



MARKET RULES FOR THE CENTRALIZED MARKET FOR SALE/PURCHASE OF ELECTRICITY THROUGH BILATERAL CONTRACTS

INDEPENDENT BULGARIAN ENERGY EXCHANGE

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Chapter I **Terms**

- **Independent Bulgarian Energy Exchange EAD /IBEX, the Operator/** – the company which organizes and administrates the centralized market for bilateral contracts /CMBC/.
- **Supplementary agreement**- an agreement settling the parameters of a particular transaction concluded through a Trading screen, an integral part of the Standard Contract for sale/purchase of electricity /SCSPE/.
- **Participation contract for CMBC (Participation contract)** – a contract between the Operator and any legal person expressed will to participate in CMBC.
- **Electricity System Operator EAD (ESO EAD)** – a company holding licenses under art. 39, par. 1, item 2 and item 6 of the Energy Act.
- **Trading screen** – an application for access to the trading platform of CMBC operated by IBEX which allows bids for purchase and/or sale to be submitted and transactions to be concluded.
- **„Auctions” screen** – a trading screen where bids are submitted and transactions are concluded through auctions.
- **„Continuous trading” screen** - a trading screen where participation bids are submitted and transactions are concluded through “Continuous trading” except for bids and transactions for “Hourly products” with a delivery on the following day.
- **„Hourly products” screen** – a trading screen where bids are submitted and transactions are concluded for “Hourly products” with a delivery on the following day.
- **Electricity System Operator EAD /ESO/-** the company which owns the licenses under art. 39 (1) (2) of the Energy Act.
- **Minimum collateral** - collateral provided by a Trading participant in accordance with the Rules and Fee tariff of IBEX which gives the market participant the right to access to the Trading screens.
- **Collateral for participation** - collateral provided by a Trading participant in accordance with the Rules based on which the Financial limit of the Trading participant is calculated and the Trading participant is entitled to submit bids through the Trading screens.
- **Collateral for payment** - collateral provided by a Trading participant in accordance with the Rules after a Transaction concluded on CMBC to secure the payment obligations under a concluded Supplementary agreement.
- **Collateral for good performance** - collateral provided by a Trading participant in accordance with the Rules after a Transaction concluded on CMBC to fulfill the obligations for delivery and acceptance of electricity under a concluded Supplementary agreement.
- **Financial limit**- a mechanism for financial risk management when concluding transactions on CMBC. It reflects the participation collaterals provided and it does not include the Minimum collateral. Trading participants may submit bids for purchase or sale up to the amount calculated based on their Financial limit in accordance with the Rules for the respective Trading screen and in reference with the traded product.
- **Individual terms and conditions** – the terms and conditions of the Request for initiating an auction of Auctions screen or of the current bid of the initiating party submitted to the Trading system in “Continuous trading” screen or “Hourly products” screen and other

additionally agreed terms and conditions, an integral part of the Supplementary agreement.

- **Energy and Water Regulatory Commission (EWRC)** – the regulatory body that issues licenses for the activities referred to in art. 39 of the Energy Act.
- **Buyer** - a Trading participant that has submitted a bid for purchase or concluded a transaction for purchase of electricity.
- **Failure to deliver** – a refusal by the sellers to fulfill their obligations pursuant a Supplementary agreement to a Standard Contract sale/purchase of electricity /SCSPE/SCSPE.
- **“Continuous trading”** – a trading mechanism where during market operation hours participants may continuously submit bids and conclude transactions for purchase and sale of electricity.
- **Failure to accept** – a refusal by the buyer to perform their obligations under a Supplementary agreement to SCSPE related to accepting electricity sold.
- **Valid reason** – an objective fact from reality in whose presence a Supplementary agreement may be early terminated due to but not only: failure to perform a payment obligation, Insolvency, Failure to deliver/accept, Force Majeure, Lack of guarantee and Revocation/Loss of a license.
- **User** – a natural person authorized by the registered trading participant to submit bids on their behalf on CMBC that has been granted access to the trading platform through a username and a password issued.
- **Market rules for the centralized market for sale/purchase of electricity through bilateral contracts (the Rules)** - the Rules regulating the operation of CMBC.
- **Early termination** – termination of a Supplementary agreement before expiry of its term in case of a valid reason.
- **Seller** - a Trading participant that has submitted a bid for sale and concluded a transaction for sale of electricity.
- **Systematic** - established by the Operator two (2) times for a period of 1(one) year.
- **Transaction concluded** - a transaction for purchase and sale of electricity shall be considered as concluded when a bid for purchase and a bid for sale are matched/correspond in the Trading system through any of the Trading screens.
- **Standardized contract for sale/purchase /SCSPE/** – a contract settling the rights and obligations of parties as a result of a transaction concluded on the Trading screen of CMBC.
- **Auction**– an online auction for purchase and sale of electricity initiated by the Trading participant via the trading platform where bids submitted are ranked and transactions are concluded according to the ranking.
- **Trading platform** – an information trading system used for administration of the process for submission of bids and concluding transactions on CMBC.
- **Trading participant** - a legal person that has concluded a Participation contract.
- **Successfully concluded transaction** - a transaction for sale/purchase of electricity concluded through “Continuous trading” and “Hourly products” screens for which the parties have performed all their obligations under the Supplementary agreement.

- **Centralized market for bilateral contracts /CMBC/-** a Centralized market for sale/purchase of electricity through bilateral contracts.

Chapter II Main provisions

- 1.The operator organizes CMBC pursuant to the Energy Act, bylaws adopted in accordance with it and the Rules.
- 2.The rules shall be mandatory for all Trading participants registered on CMBC and the Operator.
- 3.CMBC has been established with a view to providing an opportunity to all registered Trading participants to trade products with varying delivery periods in a transparent and non-discriminatory manner.
- 4.The Operator offers to Trading participants registered on the market to trade through the following Trading screens: Auctions screen, "Continuous trading" screen and "Hourly products" screen.
- 5.The Operator is a party to all transactions concluded through Auctions screen.
- 6.The Operator is not a party to the transactions concluded through the "Continuous trading" screen and the "Hourly products" screen.
- 7.CMBC shall be accessible to all legal entities in the Trading participants register by ESO with an "active" status and that have fulfilled all requirements for registration on CMBC in accordance with the Rules.

Chapter III Purpose of the rules

- 8.The rules set:
 - 8.1 Rights and obligations of the Operator and Trading participants;
 - 8.2 Operational procedures for auction sessions organization;
 - 8.3 Electricity price - setting mechanisms
 - 8.4 The process of management financial risks inherent for trading;

Chapter IV Operation of CMBC

- 9.CMBC:
 - 9.1 Offers to Trading participants products of different load profiles and different terms of delivery;
 - 9.2 Integrates complex mechanisms for calculating the electricity price;
 - 9.3 Provides equality to all Trading participants.
- 10.Main principles of CMBC operation are:
 - 10.1** An open, transparent and non-discriminatory mechanism for electricity trading;

- 10.2 Forming reference prices for all products traded;
- 10.3 Concluding transactions in an easy, fast and secure way.
11. On CMBC only Trading participants are admitted that have concluded a Participation contract with the Operator and whose registration on CMBC has been successfully concluded.
12. Bids for purchase and sale submitted by Trading participants on CMBC shall be anonymous.
13. The information on any bid that is accessible to Trading participants through the Trading platform includes:
 - 13.1 On Auctions screen: the quantity offered and the bid price, except the cases where the initiator has chosen to act in accordance with art. Chapter XI112.7 and art. Chapter XI123.8. The initiator is anonymous.
 - 13.2 On "Continuous trading" screen: the quantity offered, bid price and terms for payment, collaterals and penalties when concluding a transaction/s for the respective bid, the participant that has submitted, the bid remaining anonymous until the transaction has been concluded.
 - 13.3 On "Hourly products" screen: the quantity offered and bid price.
14. All upcoming auctions on CMBC shall be announced simultaneously for all Trading participants through the Trading platform and shall be published on the website of the Operator with a view to securing a maximum level of equality and transparency.
15. The trading platform shall be accessible for trading to Trading participants, each business day, except when there is a technical interruption or software update of which registered participants shall be duly notified by the Operator.
16. All Trading participants on CMBC shall be obliged to conclude SCSPE with Trading participants already registered on the market at their choice as well as with IBEX as a central counter party to all transactions concluded through the Auctions screen.
17. All Trading participants registered on CMBC may initiate auctions and conclude transactions for purchase and sale of electricity in accordance with the provisions of the Rules, the Participation contract and SCSPE.
18. Each bid for purchase or sale submitted in the Trading platform shall be a firm commitment and shall be binding for the Trading participant that has submitted the respective bid.
19. In case of a transaction concluded the Trading participant that has submitted a bid shall be obliged to deliver or to accept the electricity for the defined period, in a quantity and at a price in accordance with the offered terms.
20. With a view to avoiding one and the same bid being published by two Users on behalf of one Trading participant, it is recommended to Trading participants on CMBC to develop internal operational rules where to regulate the way in which different Users of the respective Trading participant may submit bids in the Trading platform.

