

**Common Allocation Rules for Daily Capacity
Allocation of Cross Zonal Capacities between
Bidding Zones of**

**National Energy Company “Ukrenergo”
 (“Ukrenergo”)**

and

**C.N.T.E.E. TRANSELECTRICA S.A.
 („TRANSELECTRICA“)**

(“Daily Allocation Rules“)

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CHAPTER 1

General Provisions

Article 1

Subject-matter and scope

1. These Allocation Rules contain the terms and conditions for the allocation of Daily Transmission Rights on the Ukrainian-Romanian border, it being understood that the Registered Participant will accede to these rules by the signature of the Participation Agreement. In particular, the Allocation Rules set out the rights and obligations of Registered Participants as well as the requirements for participation in Auctions, they describe the process of Auction, including the determination of Marginal Price as a result of Auction and the processes for curtailment of Daily Transmission Rights and invoicing/payment.

The Auctions refer to Cross Zonal Capacity only and Registered Participants may invoke no other right in connection with the Daily Transmission Rights allocated to them than the rights in accordance with the provisions of these Allocation Rules.

Article 2

Definitions and interpretation

1. Capitalised terms used in these Allocation Rules shall have the meaning given to them in Article 2 of Regulation (EC) 2019/943, Article 2 of Regulation (EC) 2013/543, Article 2 of Regulation (EC) 2015/1222, Article 2 of Directive 2019/944 and in Article 2 of Regulation (EU) 2016/1719 and Ukrainian legislation.
2. In addition, the following definitions shall apply:

Affiliate means, in relation to any person, any other person that directly or indirectly controls, is controlled by or is under direct or indirect common control with that person as control is defined in the national legislation of Ukraine and Romania on the control of concentrations between undertakings;

Allocation Platform (Auction office) in the case of Ukrainian-Romanian Bidding Zone border Ukrainian TSO, Ukrenergo is responsible to act as Allocation Platform;

Allocation Rules means the rules for Daily Capacity Allocation applied by Allocation Platform;

Auction Tool means the information technology system used by the Allocation Platform to perform Auctions and to facilitate other procedures described in these Allocation Rules in the case of allocation of Cross Zonal Capacity between Bidding Zones of Ukrenergo and TRANSELECTRICA the functions of Auction Tool are performed electronic auction system which can be accessed at website <https://eap-office.ua.energy>;

Auction Specification means a list of specific characteristics of a particular Auction, including the nature of offered products and relevant dates and hours;

Bank Guarantee means an unconditional and irrevocable standby letter of credit or letter of guarantee issued by a bank;

Bid means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction;

Bid Price means the price which a Registered Participant is willing to pay for one (1) MW and hour of Daily Transmission Rights;

Bid Quantity means the amount of Daily Transmission Rights in MW requested by a Registered Participant;

Bidding Period means the time period within which the Registered Participants wishing to participate in an Auction may submit their Bids;

Business Account (escrow account) means, a dedicated deposit account opened at the financial institution selected by the Allocation Platform in the name of the Allocation Platform;

Capacity Agreement Identification (CAI) means unique identification code assigned to each Physical Transmission Right by Auction Tool during the Auction. The identification code is used also when the use of the Physical Transmission Right is nominated to a TSOs;

Daily Capacity Allocation means the attribution of daily Cross Zonal Capacity through an Auction;

Daily Transmission Right means for the purposes of these Allocation Rules a Physical Transmission Right acquired in the Daily Capacity Allocation;

Credit Limit means the amount of the collaterals which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations;

EIC Code means the ENTSO-E Energy Identification Coding Scheme identifying the parties in a cross-border trade;

Emergency situations mean situation when the transmission system operator must must act in an expeditious manner use transaction curtailment procedure and redispatching or countertrading is not possible;

National Power Company “Ukrenergo” (Ukrenergo) – company with registered office at Ukraine, 01032, the city of Kiev, Symon Petliura str., 25, Private Joint Stock Company;

Offered Capacity - The amount of capacity, as defined by local market rules, which will be offered by the Transmission Capacity Allocator to the market. Depending on local market rules the establishment of the Offered Capacity may be based on the ATC, and include the consideration of firm exchange programs in one direction, to increase the Offered Capacity in the other direction. This is generally known as Netting aimed at maximising Offered Capacity. An initial Offered Capacity provided by the Capacity Coordinator may also be increased by the Transmission Capacity Allocator with Resales of transmission capacity rights obtained in previous auctions;

Force Majeure means any unforeseeable or unusual event or situation beyond the reasonable control of a Party and/or the relevant TSOs, and not due to a fault of the Party and/or the relevant TSOs, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the Party and/or the relevant TSOs, which has actually happened and is objectively verifiable, and which makes it impossible for the Party and/or the relevant TSOs to fulfil, temporarily or permanently, its obligations;

Information System Rules means the terms and conditions for access to and use of the Auction Tool by Registered Participants as published on the Allocation Platform's website;

Interconnector means a transmission line which crosses or spans a border between Ukraine and Romania;

Marginal Price means the price determined at particular Auction to be paid by all the Registered Participants for each MW and hour of acquired Daily Transmission Right;

Market Participant - a participant in the electricity market of Romania or Ukraine;

CNTEE TRANSELECTRICA SA ("TRANSELECTRICA"): The Romanian Transmission System Operator, with registered office at 33, Magheru Blvd, Bucharest – 010325, Romania and with the number of the commercial register No: J40/8060/2000. Address for correspondence: 2-4 Olteni Street, RO-030786, Bucharest–3. TRANSELECTRICA;

Nomination means the notification of the use of Daily Cross Zonal Capacity by a Physical Transmission Rights holder and its counterparty, or an authorized third party to the respective Transmission System Operator(s);

Nomination Rules means the rules with regard to the notification of use of Physical Transmission Rights holder and their counterparty, or an authorized third party to the relevant Transmission System Operator(s);

Participation Agreement means the agreement, by which the Parties undertake to comply with the terms and conditions for Cross Zonal Capacity Allocation as contained in these Allocation Rules;

Party/ Parties means the Allocation Platform and/or a Registered Participant referred to individually as Party or collectively as Parties;

Physical Transmission Right means a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time between two Bidding Zones in a specific direction;

Product Period means the time and date on which the right to use the Daily Transmission Right arise;

Registered Participant means a market participant which has entered into a Participation Agreement with the Allocation Platform;

Rights Document means a document containing the information of the maximum amount of allocated Physical Transmission Rights (identified by CAI) that can be nominated by a market participant per Bidding Zone border per hour and per direction, taking into account the volume of Daily Transmission Rights initially acquired, and any possible curtailments which occurred before the issuance of the Rights Document.;

Working Day means the calendar days from Monday to Friday, with the exception of public holidays of Ukraine as specified on the website of the Allocation Platform;

Working Hours means the hours on Working Days specified on the website of Allocation Platform;

EDRPOU means the Code of the Unified State Register of Enterprises and Organizations of Ukraine (Unified State Register of Enterprises and Organizations of Ukraine) is a unique identification number of a legal entity in the Unified State Register of Enterprises and Organizations of Ukraine.

3. In these Allocation Rules, including its annexes, unless the context requires otherwise:
 - (a) the singular indicates the plural and vice versa;
 - (b) references to one gender include all other genders;

- (c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the Allocation Rules;
- (d) the word “including” and its variations are to be construed without limitation;
- (e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;
- (f) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;
- (g) a reference to time is a reference to CET time unless otherwise specified;
- (h) where the Allocation Platform is required to publish any information under these Allocation Rules, it shall do so by making the information or data available on its website and/or via the Auction Tool;

Article 3

Allocation Platform

1. The Allocation Platform shall undertake the allocation functions in accordance with these Allocation Rules and in accordance with applicable European Union and Ukrainian legislation.
2. For the purposes of these Allocation Rules the Allocation Platform shall be the party signing the Participation Agreement with the Registered Participant.
3. The Allocation Platform on the border between Bidding Zones of Ukrenergo and TRANSELECTRICA shall be provided by Ukrenergo, the Ukrainian TSO.
4. For the purpose of the Participation Agreement with the Registered Participant, the Allocation Platform shall publish a consolidated version of these Allocation Rules including the annexes thereto as they enter into force in accordance with the applicable national regulatory regimes. In case of a conflict between the consolidated version by the Allocation Platform and the Allocation Rules including the annexes as entered into force in accordance with the applicable national regulatory regimes, the latter shall prevail.

Article 4

Effective date and application

1. These Allocation Rules shall enter into force in accordance with the applicable national regulatory regimes of Romania and Ukraine and on the date announced by the Allocation Platform.
2. These Allocation Rules apply to Capacity Allocation for Daily Transmission Rights between Bidding Zones of Ukrenergo and TRANSELECTRICA.

