trading fees on the Market, respectively of the fees related to other services offered to the Participant, as published on the BRM website;
4. decide, as appropriate, in accordance with the Market Regulations, to suspend from trading or revoke the Participant's status as a Market Participant;
5. apply the Market Regulations, including the possibility of cancellation of transactions, enforcement of collateral and sanctioning of the Participant;
6. to resolve any disputes submitted by the Participant in accordance with the Market Regulations.
7. periodically update the Market Regulations and this Convention as legally and operationally required.
8. to request and collect the fees and commissions for trading on the Markets and the fees for other services offered to the Participant, as published on the BRM website.

**Art. 6.** The obligations of the BRM are as follows:

1. transmit information requested by authorised public authorities or courts or which must be transmitted ex officio, by virtue of the BRM's status as Market Operator, concerning the Participant, without the latter's consent being required, if this is provided for in the Agreement, in primary or secondary legislation and/or the Market Regulations;
2. ensure a fair, objective, independent, equitable, transparent and non-discriminatory trading environment in accordance with the provisions of applicable primary and secondary legislation;
3. provide the Participant with assistance and practical training sessions on the use of the Market trading system;
4. to validate the bid/offer placed by the Participant in accordance with the provisions of the Market Regulations;
5. to provide the Market Participant with trade confirmations and settlement notes for transactions executed in accordance with the Market Regulations;
6. to carry out the notification or physical registration of all transactions carried out on the Markets, in accordance with the secondary legislation applicable to the Underlying Asset, if this task falls to BRM, as counterparty;
7. where BRM assumes the role of counterparty in a Market, to pay in full the consideration for the collection rights relating to the sale positions of the Underlying Asset;
8. where the BRM assumes the role of counterparty on a Marketplace to issue tax invoices for sales of Underlying Assets made by the Participant;
9. to publish on its website the Market Regulations;
10. for transactions intermediated by the counterparty having natural gas as a Support Asset, to transmit to the Operator of the National Natural Gas Transmission System, in this case the National Natural Gas Transmission Company Transgaz - S.A., the nominations for transactions carried out in accordance with the regulations in force;
11. ensure the security of access to trading platforms and the confidentiality of commercially sensitive information;
12. verify the Participant's right to participate in each Market selected in accordance with Annex 1, at the time of the conclusion of the Agreement and during its execution, in accordance with the primary and secondary legislation applicable to that Market and the Market Regulations.

**IV. Suspension from trading on the Markets. Settlement of complaints**

(1) Suspension from trading on the Markets shall be carried out in accordance with the provisions of the Market Regulations**.**

(2) The BRM shall settle appeals against the results of trading sessions and decisions to suspend trading in accordance with the Market Regulations.

**V. Force majeure**

(1) Force majeure is any external, unforeseeable, absolutely invincible and unavoidable event.

(2) The liability of the parties is waived when the damage is caused by force majeure, in accordance with Article 1.351 of the Civil Code.

(3) The party claiming force majeure shall notify the other party within 48 hours of the occurrence of the force majeure, followed by the submission of the supporting document, issued in accordance with the legislation in force, within 20 calendar days of the same date.

(4) If force majeure does not cease within 30 calendar days, the parties shall be entitled to request the automatic termination of the contract, without either party being entitled to claim compensation.

**VI. Privacy**

(1) Each Party undertakes to preserve the confidentiality of all data, documents and information obtained from the operation of this Convention and not to disclose them, in whole or in part, to any third party without the written consent of the other Party.

(2) An exception to the provisions of paragraph. (1) the following data, documents and information:

a) those which may be disclosed, in accordance with the provisions of the legislation in force;

b) those requested by the competent State bodies on the basis of a legal obligation to provide information;

c) those considered to be non-confidential under the legislation in force;

d) those published on the public section of the BRM's own website.

(3) The provisions of this Article shall remain in force for a period of five (5) years after the expiry of this Convention.

**VII. Limitation of BRM liability**

**Art. 10.** BRM shall not be liable for any damage suffered by Participants as a result of:

(i) Adverse market conditions, business risk, force majeure, force majeure, interruption, suspension or exclusion from trading of a product, where the interruption, suspension or exclusion from trading of a product is carried out in accordance with the powers of the BRM set out in the Market Regulations;

(ii) The application in good faith of the provisions of this Convention and/or the Market Regulations;

(iii) Technical problems of the BRM, including, without limitation, problems with power supply or Internet services or other situations beyond the control of the BRM that may affect the functionality of any services provided under this Agreement;

(iv) Technical problems of the Participant, including, without limitation, display and communication errors or communication delays between the Participant's computer systems and BRM's computer systems, entry of orders into a system other than the trading system, errors caused by power outages, Internet connection errors, operating system errors, technical difficulties that may affect the operation of Internet connections and/or computer equipment and/or Internet provider applications and/or malfunction of e-mail, technical problems and/or heavy Internet traffic; errors caused by incorrect use of the personal computer or other equipment by the participant (power failure of the computer, errors caused by the operating system installed on the computer, errors caused by the computer operating system virus, etc.).).

(v) Any legislative changes or decisions of public authorities that would affect the functionality of any services provided under this Convention.

**VIII. Transitional and final provisions**

**Art. 11.** This Convention is concluded for an indefinite period. This Convention may be terminated under the following conditions:

1. The Participant may unilaterally terminate, in whole or in part (with respect to participation in certain Markets), this Agreement upon at least 15 days' notice prior to the date on which the Participant wishes to terminate this Agreement, without such termination affecting the performance of obligations due to BRM or other Participants at the date of termination or the refund of amounts paid to BRM by way of fees or commissions for participation in any of the Markets. Partial termination of the Agreement in respect of a Market shall automatically terminate the provisions of the Annex governing rights and obligations in respect of participation in that Market;
2. This Agreement shall be deemed to be terminated in part, in respect of participation in a Market, as of right, without notice, without the need for a period of notice, without the intervention of a court of law and without any other prior formality, from the moment the Participant no longer fulfils the conditions for participation in that Market, in accordance with the Market Regulations. Partial termination of the Agreement in respect of a Market shall automatically terminate the provisions of the Annex governing rights and obligations in respect of participation in that Market.

**Art. 12 -** This Convention may be amended unilaterally, at the initiative of the BRM, following a public consultation process, and the amendments thus adopted shall be binding on the Participant. If the Participant does not agree with the amendments adopted, it may unilaterally terminate the Convention in accordance with Article 11.

(1) This Convention shall be governed by Romanian law. The parties shall endeavour, in good faith, to resolve amicably any disputes, controversies or disagreements which may arise out of or in connection with the Convention.

(2) If an amicable settlement of such disputes, controversies or disagreements is not possible, any disputes arising out of or in connection with the Convention, including those relating to the conclusion, interpretation, performance or termination of the Convention, shall be settled in accordance with the ordinary law.

(1) This Convention shall be the sole expression of the will of the Parties with regard to trade relations between them, superseding any previous written and signed by both Parties or oral agreement. If any provision of this Agreement is invalidated/declared unenforceable in whole or in part by the court, the remaining provisions and any partially enforceable provisions shall continue to be binding and enforceable, and the parties agree to replace the invalid provision with a valid provision that best approximates the intent and economic purpose of the invalid provision.

