

**Trading procedure issued based on
Regulations on the organization and functioning of the organized electricity market,
administered by the Romanian Commodities Exchange - S.A.**

CHAPTER I: Purpose and scope of application

Art. 1

(1) This procedure establishes the operational framework for trading electricity on the electricity futures market through electronic trading platforms administered by the Romanian Commodities Exchange - S.A.

(2) The Romanian Commodities Exchange - S.A. reserves the right to develop specific procedures for market sections for trading electricity on the electricity futures market, applicable to the fulfillment of legal obligations by certain categories of market participants. For the avoidance of doubt, these procedures shall apply exclusively to the categories of market participants to whom the respective legal obligations apply.

Art. 2

This procedure establishes provisions regarding:

- a) specific trading requirements on the electricity futures market;
- b) trading mechanisms for the electricity futures market;
- c) the conduct of trading sessions and the stages of the trading process;
- d) order matching;
- e) post-trading methods and guaranteeing of concluded transactions.
- f) the framework for the operation of the Market Making mechanism

Art. 3

This procedure applies to:

- a) participants in the electricity futures market;
- b) the Romanian Commodities Exchange - S.A., as the operator of the electricity futures market.

CHAPTER II: Definitions and abbreviations

Art. 4

(1) For the purposes of this procedure, the terms below have the following meanings:

- a) *framework agreement with the counterparty* - the agreement to accept the clearing member;
- b) *EFET contract* - framework contract for the sale and purchase of electricity established by the European Federation of Energy Suppliers, pre-agreed between market participants;
- c) *standard contract* - a sale and purchase contract specific to electronic trading, representing the total amount of electricity corresponding to a sale/purchase order for the entire delivery period and

the delivery profile of a product, resulting from the multiplication of the average delivery power per settlement interval, the number of settlement intervals in the delivery period of the respective product;

d) *BRM standard contract* - bilateral contract for the sale and purchase of electricity established by the Romanian Commodities Exchange - S.A. for market participants, established following a public consultation process;

e) *market maker* - market participant, designated by BRM on the basis of a specific contract, who introduces simultaneous bids and offers for one or more standardized products seeking to execute the transaction through the double competitive mechanism provided for in Chapter IV, Section 2 of this procedure;

f) *clearing member* - a participant who has undertaken to comply with the counterparty's regulations by signing the clearing member acceptance agreement in relation to transactions carried out through the counterparty;

g) *best price* - price defined as the price of the trading order with the highest execution priority, namely the highest purchase price or the lowest sale price of a tradable product;

h) *market participation conduct procedure* - the specific procedure of the Romanian Commodities Exchange - S.A. for the application of the Regulation, which contains provisions regarding at least the conduct required of market participants, the suspension of market access, and the regime for the submission, administration, and resolution of complaints and requests for the cancellation of transactions, established following a public consultation process;

i) *product* - product defined within the trading system of the Romanian Commodities Exchange - S.A., in accordance with the provisions of the Regulation. Products may include standardized products, flexible forward products, and electricity derivatives settled by physical delivery;

j) *trading report* - statement issued by the trading systems of the Romanian Commodities Exchange - S.A. for each participant for their own transactions, containing complete data on the orders/offers entered and the transactions concluded: the report number, the date of the trading session, the name of the traded product, the quantity per settlement interval and the total traded quantity, expressed in MW, the delivery period, according to the traded product, the identification number of each transaction, the name of the opposite winner, the quality of the participants in the transaction (seller/buyer), the traded quantity expressed in MWh and the winning price of each transaction, the timestamp;

k) *counterparty regulations* - set of rules establishing the settlement and guarantee mechanisms, as well as the rights and obligations of clearing members and counterparties in the trading process through the counterparty;

l) *Regulation* - Regulation on the organization and functioning of the organized electricity market, administered by the Romanian Commodities Exchange - S.A., approved by ANRE President's Order no. 20/2023, as subsequently amended and supplemented;

m) *trading session* - the period during which the trading procedure takes place, in which sell and/or buy orders may be entered, modified, suspended or cancelled and transactions may be concluded - if the matching conditions established by the trading system algorithms are met;

n) *trading systems* - computer systems operated and administered by the Romanian Commodities Exchange - S.A. for the purpose of executing transactions, which apply a set of rules and mechanisms for bidding, negotiation, and trading provided for in this procedure;

(2) The definitions provided in paragraph (1) shall be supplemented by the definitions provided in the Regulation, respectively in the Electricity and Natural Gas Law No. 123/2012, as subsequently amended and supplemented.

