

The Trading Regulations for the Exchange Commodities Market of the Polish Power Exchange Joint Stock Company.

Uniform text drawn up on the 8th November 2011 and announced by the Management Board of POLPX on 15th November 2011 on the grounds of amendments made by virtue of Supervisory Board's Resolution No 48/14/V/11 of 18 August 2011

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NOTE: Only the Polish version of this document is legally binding. This translation is provided for information only. Every effort has been made to ensure the accuracy of this publication. However, the POLPX does not assume any responsibility for any errors or omissions.

Chapter I. General stipulations.

§1

1. The present Regulations establish rules of trading of the exchange commodities on the Exchange Commodities Market run by the Power Exchange Joint Stock Company.
2. The exchange commodities admitted to the trading in accordance with the present Regulations may be the subject of the trading on the Exchange Commodities Market.

§2

Whenever the present Regulations mention:

- 1) Exchange Member – it should be understood as an entity that has got the Exchange Member status within the scope of trading of the exchange commodities in accordance with the present Regulations;
- 2) gas – it should be understood as a gas fuels, mentioned in Article 3 item 3a) of the Power Law Act;
- 3) exchange or the ECM – it should be understood as the Exchange Commodity Market run in accordance with the Regulations by the Power Exchange Joint Stock Company with seat of business in Warsaw;
- 4) Exchange – it should be understood as the Power Exchange Joint Stock Company with seat of business in Warsaw;
- 5) IOCUTN – it should be understood as the Instructions for Operation and Commercial Use of the Transmission Network worked out by the Transmission System Operator in accordance with Article 9 g) of the Power Law Act;
- 6) the Clearing House – it should be understood as the Warsaw Commodity Clearing House Joint Stock Company that runs the clearing and settlement house performing the function of the exchange clearing house, in accordance with the Financial Instruments Trading Act;
- 7) scheduling unit – it should be understood as a basic object of the balancing market in the meaning of the IOCUTN;
- 8) trading unit – it should be understood as minimal quantity of the exchange commodities that may be subject of the order and that has been established by the Exchange Management Board for each exchange commodity;
- 9) NDS – it should be understood as the National Depository for Securities Joint Stock Company with seat of business in Warsaw;
- 10) PFSA – it should be understood as the Polish Financial Supervision Authority, the body that exercises supervision over the regulated market in Poland;
- 11) NREA – it should be understood as the National Register of the Emission Allowances run by the National Administrator of Emission Allowance Trade System;

- 12) Transmission System Operator or TSO – it should be understood as Polish Power Grid Operator Joint Stock Company with seat of business in Konstancin - Jeziorna;
- 13) the Energy Regulatory Office President – it should be understood as the central state government authority within the scope of fuel and energy management in Poland;
- 14) power company – it should be understood as an entity that carries out business activity within the scope of generation, processing, storage, transmission and distribution of fuels or power or trading of the aforementioned (in accordance with Article 3 item 12 of the Power Law Act).
- 15) DAM&IDM – it should be understood as the Day-Ahead Market and the Intraday Market run by the Exchange;
- 16) the Regulations – it should be understood as the present Regulations;
- 17) the Register – it should be understood as the register of the certificates of origin and the property rights resulted from them in the meaning of the Power Law Act;
- 18) GM – it should be understood as the Gas Market run by the Exchange;
- 19) PRM – it should be understood as the Property Rights Market run by the Exchange;
- 20) CDM – it should be understood as the Commodity Derivatives Market run by the Exchange;
- 21) EAM – it should be understood as the Emission Allowance Market run by the Exchange;
- 22) Exchange IT system – it should be understood as a set of hardware and software components, and especially the specialized computer software, trading on the Exchange Commodities Market is conducted by means of that;
- 23) the Certificates of Origin – it should be understood as certificates of origin for electricity coming from the renewable energy sources , CHP or biogas in the meaning of the Power Law Act.
- 24) exchange commodity – it should be understood as an exchange commodity in the meaning of the commodity exchange act;
- 25) exchange transaction – it should be understood as the sale contract, encompassing the exchange commodities admitted to trading on the commodity market, concluded by the Exchange Member in accordance with the Regulations;
- 26) emission allowance – it should be understood as allowance to introduce into air, during specified period, one megagram (1 Mg) of the carbon dioxide (CO₂) or other greenhouse gas composing equivalent of 1 Mg of the carbon dioxide, calculated with use of warming coefficients – in case of the greenhouse gases – or 1 Mg of other substances, that may be sold, transferred or redeemed according to the rules specified in the Act dated on the day of December the 22nd 2004 concerning trading in allowances of emission of greenhouse gases and other substances introduced into air;
- 27) the exchange commodities act – it should be understood as the Act dated on the day of October the 26th 2000 concerning the exchange commodities (Journal of Law No 48/2010, item 1538 with later amendments);
- 28) the financial instruments trading act – it should be understood as the act dated on the day of July the 29th 2005 and concerning the financial instruments trading (Journal of Law No 183/2005, item 1538 with later amendments));

