



Annex B

PB-GAS Participation Agreement

Agreement for participation in the PB-GAS as per Article 15, para. 15.1 b) of the Regulations of the Gas Balancing Platform

BETWEEN

Gestore dei Mercati Energetici S.p.A., having its registered office in Viale Maresciallo Pilsudski 122-124, 00197 Rome, Italy, taxpayer's code and VAT number 06208031002 (hereafter "GME"),

AND

(name and surname) ... /the company/other ... (company name or registered name),
residing in/having its registered office in ... *(address),*
taxpayer's code ..., VAT number ...
represented by ..., in his/her capacity of ... (hereafter "Contracting Party"),

GME and the Contracting Party, hereafter defined individually as the "Party" and jointly as the "Parties",

WHEREAS

- A. GME is the company (*società per azioni*) which is vested, among others, with the economic management of the Electricity Market in accordance with Article 5 of Legislative Decree no. 79/99, with the economic management of the Gas Market under Article 30 of Law no. 99 of 23 July 2009, with the management of the Platform for the trading of natural gas bids/offers under the Decree of the Minister of Economic Development of 18 March 2010, as well as with the organisation and management – on behalf of *Snam Rete Gas S.p.A.* (hereafter "Snam Rete Gas") - of the Gas Balancing Platform pursuant to Decision ARG/gas 45/11 adopted by *Autorità per l'energia elettrica, il gas e il sistema idrico* (hereafter "AEEGSI") and to AEEGSI's Decisions 446/2013/R/GAS, 520/2013/R/GAS, 552/2013/R/GAS and 485/2014/R/GAS;
- B. Snam Rete Gas is the company which was established on 15 November 2000 to carry out natural-gas transmission and dispatching activities;
- C. the rules governing the Gas Balancing Platform are laid down in the Regulations of the Gas Balancing Platform that GME adopted in compliance with AEEGSI's Decision ARG/gas 45/11 and to implement the provisions of AEEGSI's Decisions 446/2013/R/GAS, 520/2013/R/GAS, 552/2013/R/GAS and 485/2014/R/GAS (hereafter "Regulations");
- D. with its Decision ARG/gas 145/11 of 28 October 2011, AEEGSI approved the Regulations, as subsequently amended and supplemented;
- E. pursuant to Article 15, para. 15.1 b) of the Regulations, a party intending to participate in the PB-GAS shall submit to GME a signed copy of the *Contratto di adesione alla PB-GAS* (PB-GAS participation agreement, hereafter "Agreement");
- F. the Technical Rules referred to in Article 4 of the Regulations shall be published on the website of GME and have effect as of the date of their publication;
- G. for the purposes and effects of AEEGSI's Decision 45/11, as well as of the implementing provisions of AEEGSI's Decision 446/2013/R/GAS, Snam Rete Gas shall act as counterparty to Participants on the PB-GAS;
- H. for the purposes and effects of Article 35, para. 35.3 and of Article 43, para. 43.3 of the Regulations, GME shall transmit to Snam Rete Gas the data concerning the gas volumes corresponding to the accepted bids/offers for each PB-GAS Participant;
- I. the Contracting Party is one of the parties referred to in Article 1, para. 1 k) of AEEGSI's Decision ARG/gas 45/11, as subsequently amended and supplemented, or a balancing user as per Article 1, para. 1 l) of AEEGSI's Decision ARG/gas 45/11, holding one or more flexible resources;

NOW, THEREFORE,

the Parties agree as follows:

Article 1

Scope of the Agreement and Validity of the Preamble

- 1.1 This Agreement defines:
 - a) the Contracting Party's rights and obligations towards GME;
 - b) the terms and conditions on which GME shall provide its services in connection with transactions on the PB-GAS (hereafter "Services").
- 1.2 The Preamble shall be an integral and essential part hereof.