Art. 5

The abbreviations used in this procedure have the following meanings:

- a) *ANRE* - National Energy Regulatory Authority;
- b) *BRM* - Romanian Commodities Exchange (S.A.);
- c) *EFET* - European Federation of Energy Traders;
- d) *GTC* - order valid until its effective cancellation, but no later than the expiry date of the respective product;
- e) *Market* - the market for electricity forward contracts;
- f) *TSO* - transmission system operator;
- g) *ZI* - order valid in the current trading session, in which case the order is valid until the close of the trading session in which it was entered.

CHAPTER III: General rules

Art. 6

(1) This procedure applies to trading sessions for standardized products, flexible forward products, and electricity derivatives settled by physical delivery described in the Regulation. The characteristics regarding the duration of delivery, i.e. the start date and end date of delivery, the minimum power per settlement interval, and the daily delivery profile of each product are set out in Annex 2 to this procedure. The list of products available for trading at any given time shall be published and updated periodically by the BRM. Trading shall take place from Monday to Friday in accordance with a schedule published by the BRM on its website.

(2) Products are traded on the basis of orders entered by participants, in accordance with the trading mechanism compatible with the post-trade method chosen by the participant entering the initiating order.

(3) Trading systems allow the following post-trading methods:

- a) conclusion of the contract proposed by the initiating participant . This contract may provide for the counterparty mechanism as a method of settlement and guarantee;
- b) conclusion of the pre-agreed EFET contract. For trading based on EFET contracts, each participant in the organized electricity market shall submit to BRM the eligibility lists established on the basis of the contracts, both for sale and for purchase. The eligibility list shall include a minimum of 4 (four) eligible partners with a credit limit other than zero. Each market participant shall designate a person to be responsible for updating the list of pre-agreed partners for EFET contracts. Eligibility lists accepted prior to the trading session shall be configured in the trading system, if the notification is made reciprocally by any two market participants;
- c) conclusion of the BRM standard contract;
- d) through the counterparty.

(4) Orders seeking to execute the transaction through the post-trade methods provided for in paragraph (3) letters a) and b) shall be traded through the simple competitive mechanism provided for in Chapter IV Section 1 of this procedure.

(5) Orders seeking to execute the transaction through the post-trade methods provided for in paragraph (3) letters c) and d) shall be traded through the double competitive mechanism provided for in Chapter IV Section 2 of this procedure.

Art. 7

(1) BRM shall ensure the firmness of transactions by collecting trading participation guarantees and monitoring the conclusion of the transaction in accordance with the post-trading method initially selected.

(2) In the case of orders seeking to execute the transaction through the post-trading methods provided for in Art. 6 para. (3) letters a), b) and c), in order to be able to register an order, participants shall provide a guarantee to BRM, which is automatically calculated by the trading system as the product of the quantity of electricity in the order, the price of the order entered into the trading platform (excluding VAT) and the standard percentage of 2%, this value being subject to reduction following adjustments in line with market developments and the needs of participants, with prior notification to the latter. In the case of orders traded using EUR as the trading currency, the platform automatically performs the currency conversion at the exchange rate of the National Bank of Romania, communicated for the day of registration of the trading order.

(3) The guarantee referred to in paragraph (2) may be provided in one of the following forms:

a) payment order;

b) a letter of guarantee issued by a bank or a non-bank financial institution.

(4) The guarantee provided in accordance with paragraph (2) by the participants in the account of an order for which a transaction has been concluded shall remain at the disposal of the BRM until a copy of the sale and purchase agreement, in electronic format, signed by the parties to the transaction, is sent to the BRM. The deadline for sending the sale and purchase agreement is no later than 5 working days from the date of the transaction, but no later than 2 calendar days before the start of deliveries. Until its release, the guarantee established in the account of the order on the basis of which a transaction was concluded cannot be used as a guarantee in the case of participation in the trading of another product.

(5) The guarantees provided shall be enforced by BRM in accordance with the provisions of the procedure on market participation conduct, in the event of failure to fulfill the obligations set out in paragraph (4).