CHAPTER 2

Requirements and process for participation in Auctions

Article 5 **General Provision**

1. Market participants may acquire a Daily Transmission Right only from participation in Auctions.
2. The participation in Auctions requires that the market participant:
 - (a) concludes a valid and effective Participation Agreement in accordance with Article 6 to 12; and
 - (b) has access to the Auction Tool in accordance with 14;
 - (c) open escrow account
3. The participation in Auctions requires that market participants, in addition to the conditions set forth in the previous paragraph, comply with the requirements for provision of collaterals as specified in CHAPTER 3.
4. In any case, market participants have to fulfil the obligations as specified in the relevant Chapters of these Allocation Rules.

Article 6 **Participation Agreement conclusion**

1. A market participant at least 9 (nine) Working Days before the first participation in the Auction must declare its intention to enter into a participation agreement by submitting to the Allocation Platform a written signed and duly executed application for joining in the form published on the official website of the Allocation Platform, information and documents provided by this Procedure. All details of the application for accession must be completed, such application may not contain any reservations and must be written signed with a wet signature by an authorized person of the market participant. The application for joining, sent to the auction office by e-mail, is not considered. The Allocation Platform evaluates the completeness of the information provided by the market participant within 7 (seven) working days from the date of receipt of the application for accession.
2. The Allocation Platform shall before the expiration of the seven (7) Working Days deadline ask the market participant to provide any outstanding information which the market participant fails to submit with its Participation Agreement. On receipt of the outstanding information, the Single Allocation Platform shall within an additional seven (7) Working Days review the information and inform the market participant if any further information is required.
3. After receiving and verifying all the necessary information, the auction office within 2 working days the register of a market participant or refusal to register, indicating the reasons for such refusal, and sends such information to the e-mail address of authorized persons of such market participant and publishes on its website information. The agreement on participation in the allocation of capacity shall enter into force on the date of receipt market participant of the notification on granting such a market participant the status of a registered participant.
4. The Auction Platform publishes a list of all registered participants.

Article 7

Form and content of the Participation Agreement

1. The participation agreement is developed by the auction office and is an accession agreement. The Participation Agreement and the application for joining are posted on the official website of the Auction Office and may be periodically amended or supplemented by the Auction Office without changing any terms and conditions specified in these Allocation Rules unless otherwise stated in these Allocation Rules.
2. As a minimum, the Participation Agreement will require the market participant to:
 - (a) provide all necessary information in accordance with Article 8 and Article 14; and
 - (b) agree to be bound by and comply with these Allocation Rules.
3. In the event of difficulty of interpretation, contradiction or ambiguity between these Allocation Rules and the Participation Agreement, the text of the Allocation Rules shall prevail.

Article 8

Submission of information

1. When submitting an application for accession, the market participant must provide information and provide the following documents:
 - a. full name and abbreviated name (if any) in accordance with the constituent documents;
 - b. details regarding the beneficial ownership as defined in the relevant legal provisions transposing the national laws of Ukraine and Romania on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;
 - c. a copy of the document confirming the person's authorization from the company and having the authority to participate in auctions in accordance with these Allocation Rules;
 - d. location and address for correspondence;
 - e. official e-mail address and telephone number;
 - f. the registration number of the taxpayer in Ukraine and / or the EU (if any);
 - g. EIC code;
 - h. a certificate of an open escrow account for making payments to such a market participant to be used by the auction office in accordance with these Allocation Rules, in the case of the use of cash collateral;
 - i. duly completed application form (s) for the creation, deletion or adjustment of the registered person's authorized representative's account (not more than three). All sections of the questionnaire (surname, name, patronymic, telephone numbers, e-mail addresses) must contain complete and accurate information.
2. A Registered Participant shall ensure that all data and other information that it provides to the Allocation Platform pursuant to these Allocation Rules (including information in its Participation Agreement) is and remains accurate and complete in all material respects and must promptly notify the Allocation Platform of any change.

3. A Registered Participant shall notify in written form the Allocation Platform if there is any change to the information, submitted in accordance with paragraph 1 of this Article, at least nine (9) Working Days before the change comes into effect and, where that is not possible, without delay after the Registered Participant becomes aware of the change.
4. The Allocation Platform will confirm the registration of the change or send a refusal note of registration of the change to the Registered Participant, at the latest, seven (7) Working Days after the receipt of the relevant notification of change. The confirmation or refusal note will be sent via email the contact person specified by the Registered Participant in accordance with paragraph 1 of this Article. If the Allocation Platform refuses to register the change, the reason shall be provided in the refusal note.
5. The change becomes valid on the day of the delivery of the confirmation to the Registered Participant.
6. If additional information is required from a Registered Participant as a consequence of an amendment to these Allocation Rules, then the Registered Participant shall submit the additional information to the Allocation Platform within twelve (12) Working Days after the request for such submission by the Allocation Platform.

Article 9

Warranties

1. By the joining to the Participation Agreement the market participant warrants that:
 - (a) it has not commenced any proceedings seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights;
 - (b) no insolvency, bankruptcy or other similar legal proceeding affecting creditors' rights have been commenced in relation to the applicant;
 - (c) no winding-up or liquidation proceedings have been commenced with regard to the applicant; and
 - (d) it has no overdue payment obligations towards TRANSELECTRICA and Ukrenergo.

Article 10

Dedicated Business Account

As part of the submission of the information in accordance with Article 8 and 9, a dedicated Business Account is put at the disposal of the market participant for the purposes of depositing cash collaterals and/or for the purposes of making payments on the basis described in Article 44(2).

Article 11

Acceptance of the Information System Rules

By joining the Participation Agreement the market participant accepts the applicable Information System Rules, as amended from time to time and published on the website of the Allocation Platform.

Article 12

Costs related to the Participation Agreement

All applications to become a Registered Participant and any subsequent participation in Auctions shall be at the Registered Participants' own cost, expense and risk. The Allocation Platform shall not be liable to any person for any cost, damages, or expense in connection with the Registered Participant participating in Auctions unless otherwise explicitly stated in these Allocation Rules.

Article 13

Refusal of application

The Allocation Platform may refuse to enter into a Participation Agreement with a market participant in the following circumstances:

- (a) when the applicant has not submitted a duly completed application for Participation Agreement in accordance with Article 6, Article 7 and Article 8; or
- (b) the Allocation Platform has previously terminated a Participation Agreement with the applicant as a result of a breach of the Participation Agreement by the Registered Participant in accordance with 51(3) and (4) and unless the circumstances leading to termination have ceased to exist or the Allocation Platform is reasonably satisfied that the breach will not occur again; or
- (c) if entering into a Participation Agreement with the applicant would cause the Allocation Platform to breach any condition of any mandatory legal or regulatory requirement; or
- (d) if any of the warranties of the Registered Participant under Article 9 are found to be not valid or false;
- (e) if the applicant is under economic and trade sanctions which may have a significant impact on the Allocation Platform.

Article 14

Access to the Auction Tool

1. The Allocation Platform shall grant access to the Auction Tool free of charge if the following requirements are satisfied:
 - (a) the Registered Participant has signed and delivered a completed form included in the Information System Rules identifying the person(s) for which the user account(s) in the Auction Tool shall be established;

- (b) the Registered Participant has fulfilled the requirements on authentication as set forth by the Information System Rules published by the Allocation Platform; such requirements may technology for authentication purposes.
2. The Allocation Platform shall confirm the creation of the user account or may send a refusal note to the Registered Participant, at the latest, five (5) Working Days after the receipt of the relevant signed and completed form by the Registered Participant. The confirmation or refusal note shall be sent via electronic means as specified by the Single Allocation Platform on its website.
 3. The Allocation Platform shall send the duly justified refusal note if the requirements listed in paragraph 1 of this Article are not fulfilled and access to the Auction Tool will not be granted.

Article 15

Regulatory and legal requirements

It is the responsibility of each market participant to ensure that it complies with appropriate national legislation Ukraine and Romania, including requirements of any relevant competent authority, and obtained all necessary authorisations in connection with its participation in Auctions or the use of Daily Transmission Rights.

CHAPTER 3

Collaterals

Article 16

General provisions

1. Registered Participants shall provide collaterals in order to secure payments to the Allocation Platform resulting from Auctions of Daily Transmission Rights.
2. Only the following forms of collaterals shall be accepted:
 - (a) a Bank Guarantee;
 - (b) a cash deposit in a dedicated Escrow Business Account.
3. Collaterals may be provided in one of the forms mentioned in paragraph 2 of this Article or a combination of these forms, provided that the Allocation Platform is entitled as beneficiary to the full collateral.
4. Credit Limit shall always be greater or equal to zero.

Article 17

Form of cash deposit

1. For a collateral provided in the form of a cash deposit, cash is deposited in a escrow account at a financial institution selected by the Allocation Platform.
2. Using of cash deposits can be made only in cases provided for by these Allocation Rules.
3. The Agreement for escrow account must contain:
 - (a) the right of an authorized bank to contractual write-off (transfer) of funds from this account for the payment requirement of the auction office, in case of payment made under these Rules of allocation;
 - (b) the right to transfer funds from this account only with the permission of the auction office;
 - (c) the right of an authorized bank to contractually credit funds for this account with the payment order of the auction office, in the case of payments made under these Allocation Rules;
 - (d) Access to the auction office for information on the funds available on this account.
4. The Financial collaterals for participation in the auction must be provided to the escrow account before the expiration of the Bidding Period for an Auction:
 - in the national currency of Ukraine at the exchange rate of the National Bank of Ukraine against the euro for registered participants - residents of Ukraine;

- in euros for registered participants - non-residents.