Article 2

Obligations of the Contracting Party

- 2.1 The Contracting Party declares that he/she/it is aware of and accepts, without any condition or reservation, the Regulations, as they result from the applicable legislation. The Contracting Party also declares that he/she/it fully understands GME's support information system (hereafter "System") in its present configuration or that, in any case, he/she/it undertakes to do so.
- 2.2 The Contracting Party undertakes:
 - a) to comply with the Regulations and the Technical Rules and to keep himself/herself/itself updated with any amendments thereto. It is understood that, where the Contracting Party does not intend to accept any amendments and additions to the Regulations or to the Technical Rules, he/she/it may withdraw herefrom, giving notice according to the procedures and to the address specified in Article 9, paras. 9.6 and 9.7 below. Fifteen days after the legal publication of such amendments, if the Contracting Party has not given notice of his/her/its intent to withdraw herefrom, such amendments shall be assumed to have been tacitly accepted. Any further transaction carried out on the PB-GAS before the end of the above period shall be understood as tacit acceptance of the new terms and conditions. In no case may such amendments constitute a valid reason for the Contracting Party to default on obligations acquired on the PB-GAS;
 - b) to adopt technological systems that are suitable for the trading activity and compatible with the System, as well as to update them as a result of any modification as GME may make to the same System;
 - c) to employ personnel with adequate professional skills and competence in the use of the technological systems referred to in subpara. b) above;
 - d) to notify GME timely and, where possible, in good time for GME to make any necessary corrective actions for the purposes of guaranteeing the proper operation of the PB-GAS, of any problem or operational malfunction of a technical nature or any other event which has resulted or might result into failure to provide or incorrect provision of the Services. In particular, the Contracting Party shall notify GME with the maximum speed and according to the procedures specified in Article 9, paras. 9.6 and 9.7 below, of the occurrence of any event actually or potentially dangerous for the integrity and security of the System (including but not limited to the theft of confidential documents regarding access to the System or unauthorised access to the Contracting Party's premises where such documents are kept);
 - e) to co-operate with GME or with third parties designated by GME, also permitting access of their employees or assistants to the Contracting Party's premises for carrying out any operations on the Contracting Party's hardware and software as may be necessary to ensure the proper functioning of the PB-GAS. It is understood that, pursuant to Article 2049 of the Italian Civil Code, GME shall be liable for any damage caused upon such operations;
 - f) to respect GME's rights of ownership on the data transmitted through the System and on the trademarks registered or used by GME, as well as GME's or third-party suppliers' rights of ownership on the software programmes used for the provision of the Services;

- g) to maintain confidentiality and privacy as regards the devices referred to in Article 4, para. 4.1 below and use or permit their use by specifically designated parties solely for access to and trading on the PB-GAS. The Contracting Party shall thus be liable for any unauthorised access to the PB-GAS by third parties and hold GME harmless against any damage or danger to the integrity or security of the System that may result from the negligence of the Contracting Party or of his/her/its personnel in the safekeeping of such devices.
 - h) to timely ask GME to disable the devices referred to in subpara. g) above and to assign new or different devices in all cases where the Contracting Party has reason to believe that unauthorised parties may make an improper use thereof;
 - i) to hold GME harmless against any damage or cost as GME may incur, also as a result of actions of third parties, caused by the actions or conduct of the Contracting Party, as well as of his/her/its personnel members, assistants and consultants, if any, in violation of this Agreement, of the Regulations and of the Technical Rules and of any other legislative provisions or regulations, or instruments and provisions issued by GME or competent authorities.
- 2.3 The Contracting Party shall authorise GME – under Article 35, para. 35.2 and Article 43, para. 43.3 of the Regulations – to transmit to Snam Rete Gas the data concerning the gas volumes corresponding to the bids/offers accepted on the PB-GAS;
- a) if the Contracting Party has submitted predefined demand bids or supply offers into the G+1 Segment of the PB-GAS under Article 36 of the Regulations, he/she/it shall authorise GME - under Article 40, para. 40.5 of the Regulations - to assign him/her/it predefined bids/offers for a volume equal to the one required to reach the value referred to in Article 40, para. 40.3 a) and Article 40, para. 40.4 a) of the Regulations, respectively, and at a price equal to the one specified in the related predefined bid/offer;
 - b) the Contracting Party shall hold GME harmless against any damage or cost as GME may incur as a result of the assignment of predefined bids/offers under subpara. b) above, including delays in the assignment of the same bids/offers.