(6) After the obligations set out in paragraph (4) have been fulfilled, the guarantee shall be made available to the participant, with the possibility of it being retained by BRM, at the participant's request, for the purpose of registering future orders. (7) Guarantees shall be released within 3 working days of the date of submission of a written request, indicating, for those constituted by payment order, the account and the amount to be released.

(7) Guarantees shall be released within 3 working days from the date of submission of a written request, indicating, for those constituted by payment order, the account and bank where the amounts will be refunded.

(8) In the case of orders seeking to execute the transaction by the post-trade method provided for in Article 6(3)(d), only the guarantees provided for in the counterparty's regulations shall be charged. (9) The parties may request the cancellation of erroneous transactions resulting from human error, in accordance with the provisions of the procedure on market participation conduct.

(9) The parties may request the cancellation of erroneous transactions resulting from human error, in accordance with the provisions of the procedure on market participation conduct.

CHAPTER IV: Trading Rules

SECTION 1: Simple competitive trading mechanism

Art. 8 – Launching the product for trading

(1) The product shall be launched for trading by any participant, in accordance with the rules of participation set out in the Regulations.

(2) In order to launch the product for trading, the participant shall send to the BRM an initiating order, or a co-initiating order in the case of flexible forward products, in accordance with the template provided in Annex 1 to this procedure, mentioning at least the following elements:

a) the name of the participant initiating the order, or the co-initiating participant, in the case of flexible forward products, and/or the authorized representative;

b) the name of the product, according to the list of products available for trading;

c) the quantity proposed for trading;

d) the proposed price at the launch of the product, or the price determination formula, in the case of flexible forward products, with 2 decimal places. For standardized products, the price includes the tariffs for feeding energy into the networks and does not change when these tariffs are updated

e) a statement regarding the possibility of partial/multi-participant trading of the order;

f) the date and time when the trading session is to be held;

g) the proposed contract, which shall also contain the constant delivery profile (delivery schedule) for standard products, or the delivery profile defined by the initiating participant for flexible forward products;

h) any other information and/or documents deemed necessary for the clarity and transparency of the bidding process. For the avoidance of doubt, in the case of flexible forward products, the co-initiating order shall contain the same data as the initiating order for the elements referred to in points b)-c) and e)-g).

(2) The proposed price may be published together with the initiating order or entered into the trading system at the beginning of the trading session, at the participant's discretion.

(3) The initiating order, or co-initiating order in the case of flexible forward products, as well as other related documents, shall be sent in electronic format (by email or as an online form associated with the trading software to a BRM representative).

(4) BRM reserves the right not to validate those initiating orders that are formulated in such a way that they clearly cannot be traded, for example: price and/or quantity clearly disproportionate to a real trading intention, as reasonably assessed by BRM, product with a delivery period prior to the initiation of the order, etc. In such situations, prior to the decision not to validate the order, BRM will request clarifications in a timely manner from the initiator of the order, and if the clarifications and/or corrections regarding the elements of the order are not considered sufficient or complete, the order will not be traded and the non-compliant offer will be published on the website with the reason for rejection.

(5) BRM shall publish the initiating order and the accompanying documents/information on the website at least 3 working days before the date on which the trading session is scheduled. After the publication of the initiating order, participants who wish to submit co-initiating orders have one day to submit their co-initiating offer. BRM will validate the co-initiating order if it fully complies with the characteristics of the initiating order and will publish it at least 2 business days

before the date on which the trading session is scheduled. The co-initiating order is considered under the conditions of a better price offer, i.e., a lower price for the sale offer or a higher price for the purchase offer.

(6) The date and time of the trading session shall be set together with a BRM representative before the documents are submitted and shall be communicated on the website by the time the initiating order is published.

(7) After the co-initiating offers have been submitted and until the opening of the trading session, the initiating participant and the participants with co-initiating offers may modify the price of their own offer only once, solely for the purpose of facilitating the conclusion of transactions, namely upwards, in the case of purchase offers, or downward, in the case of sale offers, and by no more than 5% of the initiating/co-initiating offer with the best price; these changes shall not be disclosed to other participants or to the public before the opening of the trading session.

(8) The trading session shall be organized simultaneously for the initiating offer and qualified co-initiating offers. Responding participants shall have the possibility to negotiate simultaneously with both the initiating offer and the co-initiating offer(s).