Chapter V

Registration procedure for CMBC

21. In order to be able to participate in CMBC, applicants should have successfully completed the registration procedure and to have access to the Trading platform.
22. In order to start the registration procedure, applicants shall submit a registration application for CMBC as per a template published by the Operator.

23. The registration application contains as a minimum the following information:
- 23.1 Applicant's full name, VAT identification number, unified identification code under which the legal person is entered into the Registry Agency and unified identification code (UIC);
 - 23.2 The applicant's category as a trading participant pursuant to art. 100 of the Energy Act;
 - 23.3 Management address and contact address of the applicant;
 - 23.4 Name/s and data of the contact person/s who represent the applicant;
 - 23.5 Data on the license held by the candidate pursuant to the Energy Act (license N^o, activity, period);
 - 23.6 Data on EIC and membership in a balancing group;
 - 23.7 Data on the persons/users with an active access - authorized to submit bids on CMBC on behalf of the applicant and the persons with passive access pursuant to art. 36;
 - 23.8 VAT registration certificate;
 - 23.9 Corporate standing certificate as per court registration;
 - 23.10 A declaration that the applicant will purchase electricity for the purposes of its own consumption - it shall be filled in only by electricity consumers;
 - 23.11 A declaration that the applicant has not been declared insolvent, it is not in insolvency proceedings and is not in liquidation proceedings.
24. After filling in the application and the appendices, the document package shall have to be sent to e-mail: otc.application@ibex.bg or to the following address Sofia 1000, 19 Alexander Dondukov Blvd., fl. 7.
25. By sending the application and the information required for registration, the applicant starts a procedure for registration on CMBC.
26. The operator shall consider the registration application within 3 /three/ business days as of the date following the date of submission of the application or in cases under art. 27 as of the date the applicant remedies irregularities.
27. The application shall be verified for compliance with the requirements. In case an irregularity is detected by the Operator, a message is sent to the applicant at the e-mail address provided in the application to remedy it within 3 /three/ business days. The period indicated in art. 26 shall start as of the date of remedying the irregularities by the candidate.
28. If within the period under art. 27 the applicant fails to remedy the irregularities, the application shall not be considered by the Operator and the registration procedure shall be terminated, informing the applicant that the application is not subject to consideration. The applicant shall be entitled to launch a new registration procedure at least 2 (two) months after the previous one has been terminated.
29. During the registration procedure the market Operator may request additional information, including from third parties, related to the applicant's registration.
30. Based on the information received under art. 27 and art. 29 the Operator shall register the applicant or shall terminate the registration procedure.
31. The Operator admits to trading only applicants which it deems capable and suitable to become participants in CMBC and applicants that, based on a grounded assessment of the Operator, do not expose it to reputational or financial risk.
32. The Operator shall refuse registration if the applicant does not meet the conditions set in accordance with these rules, without a right to an objection by the applicant.

33. In case of a refusal of registration of an applicant in accordance with art. 32 the Operator presents the reasons for refusal in writing to the applicant.
34. Upon accepting the registration application, the Operator shall contact the applicant and send them:
- 34.1 A Participation contract which regulates the rights and obligations of the Operator and the trading participant.
 - 34.2 SCSPE.
35. After receiving the contracts under art. 34, the applicant shall have to sign and send them to the official address of the Operator. If within one month after receiving the contracts under art. 34 the Operator has not received signed contracts by the applicant, the registration procedure shall be considered terminated.
36. In accordance with item 23.7 in the registration application each applicant shall list the number of persons (users) that will be authorized to have access to the trading platform:
- 36.1 With active access- users responsible for submitting bids on CMBC on behalf of the respective trading participant;
 - 36.2 With passive access- users that have access to information in the Trading system but may not submit bids.
- Each trading participant upon registration shall have one trading user with an active access and for any additional trading user a fee shall be paid in accordance with the Tariff of IBEX.
37. Each User shall have to complete a training course for operation with the Trading platform and introduction to the Rules for which the respective person shall receive a certificate.
38. Upon signing the contracts under art. 34 the Trading participant shall have to provide a Minimum collateral in the form of a bank guarantee and/or a cash deposit in accordance with art. 61.
39. After signing the contracts under art. 34 the Trading participant shall have to pay the applicable fees and to provide Collateral for participation in the form of a bank guarantee and/or a cash deposit in accordance with art. 61.
40. After signing the contracts under art. 34, completion of training in accordance with art. 37, payment of the applicable fees and payment of the collateral under art. 39 the respective participant shall get access to the Trading platform may submit bids.

Chapter VI

SCSPE

41. SCSPE settles the rights and obligations of the parties as a result of transactions concluded for purchase and sale of electricity through Auctions screen, "Continuous trading" screen and "Hourly products" screen.
42. The Rules and all Supplementary agreements concluded between the parties as a result of transactions effected on CMBC are an integral part of SCSPE and together and in their totality they settle the rights and obligations of the parties, including but not only terms, schedules, volumes of electricity, conditions, prices and all other parameters relevant to the Transactions concluded that are subject of the agreement.
43. By signing SCSPE any Trading participant agrees that for each transaction for purchase and sale of electricity concluded between the parties the quantity and price and terms

and conditions set in advance referring to payment, collaterals and penalties shall be reflected in the Individual terms and conditions to the Supplementary agreement.

44. Any Supplementary agreement and the Individual terms and conditions relevant to it shall be effective for the delivery term of the product traded for which they have been concluded.
45. Signing SCSPE is a condition precedent for the Operator to admit the Trading participant to trade on CMBC.
46. All participants on CMBC shall be obliged to conclude SCSPE:
 - 46.1 With CMBC operator;
 - 46.2 With already registered Trading participants at their choice and the latter shall be reflected in a list of Eligible contractual parties. The Operator shall create and administrate such a list for each Trading participant by managing it based on copies of signed SCSPE sent to e-mail otc.operations@ibex.bg by Trading participants. The list for each Trading participant shall be known only to the respective participant and the Operator.
47. SCSPE in accordance to art. 46.2 can be terminated in case of mutual agreement for a termination between the Parties and a due notification to the Operator, if at the moment of notification of the Operator there is no acting Supplementary agreement between the Parties. In case there is an acting Supplementary agreement between the Parties at the moment of notification then the Operator shall remove each of the parties from the List of "Eligible contractual parties" of the respective Party, thus SCSPE shall be considered terminated after the fulfilment of the contractual obligations of each of the parties according to the Supplementary agreement between them.
48. In the cases not covered by art. 47 when terminating a SCSPE between two trading participants, the Parties shall notify the Operator at least 1 /one/ day before the termination of SCSPE. SCSPE shall be considered terminated after the fulfilment of the contractual obligations of each of the parties according to the Supplementary agreement between them.

Chapter VII

Withdrawal and suspension of a Trading participant from CMBC

49. A Trading participant shall have the right to withdraw from CMBC based on a written request sent at least 10 (ten) business days before the date on which the Operator is to terminate its registration.
50. The operator considers the application for withdrawal within 5 /five/ business days of receiving it.
51. The operator shall release the collateral for participation of the Trading participant within 10 business days after the date of termination of their participation provided that all invoices issued at the name of the Trading participant have been paid.
52. In case there are unsettled payables, the collateral for participation of the Trading participant shall be utilized up to the amount due and the Trading participant shall be informed when the rest of the amount is released.
53. The Operator shall suspend a Trading participant from CMBC and shall terminate the Contract in the following cases:
 - 53.1 A systemic refusal to sign a Supplementary agreement to SCSPE as a result of a Transaction concluded through any of the Trading screens of CMBC;

- 53.2 Systemic failure to perform obligations that have arisen and failure to comply with conditions pursuant to a Supplementary agreement and Individual terms and conditions to it signed as a result of a Transaction concluded and in accordance with the Rules.
- 53.3 In case of failure to pay amounts due in relation with trading on CMBC.
- 53.4 Upon termination, suspension or revocation of the license under art. 23.5, the Operator shall exclude the respective Trading participant immediately and unconditionally as of the date of entry into force of the decision for termination or revocation of the license from EWRC.
- 53.5 In case of systemic non-compliance with the requirements for concluding a Supplementary agreement and the Individual terms and conditions to it.
54. A Trading participant whose participation in the market has been suspended in accordance with art. 53.1, art. 53.2, art. 53.3 and art. 53.5 shall have the right to initiate a new registration procedure not earlier than one year following the date of suspension.