Article 3 **GME's services**

- 3.1 GME shall supply the Services to the Contracting Party in compliance with this Agreement, the Regulations and the Technical Rules. The obligations of GME as regards the supply of the Services shall constitute "obligations of means".
- 3.2 GME shall give the Contracting Party the necessary co-operation for access to the System, namely in accordance with what is specified in the Technical Rules. It is understood that the carrying out of activities and the provision of the necessary means of access shall be the exclusive responsibility and at the sole expense of the Contracting Party.
- 3.3 GME may modify technical, functional, operational and administrative procedures for the supply of the Services, as a result of amendments or additions to the Regulations or Technical Rules.
- 3.4 Without prejudice to what is provided for in the Regulations and Technical Rules, if the supply of the Services is interrupted, suspended, delayed or subject to malfunctions caused by technical problems with the System, GME shall do whatever is necessary to overcome such inconveniences. It is understood that if the aforesaid events result from technical problems with the hardware or software used by the Contracting Party to access the System, the Contracting Party shall eliminate the relative causes with the maximum speed. GME and the Contracting Party shall co-operate, within the scope of their responsibilities, to identify the causes of interruptions, suspensions, delays or malfunctions and to restore the proper operation of the System as soon as possible.
- 3.5 GME shall be responsible for the correct processing and transmission of data and information entered by third parties into the System or arising on the PB-GAS. GME and the Contracting Party agree that GME's obligations shall not include the checking of the truthfulness, accuracy and completeness of data and information provided by third parties and made available to the Contracting Party as part of the provision of the Services.

- 3.6 GME and the Contracting Party agree that GME is not responsible for non-functioning or malfunctioning of lines of telecommunication (for example, telephone lines), as well as of access to the Internet.
- 3.7 The Contracting Party agrees that GME may resort to third parties designated by GME for the supply of the Services, while it is understood that in every case, the contractual relationship shall be exclusively established between the Contracting Party and GME.
- 3.8 GME undertakes to respect the Contracting Party's rights of ownership on the data transmitted through the System and on the trademarks registered or used by the Contracting Party and made known to GME.
- 3.9 GME shall hold the Contracting Party harmless against any damage or cost as the Contracting Party may incur, also as a result of actions of third parties, caused by the actions or conduct of GME or of its personnel members, assistants or consultants in the management and supply of the Services that are in violation of this Agreement, the Regulations and the Technical Rules, as well as of any other legislative provision or regulation applicable hereto.

Article 4
Means of access to the System

- 4.1 To access the System, the Contracting Party shall use the technical security devices indicated by GME, such as, for example, the user code together with password, smart card or other means of strong authentication.
- 4.2 Access to the System shall take place in compliance with the provisions specified in the Technical Rules.

Article 5
Consideration

- 5.1 For the Services supplied in accordance herewith, the Contracting Party shall pay the fees determined by GME under Article 7 of the Regulations, in accordance with the procedures and within the time limits defined in Article 9 thereof.

Article 6
Limitation of liability, force majeure and fortuitous events

- 6.1 Without prejudice to what is provided in the Regulations, GME shall, in carrying out the Services, be liable for damages of a contractual and extra-contractual nature, exclusively when they constitute the immediate and direct consequence of wilful misconduct or gross negligence and, in the latter case, are predictable upon the date of signature of this Agreement. The Parties agree that there shall be no obligation of compensation for damages that are an indirect or unpredictable consequence of the conduct of GME, including but not limited to damages resulting from the loss of business opportunities, customers or profits.
- 6.2 The Contracting Party shall notify GME, under penalty of lapse, of any claim for damages relating to the supply of the Services within and not later than fifteen working days of the day on which the Contracting Party has come to know or should have known, using proper diligence, of the occurrence of the damaging event, providing at the same time a detailed report of the circumstances of the damaging event and of the damage so produced. The documents in support of the claim shall be transmitted to GME within and not later than twenty working days from the day on which the Contracting Party has come to know or should have known, using proper diligence, of the occurrence of the damaging event.
- 6.3 GME and the Contracting Party shall not be liable for default due to force majeure, fortuitous cases, or events beyond their control, including but not limited to wars, uprisings, earthquakes, floods, fires, strikes, interruptions in electricity supply or in operation of the dedicated data transmission lines which are part of the System, when such interruptions are exclusively the fault of third parties.