Art. 9 - Stages of the trading process

The stages of the auction process are outlined below:

(1) The simple competitive trading mechanism is carried out in three phases, in accordance with the following general criteria regarding order operations:

- A participant may only enter orders in one direction, either sell or buy, depending on their status in the auction and the direction of the initiating order.
- The entry and modification of orders are validated by the trading system provided that the auction participation guarantee calculated by the trading system as a percentage of the value of the trading order multiplied by the quantity and the price of the order entered is in place.
- When entering an order on the trading platform, the participant must select the direction, power per settlement interval, and price in the order ticket, with the remaining elements, such as participant identity, product, and order validity period, being predefined by the trading system. The total quantity calculated in MWh is automatically determined by the trading system by selecting the power per settlement interval in MW from the order ticket.

PHASE I

(2) The initiating participant's order is automatically entered by the trading system at the opening of the auction, in accordance with the conditions of direction, i.e., purchase/sale, quantity, and price, from the initiating offer and cannot be canceled or modified in terms of quantity during the entire auction, including in phases 2 and 3. The initiating participant cannot enter another order into the trading system regardless of the direction and attribute of the initiating order.

(3) The following order operations are permitted in this phase:

- price changes for the initiating order
- entering orders with a direction opposite to that of the initiating order
- price changes to improve the offer for orders opposite to the initiator order

(4) The following order and transaction operations are not permitted during this phase:

- concluding transactions
- order cancellations
- order modifications in the sense of reducing the quantity for orders contrary to the initiating order

PHASE II

(5) During this phase, the following order and transaction operations are permitted:

- price changes for the initiating order
- introduction of orders contrary to the direction of the initiating order
- price changes to improve the offer for orders opposite to the initiating order
- conclusion of transactions

(6) The following order operations are not permitted during this phase:

- cancellation of orders
- order modifications in the sense of reducing the quantity for orders contrary to the initiating order

PHASE III

(7) In this phase, the following order and transaction operations are permitted:

- conclusion of transactions
- price changes for the initiating order

(8) The following order operations are not permitted in this phase:

- entering new orders
- changes of any kind to orders contrary to the initiating order
- canceling orders

(9) With regard to the time validity of orders, the following option is predefined:

- "GTC", in which case the order remains active and executable until the close of the trading session, but no later than the expiration date of *the* respective *product*.

(10) The duration of each auction phase is predefined as 10 minutes. The duration of the phases may be changed following a request from the initiating participant, agreed upon by BRM.

Art. 10. Order matching

The process of matching orders is described below:

- (1) For the initiating participant's initiating sell order, the sell order is matched with a buy order at the same price or a higher price, for the maximum quantity determined by the competition between the quantities mentioned in the two opposite orders, at the best price of the buy order. To the extent that the matching conditions are met for more than two opposite offers, the matching order is determined chronologically, based on the oldest timestamp.
- (2) For sell orders entered by any participant except the initiating participant, the sell order shall be matched with an initiating buy order at the same price or a higher price, for the maximum quantity determined by the competition of the quantities mentioned in the two opposite orders, at the price of the sell order.
- (3) For the initiating buy order of the initiating participant, the buy order shall be matched with a sell order at the same price or a lower price, for the maximum quantity determined by the competition of the quantities mentioned in the two opposite orders, at the best price of the sell order. To the extent that the matching conditions are met for more than two opposite offers, the matching order shall be determined chronologically, based on the oldest timestamp.
- (4) For buy orders entered by any participant except the initiating participant, the buy order shall be matched with an initiating sell order at the same price or at a lower price for the maximum quantity determined by the competition of the quantities mentioned in the two opposite orders, at the price of the buy order.

SECTION 2: Double competitive trading mechanism

Art. 11 – Launching the product for trading

- (1) Products shall be launched for trading at the initiative and by the BRM as follows, so that forward contracts for the following delivery periods are available for trading at any time: week, month, quarter, half-year, and calendar year, as follows:
 - a) the first 4 weeks; - valid only for the counterparty mechanism
 - b) the first 6 calendar months;
 - c) the first 4 calendar quarters;
 - d) the first 2 calendar semesters;
 - e) the first calendar year.

BRM supplements the list of products available for trading by publishing, prior to actual trading, on its website the list of products and the number of delivery periods with new maturities for the delivery periods of week, month, quarter, semester, and calendar year.