Article 18

Form of Bank Guarantee

1. Collaterals that are provided in the form of a Bank Guarantee shall comply with the following specifications:
 - (a) the Bank Guarantee shall be provided in the form of the template that is available on the website of the Allocation Platform and updated from time to time or in a form that substantially follows the template;
 - (b) Regulations on the Procedure for Banks to Operate Guarantees in National and Foreign Currencies, approved by the Resolution of the Board of the National Bank of Ukraine of 15 December 2004 № 639, registered with the Ministry of Justice of Ukraine on 13 January 2005 on № 11/10321, subject to requirements (restrictions) set out in this section
 - (c) be presented in Ukrainian for guarantor banks that are residents of Ukraine, or in English for guarantor banks that are non-residents Ukrainian;
 - (d) the Bank Guarantee covers all Auctions organized by the Allocation Platform subject to these Allocation Rules;
 - (e) the Bank Guarantee shall allow partial and multiple drawing by the Allocation Platform, up to the maximum amount guaranteed;
 - (f) the Bank Guarantee shall provide for payment upon first request of the Allocation Platform. It shall further provide that, if the Allocation Platform calls upon the Bank Guarantee, the bank shall pay automatically without any other condition than the receipt of a written demand by registered letter from the Allocation Platform.
 - (g) the Bank Guarantee shall be irrevocable, unconditional and non-transferable;
 - (h) the bank issuing the Bank Guarantee shall be permanently established, including via a branch in a EU member state, European Economic Area, Switzerland or Ukraine;
 - (i) the bank issuing the Bank Guarantee or the financial group it belongs shall have a long-term credit rating of not less than BBB + by Standard and Poor's Corporation, BBB + by Fitch or Baa1 by Moody's Investors Service Inc., excluding Ukrainian financial institutions . If the rating requirement is not fulfilled by the issuing bank itself but by the financial group to which it belongs, the issuing bank shall provide the Allocation Platform with a parental guarantee or an equivalent document issued by the financial group. If the issuing bank or the financial group, the issuing bank belongs to ceases to have the required long term credit rating, the Registered Participant shall within five (5) Working Days submit to the Allocation Platform a substitute Bank Guarantee by a bank complying with the required long term credit rating or replace the Bank Guarantee by deposit. A Ukrainian bank issuing a bank guarantee should not be included in the list of legal entities subject to special economic or other restrictive sanctions by the state authorities of Ukraine, the United States or the EU. If there are industry-wide downgrades of financial institutions, the Single Allocation Platform may investigate what the new standards are and, if deemed necessary, decrease the required rating for a limited period of time, informing TSOs, who shall then inform the relevant regulatory authorities.

- (j) the bank issuing the Bank Guarantee shall not be an Affiliate of the Registered Participant for which the Bank Guarantee is issued.
2. A Bank Guarantee shall contain the following:
- (a) a maximum amount guaranteed;
 - (b) the Allocation Platform's identification as beneficiary, as specified on the website of the Allocation Platform;
 - (c) the Allocation Platform's bank account, as specified on the website of the Allocation Platform;
 - (d) the Allocation Platform's bank's address, as specified on the website of the Allocation Platform;
 - (e) the Registered Participant's full identification, including name, address, commercial/company register;
 - (f) full identification of the providing bank; and
 - (g) the name of the currency in which the guarantee is provided;
 - (h) the amount of the guarantee in figures and words;
 - (i) the name of the currency of the payment, if different from the currency in which the guarantee is provided;
 - (j) the expiry date or the circumstances in which the bank guarantee expires;
 - (k) the conditions under which the beneficiary is entitled to claim payment under the bank guarantee and the conditions for the content of such claim (if applicable);
 - (l) conditions for reducing / increasing the amount of the bank guarantee (if applicable);
 - (m) information on the authorized person (s) of the guarantor bank that issued the bank guarantee and his / her signature (s) (in the case of a paper bank guarantee) form) or qualified electronic signature (s) affixed to the bank guarantee (for the case of a bank guarantee in electronic form).
3. The Registered Participant shall submit the Bank Guarantee at least four (4) Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.
4. The Allocation Platform shall accept the Bank Guarantee provided by a Registered Participant if the Bank Guarantee is provided in paper form or in electronic form in line with the specifications set out in paragraph 1 to 2 of this Article and the original of the Bank Guarantee has been received by the Allocation Platform.
5. The Allocation Platform shall confirm the acceptance of the Bank Guarantee or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the original of the Bank Guarantee. The confirmation or refusal note shall be sent via electronic means as specified by the Single Allocation Platform on its website. The refusal note shall include reasoning for refusal.

Article 19

Validity and renewal of the Bank Guarantee

1. Collaterals in the form of a Bank Guarantee shall be valid for the minimum periods for product(s) with a duration of more than one month, until at least thirty (30) days after the end of each next calendar month within the Product Period(s).
2. The Registered Participant shall replace or renew the collaterals in form of a Bank Guarantee to fulfil the requirements of paragraph 1 of this Article at least four (4) Working days before the expiry of the validity of the collaterals.

Article 20

Credit Limit

1. The Allocation Platform shall calculate and continuously update the Credit Limit of each Registered Participant in respect of each subsequent Auction. The Credit Limit shall be equal to the amount of the collaterals in place minus any outstanding payment obligations. In case of a Bank Guarantee such Bank Guarantee shall be only considered if the requirements in Article 19. The Allocation Platform shall make this information available to each Registered Participant individually through the Auction Tool.
2. Outstanding payment obligations are calculated according to Article 42 subject to additional rules in paragraph 3 to 5 of this Article and in Article 28.
3. For the purpose of the Credit Limit calculation, outstanding payment obligations shall be increased to include the taxes and levies in force subject to Article 43.
4. Maximum payment obligations for a Registered Participant resulting from its Bid(s) registered at the closure of the Bidding Period, calculated according to Article 28, shall be considered provisionally as the outstanding payment obligations. From the publication of the Auction results the due amount notified according to Article 30 paragraph 3(b) and (c) shall be considered as outstanding payment obligations for Credit Limit calculation for any concurrent Auction. The Credit Limit shall be revised based on the actual allocated Daily Transmission Rights.

Article 21

Modifications of the collaterals

1. A Registered Participant may request in written form an increase of the collaterals in form of a Bank Guarantee, a decrease of the collaterals in form of a Bank Guarantee and/or cash decrease deposit or change of the form of the collaterals at any time in accordance to paragraphs 2 and 3 of this Article.
2. A decrease of the collaterals of a Registered Participant shall only be allowed if the Credit Limit after applying the requested decrease of the collaterals would be greater than or equal to zero.
3. The Allocation Platform shall accept the modification of the collaterals if the request for a modification of collaterals is compliant with the condition set out in paragraph 2 of this Article in case of a decrease or with the conditions set out in Article 18 and Article 19 in case of an increase of collaterals in the form of a Bank Guarantee and in case of a change in the form of the collaterals from cash on deposit to Bank Guarantee.

4. The modification of the collaterals shall become valid and effective only when the Allocation Platform has made the requested modification of the collaterals of the Registered Participant within the Auction tool.
5. The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the latest, , four (4) Working Days after the receipt of the request. The confirmation or refusal note shall be sent via electronic means as specified by the Single Allocation Platform on its website. The refusal note shall include reasoning for refusal.

CHAPTER 4

Auctions

Article 22

General provisions for Auctions

1. The Allocation Platform shall allocate Daily Transmission Rights to Registered Participants by way of Explicit Allocation. Prior to the Auction the Allocation Platform shall publish Auction Specification.
2. The Auctions shall be organised via the Auction Tool. Each Registered Participant fulfilling the requirements for participating in the Auction may place Bids in the Auction Tool until the relevant deadline for placing Bids in the Auction expires according to the respective Auction Specification.
3. After the relevant deadline for placing Bids in the Auction has expired, the Allocation Platform shall evaluate the Bids including against the respective Credit Limits of the Registered Participants. The results of the Auction will be notified to Registered Participants via the Auction Tool.
4. Daily auctions are held every calendar day for the next delivery day during the year.

Article 23

Capacity Allocation timeframe and form of product

The Capacity Allocation timeframe subject to these Allocation Rules and subject to product availability is daily timeframe which consists of each individual hour throughout 24 hours of a calendar day (23/25 hours in the transition to summer / winter time). In an Auction Physical Transmission Rights are allocated separately for each individual hour of the Product Period therefore different amounts of MW per hour may be offered and separate Bids may be placed and different amounts of MW per hour may be allocated. Daily offered capacity determined in accordance with methodology of the Allocation Platform published on the website.