(2) The parties understand that trading on the Markets is speculative in nature and, as such, the parties assume the risks relating to unforeseeable changes in circumstances and waive any right to claim in court under Article 1271 of the Civil Code to adjust or terminate the Agreement, the Market Regulations or any elements of a transaction conducted on the Markets.

(3) The provisions of this Convention have been expressly accepted by the parties in accordance with the provisions of Article 1203 of the Civil Code. For the avoidance of doubt, the parties agree that the signature of this Agreement, in its final part, is sufficient to express their express agreement to the non-unusual clauses contained herein, and that no other formality is necessary in this respect.

(4) The processing of any personal and sensitive data included in this Agreement shall comply with the relevant rules in force, in particular the European Regulation GDPR 2016/679 ("General Data Protection Regulation"). The parties acknowledge and agree that each of them acts as a separate data controller in respect of their respective processing of personal data.

**Article 15 -** The provisions on participation in the Day-ahead Market for Electricity with respect to the Market Price Coupling Mechanism and in the Intraday Market for Electricity with respect to the Market Price Coupling Mechanism shall apply only after the BRM has been designated by ANRE as Designated Electricity Market Operator (OPEED).

**Legal representative Legal representative**

**Romanian Commodities Exchange - S.A. Participant** ..................................... ...

**Annex 1 - Markets to which the Convention applies**

The participant wishes to participate in the following BRM administered Markets

|  |  |
| --- | --- |
| Medium and long-term standardised product market (natural gas) |  |
| Medium and long-term flexible product market (natural gas) |  |
| Medium- and long-term standardised derivatives market (natural gas) |  |
| The market for non-standardised products traded under the counterparty facility, with natural gas as the underlying asset |  |
| Market for short-term standardised products (natural gas) |  |
| Electricity market for large end customers |  |
| Electricity futures market |  |
| Platform for the intermediation of bilateral electricity supply contracts |  |
| The market for forward electricity contracts between producers and suppliers |  |
| Day-ahead electricity market respecting the price coupling mechanism of the markets |  |
| Intra-EU electricity market with respect to the price coupling mechanism of the markets |  |

\*The markets in which the participant wishes to operate will be marked with an "X".