Chapter VIII

Access to the Trading platform

55. In order to submit bids and conclude transactions on CMBC each User shall need to have access to the Trading platform.
56. The Trading platform is accessed through a personal username and an individual password.
57. The operator of CMBC in accordance with the data declared by the Trading participant under art. Chapter V23.7 generates and sends a personal username and issues an assigned password for each User with the respective level of access following signing the contracts under art. Chapter V34, completion of training and providing the collateral under art. 39. After the first entry into the system, the assigned password shall have to be changed by the respective User. The personal password changed by the User shall not be known to anybody, including the Operator.
58. In case a User has forgotten their password, they shall have to notify the Operator at the following e-mail address - otc.operations@ibex.bg and to contact them via phone. The Operator shall issue a new assigned password and send it to the contact e-mail address of the respective User, having identified the User.
59. Each User, having obtained assigned data for access in accordance with art. 57, shall be responsible for storing his/her username and password for access.

Chapter IX

Organization of trading on CMBC

60. Trading on CMBC shall be performed as per Central European Time (CET).
61. In order to participate in CMBC, each trading participant has to fulfil all the financial obligations that have arisen as a result of transactions concluded on the market, as each Trading participant shall have to maintain a participation collateral in leva (BGN) under the form of:
- 61.1 A bank guarantee that has been accepted by the Operator and issued in accordance with a text approved and published on the website of the Operator.

- 61.2 A cash deposit in BGN transferred to an account indicated by the Operator.
- 61.3 A combination of a bank guarantee and a cash deposit.
62. Upon providing a collateral each Trading participant shall indicate which market it refers to as follows:
- 62.1 Collateral for transactions that are concluded through Auctions screen;
- 62.2 Collateral for transactions that are concluded through "Continuous trading" and "Hourly products" screen.
63. For participation in CMBC the Operator requires from each Trading participant a minimum collateral in accordance with the Fee Tariff of IBEX.
64. The amount of the collaterals for participation provided by a respective Trading participant sets the amount of their financial limit. The minimum collateral shall not be taken into account when calculating the financial limit of a Trading participant.
65. When submitting a bid that does not meet the requirements for available Financial limit in accordance with art. 142, art. 143 and art. 144, it is automatically rejected by the Trading platform.
66. The Operator shall update financial limits of Trading participants in the following cases:
- 66.1 Upon provision of a collateral for participation for each of the Trading screens above the minimum collateral or upon release of a collateral upon a request by a Trading participant pursuant to art. 148.2.
- 66.2 Upon submitting a bid;
- 66.3 Upon a successfully concluded transaction through "Continuous trading" or "Hourly products" screen.
- 66.4 Upon signing a Supplementary agreement and submitting collateral for payment and/or collateral for good performance if such a collateral is required for the concluded transaction through Auctions screen..
67. The Operator shall update financial limits in the cases under art. 66, 5 (five) times every business day as follows:
- 67.1 08:00 /CET/
- 67.2 10:00 /CET/
- 67.3 12:00 /CET/
- 67.4 14:00 /CET/
- 67.5 16:00 /CET/
68. All Trading participants that have concluded a transaction on CMBC shall have to sign a Supplementary agreement within 5 (five) business days of concluding each transaction.
69. In order to certify a Transaction, concluded through "Continuous trading" screen or "Hourly products" screen, each of the parties shall have to send the signed Supplementary agreement at e-mail otc.confirmations@ibex.bg.
70. The market Operator shall release the funds blocked from the financial limit for a Transaction concluded through "Continuous trading" screen and "Hourly products" screen after receiving confirmation by each of the parties for a successfully concluded transaction.
71. In case of failure to sign a Supplementary agreement under a Transaction concluded through "Continuous trading" or "Hourly products" screen within the term under art. 68, or in case of failure to comply with any of the obligations arising from the Supplementary agreement signed, the non-defaulting party shall have to notify the

Operator by attaching the relevant documents as an evidence for the failure and sending them via e-mail to: otc.confirmations@ibex.bg .

72. Upon receiving a notification under art. 71 by a Trading participant the Operator shall utilize from the collateral of the defaulting party:
- 72.1 All fees due by the two parties to the Operator under the respective transaction;
 - 72.2 A penalty at the amount of the financial limit blocked under the respective transaction.
73. The market Operator shall release the funds from the financial limit blocked for a Transaction concluded through Auctions screen after signing a Supplementary agreement between the Operator and the Buyer within the term under art. 68 and submission of collateral for payment and/or collateral for good performance if such a collateral is required for the concluded transaction.
74. In case of failure to sign a Supplementary agreement with the Operator as a Seller under a transaction concluded through the Auctions screen within the period under art. 68 and/or refusal of submission of collateral for payment and/or collateral for good performance, the Operator shall utilize from the collateral of the defaulting party:
- 74.1 All fees under the respective transaction payable by both parties to the Operator;
 - 74.2 A penalty amounting to the financial limit blocked under the respective transaction.
75. In case of failure to sign a Supplementary agreement with the Operator as a Buyer under a transaction concluded through the Auctions screen within the period under art. 68, and/or refusal of submission of collateral for payment and/or collateral for good performance, the Operator shall utilize from the collateral of the defaulting party:
- 75.1 All fees under the respective transaction payable by both parties to the Operator;
 - 75.2 A penalty amounting to:
 - 75.2.1. *10% of the cost of electricity under the Transaction concluded for products with a delivery term of up to one month included;*
 - 75.2.2. *5% of the cost of electricity under the Transaction concluded for products with a delivery term longer than one month.*
76. The penalty utilized by the Operator in accordance with art. 72.2, art. 74.2 and art. 75.2 shall be transferred by the Operator to the non-defaulting party or in case of more than one contractual party, proportionately to the quantity of electricity purchased/sold, within 3 (three) business days following utilization.
77. The Operator shall publish the name of the Trading participant that has rejected to sign a Supplementary agreement related to a transaction concluded or that has not fulfilled their obligations arising for a Supplementary agreement concluded, on its website in a Defaulting participants list for a period of one year in case of there being no subsequent defaults for the period:

Chapter X

"Continuous trading" and "Hourly products" screen

Description

78. On "Continuous trading" and "Hourly products" screens all Trading participants may submit bids for purchase and/or sale of electricity and the respective participant may

see the prices and quantities of bids already submitted but may conclude transactions with companies from its list of Eligible contractual parties only.

79. The minimum quantity offered on "Continuous trading" and "Hourly products" screen has a capacity of 1 /one/ MW. The minimum step for quantity when submitting a bid on "Continuous trading" screen is 1 MW and on "Hourly products" screen – 0.1 MW. The minimum bid price of "Continuous trading" and "Hourly products" screen is 0.01 BGN/MWh and the minimum step for a price when submitting a bid is 0.01 BGN/MWh.
80. All transactions on "Continuous trading" screen shall be concluded through the Click-trading algorithm.
81. All transactions on "Hourly products" screen shall be concluded through Auto-matching algorithm.

Auto-matching Algorithm for concluding transactions on "Hourly products" screen

82. When a registered participant inserts a counter bid (for purchase or sale) which contains conditions that meet the conditions of a bid already existing in the system, a transaction is concluded.
83. In the course of trading there is an on-going matching of sale and purchase bids according to price.
84. When a new bid is inserted and/or an already existing one is changed, the system automatically checks whether the price compatibility condition has been met in the following way:
 - 84.1 When inserting or changing a purchase bid, whether the price offered is higher or equal to the price offered of a sale bid existing in the system.
 - 84.2 When inserting or changing a sale bid, whether the price offered is lower or equal to the price offered of a purchase bid existing in the system.