Article 24

Auctions Specification

Auction Specification shall state in particular:

- (a) the code identifying the Auction in the Auction Tool;
- (b) identification of the Bidding Zone border(s) and direction covered;
- (c) the Product Period;
- (d) the Bidding Period
- (e) the deadline for the publication of the Auction results
- (f) Offered Capacity;
- (g) any other relevant information or terms applicable to the product or the Auction.

Article 25
Bids submission

1. The Registered Participant shall submit a Bid or set of Bids to the Allocation Platform in accordance with following requirements:
 - (a) it shall be submitted electronically using the Auction Tool and during the Bidding Period as specified in the Auction Specification;
 - (b) it shall identify the Auction via an identification code as specified in Article 24 paragraph 2 (a);
 - (c) it shall identify the Registered Participant submitting the Bid through its EIC code;
 - (d) it shall identify the Bidding Zones border and the direction for which the Bid is submitted;
 - (e) it shall state the Bid Price, which shall be different for each Bid of the same Registered Participant, exclusive of taxes and levies, in Euros per MW for one hour of the Product Period, i.e. Euro/MW and hour, expressed to a maximum of two (2) decimal places, and equal to or greater than zero;
 - (f) it shall state the Bid Quantity in full MW which must be expressed without decimals, minimum amount of a single Bid is one (1) MW.
2. The Registered Participant may modify its previously registered Bid or set of Bids at any time during the Bidding Period including its cancellation. In case the Bid has been modified only the last valid modification of the Bid or set of Bids shall be taken into account for the Auction results determination.
3. If a Bid Quantity, or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction, by a Registered Participant exceeds the Offered Capacity announced in the Auction Specification, this Bid or these Bids shall be completely rejected. Where a modification of previously submitted Bids results in exceeding the Offered Capacity, the modification shall be rejected and the previously registered Bids will stand.
4. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the relevant Offered Capacity announced after the Bids submission, the Bids with the lowest Bid Price will be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity. The Bids with the same Bid Price submitted by one Registered Participant shall be rejected.
5. The above mentioned process shall apply to each of the Daily Auction products.

Article 26
Bid registration

1. The Allocation Platform shall not register a Bid that:
 - (a) does not comply with the requirements of Article 25; or
 - (b) is submitted by a Registered Participant who is suspended in accordance with Article 50.

2. Provided that a Bid or a set of Bids fulfils the requirements set forth in Article 25, the Allocation Platform shall confirm to the Registered Participant that such Bid(s) have been correctly registered by an acknowledgment of receipt via the Auction Tool. If the Allocation Platform does not issue an acknowledgment of receipt for a Bid, such Bid shall be deemed not to have been registered.
3. The Allocation Platform shall notify a Registered Participant whose Bid is rejected as invalid and the reason for this rejection, without undue delay after the Bid is rejected.
4. The Allocation Platform shall maintain a record of all valid Bids received.
5. Each valid Bid registered at closure of the Bidding Period shall constitute an unconditional and irrevocable offer by the Registered Participant to buy Daily Transmission Rights up to the Bid Quantity and at prices up to the Bid Price and under the terms and conditions of these Allocation Rules and the relevant Auction Specification.

Article 27

Default Bid

1. The Registered Participant has the option to place default Bids for Auctions.
2. A default Bid, once identified as such by the Registered Participant, shall apply automatically to each subsequent Daily Auction as defined by the Registered Participant when placing the default Bid. At the opening of a relevant Bidding Period, the registered default Bid shall be considered as a Bid submitted by the Registered Participant for the Daily Auction. This Bid shall be considered as a delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.
3. If a default Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several default Bids submitted for the same Auction by a Registered Participant exceeds the final Offered Capacity, the Bids with the lowest Bid Price shall be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity . The Auction Tool does not allow submission of Bids with the same Bid Price by one Registered Participant. The Bids with the same Bid Price submitted by one Registered Participant shall be rejected.
4. A Registered Participant who wants to modify a default Bid for a future Auction shall change the Bid Quantity and the Bid Price of its default Bids before the applicable Auction Bidding Period opening.
5. A Registered Participant not wishing to submit the default Bid on the Auction Tool for future Auctions can cancel its default Bids before the subsequent Auction Bidding Period opening.

Article 28

Credit Limit verification

1. Upon submission by a Registered Participant of a Bid or set of Bids to the Auction Tool the Allocation Platform shall check whether the maximum payment obligations (MPO) connected with that Registered Participant's registered Bid(s) calculated according to paragraphs 4 and 5 of this Article at the time of Bid(s) submission exceed the Credit Limit. If the maximum payment obligation connected with such registered Bids exceed the Credit Limit, the Allocation Platform shall issue automatically via the Auction Tool a warning to the Registered Participant to modify the Credit Limit. Bids shall not be rejected automatically if the maximum payment obligation

attributed to registered Bids exceeds the Credit Limit at Bid submission but only after the process described in paragraph 2 of this Article.

2. At closure of the Bidding Period the Allocation Platform shall check again whether the maximum payment obligations connected with registered Bids calculated according to paragraph 5 of this Article exceed the Credit Limit. If the maximum payment obligations connected with these Bids exceed the Credit Limit, these Bids, starting with the Bid with the lowest Bid Price, shall be one (1) by one (1) excluded, until the maximum payment obligations are less than or equal to the Credit Limit.
3. The Allocation Platform shall indicate insufficient collaterals as the reason for the Bid exclusion in the Auction results notification to the Registered Participant.
4. The Allocation Platform shall continuously assess all the Bids irrespectively to which Auction and with regard to which Bidding Zone border and direction they are submitted. In case of Bids connected with various and overlapping Auctions the Allocation Platform shall consider all calculated maximum payment obligations as outstanding payment obligations according to Article 20
5. For the calculation of the maximum payment obligations related to one Bidding Zone border and direction the Allocation Platform shall sort the registered Bids of a Registered Participant by Bid Price in descending order (merit-order). Bid 1 shall be the Bid with the highest Bid Price and Bid n shall be the Bid with the lowest Bid Price. The Allocation Platform shall calculate the maximum payment obligations according to the following equation:

$$MPO = \sum_{hours} \text{Max} \left[\text{Bid Price (1)} * \text{Bid Quantity (1)}; \text{Bid Price (2)} * \sum_{i=1}^2 \text{Bid Quantity (i)}; \dots \right. \\ \left. \dots; \text{Bid Price (n - 1)} * \sum_{i=1}^{n-1} \text{Bid Quantity (i)}; \text{Bid Price (n)} * \sum_{i=1}^n \text{Bid Quantity (i)} \right]$$

6. When calculating the maximum payment obligations according to paragraph 5 of this Article, the Allocation Platform shall also take increase of the maximum payment obligations with applicable taxes and levies in force subject to Article 43).

Article 29

Auction Results Determination

1. After the expiration of the Bidding Period for an Auction and the Credit Limit verification pursuant to Article 28, the Allocation Platform shall determine the Auction results and allocate the Daily Transmission Rights in accordance with this Article.
2. The Auction results determination shall include the following:
 - (a) determination of the total quantity of the allocated Daily Transmission Rights per Bidding Zone border and direction;
 - (b) identification of winning Bids to be fully or partially satisfied; and
 - (c) determination of the Marginal Price per Bidding Zone border and direction.

3. The Allocation Platform shall determine the Marginal Price at each Bidding Zone border and direction based on the following criteria:
 - (a) if the total quantity of Cross Zonal Capacity for which valid Bids have been submitted is lower than or equal to the relevant Offered Capacity for the relevant Auction, then the Marginal Price shall be zero;
 - (b) if the total quantity of Cross Zonal Capacity for which valid Bids have been submitted exceeds the relevant Offered Capacity for the relevant Auction, the Marginal Price shall be set at the lowest Bid(s) Price(s) allocated in full or in part using the respective Offered Capacities.
4. If two (2) or more Registered Participants have submitted for one Bidding Zone border and direction valid Bids with the same Bid Price, that cannot be accepted in full for the total requested quantity of Daily Transmission Rights, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Daily Transmission Rights per Registered Participant as follows:
 - (a) the Cross Zonal Capacity available for the Bids which set the Marginal Price shall be divided equally between the number of the Registered Participants which submitted these Bids;
 - (b) in case the quantity of Daily Transmission Rights requested by a Registered Participant at Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;
 - (c) in case the requested quantity of Daily Transmission Rights by a Registered Participant at Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;
 - (d) any remaining Cross Zonal Capacity after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.
5. Whenever the calculation set forth in paragraphs 3 to 4 of this Article does not result in a whole MW amount in accordance with Article 25 paragraph 1(f), the Daily Transmission Rights shall be rounded down to the nearest full MW. The case when Daily Transmission Rights allocated to individual Registered Participants are equal to zero after rounding shall not impact the Marginal Price determination.
6. The Daily Transmission Rights are deemed to have been allocated to a Registered Participant from the moment the Registered Participant has been informed of the Results.. In the event that the Auction was not successfully performed, the fallback procedures as set forth in CHAPTER 8 shall apply.