**Legal representative Legal representative**

**Romanian Commodities Exchange S.A. Participant** ..................................... ...

**Annex 2 - AGREEMENT - FRAMEWORK**

**FOR THE PROVISION OF COUNTERPARTY SERVICES FOR THE SHORT-TERM PRODUCTS MARKET**

**(applicable only to Short Term Standardised Product Market Participants (natural gas))**

|  |  |  |
| --- | --- | --- |
| **AGREEMENT - FRAMEWORK**  **FOR THE PROVISION OF COUNTERPARTY SERVICES FOR THE SHORT-TERM PRODUCTS MARKET**  **Between:**  **Bursa Română de Mărfuri S.A.** , having its registered office in Bucharest, 82-94 Buzesti Street, 7th floor, Sector 1, Code 011015, Reg. Com. J40/19450/1992, CIF RO1562694, with the following accounts: Guarantee account: RO50 RNCB 0082 0009 9180 0641 - lei; Current account: RO64 RNCB 0082 0009 9180 0001 - lei, legally represented by Mr Gabriel PURICE, President - General Manager, hereinafter referred to as: **BRM**  **and**  **................................,** having its registered office at ....................., Str. ................... nr............., , Sector/Județ.............., Code ..............., Reg. Com.................., CIF ..................., current account.............................., legally represented by Mr./Mrs. ........................, hereinafter referred to as: **Short Term Product Market Participant**, hereinafter referred to as **Participant**, | | |
| Hereinafter collectively referred to as **Parties**.  **The Parties have agreed to conclude this Agreement on the following terms:**   1. **Definitions**   In this Agreement, the following terms shall be interpreted as follows:  **Escrow Agent** - a commercial bank approved by BRM, which will open the Escrow Account in favour of BRM on the order of its client (BRM DAY-AHEAD/ Within-day GAZ Participant)**.**  **Central Account Bank (BCR)** - Banca Comercială Română S.A., which acts as a collecting institution in relation to BRM and with which BRM has opened the Central Account related to BRM DAY-AHEAD/Within-day GAS to be credited or has been credited with the amounts set out in the Direct Debit Instructions issued by BRM and debited with the amounts set out in the payment orders.  **Debiting Bank** - The commercial bank at which the Participant has opened the account to be debited or has been debited with the amount specified in the direct debit instruction;  **Central Account related to the Short-Term Products Market** - the account opened with the Central Account Bank in the name of the BRM, which is to be credited or has been credited with the amounts set out in the Direct Debit Instructions issued by the BRM and debited with the amounts set out in the payment orders. This account is used to collect and make payments for transactions concluded on BRM DAY-AHEAD/ Within-day GAZ.  **Agreement** - this legal act and its annexes, which represents the unequivocal and binding agreement of will of BRM and the BRM DAY-AHEAD/ Within-day GAZ Participant with respect to the services covered by the Agreement.  **Direct Debit Agreement (DDA) - an** agreement between BRM and BCR as Collecting Institution, in accordance with the provisions of the applicable national and European legislation on direct debits, and the Collecting Institution's acceptance of BRM's use of the Direct Debit Instructions under a Direct Debit Scheme.  **Escrow Account** - the collateral deposit account opened by the Participant with the Escrow Agent.  **Completion Date - the** bank day (z) on which the amount set out in the Direct Debit Instruction is credited to the Short-Term Market Central Account by the Collecting Institution. Completion date for interbank direct debit instructions is the same as the interbank settlement date (clearing date).  **Direct Debit** - the method of payment of a sum of money agreed between the Buying Participant and the BRM, consisting of the pre-authorised debiting of the Buying Participant's account by the Paying Institution under the provisions of the Direct Debit Mandate, upon request of the BRM and the corresponding crediting of the BRM's account by the Central Account Bank under the Direct Debit Agreement; this method of payment does not require the prior authorisation by the Buying Participant of each direct debit instruction drawn on the account or, as regulated in the NBR Regulation no. 2/2016 on credit transfer and direct debit operations.  **Right to reimbursement - the** right of a Participant to make a claim for reimbursement in relation to a Direct Debit Instruction (other than B2B SDD) with the Paying Institution holding the Participant's account and, respectively, the right to receive the full amount of the Direct Debit Instruction, which claim must be made in accordance with applicable national law.  **BRM Payer Identifier (Payer Id) -** information intended to identify the Paying Participant to the BRM (e.g. subscriber code).  **Paying Institution** - the credit institution with which the Participant has opened the current account to be debited or has been debited with the amount specified in the Direct Debit Instruction.  **Direct Debit Instruction (DDI) - a** direct debit payment instruction issued by the BRM to the Central Account Bank at which the BRM has opened the Central Account relating to the BRM DAY-AHEAD/ Within DAY GAS to be credited or has been credited by the Paying Institution at which the Participant has opened the current account to be debited or has been debited with the amount provided for in such Direct Debit Instruction.  **Interbank Direct Debit Instruction (Interbank DDI) - a** direct debit payment instruction in which the Central Account Bank is different from the paying institution with which the Participant has opened the current account to be debited or has been debited with the amount specified in the Direct Debit Instruction.  **Intrabank Direct Debit Instruction (Intrabank DDI) - a** direct debit payment instruction where the central account bank is the same as the paying institution with which the Participant has opened the current account to be debited or has been debited with the amount specified in the Direct Debit Instruction (the Collecting Institution is the same as the Paying Institution).  **Limit** - the amount up to which the Participant may trade during the trading sessions, representing, for the Participant's buy orders, the aggregate amount of the Escrow Account balance and the amount covered by the Bank Guarantee Letter (BGL), and for the Participant's sell orders, the amount set by the BRM.  **The maximum period limit for the transmission of Direct Debit Instructions** - is five business days (z-5) and represents the maximum number of days before the Completion Date (z) in which a Direct Debit Instruction can be entered into the Central Account Bank's settlement system; Direct debit instructions may also be received from the BRM prior to the maximum limit of the transmission period, provided that they are uploaded to the Central Account Bank's computer system on a pending basis and that the entry into the Central Account Bank's settlement system takes place within this limit, i.e. as of date (z-5).  **The minimum period limit for the transmission of Intra-bank Direct Debit Instructions** - depending on the request of the BRM, may be one business day (z-1) or zero days (z) and represents the minimum number of banking days before the Completion Date on which an Intra-bank Direct Debit Instruction can be entered into the Central Account Bank's settlement system.  **Minimum limit on the period for sending Interbank Direct Debit Instructions** - is one business day (z-1) and is the minimum number of banking days before the Completion Date on which an Interbank Direct Debit Instruction may be entered into the Central Bank's settlement system.  **Direct Debit Mandate - a** document which satisfies the legal requirements and by which a Participant grants a permanent but revocable authorisation to the BRM to issue Direct Debit Instructions on its current account with the Paying Institution and, respectively, the right of the Paying Institution to debit its current account with the amount provided for in the Direct Debit Instructions issued by the BRM.  **Daily Settlement Note** - a report issued by BRM to the Participant as provided for in this Agreement.  **Unique Mandate Registration Number (UMR)** - unique identifier of the mandate at interbank level.  **Virtual Trading Point (VT)** - an abstract point, unique to the National Transmission System, between the National Transmission System entry points and the National Transmission System exit points, where the transfer of ownership of natural gas from one participant to another participant in the natural gas market is allowed.  **Trading session/session** - a schedule for the conduct of the trading process in which bids and/or offers can be entered, modified, cancelled or suspended and trades can be concluded if the matching conditions are met The short-term product market administered by the BRM operates 24 hours/day, 7 days a week;  **Bank Guarantee Letter (BGL)** - the financial instrument by which a payment guarantee is constituted in favour of the BRM by the Participant as provided for in this Agreement**.**  **Direct debit scheme - a** payment scheme that defines a common set of rules and processes applicable to direct debit transactions. The direct debit scheme can be:   * + 1. **Business to Business Direct Debit (B2B Direct Debit) scheme - a** direct debit scheme available only to corporate paying customers (and under which no repayment of an IDD is allowed).     2. **CORE Direct Debit Scheme (SDD Core) -** scheme available to both individual and corporate payers.   **Delivery day** - the calendar day for which a transaction has been completed.  **Trading Day** - any calendar day on which a trading session is initiated according to the trading schedule established by the Procedure for the Organisation and Operation of the Short-Term Standardised Products Market (D-Day).  **Working day** - calendar day, except Saturdays, Sundays and any day declared a legal holiday in Romania.  **Non-business day** - Saturday, Sunday and any day declared a legal holiday in Romania.  **D-day** - calendar day. | | |
| 1. **Terms of Membership as a Short Term Product Market Participant** | | |
| * 1. The **Short Term Product Market** Participant hereby declares that:  1. concluded a balancing and PVT access contract with SNTGN Transgaz on ............................................... | | |
| The parties agree that, on the basis of this Agreement, BRM will provide clearing services as counterparty to the Participant, under the conditions set out in the *Regulation on the organized framework for trading on the centralized natural gas markets administered by the Romanian Commodities Exchange S.A.* and in the *Procedure for the organization and functioning of the market for short-term natural gas trading administered by the Romanian Commodities Exchange S.A..*  **2.2.** The Short-Term Product Market Participant undertakes to comply with the obligations specified in the *Rules* and Procedures associated with this Market. | |
| **2.3.** Clearing shall be performed by the BRM as counterparty. Any obligations relating to the customs or tax treatment of natural gas shall be the sole responsibility of the Participant and shall not be discharged through the clearing mechanism provided for in this Agreement, and BRM shall have no liability or obligation in this regard. Participants shall inform BRM to the extent there are customs procedures required for the delivery of the natural gas they intend to trade, prior to the end of D-1 Day.  **2.4.** For the services provided under this Agreement, the Participant shall pay the commission fee set by BRM from the amount of the transactions performed. The amount of the commission fee shall be published on the BRM website www.brm.ro. BRM shall have the right to change the amount of the fee by publishing the new amount on the BRM website and notifying in writing all Participants with which it has entered into a framework agreement for the provision of counterparty services 30 calendar days prior to the application of the new amended fee amount. The initiation of transactions shall constitute the Participant's agreement to the new fee amount published prior to the opening of the trading day.  **2.5.** A Participant who fails to fulfil its obligations as a participant in the natural gas market (including those relating to a trading session) shall remain fully liable for any damage created and shall fully indemnify and hold BRM harmless against any claims of any third party.   1. **Obligations of the Short-Term Product Market Participant. Applicable Mechanisms**   ***Payment of transactions***   * 1. The Short-Term Products Market Participant shall enter into a Direct Debit Mandate for the benefit of the BRM which shall be the basis on which the Participant's bank**, as Paying Institution,** shall debit the Participant's current account with the amount set out in each Direct Debit Instruction issued by the BRM and which shall be made available to the **Central Account Bank** upon its request.   