In addition, BRM may offer the following delivery periods for trading, with prior announcement on its website:

-
- Calendar month balance
- Weekly balance
- Weekend or extended weekend with public holidays

- Individual days or combinations of consecutive individual days

(2) The trading session through the double competitive mechanism is conducted electronically.

Art. 12 – Launching orders

(1) Orders entered by brokers, starting with the opening of the trading session, are validated only if they cumulatively meet the following conditions:

- a) mention of the quantity per settlement interval, the price, and the validity period of the order;
- b) the existence in the margin account of an amount available greater than or equal to the value of the margin required for trading the order.

(2) The elements entered by the participant when placing the order are:

- a) power (MW) (the minimum tradable power is automatically defined for each product);
- b) the price for each product, with a maximum of 2 decimal places;
- c) the validity period of the order (optional); if not filled in, the system will automatically generate the end date of the trading session. In terms of validity period, orders are of the following types:

DA – valid for the trading session

GTD – valid until a date specified in the order ticket

GTC – valid until canceled

GTSV – valid until a given moment, i.e. until the date and time specified in the order ticket;

d) the condition for executing orders, i.e. without condition or with condition for execution. In terms of the method of execution, orders with a condition for execution are of the following types:

IOC – with immediate execution, either partially or in full. The unexecuted quantity is canceled instantly.

FOK – with immediate full execution. The quantity is executed in full or canceled.

(3) Orders entered may be maintained by brokers as follows:

- a) price modification with a minimum auction step of 0.01;
- b) modification of the quantity per settlement interval;
- c) modification of the order validity period.
- d) modification of the order execution condition.

(4) Orders may also be entered by market makers, provided that they are simultaneous in both directions and fall within the spread and minimum volume communicated by BRM. (5) In the event of partial or full execution, the market maker shall update the orders as soon as possible, but no later than the deadline specified in Annex 3.

(6) Orders entered by market makers are anonymized in the order book, with BRM keeping an internal record within the IT system.

Art. 13 – Trading and matching of orders

(1) Buy and sell orders shall be automatically sorted on the trading platform according to the best price. In the event of a price tie, bids shall be ordered by timestamp, with the oldest being displayed first. The timestamp shall be updated whenever the broker changes the price, quantity, or validity, or in the event of partial execution of an order.

(2) For sell orders, the sell order is matched with a buy order at the same price or a higher price, for the maximum quantity determined by the competition of the quantities mentioned in the two

opposite orders, at the best price of the buy order. To the extent that the matching conditions are met for more than two opposite offers, the matching order shall be determined in descending order starting from the best purchase price, and in the event of equal prices, in ascending order starting from the oldest time stamp.

(3) For buy orders, the buy order shall be matched with a sell order at the same price or at a lower price, for the maximum quantity determined by the competition of the quantities mentioned in the two opposite orders, at the best price of the sell order. To the extent that the matching conditions are met for more than two opposite offers, the matching order shall be determined in descending order starting from the best sale price, and in the event of equal prices, in ascending order starting from the oldest timestamp.

(4) Opposite orders entered by the same market maker cannot be matched.

CHAPTER V: Guarantee rules. Settlement and guarantee through the counterparty

Art. 14.

(1) The guarantee of transaction execution shall be provided in accordance with the terms established in the contract governing each post-trade method provided for in Art. 6 para. (3) a), b) and c), respectively by the counterparty, in the case of the post-trade method provided for in Art. 6 para. (3) d).

(2) The contract governing each post-trade arrangement provided for in Article 6(3)(a) and (c) for standardized forward products, and Article 6(3)(a) for flexible forward products, which provides for a delivery period beginning more than 30 days after the date of its signing, and a delivery period of at least 3 months, shall be concluded in writing. (3) a) for flexible forward products, which provides for a delivery period beginning more than 30 days from the date of its signing, and the delivery period is at least 3 months, must provide for one of the following ways of guaranteeing the performance of the contract:

(i) payment by the buyer of an advance of 5% of the contract value for contracts with a delivery period of more than 6 months and 10% of the contract value for contracts with a delivery period of less than or equal to 6 months. The advance shall be paid into the seller's account within 15 days of the date of conclusion of the contract;

(ii) the buyer shall provide a guarantee covering 5% of the contract value for contracts with a delivery period of more than 6 months and 10% of the contract value for contracts with a delivery period of 6 months or less. The guarantee shall be established and sent to the seller within 15 days of the date of conclusion of the contract;

(iii) the party that chooses the method of guaranteeing the performance of the contract, i.e., the payment of an advance or the provision of guarantees, is the buyer.