Article 30

Notification Auction results

1. The Allocation Platform shall publish on the Auction Tool or/and on the website the Auction results as soon as possible but not later than specified in the final Auction Specification.

2. The publication of the Auction results for the each direction of the Bidding Zone border included in the Auction shall comprise at least the following data:
 - (a) total requested Daily Transmission Rights in MW;
 - (b) total allocated Daily Transmission Rights in MW;
 - (c) Marginal Price in Euros/MW per hour;
 - (d) number of Registered Participants participating in the Auction;
 - (e) list of names and number of Registered Participants who placed at least one winning Bid in the Auction;
 - (f) list of registered Bids without identification of the Registered Participants (bid curve); and
 - (g) Congestion Income per Bidding Zone.
3. No later than 30 minutes after the publication of the Auction results the Allocation Platform shall make available via the Auction Tool to each Registered Participant who submitted a Bid to a specific Auction for each Bidding Zone border included in the Auction at least the following data:
 - (a) allocated Daily Transmission Rights for each hour of the Product Period in MW;
 - (b) Marginal Price in Euros/MW per hour; and
 - (c) due amount for allocated Daily Transmission Rights in Euro, rounded to two decimal places; and
 - (d) CAI assigned to the allocated Daily Transmission Rights
4. In the event that the Auction Tool is unavailable, the Allocation Platform shall inform the Registered Participants of the Auction Results in accordance with CHAPTER 8.

CHAPTER 5

Returned Daily Physical Transmission Rights

Article 31

General Provision

1. Return of Daily Physical Transmission Rights is not allowed.

CHAPTER 6

Use Daily Physical Transmission Rights

Article 32

General principles

1. The daily Transmission Rights can not be transferred, shall be subject to the Use it or lose (UIOLI) it principle.
2. The holder of allocated Daily Transmission Rights may nominate the Physical Transmission Rights for its physical use in accordance with Article 33.

Article 33

Nomination of Daily Transmission Rights

1. Persons eligible to nominate Daily Transmission Rights shall fulfil the requirement described in applicable Nomination Rules. Eligible persons may be the following:
 - (a) the Physical Transmission Rights' holder; or
 - (b) the person notified by the Physical Transmission Rights' holder during the Nomination process to the respective TSOs in line with the relevant Nomination Rules;
 - (c) the person authorised by the Physical Transmission Rights' holder to nominate in line with the relevant Nomination Rules and notified to the Allocation Platform.
2. The Allocation Platform shall provide on its website an overview of the options listed in paragraph 1 of this Article which are applicable on Ukrainian – Romanian Bidding Zone border.
3. The Nomination shall be done in compliance with the Rights Document.
4. The Allocation Platform shall publish a list with the relevant Nomination Rules for the Bidding Zone borders on its website.
5. The nomination deadlines for respective Bidding Zone borders are set forth in the relevant Nomination Rules. The Allocation Platform shall publish information on Auction Tool or website on the nomination deadlines per Bidding Zone border. In case of any discrepancy between the deadlines published by the Allocation Platform and those of the valid and legally binding relevant Nomination Rules, the latter shall prevail and the Allocation Platform shall not be held liable for any damages due to such a discrepancy.

Article 34

Rights Document

1. The Rights Document shall contain the information about the volume in MW that eligible persons are entitled to nominate at specific Bidding Zone borders and directions and hours.
2. The Allocation Platform shall send the Rights Document daily and no later than 30 minutes after the Auciton results have been nofified to the Registstered Participant to the eligible person according to Article 33(1) a).

CHAPTER 7

Fallback Procedures

Article 35

General provisions

1. The Allocation Platform shall, to the extent reasonably practicable organize a fallback procedure in case of failure of a standard process:
 - (a) introduction of a fallback procedure for data exchange according to Article 36;
 - (b) introduction of a fallback procedure for eligible person notification to the Allocation Platform, according to Article 37;
 - (c) another ad hoc fallback procedure if considered appropriate by the Allocation Platform to overcome any technical obstacles.
2. The Allocation Platform shall inform Registered Participants of possible deviations from the standard processes and the application of a fallback procedure via email and the Allocation Platform's website and using the Auction Tool.
3. Registered Participants shall immediately inform the Allocation Platform of any observed problems with the use of the Auction Tool and all potential consequences via e-mail. In case of an urgent problem, which shall be solved immediately and which is identified during Working Hours, the Registered Participant shall immediately contact the Allocation Platform by phone at the telephone number indicated on the website of the Allocation Platform for this type of problems.

Article 36

Fallback procedure for data exchange

1. In case of a failure of the standard processes for data exchange via the Auction Tool as described in these Allocation Rules, the Allocation Platform may inform Registered Participants that a fallback procedure for data exchange may be used as follows:
 - (a) by the applicable deadlines unless otherwise announced by the Allocation Platform the Registered Participant shall request via the Allocation Platform by electronic means as specified by the Allocation Platform on its website to enter the relevant data into the Auction Tool by using this fallback procedure for data exchange;
 - (b) with the request the Registered Participant shall provide to the Allocation Platform in the format specified in the Information System Rules the relevant data to be entered in the Auction Tool;
 - (c) the Allocation Platform shall enter the submitted data into the Auction Tool;
 - (d) the Allocation Platform may set in Information System Rules an identification process for the Registered Participant at the moment when the Registered Participant submits the relevant operational or commercial data and requests the Allocation Platform to enter this data into the Auction Tool on its behalf by means of the fallback procedure. If the Registered Participant or the person authorized by the Registered Participant for

this purpose does not clearly identify itself, the Allocation Platform shall be entitled not to perform the data entry;

- (e) the Registered Participant shall provide the Allocation Platform with a telephone number, which can be used in case of a necessary communication;
 - (f) once the Allocation Platform has entered the provided data into the Auction Tool on behalf of the Registered Participant, the Allocation Platform shall inform, without undue delay, the Registered Participant by telephone and/or via electronic means as specified by the Allocation Platform on its website of the entry; and
 - (g) the Allocation Platform shall under no circumstances be held responsible if it fails to reach the Registered Participant through the means of communication above.
2. In case of application of the fallback procedure for data exchange, all necessary information which is made available via the Auction Tool during the standard processes may be distributed to the Registered Participants via email by the Allocation Platform, by electronic means as specified by the Allocation Platform on its website or where appropriate published on the website of the Allocation Platform.

Article 37

Fallback procedure for eligible person notification

1. In case of failure in the standard process of eligible person notification to the Allocation Platform via the Auction Tool as set forth in CHAPTER 6, the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 36.
2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for eligible person notification.
3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the eligible person, the eligible person shall be deemed notified as set forth in Information System Rules and the Allocation Platform may not be held responsible for the failure of the fallback procedure.

CHAPTER 8

Curtailment

Article 38

Triggering events and consequences of curtailment on Daily Transmission Rights

1. Daily Transmission Rights may be curtailed in the event of Force Majeure or emergency situation.
2. Each Registered Participant affected by curtailment shall lose its right to nominate for physical use the concerned Physical Transmission Rights.
3. In case of curtailment, the affected Registered Participant is entitled to receive reimbursement or compensation according to Article 40.

Article 39

Process and notification of curtailment

1. In all cases curtailment shall be carried out by the Allocation Platform based on a request by one or both TSO(s) at the Bidding Zone border where Daily Transmission Rights have been allocated.
2. The Allocation Platform shall notify the affected holders of Daily Transmission Rights as soon as possible of a curtailment of Daily Transmission Rights, including the triggering event via email and on the webpage of the Allocation Platform. The notification shall identify the affected Daily Transmission Rights, the affected volume in MW, the triggering events for curtailment as described in Article 38 and the amount of Daily Transmission Rights that remain after the curtailment.
3. The Allocation Platform shall publish the triggering events for curtailment in accordance with Article 38 including their estimated duration on its website as soon as possible.
4. The curtailment of Transmission Rights during a specific time period shall be applied to all Transmission Rights of the concerned periods on a pro rata basis, depending on when the curtailment takes place, which means in proportion to the held Transmission Rights, regardless of the time of allocation.
5. For each affected Registered Participant, remaining aggregate Daily Transmission Rights which have not been curtailed shall be rounded down to the nearest MW.