2. Direct debits will be made for amounts due as transaction prices. The Direct Debit Agreement (DDA) and the Direct Debit Mandate shall also allow the consultation of the Participant's current account balance with the Central Bank Account (CBA) or with a Paying Institution that has a direct debit agreement with the Central Bank Account (CBA) and the communication of this balance to the BRM at any time.   Bank charges for settlement payments included in the direct debit flow in the Short-Term Standardised Products Market shall be borne by the Participant. These fees will be invoiced monthly by the BRM, based on information provided by the Central Account Bank. The calculation/collection of the fees will be explained in the invoice.  ***Guaranteeing payment of transactions***   * 1. In order to guarantee the payment of transactions, the Short-Term Products Market Participant:  1. provide a Bank Guarantee Letter (SGB) in favour of the BRM issued by the Central Account Bank or another commercial bank authorised in Romania and accepted by the BRM and/or 2. shall open an Escrow Account in favour of BRM at the Central Account Bank or at another commercial bank authorized in Romania and accepted by BRM, which shall act as Escrow Agent and/or 3. may offer other guarantees agreed by the parties.    1. The maximum value threshold up to which the Buying Participant is entitled to trade on the Short-Term Product Market is determined by the formula Limit = SGB + Escrow Account + Other Collateral, it being understood that: 4. the value of the SGB will be the available (unblocked) amount of an SGB - in force at the time of the Opening of Trading Day D. 5. the value of the Escrow Account will be the credit balance of the ESCROW Account at the time of the Opening of Trading Day D. 6. the value of other collateral will be the value of the collateral at the time of the Opening of Trading Day D.    1. The trading limit will be applicable on each Trading Day for Participant's buy orders. BRM shall have the right to require collateral and to set the Trading Limit also for Participant's sell orders.    2. The SGB shall be constituted, at the Participant's sole expense, as a commitment to be executed at the first and simple request of the BRM. The SGB shall have a minimum validity period of 15 days at any time when it is taken into account in the calculation of the Limit. The Participant shall provide the BRM with evidence of the issuance of a new SGB, or, if applicable, the extension of the validity period of existing SGBs at least 5 days before the expiry date of each validity period, failing which the SGB shall not be taken into account in the calculation of the Limit. The SGB shall be constituted in the form agreed by the BRM and shall permit performance by the BRM to cover all amounts due under this Agreement, including amounts due as transaction price, the fee due to the BRM for services provided under this Agreement and any penalties.    3. The Escrow Account will be established by signing an Escrow Agreement and depositing a sum of money in the Escrow Account. The Escrow Agreement shall allow the Escrow Agent to transfer to the BRM any amounts necessary to cover all of the Participant's debts under this Agreement, including amounts due as the price of transactions, the fee due to the BRM for services provided under this Agreement and any penalties. The Escrow Agent shall have no discretion as to the merits of the BRM's request and shall release the amounts requested by the BRM upon the BRM's request.    4. The Participant shall be automatically in default of all payment obligations under this Agreement. In the event of failure of direct debit, the execution of collateral shall be upon prior notice to the Participant by the BRM and without any further formality except as expressly provided for in this Agreement.    5. The Participant may request a reduction in the amount of the SGB, Escrow Account and/or other collateral, justified by the previous volume of its transactions. The reduction of the amount of the SGB shall be made only with the written consent of the BRM, which shall be forwarded to the issuing bank of these collateral instruments.    6. ***Trading Algorithm:*** In the case of the Short Term Commodity Market Participant as a buyer, the trading algorithm provides for the following steps:       1. The opening of the Day-ahead trading day for Day D+1 is done on Day D, and for Within-day for Day D is done on Day D by the BRM receiving by 09:00 on Day D the client balance from BCR and setting the Limit (SGB+Escrow Account+Other Collateral).       2. If the Participant also uses the SGB as collateral and its validity period has not been extended or proof of issuance of a new SGB has not been provided at least 5 business days prior to the expiry date, then the Participant's access to the market shall be restricted 3 business days prior to the expiry date of the SGB. If the Participant uses the SGB concurrently with an Escrow Account and/or other collateral arrangements, its trading limit shall be reduced by the value of the SGB for the purposes of this Article.       3. If the Limit is negative or zero, the Participant is suspended from trading and receives a margin call notice.       4. If the Limit is positive, the Participant may trade on day D without exceeding the Limit.       5. After the closing of the market at 24:00 on day D, the BRM shall send to the Short Term Products Market Participants and to the Transmission System Operator (TSO), in this case S.N.T.G.N. Transgaz S.A., the report of the transactions carried out with delivery on day D, respectively day D+1.       6. By 17:00 on day D+2, the OTS shall send to the BRM the confirmation of the registration of the transaction for day D, respectively day D+1, provided that the agreement concluded between the OTS and the BRM will allow this operation.       7. By 10:00 a.m. on day D+1, BRM sends DD Direct Debit notifications to BCR. The Buying Participant's account is debited according to the transactions performed.    7. In the case of the **Short Term Commodity Market** Participant as seller, the trading algorithm provides for the following steps:       1. The opening of the Day-ahead trading day for Day D+1 is done on Day D, and for Within-day for Day D is done on Day D by the BRM receiving by 09:00 on Day D the client balance from BCR and setting the Limit (SGB+Escrow Account+Other Collateral).       2. If the Participant also uses the SGB as collateral and its validity period has not been extended or proof of issuance of a new SGB has not been provided at least 5 business days prior to the expiry date, then the Participant's access to the market shall be restricted 3 business days prior to the expiry date of the SGB. If the Participant uses the SGB concurrently with an Escrow Account and/or other collateral arrangements, its trading limit shall be reduced by the value of the SGB for the purposes of this Article.       3. If the Limit is at any time negative or zero, the Participant is suspended from trading and receives a margin call.       4. If the Limit is positive, the Participant may trade on Day D without exceeding the Limit. The provisions of Articles 3.11.1 to 3.11.3 shall apply only if the BRM shall request collateral and set the Trading Limit also for the Participant's sell orders.       5. After the market close at 24:00 on day D, BRM sends to the Participants and the Transmission System Operator (TSO), in this case S.N.T.G.N. Transgaz S.A., the report of the transactions carried out, with delivery on day D respectively day D+1.       6. By 17:00 on day D+2, the OTS shall send to the BRM the confirmation of gas deliveries for day D, respectively day D+1 if the agreement concluded between the OTS and the BRM allows this operation.       7. By 10:00 a.m. on day D+1, BRM sends the credit notifications to BCR. The account of the selling Participant is credited according to the transactions performed.    8. The maximum time limit for the payment by the buying Participant by direct debit of the amount of the obligations resulting from its transactions is 2 (two) banking days, within which the Participant will have to make available in its current account the amount corresponding to the payments accumulated within the mentioned period or request the cancellation of the Direct Debit Instruction. Otherwise, the BRM shall notify the Participant and proceed with the execution of the collateral until the amounts due on day D+5 have been paid, in the order of Escrow Account followed by the execution of the Bank Guarantee Letter (SGB). If the amount of the collateral does not cover the amounts due, the Participant shall be excluded from transactions for a period of 3-12 months, but not before all amounts due to the BRM have been recovered. Failure to fully cover the amounts due to the BRM as a result of the execution of collateral shall result in the application of penalties of 0.1%/day late until the date of full recovery.    9. Amounts outstanding for payment up to the time of confirmation of payment by the Central Account Bank shall be deducted from the Limit within which the Buying Participant may buy during the auction sessions held up to the time of confirmation.    10. Amounts outstanding for payment up to the time of confirmation of payment by the Central Account Bank shall be deducted from the Limit within which the Participant-Seller may sell during the auction sessions held up to the time of confirmation.    11. During the current trading session, the Participant's Qualification Limit is checked in real time by the BRM platform, taking into account all current trades in which the buying or selling Participant is engaged. The Participant is excluded if the Limit balance exceeds the value of initiated trades. Exclusion from trading shall be effected only for transactions where the Limit is exceeded, the Participant having the option of reducing the value of the transaction to bring it within the Limit or increasing the amount of the Limit in order to participate in new sessions.   ***Settlement and Billing***   * 1. The BRM will provide each Participant who has registered buy or sell transactions with a Daily Settlement Notice containing the following information:  1. Quantities of natural gas corresponding to sales and purchases made on trading day D with delivery on day D or day D+1; 2. Values corresponding to sales and purchases made on trading day D with delivery on day D or day D+1; 3. Closing price of transactions; 4. Amount of commission payable to BRM; 5. The VAT equivalent, in accordance with the applicable regulations; 6. Net value of daily receivables/payables; 7. Any other information deemed necessary or mandatory under applicable regulations.    1. The value of Direct Debit Instructions and Payment Orders issued by BRM will be calculated on the basis of the Daily Settlement Notices.    2. BRM will issue and send monthly invoices to the Participant based on the Daily Settlement Notes.    3. Invoices will be issued by BRM on the last day of the delivery month and will be communicated electronically to the Participant within the first 5 working days of the following month. The invoices shall contain the centralised statement of the transactions carried out by the Participant during the delivery month (in quantity and value), the payment obligations and collection rights of the BRM, the applicable rates and commissions, the VAT countervalue according to the provisions of the tax legislation applicable on the date of the invoice, the total amount, and any other information required by law.    4. In turn, the Participant shall issue monthly invoices for the quantities of natural gas sold on the Short Term Product Market. Invoices shall be issued by the Participant on the last day of the delivery month and shall be communicated electronically or by fax to the BRM within the first 5 working days of the following month. 8. **Rights and obligations of the BRM** |