- 6.4 GME may, in cases of force majeure or fortuitous events, and, in general, in all cases where the activities of the Contracting Party may damage the integrity or security of the System, suspend access to the System without the necessity of prior notification of the circumstances giving rise to the suspension.

Article 7 Duration

- 7.1 This Agreement shall be executed by and upon the signature of the Contracting Party and the receipt of its original copy by GME. Its duration shall be unlimited. The Agreement shall have effect after GME has successfully verified the completeness and correctness of the documents submitted by the Contracting Party and the fulfilment of the requirements for admission of the Contracting Party to the PB-GAS. GME shall notify the Contracting Party of the outcome of the above verifications as per Article 17 of the Regulations.
- 7.2 This Agreement will cease to have effect upon the occurrence of one of the following events:
- a) exclusion of the Contracting Party from the PB-GAS;
 - b) total disabling of the System as a result of amendments to the applicable provisions;
 - c) Contracting Party's withdrawal herefrom.
- 7.3 The dissolution of the Agreement under this Article shall not impair any other right of either party under the Agreement or the applicable legislation, and any right or obligation of either party that has already arisen upon the date of dissolution.

Article 8 Termination

- 8.1 Any loss for whatever reason of the status of Participant, as acquired in accordance with Article 17 of the Regulations, shall constitute reason for *de jure* termination of this Agreement pursuant to Article 1456 of the Italian Civil Code, without prejudice to the right of GME to withhold the fixed fee specified in Article 7, para. 7.1 b) of the Regulations by way of indemnity and to any other further right to compensation for any additional damages.

Article 9 General Clauses

- 9.1 The invalidity or nullity of one or more of the clauses of this Agreement shall not impair the validity of the remaining clauses, which shall retain in every case their full force and effect.
- 9.2 This Agreement and the rights and obligations of the Parties resulting therefrom shall not be assigned to third parties unless otherwise specified herein.
- 9.3 Without prejudice to the provisions of Article 6, para. 6.2 above, failure or delay by either Party to exercise the rights arising herefrom shall not represent a waiver of such rights.
- 9.4 Any amendment hereto shall be made in writing.
- 9.5 For the purposes of this Agreement, the Parties elect domicile at the following addresses:
- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski 122-124, 00197 Rome, Italy,
 - ...
(address)
- 9.6 Any communication or notification to be made in accordance herewith shall be made in writing and delivered by hand or by courier or sent by registered letter with return receipt, or by fax or by e-mail with acknowledgment of receipt, to the following addresses:
- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski 122-124, 00197 Rome, Italy
fax number +39 06 8012 4524; e-mail address info@mercatoelettrico.org;
 - ...
(address)
fax number ..., e-mail address ...

- 9.7 Communications shall be deemed to have been received upon the date of signature of their receipt of delivery, if delivered by hand, or when they reach the receiver's address, if sent by registered letter with return receipt, or upon the date of receipt recorded by the fax machine if sent by fax, or upon the date of receipt of the acknowledgement of receipt, if sent by e-mail.

Article 10
Governing Law

- 10.1 This Agreement shall be governed by the Italian law.

Article 11
Disputes

- 11.1 Any dispute arising between GME and the Contracting Party in connection herewith shall be settled in accordance with the provisions contained in Title V of the Regulations, which shall be deemed to be fully referred to and transcribed herein.

The Contracting Party

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For the purposes and effects of Articles 1341 and 1342 of the Italian Civil Code, I hereby specifically approve the following clauses of the Agreement: Article 2.2 (a) (Regulations, Technical Rules and amendments thereto); Article 2.2 (j) (Disclaimer); Article 2.3 (a) (Authorisation for transmission of information); Article 2.3 (b) (Authorisation for assigning predefined bids/offers); Article 2.3 (c) (Disclaimer); Articles 3.5 and 3.6 (Limitation of liability); Article 6 (Limitation of liability, lapse, suspension of the service); Article 7 (Cease of effect of the Agreement); Article 8 (Termination); Article 9.2 (No assignment); Article 10 (Governing law); Article 11 (Disputes).

The Contracting Party

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Rome, *(date)*