(3) Transactions concluded through the post-trade procedure provided for in Article 6(3)(a), (b), and (c), where the parties agree to this method of post-trade guarantee, clearing, and settlement, or in accordance with the provisions of the contract concluded directly, may be accepted by the counterparty provided that both participants whose orders have been matched meet the conditions set out in Article 16 of this procedure and hold sufficient collateral in accordance with the provisions of Article 16 and the counterparty's regulations, otherwise the transaction shall be cancelled. A transaction accepted under the counterparty mechanism shall remain definitively in the counterparty's system. At the end of each day, participants receive the daily post-trade report from the counterparty system regarding their own transactions existing in the counterparty system

for the purpose of data reconciliation. The counterparty shall keep daily records of risks in accordance with the counterparty's regulations until all settlement obligations related to the transaction are closed.

Art. 15

(1) Clearing and settlement is a process of managing and calculating financial positions operated by the counterparty, based on which the amount of collateral is determined to cover the risk of financial loss caused by the failure to fulfill obligations related to open positions as a result of transactions carried out and the amount of payments/receipts resulting from trading activity. This process is carried out in accordance with the counterparty's regulations.

(2) Without prejudice to the role of the counterparty, the transactions carried out determine the firm obligation of the selling participant to deliver the electricity, respectively the firm obligation of the buying participant to take over the electricity, in accordance with the characteristics of the products traded under this procedure.

(3) The execution and guarantee of the transactions carried out shall be in accordance with the counterparty's regulations. In order to benefit from the counterparty trading services, participants must sign the framework agreement with the counterparty, which requires the cumulative fulfillment of the following conditions:

- a) meet the requirements set by the counterparty;
- b) they must meet the conditions set out in the Regulation for participation in the electricity futures market;
- c) provide the guarantees requested by the counterparty;
- d) adhere to the provisions of the counterparty's regulations.

(4) Guarantees are calculated according to the algorithms established by the counterparty and serve to financially support each transaction of a participant. To calculate the guarantee required when trading an order, BRM establishes a level of variation in the price of the order entered during a trading session, calculated in relation to the daily settlement price of the previous day, calculated in accordance with the counterparty's regulations, adjusted in the event of high volatility with the variation during the trading session. For clarity, BRM will take into account, at the time of order entry, the cumulative required guarantees consisting of the initial margin and the variation margin, as defined in the counterparty's regulations.

(5) BRM will calculate the guarantee required for trading the order based on the level of variation of the price variation mentioned in paragraph 2 above, according to the calculation algorithm provided by counterparty regulations.

(6) The counterparty may request additional collateral for trading an order, following an assessment by the counterparty's risk department, if, based on the trading history of the participant concerned, the order shows significant deviations from the previous trading profile, which implicitly makes it impossible to predict the financial capacity of the participant concerned to execute the transaction resulting from that order.

(7) The counterparty shall send the OTS the physical notifications related to the participants in each transaction, as the party responsible for balancing the transactions accepted by the counterparty.

Art. 16

The trading of electricity associated with clearing and settlement services through the counterparty involves only the financial risk that occurs when a member fails to meet its obligation to deposit the guarantee by the set deadline or violates the settlement rules. In this case, the counterparty shall suspend the clearing and settlement services and shall begin to mobilise the available guarantees in accordance with the counterparty's regulations. Rights may only be restored after the participant in question has fully fulfilled its obligations or in accordance with the sanctions imposed by the counterparty.

CHAPTER VI: Specific rules applicable to each product category

Art. 17

For trading standardized forward products, participants may choose to trade directly or through the counterparty. The trading mechanism is the simple competitive mechanism for trading sessions initiated by a participant and the double competitive mechanism for trading sessions organized for standardized products launched for trading by BRM, and the post-trading methods applicable to transactions with standardized futures products are those provided for in Art. 6(3)(a) and (b) for transactions carried out following the application of the single competitive mechanism, and those provided for in Art. 6(3)(c) and (d) for transactions carried out following the application of the double competitive mechanism. For the avoidance of doubt, the post-trade methods set out in Article 6(3)(a), (b), and (c) may, at the option of the parties, provide for the settlement and guarantee of the transaction through the counterparty.