| * 1. BRM assumes full responsibility for ensuring that the Direct Debit Mandate is valid and valid and constitutes proper authorization for the Participant's bank to debit the Participant's current account.   2. BRM assumes full responsibility for the accuracy of all Direct Debit Instructions submitted to **the Current Account Bank.**   3. BRM undertakes to comply strictly and at all times with the legal regulations in force applicable to the Direct Debit Instructions.   4. BRM undertakes to ensure the confidentiality of Participants' personal and banking data and compliance with all legal obligations regarding personal data.   5. BRM is committed to ensuring the smooth operation of trading on the Short Term Products Market. In this respect, BRM shall have the right:  1. Suspend or cancel any trading orders or any actions taken as a counterparty to remedy technical problems or at the request of regulators; 2. Suspend or terminate any Participant's access to the Short Term Product Market if the OTS sends to the BRM confirmation of non-deliveries of gas, demonstrating that the Participant has not delivered the quantity of gas traded as seller or has not taken over the quantity of gas traded as buyer. 3. Suspend or terminate any Participant's access to the Short-Term Products Market in any other circumstances expressly provided for in this Agreement, and in any other circumstances where there is evidence that the Participant's activity may adversely affect the reputation of the Short-Term Products Market or may affect the orderly and fair manner of trading or settlement (including, but not limited to, actual or failed attempts at market manipulation);    1. All of the above measures shall be binding on the Participant from the time of their adoption. In the event of fault on the part of the BRM in the adoption of the above measures, the liability of the BRM for any profit not realised by the Participant as a result of the measure taken shall be excluded.    2. The BRM undertakes to return the amounts of Direct Debit Instructions received upon receipt of a request submitted in accordance with Article 4.8 of this Agreement, including in the event that it changes the Collecting Institution or ceases to use Direct Debit Instructions in the time between the time of issuance of a Direct Debit Instruction and the time of a request for refund/return.    3. The paying Participant's bank, as Paying Institution, may request the return of a Direct Debit Instruction for technical reasons or because it is unable to execute the Direct Debit Instruction for other reasons (e.g. the Participant's account is closed).       1. A request to return a Direct Debit Instruction processed in the CORE Direct Debit Scheme may be sent within 5 working days of the settlement date.       2. A request to return a Direct Debit Instruction processed in the Business 2 Business Direct Debit Scheme can be sent within 2 working days of the settlement date.       3. After the expiry of the deadlines set out in Art. 4.8.1 and 4.8.2, the Paying Institution may no longer submit requests for reimbursement.    4. The amount of costs will be limited to the fees charged by the bank to the paying Participant initiating the request for reimbursement/return of the Direct Debit Instruction.    5. In this case, the only obligation of the BRM shall be not to call the Participant's collateral after receipt of the return request and provided that the Paying Institution complies with the time limits set out in Art. 4.8.1 and 4.8.2.    6. Except for gross negligence or wilful misconduct, BRM shall not be liable for any damages caused by: 4. The entry by the Participant of orders/offers containing errors or inadequacies; 5. Incorrect use of the BRM trading system made available to Participants; 6. Malfunctions or failures of the communication channels with the BRM or the BRM trading system made available to Participants. | | |
|  | | |
| 1. **MAJOR STRENGTH**    1. The Short-Term Product Market Participant releases BRM from any liability for delays or non-performance due to circumstances beyond its control.    2. Neither Party shall be liable for failure to perform on time and/or improper performance - in whole or in part - of any of its obligations under this Agreement if the failure to perform or improper or late performance of such obligation was caused by force majeure as defined in Article 1.351 of the Civil Code.    3. The Party invoking force majeure is obliged to notify the other Party within 5 calendar days of the occurrence of the force majeure event and to take all possible measures to limit its consequences. Failing this, the Party shall be liable for the damage caused thereby to the other Party. Notification of force majeure shall be accompanied by a written document issued by a competent authority (e.g. Chamber of Commerce and Industry of Romania in case of force majeure) certifying the accuracy of the facts and circumstances notified.    4. If within 15 calendar days of the occurrence of the event, the event does not cease, the Parties shall have the right to give notice of termination of this Agreement by operation of law and without any formality being required, without either Party being entitled to claim damages. | | |
| 1. **PRIVACY**    1. Both during the term of this Agreement and after its termination, each Party shall keep confidential all known information or data, in whatever form, both directly related to this Agreement and other data relating to the other Party and its customers, regardless of how it has become known, under penalty of termination of this Agreement and/or damages to the other Party resulting from non-compliance with this clause, provided that BRM may disclose such information to the group of which it is a part and to its employees, representatives, professional consultants and auditors, as well as to its affiliates and their employees, representatives, professional consultants or auditors, who shall be bound to maintain confidentiality under the same rules as BRM.    2. The confidentiality clause obliges the Party that has come into possession of such information not to disclose it to a third party under any circumstances and in any form whatsoever, except as provided for in mandatory rules of law or at the request of the competent authorities, failing which it shall be liable to pay damages covering the full amount of the damage caused to the other Party and proven by it. 2. **DURATION AND TERMINATION OF THE AGREEMENT**    1. This Agreement is concluded for an indefinite period and may be terminated either by agreement of the Parties on a date agreed by them or by unilateral termination by either Party with at least 15 working days' notice sent before the date of termination.    2. In the event that one of the Parties breaches the confidentiality obligation in this Agreement, the other Party may declare the unilateral termination of the Agreement, by simple written notice of termination sent to the Party at fault, without notice of default and without any other judicial or extrajudicial formality, as provided for in Article 1553 of the Civil Code on the commissory pact.    3. In the event that either Party fails to perform its contractual obligations, and if there are no other express provisions in the Agreement governing the conduct of the Parties in that situation, the other Party shall notify the defaulting Party of the non-performance by sending a registered letter with acknowledgement of receipt, indicating the period of time the defaulting Party has to perform the contractual obligation. The date on which the Party at fault receives the letter shall be deemed to be the date of default. If the Party at fault is in default by operation of law or in accordance with the provisions of this Agreement, or if the Party at fault does not properly perform the contractual obligation within the period indicated in the notice, the Party at fault may give written notice declaring unilateral termination of the Agreement. The Participant shall be automatically placed in default in cases where its trading rights are suspended under this Agreement.    4. Revocation by the Participant of the Direct Debit Mandate granted to BRM shall result in automatic termination of this Agreement, without any further judicial or extrajudicial formality, and the Participant shall be liable to BRM and/or any other Participants or third parties for any damages created. 3. **LAW AND JURISDICTION**    1. This Agreement shall be governed by and construed in accordance with Romanian law.    2. Any dispute between the Parties arising out of or in connection with the conclusion, validity, interpretation, performance or termination of this Agreement shall be settled amicably. All disagreements/disputes that cannot be resolved amicably between the Parties within 30 days of the initial notification of the dispute shall be settled by the competent courts of Bucharest. 4. **NOTIFICATIONS AND CORRESPONDENCE BETWEEN THE SIGNATORY PARTIES**    1. It is agreed by the Parties that any notice/correspondence addressed by one Party to the other Party shall be validly served if delivered or transmitted to the address specified in this Agreement.    2. Notification/correspondence shall be sent by post/courier by registered letter with acknowledgement of receipt, e-mail or fax.    3. Notification/correspondence sent by registered letter with acknowledgement of receipt shall be deemed to have been received on the date of signature by the addressee of the acknowledgement of receipt. Notification/correspondence sent by e-mail or fax shall be deemed to have been received on the date of receipt of the acknowledgement of receipt if it was issued before 15:00 on any working day; if the acknowledgement was issued after 15:00 or on a non-working day, the notification/correspondence shall be deemed to have been received on the first working day following the date of issue of the acknowledgement.    4. The notification addresses, fax and telephone numbers to which correspondence should be validly sent are:       1. for **BRM:**  |  |  | | --- | --- | | Address: | 82-94 Buzești Street, Bucharest, Romania | | Phone: | 021 317 4560 | | Email: | [office@brm.ro](mailto:office@brm.ro) and gaze@brm.ro |  * + 1. for the **Participant:**  |  |  | | --- | --- | | Address: |  | | Phone: |  | | Fax: |  | | Email: |  | | Contact person: |  |  * 1. The change of postal addresses, email addresses or fax/telephone numbers is not enforceable until at least 5 working days have passed since the date on which the notification of the change of postal addresses, email addresses or fax/telephone numbers was received.  1. **FINAL PROVISION**    1. In the event that legislative regulations of a technical or operational nature issued by the competent authorities impose on the Parties additional obligations or amendments to those stipulated in this Agreement, the BRM shall bring the Agreement into conformity with the legal obligations by amending it in a public consultation process.    2. The Parties, being aware of the nature of the transactions contemplated by this Agreement, declare that they assume the risk of a change in the circumstances under which this Agreement is concluded, in accordance with Article 1271(3)(a) of the Agreement. c) of the Civil Code, and renounces the invocation of unforeseen circumstances in connection with this Agreement.    3. Neither Party may assign or transfer any right or obligation under this Agreement or this Agreement in its entirety to any third party in any legal manner without the express prior written consent of the other Party, which consent shall not be unreasonably withheld.    4. By signing this Agreement, the Parties declare that they are aware of, fully understand and expressly accept this Agreement.    5. By signing the Agreement, the Parties confirm that it fully reflects their entire will with respect to the subject matter of the Agreement, prevails over any other agreements, understandings or negotiations that have taken place between the Parties prior to its signing, and that there are no secondary elements related to the Agreement and the understanding between the Parties that have not been reflected in the Agreement.    6. The Parties also confirm that they fully agree with the provisions of the Agreement and that, in accordance with Article 1.203 of the Civil Code, they expressly accept the clauses of the Agreement concerning the limitation of liability, the right to unilaterally terminate the Agreement and to suspend the performance of its obligations under the conditions set out in the Agreement, the clauses providing for forfeiture of rights or the benefit of the term, as well as the clauses concerning the jurisdiction of the courts.    7. If any provision of the Agreement is invalid or unenforceable in any respect under applicable laws and regulations, the validity, legality and enforceability of the remaining provisions of the Agreement shall not be affected thereby in any way and the Agreement shall continue in full force and effect. Invalid or unenforceable provisions shall be deemed superseded by an adequate and equitable provision that, to the extent permitted by law, comes as close as possible to the intent and purpose of the invalid or unenforceable provision.    8. This Agreement shall be supplemented by the mandatory legal provisions on direct debit, as they may vary from time to time, by the Regulation on the organized framework for the trading of standardized products on the centralized natural gas markets administered by Bursa Românț de Mărfuri (Romanian Commodities Exchange) S.A., approved by Order of ANRE, and by the Procedure for the organization and operation of the short-term standardized products market, administered by Bursa Românț de Mărfuri (Romanian Commodities Exchange) S.A., approved by ANRE.   This Agreement has been signed today,\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in two copies, one for each signatory Party, and shall be effective from the date of signature.  Legal representative Legal representative  Romanian Commodities Exchange - S.A. Participant ........................................   |  |  | | --- | --- | |  |  | | | |