Article 40

Compensation for curtailments in the event of Force Majeure or emergency situation

1. In cases of curtailment **due to the Emergency situation** the compensation for each affected hour and Registered Participant shall be calculated as the Daily Transmission Rights in MW per hour corresponding to the difference between the allocated Daily Transmission Rights held by the Registered Participant before and after the curtailment multiplied by the price of the Marginal Price of the initial Auction.
2. **In cases of curtailment due to the Force Majeure the compensation does not apply.**

CHAPTER 9

Invoicing and Payment

Article 41

General principles

1. A Registered Participant shall pay the amounts due as calculated in accordance with Article 42 for all Daily Transmission Rights allocated to him.
2. All financial information, prices and amounts payable are determined in euros.
3. Payment for Physical Transmission Rights received as a result of auctions, penalties for late payment shall be deemed to have been made by the Registered Participant after crediting the relevant amount to the Registered Participant's own escrow account. In case of insufficient cash on the escrow account, payment is made to the current account of the Allocation Platform by the guarantor bank at the expense of the bank guarantee.
4. According to the results of auctions Payments must be made:
 - a) in the national currency of Ukraine at the exchange rate of the National Bank of Ukraine against the euro on the date of determining the results of the relevant auction for registered participants - residents of Ukraine;
 - b) in euros on the date of determining the results of the relevant auction for registered participants - non-residents.
5. The Allocation Platform accrues taxes and fees at such a rate and on such terms and conditions that apply on the date of determination of payment obligations in accordance with this Procedure.
6. The Registered Participant shall provide the Allocation Platform with relevant information for justifying whether or not respective taxes and levies are applicable when signing the Participation Agreement as well as any changes in this respect without undue delay. Therefore, the Registered Participant shall inform the Allocation Platform of any local, intra-community or extra-community taxes and levies which are in line with the legislation of the Registered Participant's country of establishment.
7. Primary documents for business transactions between the Allocation Platform and holders of Physical Transfer Rights are issued in Ukrainian for residents, and for non-residents in English and Ukrainian.
8. Primary documents containing information on business transactions are formed in hryvnias for registered participants - residents of Ukraine, and in euros for registered participants - non-residents.

Article 42
Calculation of due amounts

1. Registered Participants shall pay for each of the Daily Transmission Rights in hour allocated to them equal to:

- (a) the Marginal Price (per MW per hour); multiplied by
- (b) the quantity of Daily Transmission Rights in MW allocated in hour.

In the case of curtailment of Physical Transmission Rights, to each holder of Physical Transmission Rights that has been curtailed a compensation is calculated for each curtailed MW multiplied by the marginal price of the initial auction. In this case, the amounts of payments of the owner of Physical Transmission Rights for such Services in the billing month are reduced by the cost of the applied curtailment.

2. The amount payable, together with the applicable taxes and fees and other charges provided for in this Procedure, shall be rounded to two decimal places.
3. Penalty for late payment is accrued daily from the next day of payment until the date of actual payment of the debt in accordance with the terms of the Agreement and is taken into account when determining the credit limit.
4. Allocation Platform calculates the total amount of interest for late payment for the billing month and sends the Registered Participant through the Auction Platform and / or e-mail an invoice (request) for payment of interest.

Article 43
Tax Gross-up

1. Each Registered Participant must settle all payments with respect to the Allocation Rules without any tax deduction, unless a tax deduction is required by law.
2. If a tax deduction is required by law to be made by a Registered Participant, the amount of the payment due from the Registered Participant to the Single Allocation Platform will be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.
3. Taxes for Physical Transmission Rights holders are charged exclusively for cross-section access services provided by the auction office.

Article 44
Invoicing and payment conditions

1. The Allocation Platform receives payments by:
 - (a) contractual debiting of the relevant amount from the Registered Participant escrow account to the current Allocation Platform account;
 - (b) payments to the current account of the Allocation Platform by the guarantor bank at the expense of the bank guarantee.

The Registered Participant must provide at the end of the fifth calendar day of the month following the settlement, in the escrow account funds to pay Physical Transmission Rights received in the settlement month, penalties for overdue payment, for further contractual write-off of Allocation Platform.

2. If the Registered Participant needs to be paid a compensation for the curtailment, the Allocation Platform makes payments by contractually crediting the relevant amount of compensation on escrow Registered Participant in the month following the settlement, within 7 (seven) working days after the publication in the personal account of a detailed calculation of the amount of compensation and on the basis of issued Invoices for the curtailment Physical Transmission Rights.

The Payments to the Registered Participant for the curtailment Physical Transmission Rights from the Allocation Platform must be made:

- (a) in the national currency of Ukraine at the exchange rate of the National Bank of Ukraine against the euro on the date of determining the results of the relevant auctions for residents of Ukraine;
 - (b) in euros on the date of determining the results of the relevant auctions for non-residents.
3. Upon the collection of the payments as set forth in of this Article, the Allocation Platform shall update the Credit Limit accordingly.
4. The Bank fees of the payer's bank shall be covered by the payer. Bank fees of the receiving bank shall be covered by the beneficiary. Bank fees of any intermediary bank, shall be covered by the Registered Participant.
5. The Registered Participant shall not be entitled to offset any amount, or withhold any debts arising in connection with obligations resulting from an Auction, against any claims towards the Allocation Platform, whether or not arising out of an Auction. Nevertheless, the right to offset and the right to withhold are not excluded in case the Registered Participant's claim against the Allocation Platform is established by a legally binding judgement or is uncontested. The decision on the application of offsetting and the right to deduct is agreed with the Allocation Platform. If such a decision is agreed and the relevant payment is received, the Allocation Platform is obliged to make appropriate changes to the credit limit within 1 (one) business day.
6. The amount and total amount of Services and / or curtailment the Physical Transmission Rights provided during the reporting period is confirmed by the relevant invoices.
7. The Allocation Platform, by the 10th (tenth) day of the month following the reporting month, submits invoices to the Registered Participant for signature in person or sends them to the address of its location specified in the Agreement / Application for Participation Agreement or through the information and telecommunication system "UKRENERGO ONLINE".
8. The Registered Participant within 2 (two) working days of receiving the invoice from the Allocation Platform, signs it, seals it (if available) and sends a copy of the invoice or sends it in person to the return address of the Allocation Platform, or through the information and telecommunications system " UKRENERGO ONLINE ". In case of discrepancy of the data on the invoice of the volume of Services provided for the reporting period or

curtailment, return or non-nomination of the Physical Transmission Rights within the same period, provides written reasoned comments to the invoice.

9. If the Registered Participant has substantiated comments on the content of the invoice, such comments shall be removed by the Allocation Platform (if possible) within three working days from the receipt of written comments from the Registered Participant. Once the comments have been removed, the invoice shall be agreed in accordance with paragraph 8 of this Article.
10. If the Allocation Platform does not receive a copy of the invoice signed by the Parties or a reasoned refusal to sign it by the 20th (twentieth) day of the month following the reporting period, such invoice is agreed in the submitted version, and the Services are considered to be of adequate quality. the total amount according to such invoice.
11. The invoices are compiled in paper or electronic form using the QES of the authorized person with the help of the UKRENERGO ONLINE service, which provides legally significant electronic document management.

Article 45

Payment disputes

1. A Registered Participant may dispute the amount of contractual write-off, including any amounts to be credited to the Registered Participant. In this case, the Registered Participant shall notify the nature of the dispute and the amount in dispute to the Allocation Platform as soon as practicable and in any event within fifteen (15) Working Days after the date of of the contractual write-off / crediting or credit note by registered mail and electronic means as specified by the Allocation Platform on its website. Beyond this period, the invoice shall be deemed to have been accepted by the Registered Participant.
2. If the Registered Participant and the Allocation Platform are unable to resolve the difference within ten (10) Working days after the notification, the procedure for the dispute resolution in accordance with Article 49 shall apply.
3. A dispute shall in no way relieve the Party from the obligation to pay the amounts due as set forth in Article 44.

Article 46

Late payment and payment incident

1. If the Registered Participant does not provide on the fifth calendar day of the month following the settlement month, the Escrow account funds for payment of Physical Transmission Rights used in the settlement month and penalty for late payment, for further contractual write-off of Allocation Platform, Allocation Platform shall:
 - (a) on the sixth calendar day of the month following the settlement month, inform the Registered Participant about the registration of the incident with payment in case of non-replenishment of the escrow account within the next three working days after sending such notice, and about the beginning of accrual penalties;

- (b) at the end of the third business day following the day of sending the notification, the Allocation Platform re-checks the adequacy of funds on the escrow account and, if sufficient, performs a contractual write-off.

In case of insufficiency of funds on the escrow account to write off the overdue amount and the availability of a bank guarantee:

- In the month following the settlement Allocation Platform shall perform a partial contractual write-off from the escrow account of the Registered Participant in the amount of the available balance of cash collateral;
 - Allocation Platform initiates the procedure of receiving the appropriate amount from the guarantor bank under the bank guarantee.
2. The Allocation Platform may suspend or terminate the Participation Agreement in case of registered payment incident in accordance with Article 50 and Article 51.
3. In case of late payment or refund, the Parties shall pay interest on the amount due including taxes and levies from the first (1st) day following the date on which the payment was due until the date on which the payment is done. The interest shall be equal to the highest amount of:
- (a) a flat rate of 100 €; or
 - (b) eight (8) percentage points per annum above the reference interest rate as officially published by the of the National Bank of Ukraine and round up to the nearest half percentage point.

The accrual of interest is carried out for each day of delay in payment, taking into account the day of actual payment, cumulatively, in the amount taking into account the discount rate of the National Bank of Ukraine.

If the total amount of the accrual penalty is calculated at the discount rate of the National Bank of Ukraine on the day of payment less than 100 euros, a penalty of 100 euros is applied.