Art. 18

Transactions with flexible forward products shall only be concluded directly between participants. The trading mechanism shall be the simple competitive mechanism, and the post-trading methods applicable to transactions with standardized forward products shall be those provided for in Article 6(3)(a) and (b). For the avoidance of doubt, the post-trading method provided for in Article 6(3)(a) and (b) may, at the option of the parties, provide for the settlement and guarantee of the transaction through the counterparty. For the avoidance of doubt, the post-trade method provided for in Art. 6 para. (3) letters a) and b) may, at the option of the parties, provide for settlement and guarantee through the counterparty.

Article 19

Transactions with electricity derivatives settled by physical delivery shall be concluded only through the counterparty. The guaranteeing, clearing, and settlement of transactions shall be carried out in accordance with the specific procedures and regulations of the counterparty, in relation to which BRM also assumes the role of clearing house. For electricity derivatives settled by physical delivery, the transaction price shall be marked to market on a daily basis, which shall involve updating, based on the daily settlement price, the net differences (favorable and

unfavorable) for each transaction and the daily settlement of the profit or loss resulting from this process. The method of daily mark-to-market is established in the counterparty's regulations.

Art. 20

The minimum number of products within a market segment for which a participant may trade as a market maker, a minimum permissible volume corresponding to firm bids and offers, the spread adjustment mechanism, the minimum mandatory period for maintaining simultaneous buy and sell offers on the market during a trading session, and the maximum time allowed until the offer is updated following a partial and/or total trade of an order shall be agreed in the for market maker activity based on the estimates in Annex 3 to this Procedure. For breach of the obligations assumed, the market maker shall be subject to the sanctions provided for in Article 4 of the Procedure on market participation conduct, as well as those provided for in the Framework Agreement for market maker activity.

Annex 1 to the Procedure

Order template Initiator/Co-initiator

Product_unique_no.

Order type: Sale/purchase

Participant	
Product	
Power (MW)	
Quantity (MWh)	
Quantity adjustment formula*	
Starting price (lei/MWh) or (eur/MWh)**	
Price adjustment formula***	
Delivery period	
Total/partial trading	
Other details	
Proposed date and time for the trading session	

* option applicable to flexible products , with hourly quantity adjustment from the value in the offer, based on a maximum percentage variation of the hourly quantity, which applies at the request of one party, if there is agreement expressed at the time of signing the contract

** option applicable to flexible products, with regard to the minimum price requested in the case of a sale offer, or the maximum price offered in the case of a purchase offer

*** option applicable to flexible products, with the award price adjusted based on a calculation formula depending on the evolution of a public stock market index in the field of electricity

Customer:**Approved**

(First name, last name)

(Authorized signature)

Annex 2 to the Procedure – Product Description

1. Standardized products

The power per settlement interval is 1 MW or a multiple of 1 MW.

The delivery time, delivery period, and delivery profile are as described for each individual product.

CODING	PRODUCT DESCRIPTION
BRM_POWER_BASE_PHFV_ wk-aaaa	Forward contract for electricity delivered in a band (00:00 – 24:00 CET from Monday to Sunday) for a calendar week. The name of the instrument includes data on the week number of the year from 01 to 53 (wk) and the year in which the delivery takes place (yyyy).
BRM_POWER_BASE_PHFV_ mm-yyyy	Forward contract for electricity delivered in a band (00:00 – 24:00 CET from Monday to Sunday), for a period of one calendar month. The name of the instrument includes data on the name of the month of the year (mm) and the year in which delivery takes place (yyyy).
BRM_POWER_PEAK1_PHFV_ mm-yyyy	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Friday) for a period of one calendar month. The name of the instrument includes data on the name of the month of the year (mm) and the year in which delivery takes place (yyyy).
BRM_POWER_PEAK2_PHFV_ mm-yyyy	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Sunday) for a period of one calendar month. The name of the instrument includes data on the name of the month of the year (mm) and the year in which the delivery takes place (yyyy).
BRM_POWER_OFFPEAK_PHFV_ M-mm-yyyy	Forward contract for electricity delivered during off-peak hours (00:00 – 06:00, 22:00 – 24:00 CET from Monday to Friday and 00:00 – 24:00 CET on Saturday and Sunday) for a period of one month. The name of the instrument includes data on the name of the month of the year (mm) and the year in which the delivery takes place (yyyy).
BRM_POWER_BASE_PHFQ_Q n-yyyy	Forward contract for electricity delivered in a band (00:00 – 24:00 CET from Monday to Sunday) for a calendar quarter. The name of the instrument includes data on the number of the quarter of the year (n) and the year in which delivery takes place (yyyy).
BRM_POWER_PEAK1_PHFQ_ Qn-yyyy	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Friday) for a calendar quarter. The name of the instrument includes data on the number of the quarter of the year (n) and the year in which delivery takes place (aaaa).
BRM_POWER_PEAK2_PHFQ_ Qn-aaaa	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Sunday) for a period of one calendar quarter. The name of the instrument includes data on the number of the quarter of the year (n) and the year in which the delivery takes place (yyyy).
BRM_POWER_OFFPEAK_PHFQ_ Q_Qn-aaaa	Forward contract for electricity delivered during off-peak hours (00:00 – 06:00, 22:00 – 24:00 CET from Monday to Friday and 00:00 – 24:00 CET