29) the Power Law Act – it should be understood as the Act dated on the day of April the 10th 1997 titled “The Power Law” (Journal of Law No 89/2006, item 625 with later amendments);

30) order – it should be understood as a purchase or sale offer submitted by the Exchange Member.

Chapter II. Terms and mode of admitting of the exchange commodities for trading.

§3

The exchange commodities admitted to the trading on the Exchange Commodity Market may be the subject of the trading on the commodity exchange run by the Power Exchange Joint Stock Company.

§4

1. Trading in exchange commodities of given type is conducted on the separated markets, created by the Exchange Supervisory Board by changing of the present Regulations.
2. Admittance of given type of exchange commodity into trading takes place at the moment when the change of the Regulations, mentioned in subparagraph 1 above, comes into force, unless the present Regulations provide for other mode of admittance.

§5

The exchange commodity trading is carried out on the following separated markets within the framework of the Exchange Commodity Market:

- a) The Day-Ahead and Intraday Market,
- b) The Gas Market,
- c) The Commodity Derivatives Market,
- d) The Property Rights Market,
- e) The Emission Allowance Market.

§6

Within the framework of the Register the Exchange keeps the registers of the certificates of origin as well as the property rights resulted from them, according to the rules specified in the Power Law Act and in the separate Register Regulations established by the Power Exchange Joint Stock Company.

Chapter III. Methods of determination of quality requirements and standards provided for the exchange commodities as well as methods of control of their quality.

§7

1. The Exchange Management Board shall be entitled to determine (by the resolution) quality requirements and standards provided for the exchange commodities as well as methods of control of their quality, taking into consideration relevant regulations within the scope of using quality standards in trading.

2. In the Detailed Rules for Trading and Settlement for the Gas Market the Exchange Management Board shall determine the quality standards to be fulfilled by gas.

Chapter IV. Rules of introducing of the exchange commodities into exchange trading.

§8

1. The Exchange Management Board shall introduce the exchange commodities of given type into trading on the ECM, unless the present Regulations provide for another mode of introducing of given type of exchange commodity into trading on the ECM.
2. In the situations provided for by the present Regulations the Exchange Management Board shall be entitled to suspend, limit or terminate trading in individual exchange commodities.

§9

1. The Exchange Management Board shall determine time limits for trading and execution for individual types of the exchange commodities, called “the quotation and execution calendar” thereafter.
2. The Exchange Management Board resolution, mentioned in subparagraph 1 above, should be published not later than 14 (fourteen) days before the time limit for the first quotation.
3. Taking trading safety or interest of the trading participants into consideration the Exchange Management Board shall be entitled to make changes (in form of appropriate resolution) in the quotation and execution calendar. The Exchange Management Board resolution concerning the subject matter should be published not later than 14 (fourteen) days before the time limit for the closest introduced change.

Chapter V. Execution of the transaction through physical delivery of the exchange commodity.