If the total amount of the accrual interest is calculated at the discount rate of the National Bank of Ukraine on the day of payment more than 100 euros, further accrual of interest is carried out in the amount taking into account the discount rate of the National Bank of Ukraine.

Penalty is paid:

- (a) by the Registered Participant through contractual write-off of the relevant amount from the escrow account to the Allocation Platform account;
 - (b) by the Allocation Platform through contractual crediting of the relevant amount to the Escrow account of the Registered Participant;
 - (c) in hryvnias at the exchange rate of the National Bank of Ukraine on the date of debiting the interest from the escrow account - for residents;
 - (d) in euros - for non-residents.
4. The procedure for repaying the Registered Participant's debt to the Allocation Platform is as follows:

- (a) penalty;
- (b) for Physical Transmission Rights.

CHAPTER 10

Miscellaneous

Article 47

Duration and amendment of Allocation Rules

1. The Allocation Rules are applied for the allocation of Daily Transmission Rights between Bidding Zones of Ukrenergo and TRANSELECTRICA and are subject to amendment in accordance with this Article. These Allocation Rules and any amendments thereof shall be consulted upon subject to paragraph 7 of this Article, proposed by the relevant TSOs and enter into force in accordance with the applicable national regulatory regimes. The Allocation Platform shall publish the amended Allocation Rules and send an amendment notice to Registered Participants.
2. Subject to paragraph 7 of this Article, an amendment shall enter into force at the date and time specified in the amendment notice but not earlier than thirty (30) calendar days after the amendment notice is sent to Registered Participants by the Allocation Platform.
3. Each amendment shall apply to all aspects of these Allocation Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.
4. Unless expressly stated otherwise by the Allocation Platform the amended Allocation Rules shall govern all rights and obligations in connection with these Allocation Rules including those acquired before the date of amendment but with the delivery date after the amendment takes effect.
5. Any amendment of these Allocation Rules shall apply automatically to the Participation Agreement in force between the Allocation Platform and the Registered Participant, without the need for the Registered Participant to join a new Participation Agreement but without prejudice to the Registered Participant's right to request the termination of its Participation Agreement in accordance with Article 51(1). By participating in the Auction after the Registered Participant was informed about the changes and/or adaptations of the Allocation Rules and after these changes and/or adaptations of the Allocation Rules entered into force, it is deemed that the Registered Participant has accepted the changed, i.e. the valid and effective version of the Allocation Rules.
6. If required the Allocation Rules and its annexes included thereto shall be periodically reviewed by the Allocation Platform and the relevant TSOs involving the Registered Participants. In case the relevant TSOs consider the amendment of these Allocation Rules as a result of this review, the procedure described in this Article shall apply. This review is without prejudice of the competence of National Regulatory Authorities to request at any time amendments of the Allocation Rules and the annexes included thereto in accordance with the existing legislation.
7. These Allocation Rules are subject to the legislation prevailing at the time at which they take effect. In the event that there is a change in legislation or any action by competent authorities at national or European Union level which have an effect on these Allocation Rules and/or their annexes then, notwithstanding any other provision of these Allocation Rules, the Allocation Rules shall be amended accordingly and pursuant to this Article.

Article 48

Liability

1. The Allocation Platform and the Registered Participants are solely responsible for the fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the Allocation Rules and the Participation Agreement.
2. Subject to any other provisions of these Allocation Rules the Allocation Platform shall only be liable for damages caused by:
 - (a) fraud, gross negligence or wilful misconduct;
 - (b) death or personal injury arising from its negligence or that of its employees, agents or subcontractors.
3. A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a damage that it has caused, which any of them may suffer or incur by reason of any claim by any third party on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with these Allocation Rules.
4. The Allocation Platform and each Registered Participant acknowledges and agrees that it holds the benefit of paragraph 3 of this Article for itself and as trustee and agent for its officers, employees and agents.
5. The Registered Participant shall be solely responsible for its participation in Auctions including but not limited to the following cases:
 - (a) the timely arrival of Bids and transfer and return notifications by the Registered Participant;
 - (b) technical failure of the information system on the side of the Registered Participant preventing the communication via the channels foreseen in accordance with these Allocation Rules.
6. In case of remuneration in accordance with Article 40 or curtailment compensation due to Force Majeure or in emergency situation in accordance with Article 40 Registered Participants shall not be entitled to other compensation than the compensation described in these Allocation Rules.
7. The Registered Participant shall be liable with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on the Allocation Platform for incorrect tax treatment due to wrong or incomplete information provided by the Registered Participant.
8. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 49

Dispute resolution

1. Without prejudice to paragraphs 6 and 8 of this Article, where there is a dispute the Allocation Platform and the Registered Participant shall first seek amicable settlement through mutual consultation pursuant to paragraph 2. For this purpose, the Party raising the dispute shall send a notification to the other party indicating:

- (a) the existence of a Participation Agreement between the Parties;
 - (b) the reason for the dispute; and
 - (c) a proposal for a future meeting, physical or not, with a view to settle the dispute amicably.
- 2. The Parties shall meet within twenty (20) Working Days after the matter has been referred to them and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) Working Days from the date of the aforementioned notification, either Party may refer the matter to the senior management of the Parties to resolve the dispute pursuant to paragraph 3.
- 3. The senior representative of each of the Allocation Platform and the Registered Participant with authority to resolve the dispute shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) Working Days of the meeting or such longer time as may be agreed then the dispute shall be determined by arbitration in accordance with paragraph 4.
- 4. Where a dispute is to be referred to arbitration under paragraph 3, either the Allocation Platform or the Registered Participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration proceedings are conducted at the International Commercial Arbitration Court under the Chamber of Commerce and Industry of Ukraine in accordance with corresponding Procedure. The law governing the Participation Agreement is the substantive law of Ukraine. The Arbitration Court consists of a single arbitrator. The location of the Arbitration Court is Kyiv. The language of arbitration is English or Ukrainian.
- 5. Arbitration awards shall be final and binding on the Allocation Platform and the relevant Registered Participant as from the date that they are made. The Allocation Platform and the Registered Participant shall carry out any award of an arbitration relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.
- 6. Notwithstanding paragraphs 3 and 4 of this Article, the Parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arisen in connection with these Allocation Rules.
- 7. In cases of late payment and notwithstanding Article 46 and paragraphs 1 to 4 of this Article, a Party may bring court proceedings against the other Party for any amount due under or in connection with these Allocation Rules and unpaid for more than twenty (20) Working Days after the date the amounts were due.
- 8. The Parties agree that proceedings referred to in paragraph 6 or paragraph 7 may be brought in any competent court to hear such claim. The Registered Participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum.
- 9. Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Article, the Allocation Platform and the Registered Participant shall continue to perform their respective obligations under these Allocation Rules and the Registered Participant's Participation Agreement.

10. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 50

Suspension of the Participation Agreement

1. The Allocation Platform may by notice to the Registered Participant suspend temporarily the Registered Participant's rights in connection with these Allocation Rules with immediate effect if the Registered Participant commits a major breach of an obligation in connection with these Allocation Rules which may have a significant impact to the Allocation Platform as follows:
 - (a) if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform pursuant to Article 46;
 - (b) any breach which may have a significant financial impact to the Allocation Platform;
 - (c) the Allocation Platform has reasonable grounds to believe that the Registered Participant no longer satisfies one or more of any other conditions to participate in Auctions according to these Allocation Rules unless termination applies according to 0.
2. In any case of a minor breach in relation to these Allocation Rules such as but not limited to the failure of the Registered Participant to notify a change in the submitted information in accordance with Article 8, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant's that its rights in connection with these Allocation Rules may be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed without that such remedy has taken place. After the suspension takes effect in accordance with paragraphs 1 and 2 of this Article, the suspended Registered Participant may no longer participate in an Auction.
3. The Allocation Platform may withdraw a notice under paragraphs 1 or 2 of this Article at any time. Having given a notice under paragraphs 1 or 2 of this Article, the Allocation Platform may give a further or other notice at any time in respect of the same or a different suspension event.
4. Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to its ability to participate in Auctions and gives a notice to the Registered Participant.
5. If the Allocation Platform gives a notice to a Registered Participant under paragraph 1 or 2 of this Article, such notice of suspension does not relieve the Registered Participant from its payment obligations under CHAPTER 10.

Article 51

Termination of the Participation Agreement

1. A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Working Days upon receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled.
2. A Registered Participant may terminate the Participation Agreement to which the Registered Participant is a Party for good cause when the Allocation Platform has committed a major

breach of an obligation connected with these Allocation Rules or the Participation Agreement in the following cases:

- (a) where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact;
- (b) where there is a significant breach of the confidentiality obligations in accordance with Article 54.

The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Working Days to remedy the breach. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline.