	on Saturday and Sunday) for a calendar quarter. The name of the instrument includes data on the quarter of the year (n) and the year in which delivery takes place (aaaa).
BRM_POWER_BASE_PHFS_Sn-yyyy	Forward contract for electricity delivered in the band (00:00 – 24:00 CET from Monday to Sunday) for a calendar half-year. The name of the instrument includes data on the number of the half-year in the year (n) and the year in which delivery takes place (aaaa).
BRM_POWER_PEAK1_PHFS_Sn-yyyy	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Friday) for a period of one calendar semester. The name of the instrument includes data on the number of the semester in the year (n) and the year in which delivery takes place (aaaa).
BRM_POWER_PEAK2_PHFS_Sn-aaaa	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Sunday) for a period of one calendar semester. The name of the instrument includes data on the number of the semester in the year (n) and the year in which the delivery takes place (aaaa).
BRM_POWER_OFFPEAK_PHFS_Sn-aaaa	Forward contract for electricity delivered during off-peak hours (00:00 – 06:00, 22:00 – 24:00 CET from Monday to Friday and 00:00 – 24:00 CET on Saturday and Sunday) for a period of one calendar semester. The name of the instrument includes data on the number of the semester in the year (n) and the year in which the delivery takes place (yyyy).
BRM_POWER_BASE_PHFY-yyyy	Forward contract for electricity delivered in the band (00:00 – 24:00 CET from Monday to Sunday) for a period of one year. The name of the instrument includes the year of delivery.
BRM_POWER_PEAK1_PHFY-yyyy	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Friday) for a period of one year. The name of the instrument includes the year of delivery.
BRM_POWER_PEAK2_PHFY-aaaa	Forward contract for electricity delivered during peak load hours (06:00 – 22:00 CET from Monday to Sunday) for a period of one year. The name of the instrument includes the year of delivery.
BRM_POWER_OFFPEAK_PHFY-aaaa	Forward contract for electricity delivered during off-peak hours (00:00 – 06:00, 22:00 – 24:00 CET from Monday to Friday and 00:00 – 24:00 CET on Saturday and Sunday) for a period of one year. The name of the instrument includes the year of delivery.

2. Flexible products

The power per settlement interval is at least 1 MW.

The delivery duration, delivery period, and delivery profile are as described for each flexible product established by the terms of the Initiating Order in Annex 1.

Coding: flexible products traded through the simple competitive trading mechanism on the trading platform will be additionally coded by BRM separately from standardized products, with a unique registration code.

3. Derivatives

Not currently available for trading.

Annex 3

Available products and technical conditions for market making

Available products	Minimum volume	Maximum spread	Quotation period during the trading session	y time for updating the offer following execution
First month	1 MW	20 lei	70	5 minutes
Remaining months	1 MW	30 lei	50	10 minutes
Quarter	1 MW	30 lei	50%	10 minutes
Semester	1 MW	30 lei	30	10 minutes
Calendar year	1 MW	30 lei	30	10 minutes

Note: The spread, the quotation period during the trading session, and the time required to update the offer following execution are estimates and are agreed with each Market Maker individually, depending on their willingness to intervene in the market and the available volumes.