§10

1. The Exchange organizes trading in the exchange commodities and within such scope it provides the Exchange Members, admitted to act on the Exchange Commodity Market, with opportunity to enter into exchange transactions as well as it assures efficient and secure course of the transactions. In the cases and according to the rules described in the present Regulations the Exchange executes clearing of the transactions entered into during the trading organized by the Exchange or entered into by the Exchange Members outside the trading. Within the scope provided for by applicable law regulations the Exchange shall be entitled to charge an external entity with execution of clearings or settlements of the exchange transactions.
2. The Exchange shall not bear responsibility for physical delivery or receiving of electricity or gas within the framework of the transactions entered into at the Exchange. And especially, the Exchange shall not bear responsibility for damages suffered as result of default in delivery of electricity or gas in amount resulted from the transactions entered into on the exchange as well as for physical defects of the gas being subject of such transactions.
3. The Exchange Member shall incur risk of limitations in deliveries of gas or electricity in amount having been contracted on the exchange in connection with failures or limitations of the transmission system – without opportunity for lodging of any claims towards the Exchange.

4. Towards the Exchange Members or the third persons the Exchange shall not bear responsibility for any damage resulted from the Exchange Member's default in execution or improper execution (as a whole or partially) of delivery or receipt of gas or electricity in amount having been contracted on the exchange.
5. In the cases when the present Regulations allow possibility for submitting of the transaction, entered into at the exchange and concerning electricity, to the Transmission System Operator for physical delivery through scheduling units of another Exchange Member, the Exchange Member who makes its scheduling units accessible as well as the Exchange Member who uses such scheduling units shall bear joint and several responsibility for assuring of electricity transmission capability as well as for execution of the transactions entered into on the exchange.
6. The Exchange shall be responsible for delivery of the Property Right, that has been purchased on the Property Rights Market, into recording account of the Exchange Member kept in appropriate register. In case, when an external entity has been charged with clearing of the exchange transactions, such entity shall be responsible for delivery of given Property Right.
7. The Exchange Member shall be responsible for assuring of clearing of emission allowances, which are subject of the exchange transactions, by relevant emission allowance register. The Exchange shall not bear responsibility for recording of the emission allowance in relevant emission allowance register in the recording account of the Exchange Member that has purchased the allowance on the Emission Allowance Market.

Chapter VI. Submitting of the transaction, entered into on the exchange, to the Transmission System Operator.

§11

1. The exchange transactions within the scope of electricity are submitted to the Transmission System Operator for physical delivery in accordance with the Instructions for Operation and Commercial Use of the Transmission Network.
2. In order to submit the electricity purchase or sale transactions entered into on the exchange to the Transmission System Operator for physical execution the Exchange Member may use the following scheduling units:
 - a) The scheduling units received from the Transmission System Operator; or
 - b) The scheduling units made accessible by another power company in accordance with the rules specified in the present Regulations.
3. In order to submit the electricity purchase or sale transactions entered into on the exchange to the Transmission System Operator for physical execution the Exchange Member shall be entitled – taking stipulations of subparagraph 4 below into consideration –to use the scheduling units made accessible (called “the Scheduling Units Made Accessible” thereafter) by another Power Company (called “the Making-Accessible Entity” thereafter).
4. The Exchange Member's use of the Scheduling Units Made Accessible requires the POLPX Management Board consent, given on the grounds of application of the Exchange Member interested. Along with the application the applicant should submit the statement of the Making-Accessible Entity that confirms that the Scheduling Units have been made accessible to that applicant, consistent with the specimen determined by the Exchange Management Board. Giving its consent for use of the Scheduling Units Made Accessible the Exchange Management Board

shall specify the time limit, starting from that given Exchange Members shall be entitled to use them. The stipulations, stated in § 15 and § 16 of the present Regulations, are applicable in case of the application for consent for use of the Scheduling Units Made Accessible.

5. After receiving information that any reason disabling given Exchange Member from using of the Scheduling Units Made Accessible takes place, the Exchange Management Board repeals the resolution about the consent for use of those Scheduling Units Made Accessible.

Chapter VII. The Exchange Members.