Click-trading Algorithm for concluding transactions on "Continuous trading" screen

85. When inserting a new bid on "Continuous trading" screen, each Trading participant shall have to indicate a price, quantity for purchase/sale and information on the conditions under which the Supplementary agreement will be signed, namely:
 - 85.1 Payment method
 - 85.1.1. *Advance payment;*
 - 85.1.2. *Subsequently for the whole quantity of electricity;*
 - 85.1.3. *Subsequently in equal portions for the whole quantity of electricity;*
 - 85.2 Collateral for payment:
 - 85.2.1. *A requirement for collateral to be provided which covers the cost of the quantity of electricity contracted for a number of days set by the Trading participant that submits the sale bid.*
 - 85.2.2. *A lack of a requirement for a collateral to be paid.*
 - 85.3 Collateral for good performance:
 - 85.3.1. *A requirement for collateral for good performance to be provided which covers the cost of the quantity of electricity contracted for a number of days set by the Trading participant that submits a purchase or sale bid.*

- 85.3.2. *A requirement for collateral for good performance to be provided which covers a particular percentage of the cost of the electricity contracted set by the Trading participant that submits a purchase or sale bid.*
- 85.3.3. *A lack of a requirement for a collateral for good performance.*
- 85.4 Penalty for electricity payment delay by the buyer, which penalty shall be the basic interest rate of Bulgarian National Bank plus additional percentage, defined by the Trading participant.
- 85.5 Penalty for non-delivering or non-accepting of electricity.
86. In order to conclude a transaction each Trading participant shall have to select a bid existing on "Continuous trading" screen and to accept it.
87. Each Trading participant sees all bids inserted into the system and it may accept and conclude transactions only with bids submitted by Trading participants that are on its Eligible contractual parties list.
88. After a transaction has been concluded, the parties shall sign a Supplementary agreement with Individual terms and conditions in accordance with the conditions provided in the current bid of the initiating party entered in the Trading screen that has been accepted by a respective Trading participant.
89. The initially announced Individual terms and conditions of a current bid of the initiating party may not be changed by the parties.
90. The operator shall verify whether the price and Individual terms and conditions under which the Transaction has been concluded comply with those provided for in the bid entered into the system.
91. When a breach under the previous article has been established, the Operator shall publish the names of the Trading participants that have signed a Supplementary agreement under different Individual terms and conditions from the ones initially announced on its website in Defaulting participants list for a period of one year if there has been no subsequent breach for the period.
92. All products that will be traded through "Continuous trading" screen are listed in Appendix 1 to the Rules.
93. At the end of each business day the Operator shall officially delete all bids that have not been met on "Continuous trading" screen.

Error when inserting a bid (Mistral)

94. In case a Trading participant makes a mistake when inserting a bid (Mistral) through "Continuous trading" screen and "Hourly products" screen, it shall have the right to notify the Operator of the mistake which may cancel the Transaction concluded if the counterparty to the transaction accepts the cancellation.
95. In order to cancel a mistral, the Trading participant that has submitted a bid shall have to address its cancellation request to the duty phone number of the Operator but not later than 5 minutes after the transaction has been concluded following which it has to send a written request via e-mail, tootc.cancellation@ibex.bg but not later than 10 minutes after concluding the transaction.
96. The operator shall be responsible to try to get in touch with the other party under the transaction and to establish whether it agrees with the cancellation of the concluded transaction.
97. In case the Operator cannot get in touch with the counterparty to cancel the transaction or the counterparty rejects the cancellation, the Operator shall inform the requesting party via e-mail that the cancellation request has been rejected.

98. In case the counterparty confirms cancellation of the transaction, the Operator shall inform the requesting party via e-mail that the transaction has been cancelled. In this case the Operator shall charge a cancellation fee at an amount set in the Fee tariff of IBEX and does not charge fees on the volume of electricity for which the transaction has been concluded. The cancellation fee should be paid within 3 /three/ business days after cancellation by the trading participant who requested the cancellation.

Trading terms

99. Through "Continuous trading" and "Hourly products" screen all Trading participants may conclude transactions for purchase and/or sale of standardized and "Hourly products".

100. Standardized products are traded from 08:00 to 14:00 CET each business day of the year except for the cases in accordance with art. Chapter IV15, through "Continuous trading" screen, and Trading participants have the opportunity to submit bids for the following products in accordance with the terms defined.

100.1 Products with a delivery term of one calendar week- as of the respective trading day weekly products are accessible for the following 4 weeks. The deadline for submission of bids for a weekly product is 2 /two/ complete business days before the first delivery day.

100.2 Products with a delivery term of one calendar month- as of the respective trading day monthly products are accessible for the following 4 months. The deadline for submission of bids for a monthly product is 3 /three/ complete business days before the first delivery day.

100.3 Products with a delivery term of three calendar months- as of the respective trading day products with a delivery term of three months are accessible for the following 3 quarters. The deadline for submission of bids for products with a delivery term of three months is 5 /five/ complete business days before the first delivery day.

100.4 Products with a delivery term of six calendar months- as of the respective trading day products with a delivery term of six calendar months are available for the next 2 half years. The deadline for submission of bids for products with a delivery term of six months is 7 /seven/ complete business days before the first delivery day.

100.5 Products with a delivery term of one calendar year as of the respective trading day yearly products are accessible for the following 2 calendar years. The deadline for submission of bids for annual products is 7 /seven/ complete business days before the first delivery day.

101. "Hourly products" are traded from 13:10 to 13:50 CET every business day, from Monday to Friday, through "Hourly products" screen. "Hourly products" have a delivery on the following day.

Chapter XI Auctions screen

Description

102. The Operator gives an option to each Trading participant to initiate an Auction for purchase or sale of electricity.

Auction for purchase

103. Each Trading participant shall have the option to organize an auction for purchase for which purpose it shall have to send a Request for initiating an auction to the Operator setting:
 - 103.1 Maximum price for participation;
 - 103.2 Load profile;
 - 103.3 Quantity of electricity for purchase (MW and MWh);
 - 103.4 Delivery term;
 - 103.5 Date and time for holding the Auction;
 - 103.6 Requirement for a minimum quantity offered;
 - 103.7 Requirement submitted offers for sale not to be visible for all market participants;
 - 103.8 Requirement trading participant to be limited to submit only one offer for sale;
 - 103.9 Individual terms and conditions of Supplementary agreements which have to be concluded as a result of the Auction held.
104. Information under art. 103 for each initiated Auction is published on the website of the Operator indicating also the options in accordance with the trading calendar administrated by the Operator.
105. After the start of the auction for purchase each Trading participant that has provided collateral for participation to the benefit of the Operator and has the right to participate, could submit their bid for sale indicating a bid price and a quantity of electricity for sale.
106. If the initiator requires a limit of only 1 /one/ offer per participant, . in case of two or more bids submitted by one Trading participant, the Operator shall cancel all bids submitted before the latest one.
107. Each trading participant may submit, modify or cancel their bid for sale before the deadline for submission of bids.
108. The bid price of the bid submitted by the Seller shall have to be equal or lower than the one indicated by the Auction initiator in the Request for initiating an auction.
109. All bids submitted are ordered in ascending order as per their bid prices, each bid being marked for time of entry in the Trading platform. In case of two or more submitted bids of equal bid prices, the bid that was submitted earlier in the Trading platform shall have priority.
110. Following completion of the Auction, the Operator, taking the role of a Buyer, submits a bid for purchase with the same parameters as those indicated in the Request for initiating an auction and concludes transactions with the admitted trading participants.
111. All trading participants in an auction for purchase which in the role of Sellers have concluded transactions for sale/purchase with the Operator under art. 110 shall have to provide Collateral for good performance under art. 152.3 within 3 /three/ business days after signing the Supplementary Agreement if such is required in the Request for initiating an auction.

Auction for sale

112. Each Trading participant shall have the option to organize an Auction for sale for which purpose it shall have to send a Request for initiating an auction to the Operator setting minimum price for participation, quantity of electricity for sale (MW, MWh), delivery

term, date and time for holding the Auction, a requirement for a minimum quantity offered as well as the Individual terms and conditions of Supplementary agreements which have to be concluded as a result of the auction held.

- 112.1 Minimum price for participation;
 - 112.2 Load profile;
 - 112.3 Quantity of electricity for sale (MW and MWh);
 - 112.4 Delivery term;
 - 112.5 Date and time for holding the Auction;
 - 112.6 Requirement for a minimum quantity offered;
 - 112.7 Requirement submitted purchase offers not to be visible for all market participants;
 - 112.8 Requirement trading participant to be limited to submit only one purchase offer;
 - 112.9 Individual terms and conditions of Supplementary agreements which have to be concluded as a result of the Auction held.
113. After the start of the Auction for sale each Trading participant that has provided a collateral for participation to the benefit of the Operator and has the right to participate, could submit their bid for purchase indicating a bid price and a quantity of electricity for purchase.
114. If the initiator requires a limit of only 1 /one/ offer per participant, in case of two or more bids submitted by one participant, the Operator shall cancel all bids submitted before the latest one.
115. Each Trading participant may submit, modify or cancel their bid for purchase before the deadline for submission of bids.
116. The bid price of the bid submitted by the Buyer shall have to be higher or equal to the one indicated by the initiator of the Auction in a Request for initiating an auction.
117. All bids submitted are ordered in descending order as per their prices, each bid being marked for time of entry. In case of two or more submitted bids of equal bid prices, the bid that was submitted earlier in the Trading platform shall have priority.
118. Following completion of the Auction the Operator in the role of a Seller submits a bid for sale with the same parameters as those indicated in the Request for initiating an auction and concludes transactions with the admitted Trading participants.
119. All Trading participants in an auction for sale which in the role of Buyers have concluded transactions for purchase and sale with the Operator under art. 118 shall have to provide Collaterals for payments under art. 152.2 and Collaterals for good performance under art. 152.3 within 3/three/ business days after signing the Supplementary Agreement if such are required in the Request for initiating an auction.