**Annex 3 - Framework Agreement on Acceptance of Compensating Membership**

**(applicable only to Participants trading medium and long-term products through the counterparty)**

**Framework Agreement** **for Acceptance of Clearing Member Status**

This Clearing Member Acceptance Agreement ("**Agreement**") is entered into today, \_\_\_\_\_\_\_\_\_, between

**Romanian Commodities Exchange S.A.**

Commercial Register No J40/19450/1992

Unique Registration Code RO1562694

Guarantee account: RO50 RNCB 0082 0009 9180 0641 - lei

Current account: RO64 RNCB 0082 0009 9180 0001 - lei

hereinafter referred to as "BRM", as Counterparty

and

**SC.........................................................................................................................................**

with registered office in town................., postal code.........................................., tel......................., fax.................., e - mail address................, with bank account ...................., account no...............................

Commercial Register No. ............................................................................

Unique Registration Code..........................................................................................................

hereinafter referred to as "CM", as Clearing Member

Hereinafter referred to individually as the "**Party**" and collectively as the "**Parties**".

**Given the following:**

ABRM is the operator of the market on which it offers Clearing Settlement Services ("Market"), licensed by ANRE, on which MC is registered to trade the Support Asset;

BBRM provides Clearing Settlement and Hedging Services (financial, physical delivery) for Transactions executed on the Market, based on Contracts accepted for this purpose by BRM;

CMC intends to take advantage of BRM's clearing and settlement and hedging services (financial, physical delivery);

MC currently qualifies as a Clearing Member in accordance with the *Clearing, Settlement and Risk Management Rules* and the specific *Instructions* for its application issued by BRM as Counterparty (hereinafter referred to as the "**Rules**" and the "**Instructions**" respectively).

**In view of the above, the Parties so agree:**

**1Definitions and interpretation:**

1.1. Capitalized terms and expressions used in this Agreement shall have the definitions set forth in the Rules.

1.2 Throughout this Agreement, except as otherwise expressly provided,

1.2. 1 A reference to a grammatical genre includes all other grammatical genres;

1.2.2a reference to the singular number includes the plural and vice versa.

1.3In the event of any discrepancy between this Agreement and the Rules, the provisions of the Rules shall prevail, in the form in force at the time of their application.

1.4The provisions of the BRM Rules and Instructions issued in compliance with the applicable legal framework and duly communicated to the CM shall apply to this Agreement *mutatis mutandis* as if they were part of this Agreement.

**2Obligations arising from being a CTM**

2.1 CM warrants that all information provided to BRM to establish that CM qualifies as a Clearing Member is, as of the date of execution of this Agreement, complete and accurate.

2.2MC shall at all times ensure that it meets the conditions for Clearing Member status and shall notify the BRM of any changes to the documents or information communicated under Article 2.1.