Section 1. The Exchange membership

§12

1. The following entities may be the Exchange Members:
 - a) commodity brokerage houses,
 - b) brokerage houses,
 - c) power companies holding license for generation, transmission, distribution or trading of electricity as well as consumers – being legal entities – authorized for use of transmission services in accordance with the regulations stated in the Power Law Act and fulfilling the conditions specified in the commodity exchange act,
 - d) the foreign legal entities mentioned in Article 50 paragraph 1 the commodity exchange act,
 - e) general partnerships, which are not the commodity brokerage houses and which carry out the activity, mentioned in Article 38 paragraph 2 subparagraphs 2 and 4, within the scope of trading of the exchange commodities, mentioned in Article 2 paragraph 2 letter a) of the commodity exchange act.
2. The entities, mentioned in subparagraph 1 letter c) above, shall be entitled to enter into transactions, subjects of which may be exchange commodities being electricity, limits of production amount or limits of pollution emissions, the property rights resulted from the certificates of origin, mentioned in the Power Law Act, or the property rights, which are not the financial instruments, price of which depends directly or indirectly on electricity – only on their own account, with the reservation for the stipulations stated in Chapter VI of the present Regulations.

§13

1. Only the entities, which have concluded the membership agreement with the Exchange and which have been admitted to activities on the exchange by the Exchange Management Board shall be entitled to function as the parties of the transactions being entered into on the Exchange Commodity Market
2. Only the entities, mentioned in § 12 subparagraph 1 letters a), b) and e) shall be entitled to function as the parties of the transactions being entered into on the Gas Market, providing that they obtain relevant license given by the Energy Regulatory Office President. , if it is required in accordance with the regulations of the Power Law Act.

3. Only the entities, which are able to conduct clearing of the exchange transactions, subject of which are the property rights under certificates of origin, in relevant Register, shall be entitled to function as the parties of the transactions being entered into on the Property Rights Market.
4. Only the entities, which are able to conduct clearing of the exchange transactions, subjects of which are emission allowances, in relevant emission allowances register, shall be entitled to function as the parties of the exchange transactions being entered into on the Emission Allowance Market.
5. Submitting of the application, mentioned in subparagraph 7 below, by the entity interested in obtaining the exchange membership shall be considered as making an offer for concluding the membership agreement.
6. The membership agreement is concluded at the moment when the Exchange Management Board passes the resolution concerning granting of the Exchange member status.
7. The Exchange Management Board shall determine conditions, which should be met by the application for concluding of membership agreement, as well as documents and information pieces, which should be delivered by the entity submitting its application for concluding of the membership agreement.
8. In case, when the application for concluding of the membership agreement as well as the documents and the information pieces are submitted in language version other than Polish language version the Exchange Management Board shall determine scope of translation of the documents mentioned above into Polish as well as the rules of covering of appropriate costs by the applicant.
9. The Exchange Management Board shall take decision about granting of the Exchange Member status taking the data included in the application into consideration.
10. The Exchange Management Board shall take decision about granting of the Exchange Member status within the period of 20 (twenty) days since the day of submitting of complete application.

§14

According to the application submitted by the entity, mentioned in § 12 subparagraph 1 letter c) above and interested in obtaining of the Exchange Member status, the Exchange, acting as the entity that clears the exchange transactions, shall be entitled to oblige itself to clear the exchange transactions entered into by the entity as above, providing that the entity obtains the Polish Financial Supervision Authority permission for keeping of registers or accounts of the exchange commodities as well as providing that the given entity has been admitted to act on the Exchange Commodity Market. The specimen of the application mentioned above shall be determined by the Exchange Management Board.

§15

1. The entity submitting its application for granting the Exchange Member status, as well as an Exchange Member, shall be obliged to inform the Exchange immediately about any change of the data included in the application for granting of the Exchange Member status.
2. In order to assure safety of the exchange trading the Exchange Management Board shall be entitled to require (at any time) the Exchange Member to provide additional information pieces, going beyond the scope encompassed by the application.