Procedure for initiating an auction

120. The Operator organizes an Auction for purchase or sale of electricity after a Request for initiating an auction received by a Trading participant in accordance with art. 103 and art. 112 and paying, by the initiator, of an Auction initiation fee in compliance with IBEX tariffs.
121. For the purposes of holding an Auction through the Auctions screen the Operator administrates a trading calendar containing information on all upcoming and past auctions which is published on the website of the Operator and is daily updated.

- 122.A request for initiating an auction may be submitted by each Trading participant to the following e-mail address auctions@ibex.bg, as per a template published on the website of the Operator.
- 123.Each Request for initiating an auction shall have to contain the following parameters:
- 123.1 Name of the Trading participant initiating the Auction;
 - 123.2 Type of auction - for purchase or sale;
 - 123.3 Quantity of offered electricity;
 - 123.4 Type of product and delivery term;
 - 123.5 Maximum/minimum price for participation for an initiated Auction for sale/purchase respectively;
 - 123.6 Date for holding the Auction, depending on the trading calendar;
 - 123.7 A requirement for a minimum offered quantity
 - 123.8 Requirement submitted offers not to be visible for all market participants
 - 123.9 Requirement trading participant to be limited to submit only one purchase offer
 - 123.10 Supplementary agreement with Individual terms and conditions which has to be signed after concluding a transaction as a result of the auction held.
- 124.The minimum quantity offered per auction is 1 (one) MW except if a higher quantity has been indicated in the Request for initiating an auction, the minimum step being 1 (one) MW.
- 125.The price step when submitting an order is 0,01 BGN/MWh.
126. The Operator accepts as default that all submitted offers' parameters are visible for trading participants, unless the initiator has requested in the tender intention the offers not to be visible.
- 127.The Operator accepts as default that every market participant could submit more than one offers, unless the initiator has requested in the tender intention to have maximum 1 /one/ offer per trading participant.

Holding an auction

- 128.Auctions are held every business day, on every hour from 11:00 to 15:00 CET, the duration of each auction being 20 minutes.
- 129.The deadline for submitting a Request for initiating an auction is by 15:00 CET, on the business day preceding the date of holding the auction.
- 130.After a Request for initiating an auction has been received, the Operator shall consider it within the same business day and if all the required information is available and the Auction initiation fee in compliance with IBEX tariffs is paid, IBEX sends confirmation for holding the auction to the e-mail address, provided by the Trading participant.
- 131.When the Operator identifies missing information in the sent Request for initiating an auction, the Operator requires the missing information from the Trading participant. In case it is not submitted by 16:00h CET on the day the proposal was sent, the proposal shall be then considered as invalid.
- 132.If the trading participant who is initiating an Auction has not paid the Auction initiation fee in compliance with IBEX tariffs, the Operator informs the trading participant. In case the fee is not paid till 16:00h CET in the day of sending the intention, it is considered as invalid.
- 133.By 16:30h CET on the day following the day of sending the confirmation by the Operator in accordance with art.130, the Operator publishes on its website as well as

on the Trading screen a message for the initiated auction. The Operator publishes the information in accordance with art. 123 except for the name of the Trading participant.

134. In case that as a result of an Auction held transactions are concluded for a quantity that is not more than 5% of the power offered and/or not more than 5 MW, regardless of the period and profile of delivery, the initiator shall have the right, up to two hours after holding the auction, to request an auction to be organized again with the remaining quantity at the same parameters and an adjusted minimum/maximum price for participation on the next possible date for holding an Auction as per the trading calendar. The Auction may be held as early as the following business day after it is initially held if there is such an option according to the trading calendar. Information for all upcoming, past or cancelled Auctions is published and stored on the website of the Operator

Auction cancellation procedure

135. Every participant that has submitted a Request for initiating an auction shall be entitled to cancel the Auction only subject to the following:

- 135.1 The initiator shall send to the Operator a request for cancellation of the auction by 09:00 CET at the latest on the day scheduled for the Auction. If the Operator has not received a cancellation request, the Auction shall be considered active and the Operator holds the auction session.
- 135.2 In case of Auction cancellation by the Initiator, the Operator does not reimburse the Auction initiation fee.
- 135.3 In case of Auction cancellation, the Initiator could not reorganize the tender in compliance with art. 132.
- 135.4 130.2 The information on a cancelled Auction is available on the website of the Operator and the Auction has the status of cancelled.
- 135.5 130.3 The name of each Trading participant that within one year as of the date of the first cancelled Auction, cancels 3 /three/auctions, shall be published on the website of the operator in Defaulting participants list for a period of one year.
- 135.6 130.4 Participants that are on Defaulting participants list due to cancellation of Auctions shall pay a double fee for initiating an auction, for a period of one year if for the said period they do not have other breaches and are erased from the said list.

Chapter XII Collaterals and financial limits

Collateral

136. In order to be able to have an access to the Trading Platform for submission of bids on CMBC, each Trading participant shall have to provide a collateral for participation.

- 136.1 With a view to minimizing the risk of refusal to conclude a Supplementary agreement as a result of transactions concluded on CMBC, each trading participant shall have to maintain a collateral for participation for the benefit of the Operator.
- 136.2 The total Collateral for participation is set in accordance with the bank guarantees provided and confirmed and/or the cash transferred to the account indicated by the Operator within the terms set under art. 67.

137. The minimum collateral is mandatory for participation in each of the Trading screens and if the respective Trading participant is willing, in view of its trading strategy, it can be transferred across the various trading mechanisms based on a request submitted to the Operator at: otc.settlement@ibex.bg

Financial limit for submitting bids

138. Collateral for participation of Trading participants is reflected in the Trading platform in the form of financial limits for the various Trading screens and is updated in accordance with art. 67. The Minimum collateral shall not be taken into account when calculating Financial limits.

139. Each Trading participant may submit a bid for purchase or sale up to the amount calculated based on the Financial limit in accordance with the Rules for the respective Trading screen and product.

140. Each Trading participant will be able to manage their Financial limit within the Collaterals provided by them and within the terms under art. 67 they may change what part of the Financial limit to what Trading screen refers.

141. With a view to managing the Financial limit, each Trading participant shall send a request for changing its purpose to the Operator at otc.settlement@ibex.bg by indicating which part of the Financial limit shall have to be transferred and to which Trading screen.

142. Upon submitting a bid for purchase or sale on "Continuous trading" screen the Financial limit of a Trading participant shall have to cover the following conditions:

142.1 20% of the value of the electricity under the transaction concluded on the market for products with a delivery term of one weekend;

142.2 10% of the value of the electricity under the transaction concluded on the market for products with a delivery term of one week (calendar week and business days);

142.3 10% of the value of the electricity under the transaction concluded on the market for a product with a delivery term of one month (weekends in the month);

142.4 5% of the value of the electricity under the transaction concluded on the market for products with a delivery term of one month (calendar month and business days in the month);

142.5 4% of the value of the electricity under the transaction concluded on the market for products with a delivery term of one quarter;

142.6 3% of the value of the electricity under the transaction concluded on the market for products with a delivery term of half a year;

142.7 2% of the value of the electricity under the transaction concluded on the market for products with a delivery term of one year.

143. When submitting a bid for purchase or sale through "Hourly products" screen, the Financial limit of a Trading participant shall have to cover 100% of the price of power for which the bid is submitted.

144. When submitting a bid for purchase through Auctions screen, including when submitting a Request for initiating an auction for purchase, the Financial limit of a Trading participant shall have to cover the following:

144.1 In case of transactions with a delivery term of up to one month, included, the Trading participants willing to participate in a particular auction shall need to have a Financial limit higher or equal to 100% of the value of the electricity for which they will submit a bid for purchase or initiate a tender.