2.3MC shall also immediately inform BRM in writing of the occurrence of the following events:

2.3.1any of the events set out in the Regulation as a failure to comply with the MC obligations or a breach of the Regulation;

2.3.2expiry or refusal of any licence, authorisation or contract concluded with the OTS necessary for CTM to carry out its commercial activity;

2.3.3any change in the CTM identification data provided for in this Agreement;

2.3.4any sanction imposed by ANRE or OTS according to the applicable regulations that could affect the fulfilment of the obligations provided in the Regulation;

2.4In the event of receiving the information referred to in Articles 2.2 and 2.3, the BRM shall have the right to reconsider whether the CM meets the conditions to be a Clearing Member, and may strictly request the CM to provide the necessary information. The CM shall promptly submit the information so requested.

2.5MC undertakes to comply with this Agreement, the Rules and the Instructions, declaring in this respect that it is familiar with their provisions, which it expressly accepts.

2.6 The CM undertakes to grant the BRM a direct debit right on the Cash Account, in the form proposed by the BRM, exclusively for amounts owed by the CM relating to its obligations under the Rules, orders initiated in the Market or Transactions concluded, i.e. Margins, Fees, Commissions.

**3Clearing and settlement services and hedging (financial, physical delivery) offered by BRM**

3.1BRM undertakes to provide the CM with the Transaction Clearing Settlement and Risk Hedging Services (financial, physical delivery) in accordance with the provisions of the Rules.

3.2MC understands and accepts that the Services include an obligation on the part of BRM to make PVT notifications in relation to each Transaction, but do not include any obligation on the part of BRM in relation to the physical delivery of the Underlying Asset and that, irrespective of any financial clearing actions, MC remains fully liable under the Contracts to the other MCs, and to the OTS, in the event of an imbalance.

3.3As provided in the Rules and Instructions, in consideration of the Services, BRM shall apply and MC shall pay the Fees, including by direct debit by BRM.

3.4MC shall accept the BRM shares as per the reports issued daily by the BRM as per the applicable regulatory framework as well as the Rules and Instructions which shall be fully enforceable and binding on it. For the avoidance of doubt, the liability of the CM shall be limited to the funds constituted in accordance with the Rules, which shall include all funds to be constituted by the CM in accordance with the Margin Calls of the Counterparty, irrespective of whether or not they have actually been constituted as well as additional collateral.

3.5MC understands and accepts that the Services do not imply unlimited liability on the part of BRM with respect to financial risk, but only to the extent of BRM's contribution to the Guarantee Fund. The BRM understands and accepts that the Services do not imply unlimited liability on the part of the CM with respect to financial risk, but only to the extent of the funds constituted by the CM, i.e. Margin deposited in accordance with the Clearing Settlement Rules and all funds to be constituted by the CM in accordance with the Counterparty Margin Calls, whether or not actually constituted, as well as additional collateral.

3.6MC undertakes to constitute/pay/update the Margins established by the BRM, including in the event of their modification or increase under the terms of the Regulation.

**4Limiting trading and clearing**

The BRM shall have the right at any time to justifiably limit the CM's right to enter into Transactions or to have Transactions or Margins cleared under the conditions set out in the Rules with proper notification to the CM of the conditions, circumstances and basis for the limitation.

**5Shutdown**

5.1This Agreement is entered into for an indefinite period and may be terminated unilaterally by either MC upon 15 Days' notice. By the end of the last Day of the notice period, MC shall ensure that no further Open Positions are registered. In the event that the CM still registers Open Positions, the BRM shall be entitled to compulsorily close them, the provisions of the Regulation relating to the compulsory closure of Positions shall apply *mutatis mutandis*.

5. 2If a CM breaches its obligations under this Agreement, the Rules or the BRM finds that the CM no longer qualifies as a Clearing Member, the BRM may terminate this Agreement by simple written notice without any further formality and without the intervention of the court (express arbitration agreement). The BRM may take all measures provided for by the Rules (including the forced closure of the Open Positions of the CM), as well as any other measures provided for by the Rules that are appropriate to protect the BRM, the other CMs and the safety of the clearing and settlement system.

5.3To the extent that this status has not already been withdrawn, upon termination of this Agreement the CTM shall lose its Clearing Member status.

**6 Force majeure**

6.1 Either of the Parties is exonerated from liability for failure to perform or late performance of its obligations, in the event of a case of force majeure (defined according to the provisions of the Romanian Civil Code) ascertained by the Chamber of Commerce and Industry of Romania.

6.2The Party invoking force majeure shall notify the other Party fully and within 5 days of its occurrence and take any measures at its disposal to limit the consequences. Failure to give notice of Force Majeure shall not invalidate the exonerating effect of the Force Majeure, but shall entail the obligation of the Party claiming Force Majeure to make good the damage caused to the other Party by the failure to give notice. The period of Force Majeure shall end when the Party giving the notice under paragraph (1) has given notice of the Force Majeure. (2) issues a new notification that it is able to resume the performance of all its obligations under this Agreement and resumes the performance of all obligations subject to that notification.

6.3If the Party prevented from performing its obligations due to force majeure remains unable to perform its obligations for a continuous period of 10 days, the other Party shall have the right to terminate this Agreement with immediate effect by simply notifying the other Party, without liability for compensation by either Party. Such events shall include war, natural disasters, strikes, legal restrictions, intervention by regulatory authorities (except for any intervention which is caused by the failure of a Party to perform an obligation as a participant in a regulated market) and any other event beyond the control of the Party invoking it.

**7The whole Agreement**

7.1 This Agreement, together with the Rules and Instructions, embody the entire understanding between the Parties with respect to the Clearing Settlement Services offered by BRM.

7.2This Agreement supersedes and replaces any agreement, communication, offer, proposal, or correspondence, whether oral or written, previously exchanged or entered into between the Parties relating to the same subject matter.

**8Transfer**

8.1 This Agreement may not be transferred, either directly or by any legal transaction by the Parties.

8.2Subject to the restriction on transfer contained in this Agreement in Article 8.1, the provisions of this Agreement shall be binding on the Parties, their legal representatives and successors.

**9Replace**

If any provision of this Agreement is found to be illegal, void or unenforceable in whole or in part under any applicable law, such provision shall be deemed not to be part of the Agreement and shall not affect the legality, validity and enforceability of the remaining provisions of the Agreement. Each Party shall use its best efforts to negotiate as soon as possible, in good faith, a valid substitute provision having the same economic effect.

**10** **Non-waiver**

The non-exercise or postponement of the exercise of a right arising under this Agreement shall not constitute a waiver of that right, nor shall the exercise of any right, in whole or in part, preclude the possibility of exercising the same or other rights at a later date. The rights and remedies provided by this Agreement are cumulative and do not exclude the existence of additional rights and remedies provided by applicable law.

**11Applicable law**

This Agreement shall be governed by and construed in accordance with the laws of Romania.

**12Dispute resolution**

The Parties agree to use their best efforts to resolve amicably any dispute arising in connection with this Agreement, the Rules or the Instructions. If the Parties fail to resolve such disputes, any misunderstanding or dispute arising out of the interpretation, execution or termination of this Agreement, or the interpretation and execution of the Rules or Instructions shall be referred for resolution to the competent court in Bucharest, Romania.

**13Final provisions**

13.1Each Party expressly accepts clauses providing for the limitation of liability, the right to unilaterally terminate the Agreement or to suspend the performance of obligations for the benefit of one of the Parties.