- 3. If any of the termination events in paragraph 4 occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement. A termination under this paragraph takes effect from the time of the notice or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform until the circumstances of termination continue to exist or it is not sufficiently guaranteed that the breach may not occur again.
- 4. The termination events referred to in paragraph 3 shall be the following:
 - (a) if the rights of the Registered Participant are suspended for longer than thirty (30) Working Days;
 - (b) if a Registered Participant does not qualify for the participation in the Auction as set forth in Article 9;
 - (c) if a Registered Participant repeatedly breaches these Allocation Rules or a Participation Agreement, whether or not the breach is capable of remedy;
 - (d) if a competent authority determines that the Registered Participant has committed a misuse or fraudulent act and requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions; or
 - (e) if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tool (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack).
- 5. After the termination takes effect in accordance with paragraphs 1 to 3 of this Article and from that time, the Registered Participant may no longer participate in an Auction.
- 6. Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these Allocation Rules which arose prior to that termination unless otherwise specified in this Article. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with the Allocation Rules, in respect of all such rights and liabilities. This paragraph

shall apply without prejudice to other remedies available to the Allocation Platform under these Allocation Rules.

Article 52

Force Majeure

1. The Allocation Platform or a Registered Participant, which invokes Force Majeure, shall promptly send to the other Party a notification describing the nature of Force Majeure and its probable duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The Party invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.
2. The affected obligations, duties and rights of a Party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions in accordance with Article 54.
3. Suspension under paragraph 2 is subject to the following:
 - (a) suspension will be of no greater scope and of no longer duration than is required by the Force Majeure;
 - (b) the suspension applies only for so long as the Party invoking to Force Majeure is using reasonable efforts to remedy their inability to perform.
 - (c) The consequences of a Force Majeure event, which is not subject to any discussion or litigation between the Allocation Platform and the Registered Participant can be as the Party invoking Force Majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations during the Force Majeure and when such non-performance or partial performance is due directly to Force Majeure;
4. If the Force Majeure continues for a period longer than six (6) months, the Allocation Platform or each Registered Participant may, by notice to the other given at any time while the Force Majeure continues beyond that period, unilaterally terminate the Participation Agreement. The termination shall take effect ten (10) Working Days after the notice is given or any later date specified in the notice.
5. For avoidance of doubt this Article is without prejudice to the provisions of CHAPTER 9 regarding the curtailment of Daily Transmission Rights.

Article 53

Notices

1. Any notice or other communication to be given under or in connection with these Allocation Rules shall be in Ukrainian and English.
2. Unless otherwise expressly provided in these Allocation Rules, all notices or other communications shall be in electronic form and shall be sent by electronic means as specified by the Allocation Platform on its website and marked for the attention of the other Party's representative as set out in the Participation Agreement or as notified by the Registered Participant from time to time in accordance with Article 8.

3. All notices or other communications shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:
 - (a) the application of the joining the Participation Agreement in accordance with Article 5;
 - (b) the suspension and termination according to Article 50 and Article 51; and
 - (c) the submission of the bank Guarantee in accordance with Article 18 paragraph 3.
4. All notices or other communications shall be deemed to have been received:
 - (a) in the case of delivery by hand, when delivered against receipt; or
 - (b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or
 - (c) in the case of facsimile, on acknowledgement of receipt by the addressee's facsimile receiving equipment; or
 - (d) in the case of sending by electronic means as specified by the Allocation Platform on its website, when delivered to the other party but only if an acknowledgement of receipt is requested and obtained by the Party sending by electronic means as specified by the Allocation Platform on its website.
5. If a notice or other communication has been received outside normal Working Hours on a Working Day), it is deemed to have been received at the opening of business on the next Working Day.

Article 54

Confidentiality

1. The Participation Agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.
2. Subject to paragraph 3 of this Article, the Allocation Platform and each Registered Participant who is a recipient of confidential information in relation to these Allocation Rules shall preserve the confidentiality of such information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.
3. Notwithstanding paragraph 2 of this Article, the Allocation Platform or a Registered Participant may disclose confidential information of a disclosing Party to a third party with the other Party's prior consent expressed in writing and subject to the condition that the receiving Party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in these Allocation Rules directly enforceable by the other Party.
4. Notwithstanding paragraph 2 of this Article the Allocation Platform or a Registered Participant may disclose confidential information of a disclosing Party:
 - (a) to the extent expressly permitted or contemplated by the Allocation Rules;

- (b) to any person who is one of the directors, officers, employees, agents, advisers or insurers of the recipient and who needs to know the confidential information in connection with these Allocation Rules;
 - (c) as far as required in order to comply with applicable national or EU or any other relevant domestic administrative acts such as grid codes;
 - (d) as far as required by a court, arbitrator or administrative tribunal or an expert in the course of proceedings before it to which the recipient is a Party;
 - (e) as may be required by the relevant TSOs for the proper fulfilment of their mission and their obligations in accordance with applicable laws and these Allocation Rules by themselves or through agents or advisers; or
 - (f) as far as required in order to obtain clearances or consents from a competent authority.
5. Moreover, the obligations arising from this Article shall not apply:
- (a) if the Party which receives the information can prove that at the time of disclosure, such information was already publicly available;
 - (b) if the receiving Party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;
 - (c) to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market participant can be deduced;
 - (d) to information whose publication is explicitly provided for by the present Allocation Rules.
6. The obligations of confidentiality in this Article shall remain valid for a period of five (5) years after termination of the Registered Participant's Participation Agreement.
7. The joining of a Participation Agreement and the exchange of confidential information do not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one Party to the other under the terms of these Allocation Rules.

Article 55

Assignment and subcontracting

1. The Allocation Platform may assign, novate or otherwise transfer any of its rights or obligations under a Participation Agreement or these Allocation Rules to another Allocation Platform. The Allocation Platform shall notify the Registered Participants of the change by sending an email with acknowledgment of receipt as soon as possible and in any event at least ten (10) Working Days before the date on which the change takes effect.
2. Registered Participant may not assign, novate or otherwise transfer any of its rights or obligations under its Participation Agreement or these Allocation Rules without the prior written consent of the Allocation Platform.

3. Nothing in this Article shall prevent an Allocation Platform or Registered Participant from entering into a subcontracting agreement in relation to this Allocation Rules. Entry into a subcontracting agreement by a Registered Participant does not relieve the Registered Participant of any obligation or liability under its Participation Agreement or these Allocation Rules.

Article 56

Governing law

These Allocation Rules shall be governed by and construed in all respects in accordance with the law of the location of the registered office of the Allocation Platform unless otherwise specified in the Participation Agreement.

Article 57

Language

The applicable language for these Allocation Rules shall be English. For the avoidance of doubt, where TSOs need to translate these Allocation Rules into their national language, in the event of inconsistencies between the English version published by the Allocation Platform and any version in another language, the English version published by the Allocation Platform shall prevail.

Article 58

Intellectual property

No Party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other Party in connection with these Allocation Rules.

Article 59

Relationship of the Parties

1. The relationship of the Allocation Platform and the Registered Participant is that of service provider and service user respectively. Except as expressly provided in these Allocation Rules, nothing contained or implied in these Allocation Rules constitutes or is deemed to constitute the Allocation Platform or a Registered Participant, the partner, agent or legal representative of the other for any purpose or create or be deemed to create any partnership, agency or trust between the Parties.
2. The Registered Participant acknowledges that neither the Allocation Platform nor any person acting on behalf of or associated with the Allocation Platform makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these Allocation Rules, the Participation Agreements or the disclosed information or otherwise in relation to or in connection with these Allocation Rules, the Participation Agreements and the disclosed information or any transaction or arrangement contemplated by these Allocation Rules, the Participation Agreements and the disclosed Information except as specifically provided in these Allocation Rules or the Participation Agreement.

Article 60

No third party rights

The Allocation Platform and each Registered Participant acknowledge and agree that a person who is not a party to the Participation Agreement between them, including any other market participant, has no rights to enforce these Allocation Rules or the Participation Agreement as between the Allocation Platform and that Registered Participant.

Article 61

Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under these Allocation Rules shall impair or constitute a waiver of such or any other right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under these Allocation Rules.
2. Any waiver of any right, power or remedy under these Allocation Rules must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 62

Entire agreement

These Allocation Rules and the Participation Agreement contain or expressly refer to the entire agreement between the Allocation Platform and each Registered Participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersedes all previous agreements and understandings between the Allocation Platform and each Registered Participant with respect thereto. The Allocation Platform and each Registered Participant acknowledge and confirm that none of them accede to these Allocation Rules or the Participation Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these Allocation Rules or the Participation Agreement.

Article 63

Remedies exclusive

The rights and remedies provided by these Allocation Rules and the Participation Agreement to the Allocation Platform and each Registered Participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of these Allocation Rules and the Participation Agreement. Accordingly, the Allocation Platform and each Registered Participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these Allocation Rules and the Participation Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 64

Severability

If any provision of these Allocation Rules or a Participation Agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration or by order of any competent authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of these Allocation Rules and the Participation Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality. Any invalid, illegal, void and/or unenforceable part(s) or provision(s) shall be replaced by valid, legal and/or enforceable part(s) or provision(s) in order to achieve the intended economic and legal effect.