- 144.2 In case of transactions with a delivery term longer than one-month Trading participants willing to participate in a particular auction shall need to have a Financial limit higher or equal to the product of the price offered and the quantity for electricity for a period of 3 (three) days in MWh for which they will submit a bid for purchase or initiate a tender.
145. When submitting a bid for sale through Auctions screen including when submitting a Request for initiating an auction for sale, the Trading participant shall need to have a Minimum collateral.
146. Each Trading participant willing to participate in an announced Auction for sale shall have to, within 1 (one) hour before the already announced start of the Auction, provide for a Financial limit in accordance with art. 144.
147. In case a Trading participant has a Financial limit for one of the Trading screens and is willing to use it for another, they indicate the amount which they are willing to transfer by sending a request to the Operator under art. 141. The Trading participant needs to contact the Operator on the duty phone number within 1 (one) hour before the respective Auction is held.
148. Collateral for participation which has not been blocked under transactions concluded shall be released:
- 148.1 Upon termination of the participation of a Trading participant in CMBC.
- 148.2 Upon a request for releasing collateral as per template which is submitted two weeks before the release date and up to the amount of the Minimum collateral.

Collaterals for payment and good performance

149. In case of concluding transactions through "Continuous trading" screen for purchase and sale of products with a delivery term shorter or equal to one month with a subsequent payment and transactions with a delivery term longer than one month, Collateral for payment and Collateral for good performance in the Individual terms to the Supplementary Agreement, which will be signed on the concluded a transaction, shall have to comply with the initially published Auction terms in.
150. In case of concluding transactions through Auctions screen for purchase and sale of products with a delivery term shorter or equal to one month with a subsequent payment and transactions with a delivery term longer than one month, Collateral for payment and Collateral for good performance in the Individual terms to the Supplementary Agreement, which will be signed on the concluded a transaction, shall have to comply with the initially published Auction terms.
151. By submitting a bid through the „Auctions" screen, the Trading participant undertakes to sign the published in advance Supplementary agreement and Individual terms and conditions as well as to provide the collateral for payment and/or good performance stipulated in them.
152. Upon completion of the Auction through the Auctions screen and allocation of the quantities of electricity as per the bids submitted, Trading participants that have concluded a transaction shall have the following obligations:
- 152.1 To sign a Supplementary agreement and Individual terms and conditions to it and send it to the Operator.
- 152.2 If the Individual terms and conditions require a Collateral for payment to be provided, the Buyer shall be obliged to provide it to the benefit of the Operator in accordance with the following conditions.
- 152.2.1. *Collateral for payment shall be provided upon a Transaction concluded for a period shorter or equal to one month with a subsequent payment*

and in case of a Transaction concluded with a delivery term longer than one month.

152.2.2. *The amount of the Collateral for payment shall have to cover the price of the quantity of electricity contracted for twenty-one /21 / calendar days in case of a Transaction concluded with a delivery term longer than one month*

152.2.3. *The amount of the Collateral for payment shall have to cover 100% of the price of the agreed quantity in case of a concluded Transaction with a delivery term shorter or equal to one month with subsequent payment.*

152.3 The Buyer and the Seller in case of an auction held through the „Auctions“ screen shall be obliged to provide a Collateral for good performance to the benefit of the Operator if this has been provided for by the auction initiator in the published Individual terms and conditions to the Supplementary agreement. The Collateral for good performance shall have to cover:

152.3.1. *The value of the agreed quantity of electricity for fifteen (15) calendar days; or*

152.3.2. *10% of the value of the agreed quantity of*

153. The provided collateral shall be released within five /5/ business days after the date of expiry of the Supplementary agreement provided that the Operator has been informed that all invoices issued at the name of the Buyer up to the expiry date have been paid in due time and with no default payments and no amounts withheld by the Seller to the Buyer in transactions for purchase and sale of electricity with a delivery term longer than one month, where the collaterals could be one of the following:

153.1 Bank guarantee with a validity of 10 /ten/ business days, after the last delivery day in compliance to the Supplementary Agreement.

153.2 Cash deposit.

154. In case the Trading participant who has to submit a collateral for payment is an energy consumer, when calculating the collateral will be added:

154.1 Price, set by the Energy and Water Regulatory Commission in compliance with art. 30 (1) (17) in Energy Act.

154.2 Tax, in compliance with Excise Duties and Tax Warehouses Act.

155. In concluded transactions through the „Auctions“ screen, the Operator, as a party to all transactions, shall not provide a collateral for payment and a collateral for good performance to the counterparty.

Chapter XIII **Payments and invoicing**

156. Each Trading participant shall be responsible for timely and systemic payment of its obligations that have arisen as a result of transactions concluded on CMBC.

157. Each Trading participant shall be obliged to pay the fees in accordance with the Fee Tariff of IBEX payable in relation to trading on CMBC.

158. Each Trading participant shall be obliged to pay the amounts due including applicable fees via non-cash payment.

159. All payments shall be made in BGN.

160. Payments under each Supplementary agreement shall be deemed made after verification of the bank account of the Seller.
161. IBEX sends invoices for payment of amounts due under art. 157 in connection with trading on CMBC within terms as follows:
- 161.1 By 16:00 CET every sixteenth /16/ day of the month or on the first business day after the term indicated the Operator shall issue invoices for payment of all fees due to the Operator and shall send them to all Trading participants that have concluded transactions on the Trading platform for the period between the 1 (first) and the 15 (fifteenth) day of the current month.
 - 161.2 By 16:00 CET every first /1/ day of the month or on the first business day after the term indicated the Operator shall issue invoices for payment of all fees due to the Operator and shall send them to all Trading participants that have concluded transactions on the Trading platform for the period between the 16 (sixteenth) day until the end of the preceding month.
162. The deadline for payment of invoices issued by the Operator under art. 161 is within five /5 / business days after issuing the invoice.
163. Upon a Trading participant's failure to comply with the obligations under art. 162, the Operator shall have the right to suspend the respective participant from CMBC at any time after expiry of the term by sending a written notice to the respective participant.
164. Products offered on CMBC shall be paid in accordance with the delivery term as follows:
- 164.1 Products with a delivery term of up to 1 (one) month, included, will be paid in advance and/or subsequently.
 - 164.2 Products with a delivery term longer than 1 (one) month shall be paid in advance and/or subsequently.
 - 164.3 Products with a delivery term 1 (one) hour shall be paid subsequently.
165. When invoicing a Transaction concluded for sale of electricity with advance payment, the Seller shall be obliged to send an invoice to the Buyer by 11:30 CET on the following business day after concluding the transaction.
166. In case of a Transaction for purchase of electricity with advance payment, the Buyer shall be obliged to purchase the electricity based on a Supplementary agreement signed and an invoice issued in accordance with art. 165. The buyer shall have to make a payment as per the invoice issued no later than 11:00 CET on the last business day before the first delivery date.
167. In case of transactions with a delivery term of up to 1 (one) month, including, concluded through Auctions screen upon a request by the Buyer, the collateral in accordance with art. 144.1 may be used for partial payment of the invoice for advance payment under the concluded Transaction.
168. In case of Buyer's failure to comply with the obligations under art. 166, the Seller shall have the right to early terminate the Supplementary agreement relevant to the respective payment after expiry of the term under art. 166 by sending a written notice to the other party and informing the Operator.
169. When invoicing a Transaction concluded for sale of electricity with a delivery term of up to 1 (one) month, included, with subsequent payment, the Seller shall be obliged to send an invoice to the Buyer within terms as follows:
- 169.1 Once for the period, on the last delivery day or on the first business day after the term indicated; or
 - 169.2 Twice for the period, in equal portions of the contracted quantity of electricity, the first invoice being issued on the first business day after delivery of the first

- part of the contracted quantity and the second on the last delivery day or on the first business day after the term indicated.
170. In case of a transaction concluded for purchase of electricity with a delivery term of up to 1 (one) month, included, with subsequent payment, the Buyer shall be obliged to pay the electricity based on a Supplementary agreement signed and an invoice issued in accordance with art. 169. The Buyer shall have to make a payment within five /5/ days after the invoice has been issued.
171. In case the Buyer fails to fulfill the obligations under art. 170, the Seller shall have the right to early terminate the Supplementary agreement relevant to the respective payment at any time after expiry of the term under art. 170 by sending a written notification to the other party and notifying the Operator.
172. When invoicing a concluded Transaction for sale of electricity with a delivery term longer than 1 (one) month, the Seller shall be obliged to send an invoice to the Buyer twice a month to be paid within terms as follows:
- 172.1 on the sixteenth /16/ day of the month or on the first business day after the term indicated – for the period from 1 (the first) to 15 (the fifteenth) day of the current month of delivery;
- 172.2 on the last day of the month or on the first business day after the term indicated – for the period from 16 (the sixteenth) to the end of the current month of delivery.
173. In case of a concluded Transaction for purchase of electricity with a delivery term longer than 1 (one) month, the Buyer shall be obliged to pay the electricity based on a Supplementary agreement signed and an invoice issued in accordance with item 172. The Buyer shall have to make a payment within five /5/ business days after the invoice has been issued.
174. In case the Buyer fails to fulfill the obligations under art. 173, the Seller shall have the right to early terminate the Supplementary agreement relevant to the respective payment at any time after expiry of the term under art. 173 by sending a written notification to the other party and notifying the Operator.
175. In case of a concluded Transaction for purchase of electricity with a delivery term of 1 (one) hour for the following day, the Seller shall be obliged to send an invoice to the Buyer by 15:00 CET on the trading day. The Buyer shall pay the amount on an invoice issued by 12:00 CET on the delivery day.
176. In case the Buyer fails to comply with the obligations under art. 175, the Seller shall notify the Operator.
177. When invoicing a concluded Transaction for sale of electricity with deviations with advance payment, the Seller shall send an invoice to the Buyer with the maximum contracted quantity of electricity for the delivery term and 5 (five) business days after completing the delivery the Seller shall refund to the Buyer the amount overpaid in accordance with the quantity of electricity actually delivered.