13.2 The CTM assumes the risk of the occurrence of exceptional circumstances beyond its control, even if they would make it manifestly unfair to oblige the CTM to perform its obligations, and agrees to perform them independently of such exceptional changes in the circumstances underlying this Agreement or a Transaction. By assuming such risks, MC understands and accepts that it will not be able to apply to the court to adapt this Agreement, a Transaction or the obligations arising from them under the Rules in the event of the occurrence of exceptional circumstances of the kind described above.

13.3 Each Party undertakes to ensure the confidentiality of all information, data and documents provided by the other Party under this Agreement and not to disclose them in whole or in part to any third party without the prior written consent of the other Party. Exceptions to the provisions of this Article are: (i) information required by the competent authorities in accordance with the regulations in force; (ii) information which has been made public up to the date of conclusion of the contract or which by law has the character of public information; The provisions of this Article shall remain valid for 5 years after the termination of this Agreement.

13.4 Each Party represents and warrants to the other Party at the conclusion of this Agreement and each day thereafter until the termination of this Agreement that it will comply with the law concerning the protection of minors and women at work, the law of equal treatment, against discrimination, abuse, harassment, the law of freedom to form or join trade unions, freedom of association and representation, prohibition of forced labour, respect for measures to protect the environment, compliance with health and sanitary conditions and respect for provisions, wage rates, contributions, insurance and tax conditions (compulsory payment of income tax on wages) and covers all categories of persons employed as a result of the implementation of the contract, anti-corruption and anti-money laundering and anti-terrorist financing legislation in its jurisdiction and takes effective measures to prevent such activities among its employees.

13.5The processing of any personal and sensitive data included in this Agreement shall comply with the relevant rules in force, in particular the European GDPR Regulation 2016/679 ("General Data Protection Regulation"). The parties acknowledge and agree that each of them shall act as a separate data controller in respect of their respective processing of personal data.

.. This Agreement .

Legal representative Legal representative

Romanian Commodities Exchange - S.A. Participant ........................................

**Annex 4 - Special conditions applicable to**

**Day-ahead electricity market respecting the price coupling mechanism of the markets**

**Intra-EU electricity market with respect to the price coupling mechanism of the markets**

**Special conditions applicable to**

**Day-ahead electricity market respecting the price coupling mechanism of the markets**

**Intra-EU electricity market with respect to the price coupling mechanism of the markets**

**at** **Participation Agreement**

**on energy markets administered by BRM**

Between:

ROMANIAN COMMODITY EXCHANGE - S.A.

Commercial Register No J40/19450/1992

Unique Registration Code RO1562694

Guarantee account: RO50 RNCB 0082 0009 9180 0641 - lei

Current account: RO64 RNCB 0082 0009 9180 0001 - lei

Licence no. 2269/14.12.2018 (centralised natural gas market operator) and no. 2314/30.03.2022 (electricity market operator) issued by the National Energy Regulatory Authority (hereinafter referred to as "BRM"),

and

Society .........................................................................................................................................

with registered office in town.............................., street ................., postal code.........................................., tel......................., fax.................., e-mail address................, with bank account ...................., account no............................................

Commercial Register No. ............................................................................

Unique Registration Code..........................................................................................................

hereinafter referred to as "Participant",

**I. Object of the Special Conditions**

1. These special conditions applicable to the Day-Ahead Market for Electricity under the Market Price Coupling Mechanism (PZU) and the Intraday Market for Electricity under the Market Price Coupling Mechanism (IP) ("**Special Conditions**") govern the Participant's participation in the PZU and IP by entering into positive or negative priced sale and purchase transactions of electricity on this market with BRM as counterparty.
2. These Special Conditions are supplemented by the provisions of the Agreement for Participation in the BRM-administered energy markets ("**Agreement**"), the specific PZU and PI procedures ("**Procedures**") and the provisions of the primary and secondary legislation applicable to PZU and PI. In the event of any discrepancy between the terms of the Agreement and the Special Conditions, the terms of the Special Conditions shall apply.

**II. RIGHTS AND OBLIGATIONS OF PARTICIPANTS IN PZU AND PI**

1. The PZU and IP participant has the following rights:
2. To carry out electricity transactions individually or as an aggregator;
3. To access the trading systems of PZU and PI and to enter/modify/cancel offers to sell and/or offers to buy the products admitted to trading, at positive or negative prices, according to the trading limit, in accordance with the provisions of the Procedures;
4. To issue and transmit to the BRM, monthly invoices for electricity sales transactions the related monthly invoices:

- quantity and value of electricity sold on PZU/PI at positive prices;

- the amount of electricity sold on PZU/PI at negative prices, considered free delivery;

- provision of services for the purchase of electricity at negative prices from BRM.

1. The PZU and IP Participant has the following obligations:
2. To conclude the SEPA Direct Debit Mandate with its settlement bank in accordance with the Procedures;
3. To trade only within the trading limit as set out in the Procedures;
4. To ensure the financial availability necessary to debit its account opened with its settlement bank, by direct debit instruction calculated according to the daily settlement notes issued by BRM;
5. To accept as firm commitments and comply with hourly trade confirmations and physical notifications on each settlement interval related to transactions concluded on PZU and PI;
6. Not to modify/cancel hourly/block bids already entered by the closing time of the PZU/PI on hourly slots not affected by reaching/exceeding the threshold prices, in the secondary auction;
7. Not to enter block bids containing time slots not affected by reaching/exceeding the threshold prices in the secondary auction;
8. To bid in order to improve the market situation in the event of a secondary auction and not to bid in the secondary auction for time slots other than those for which the threshold price level has been reached;
9. In the case of the aggregator, to communicate to the BRM the list of the aggregated producers and end customers, respectively, as the case may be, the installed capacity of each producer and the maximum capacity of the consumption site(s) of each end customer, respectively, as the case may be, and the signature of the legal representative of the producer and end customer, respectively, as the case may be;

**II. BRM RIGHTS AND OBLIGATIONS**

1. BRM has the following rights:
2. To monitor compliance with and enforce the provisions of the Procedures;
3. To allow the Participant to submit positive bids or negative offers only within the limit calculated in accordance with the Procedures;
4. To cancel the Participant's bids if these bids would contravene the bidding rules or if the Participant has not assumed or transferred the responsibility for balancing;
5. To transmit on each bank business day, to the Central Account Bank, the direct debit instruction corresponding to the net amount of the Participant's daily payment obligations (including the VAT countervalue, if applicable), entered in the daily settlement note;
6. To execute the Participant's collateral in case of lack of availability in the Participant's account opened with its settlement bank;
7. BRM has the following obligations:
8. To comply with the provisions of the procedures in force related to the operation of the PZU and PI, as well as other applicable regulations and procedures;
9. To provide Participants with access to trading on PZU and PI within the limit calculated in accordance with the Procedures;
10. To validate positive bids/offers and/or negative offers/offers placed by the Participant in accordance with the applicable Procedures;
11. To cancel the Participant's bids if they contravene the bidding rules set out in the applicable Procedures;
12. To provide the Participant with daily transaction confirmations and settlement notes for electricity transactions made and to perform daily settlements;
13. To transmit to the OTS and make available to the Participant or its Balancing Party, as the case may be, the physical notifications for each 15-minute settlement interval corresponding to transactions concluded on the PZU and PI;
14. To pay the invoices issued by the Participant, for electricity sales transactions monthly invoices.

Legal representative Legal representative

Romanian Commodities Exchange - S.A. Participant ........................................