Chapter XIV

VAT

178. VAT shall be charged to Trading participants registered on the territory of the Republic of Bulgaria:
- 178.1 On all amounts due as a result of transactions concluded.
- 178.2 When calculating the required collateral for payment and good performance.

179. For Trading participants registered outside the territory of the Republic of Bulgaria, payment of all taxes, VAT included, shall be an obligation of the respective Trading participant in accordance with applicable law in the country of registration.

Chapter XV **Default and penalties**

Penalties in case of failure to deliver electricity

180. In case of early termination of a Supplementary agreement due to a Valid reason which presents a Failure to deliver, the Seller shall owe a penalty for Failure to deliver to the Buyer if the Failure to deliver is not due to force majeure or failure to perform the obligations of the other party but is due to any of the following circumstances but not only:

180.1 Failure to submit a schedule agreed between the parties to ESO with the electricity quantity contracted in accordance with the provisions of the Supplementary agreement;

180.2 Withdrawal by the Seller of a Delivery schedule agreed by the parties;

180.3 Unreasonable termination of a Supplementary agreement.

181. The Existence and the amount of the penalty for failure to deliver is agreed by the parties in the Individual terms and conditions to the Supplementary agreement and if there is a penalty for failure to delivery, its amount is:

181.1 an amount equal to the value of the agreed quantity of electricity for fifteen /15/ calendar days or

181.2 an amount equal to 10% of the value of the unaccepted quantity of electricity

Penalty in case of failure to accept electricity

182. In case of early termination of a Supplementary agreement due to a Valid reason which represents Failure to accept, the Buyer shall owe a penalty for Failure to accept to the Seller if this Failure to accept is not due to force majeure or a failure to perform the obligations of the other party but is due to any of the following circumstance but not only:

182.1 Withdrawal of a schedule submitted to ESO;

182.2 Reducing a schedule from ESO EAD by registering such with a lower amount submitted by the Buyer as compared to what has been agreed by the parties;

182.3 Unreasonable termination of a Supplementary agreement.

183. The existence and the amount of penalty for Failure to accept shall be agreed by the parties in the Individual terms and conditions to the Supplementary agreement and if there is a penalty for failure to accept, its amount is:

183.1 an amount equal to the value of the agreed quantity of electricity for fifteen /15/ calendar days or

183.2 an amount equal to 10% of the value of the unaccepted quantity of electricity

Penalty for delay of payment of electricity

184. In case of the Buyer's failure to comply with the terms for payment in accordance with Chapter XIII, the Seller shall have the right to terminate the Supplementary agreement relevant to the respective payment at any time after expiry of the payment term indicated.
185. If the Seller fails to exercise its right to terminate the Supplementary agreement under art.184, the Buyer shall owe a default interest which shall be charged as of the maturity date until the payment date or until termination of the Supplementary agreement in accordance with an interest rate agreed in the Individual terms and conditions.

Chapter XVI Delivery and schedules

186. Delivery schedules shall be prepared in accordance with the parameters of each Transaction concluded, reflected in the Supplementary agreement, and shall be mandatory for each of the parties. Any incompliance in the schedules submitted to ESO which has not been agreed between the parties shall be considered a failure to perform the Supplementary agreement and shall be a Valid reason for its termination by the non-defaulting party and the latter shall send a written notification of the termination to the other party and shall notify the Operator.
187. The seller and the buyer shall prepare and agree hourly daily schedules for their sales/purchases of electricity on the day preceding the delivery day (D-1) as a result of the deals concluded on the "Continuous trading" screen. Schedules comprise the hours from 00:00 to 24:00 on the delivery day (D) of electricity.
188. In case of a Supplementary agreement for purchase and sale of hourly products through the "Hourly Products" screen, the parties shall agree the hourly daily schedule by 14:10 CET on the day preceding the delivery day (D-1).
189. In case of a Supplementary agreement for purchase and sale of electricity with deviations, concluded through the "Auctions" screen, the parties shall agree on the hourly daily schedule in the following way:
- 189.1 All admitted Trading participants shall send daily to the Operator daily schedule by 10:00 CET to the e-mail address: otc.scheduling@ibex.bg as per template published on the website of the Operator. If any of the Trading participants admitted fails to send a schedule within the timeframe indicated, the Operator shall take into account the base quantity of electricity to prepare the schedule;
- 189.2 The Operator shall daily send to the participant that has initiated the conducted Auction daily schedule by 10:45 CET.
190. In accordance with the effective Electricity Trading Rules /ETR/ the Seller and the Buyer shall register the daily schedule agreed by the parties in ESO system on day (D-1) in accordance with the format and terms approved by ESO. Following registration of the schedule, it becomes mandatory for the parties in accordance with EMR.
191. In case ESO requires a change in the schedule and notifies one of the parties, the notified party shall be obliged to agree on the modification to the first submitted schedule with the Buyer.
192. In case of non-compliance between the electricity delivery schedules submitted by the parties under the Supplementary agreement, the party that has established the non-compliance shall notify the other party by proposing revisions of the schedule.

193.If a party to a Supplementary agreement is the Operator, the schedule submitted by them shall be mandatory to the other party and is not subject to approval. The other party shall be obliged to confirm the schedule of the Operator.

194.In case of partial restrictions under EMR which have been imposed by ESO, the parties under the Supplementary agreement shall not be liable for its non-performance for this period of the restriction imposed.

Chapter XVII ***Suspension of a Supplementary agreement effectiveness***

195.Each of the parties under a Supplementary agreement with a delivery term higher than 1 (one) month may temporarily suspend the effectiveness of a supplementary agreement concluded subject to the following conditions:

195.1 The suspension initiating party shall send a written request for temporary suspension of delivery/acceptance of electricity to the contractual party under a respective Supplementary agreement at least 10 (ten) days before the date of the expected suspension;

195.2 The request for temporary suspension shall contain at least information on: the Supplementary agreement, beginning and end of the suspension period, quantity of electricity which will not be delivered/accepted and the amount of the penalty expected for temporary suspension if such has been agreed between the parties in the Individual terms and conditions to the Supplementary agreement.

196.Within 5 (five) days after receiving the request under the previous paragraph the party that has received the request accepts or rejects the request sent under art. 195.1.

197.Accepting the request for a temporary suspension of the Effectiveness of a Supplementary agreement shall be certified with a written consent of the party that has received the request.

197.1 In case of a request that has been accepted by the party that has received the request, the effectiveness of the Supplementary agreement shall be suspended for the period under art. 195.2 after paying the penalty for a temporary suspension before the beginning of the suspension period agreed;

197.2 In case of an unaccepted request by the party that has received the request, the Supplementary agreement shall remain in force and the obligations of the parties shall remain unchanged.

Chapter XVIII ***Termination of a Supplementary agreement***

198.Any Supplementary agreement may be terminated by the non-defaulting party in case of a valid reason.

199.Any Supplementary agreement may be terminated by a Seller in accordance with art. Chapter XIII168, art. Chapter XIII171 and art. Chapter XIII174.

200.Any Supplementary agreement may be terminated by any of the parties in accordance with art. Chapter XVI186.

Chapter XIX

Publishing of information

201. With a view to creating a maximum level of transparency the Operator shall daily publish on its website information on:
- 201.1 Upcoming Auctions on the "Auctions" screen;
 - 201.2 All transactions concluded on CMBC.
202. The information published on Transactions concluded through the „Continuous trading" screen contains:
- 202.1 Products traded for the respective day, volumes traded and average prices on the transactions concluded;
203. The information published on Transactions concluded through the „Auctions" screen contains:
- 203.1 Products traded for the respective day, the respective traded volumes and average prices for each Auction held;
 - 203.2 A list of all participants that have participated through the "Auctions" screen.
204. In case upon publishing the results in accordance with art. 203 there is only one Trading participant that has concluded a transaction, the Operator shall not publish the name of the respective participant.
205. For Trading participant, the information under art. 201 is available also through the Trading platform through a screen redirecting to the website of the Operator.

Chapter XX

Market conduct and control

206. At any time the Operator shall monitor the market so as to guarantee that trading and all actions are in accordance with applicable law.
207. Pursuant to the provision of art. 15 of REMIT¹ in case of an infringement established under art. 3 or art. 5 of REMIT, the operator of CMBC informs EWRC.
208. At any time the Operator may file a request to a Trading participant for information to be submitted regarding its activity related to the physical and financial aspects of the trading performed on CMBC.

Chapter XXI

Responsibilities and force majeure

209. The Operator shall not be liable for losses incurred, liquidated damages or damages to Trading participants as a result of their participation in CMBC except when losses, liquidated damages or damages have been caused by culpable breach of the Operator.
210. If the Operator fails to fulfil their obligations under these Rules as a result of force majeure / unforeseen or unpreventable event of urgent nature which prevents

¹ Regulation (EU) No 1227/2011 of the European Parliament and the Council of 25.11.2011 on wholesale energy market transparency and integrity

fulfilment of the obligations under the Rules/, the latter shall not owe a compensation for the default. In case that as of the time the force majeure occurs the Operator has already been in default of any of its obligations, the latter shall owe a compensation only for the period until the force majeure occurred.

211. The Operator shall not be liable for damages caused to Trading participants as a result of technical difficulties, partial or total inability to operate with computer systems used by Trading participants or regarding mistakes in entering data in connection with trading or payments as a result of transactions effected on CMBC, except where losses are caused by culpable breach by the Operator.

Chapter XXII ***Information ownership***

212. Information submitted in the form of bids for purchase and/or sale by Trading participants through the Trading platform or otherwise shall belong to the Operator. Copyright and all other intellectual property rights or ownership rights of any nature contained in information on transactions effected on the CMBC (including for the avoidance of doubt any rights on databases and similar rights) arising from trading on CMBC are and any time shall remain property of the Operator.

Chapter XXIII ***Publicity***

213. The Operator shall have right to use, process, copy, adapt, provide, distribute, sell, transfer, deliver, lease, charge or otherwise treat the information on bids submitted and transactions effected and any other information regarding physical and financial relationships with no confidentiality obligation towards Trading participants to the extent that such information does not refer to a particular Trading participant. Trading participants shall not have the right to remuneration regarding such activities.

214. The operator provides information to competent authorities and ESO in accordance with applicable law. The Operator shall inform Trading participants about providing information to the extent that applicable law provides for this.

Chapter XXIV ***Ancillary provisions***

215. The operator shall provide at an accessible place the Rules and other documents relevant to them in a format which allows Trading participants to save and store them.

Chapter XXV ***Applicable law***

216. Any claims, disputes or differences that may arise out of or in connection with the Rules shall be settled in accordance with current Bulgarian law.

Chapter XXVI
Amendments to the Rules

217. All amendments to the Rules shall take effect within 7 (seven) days of being published on the website of the Operator.

218. Irrespective of the provisions of art. 217 an amendment to the Rules may be done with immediate effect following notification to Trading participants if:

218.1 required by applicable law;

218.2 amendments are needed to ensure correct and effective operation of CMBC;

218.3 amendments are related to removing technical mistakes in the Rules;

218.4 amendments are of editorial nature and do not lead to material changes;

218.5 amendments come as a result of launching new products.

218.6 Changes are as a result of directions by EWRC.

Chapter XXVII
Effectiveness

219. The rules shall take effect upon their publication on the Operator's website.

Trading Instrument	Description
IBEX Base Load Weekly Delivery	Base load with a delivery term of 1 week
IBEX Base Load Monthly Delivery	Base load with a delivery term of 1 month
IBEX Base Load Quarterly Delivery	Base load with a delivery term of 1 quarter
IBEX Base Load Half-Yearly Delivery	Base load with a delivery term of half a year
IBEX Base Load Yearly Delivery	Base load with a delivery term of 1 year
IBEX Peak Load Weekly Delivery (12 hours)	Peak load with a delivery term of 1 week (12 hours)
IBEX Peak Load Monthly Delivery (12 hours)	Peak load with a delivery term of 1 month (12 hours)
IBEX Peak Load Quarterly Delivery (12 hours)	Peak load with a delivery term of 1 quarter (12 hours)
IBEX Peak Load Half-Yearly Delivery (12 hours)	Peak load with a delivery term of half a year (12 hours)
IBEX Peak Load Yearly Delivery (12 hours)	Peak load with a delivery term of 1 year (12 hours)
IBEX Peak Load Weekly Delivery (16 hours)	Peak load with a delivery term of 1 week (16 hours)
IBEX Peak Load Monthly Delivery (16 hours)	Peak load with a delivery term of 1 month (16 hours)
IBEX Peak Load Quarterly Delivery (16 hours)	Peak load with a delivery term of 1 quarter (16 hours)
IBEX Peak Load Half-Yearly Delivery (16 hours)	Peak load with a delivery term of half a year (16 hours)
IBEX Peak Load Yearly Delivery (16 hours)	Peak load with a delivery term of 1 year (16 hours)
IBEX Off-peak Load Weekly Delivery (12 hours)	Off-peak load with a delivery term of 1 week (12 hours)
IBEX Off-peak Load Monthly Delivery (12 hours)	Off-peak load with a delivery term of 1 month (12 hours)
IBEX Off-peak Load Quarterly Delivery (12 hours)	Off-peak load with a delivery term of 1 quarter (12 hours)
IBEX Off-peak Load Half-Yearly Delivery (12 hours)	Off-peak load with a delivery term of 1 half a year (12 hours)
IBEX Off-peak Load Yearly Delivery (12 hours)	Off-peak load with a delivery term of 1 year (12 hours)
IBEX Base Load Weekly Delivery (Mon – Fri)	Base load with delivery term Monday-Friday for 1 week
IBEX Base Load Monthly Delivery (Mon – Fri)	Base load with delivery term Monday-Friday for 1 month

IBEX Peak Load Weekly Delivery (12 hours) – (Mon – Fri)	Peak load with a delivery term of 1 week (12 hours) – from Monday to Friday
IBEX Peak Load Monthly Delivery (12 hours) – (Mon – Fri)	Peak load with a delivery term of 1 month (12 hours) – from Monday to Friday
IBEX Peak Load Weekly Delivery (16 hours) – (Mon – Fri)	Peak load with a delivery term of 1 week (16 hours) – from Monday to Friday
IBEX Peak Load Monthly Delivery (16 hours) - (Mon – Fri)	Peak load with a delivery term of 1 month (16 hours) – from Monday to Friday
IBEX Off-peak Load Weekly Delivery (12 hours) - (Mon – Fri)	Off-peak load with a delivery term of 1 week (12 hours) – from Monday to Friday
IBEX Off-peak Load Monthly Delivery (12 hours) - (Mon – Fri)	Off-peak load with a delivery term of 1 month (12 hours) – from Monday to Friday
IBEX Base Load Weekly Delivery - Weekend	Base load with a delivery term from Saturday to Sunday for 1 week
IBEX Base Load Monthly Delivery - Weekend	Base load with a delivery term from Saturday to Sunday for 1 month
IBEX Peak Load Weekly Delivery (12 hours) - Weekend	Peak load with a delivery term of 1week (12 hours) – from Saturday to Sunday
IBEX Peak Load Monthly Delivery (12 hours) - Weekend	Peak load with a delivery term of 1month (12 hours) – from Saturday to Sunday
IBEX Peak Load Weekly Delivery (16 hours) - Weekend	Peak load with a delivery term of 1week (16 hours) – from Saturday to Sunday
IBEX Peak Load Monthly Delivery (16 hours) - Weekend	Peak load with a delivery term of 1month (16 hours) – from Saturday to Sunday
IBEX Off-peak Load Weekly Delivery (12 hours) - Weekend	Off-peak load with a delivery term of 1week (12 hours) – from Saturday to Sunday
IBEX Off-peak Load Monthly Delivery (12 hours) - Weekend	Off-peak load with a delivery term of 1month (12 hours) – from Saturday to Sunday