§16

The Exchange Management Board shall be entitled to burden the Exchange Members with special information duties within the scope connected with the Exchange membership, and especially it shall be entitled to oblige the Exchange Member to provide the Exchange with periodical financial statements.

§17

The Exchange Management Board shall pass resolution about refusal to grant the Exchange Member status if the applicant does not fulfill formal requirements or if – according to the Exchange Management Board appraisal – it does not assure warranty of proper performing of the Exchange Member's duties or does not fulfill the requirements within the scope of clearing or settlement of the transactions being entered into on the exchange.

§18

1. The interested entity shall be entitled to appeal against the Exchange Management Board decision concerning refusal to grant the Exchange Member status. The appeal may be lodged to the Exchange Supervisory Board within the period of 20 (twenty) days since the day of receiving the notification about the Exchange Management Board decision.
2. Repeated application for concluding of the membership agreement may be submitted not earlier than after 3 (three) months since the day of receiving of the Exchange Management Board's or the Exchange Supervisory Board's decision concerning refusal to grant the Exchange Member status.

§19

1. The Exchange Member shall be obliged to authorize at least one person to engage in the following activities:
 - a) receiving of all information pieces provided by the Exchange, which concern especially the Exchange Member's orders, transactions entered into by given Exchange member, results of sessions, the post-session clearings and invoices,
 - b) notifying about all found falsities, which concern the transactions entered into or the clearings – within the deadlines specified by the Exchange,
 - c) representing of the Exchange Member towards the Exchange authorities within the scope of matters other than those listed above.
2. The person authorized to engage in the activities mentioned above shall be entitled to represent only one Member of the Exchange.

Section 2. Admittance to actions on the exchange.

§20

1. Admittance of given Exchange Member to actions on the separated markets within the framework of the Exchange Commodity Market shall take place at the moment when the Exchange Management Board passes the resolution concerning admittance to act on the exchange.

2. The Exchange Management Board shall determine conditions to be met by the application for admittance to act on the exchange.
3. In case, when the application for admittance to act on the market as well as the documents and the information pieces are submitted in language version other than Polish language version the Exchange Management Board shall determine scope of translation of the documents mentioned above into Polish as well as the rules of covering of appropriate costs by the applicant.
4. The Exchange Management Board shall take decision about admittance to act on the market taking the data included in the application for admittance to act on the exchange.
5. The Exchange Management Board shall take decision about admittance to act on the market within the period of 20 (twenty) days since the day of submitting of complete application.

§21

1. The Exchange Member shall be obliged to notify the Exchange immediately about any change of the data included in its application for admittance to act on the exchange.
2. In order to assure safety of the exchange trading the Exchange Management Board shall be entitled to require (at any time) the Exchange Member to provide additional information pieces, going beyond the scope encompassed by the application, mentioned in subparagraph 1 above.

§22

The Exchange Management Board shall admit the applicant to act on the exchange if the applicant:

- a) fulfills the requirements within the scope of clearing of the transactions being entered into on individual markets, specified in the present Regulations or by the Clearing House,
- b) obliges itself to obey the regulations being in force on the exchange,
- c) authorizes at least one commodity exchange broker or securities broker to represent it during the exchange transactions,
- d) has got the contract concerning clearing of transactions and concluded with a commodity brokerage house or with a brokerage house being the Clearing House member, that – on the grounds of the contract – shall guarantee that the applicant shall meet its all liabilities by the right of the exchange transactions being entered into or that has got the Polish Financial Supervision Authority permission for keeping of accounts or registers of the exchange commodities.

§23

1. The person representing the Exchange Member during the exchange transactions should receive appropriate training within the scope of practical use of the Exchange IT systems.
2. The Exchange Management Board shall determine detailed rules of the training to be carried out by the Exchange and mentioned in subparagraph 1 above.

§24

The Exchange Management Board shall pass resolution about refusal to admit to act on the exchange if the applicant does not fulfill formal requirements or if – according to the Exchange Management

Board appraisal – it does not assure warranty of proper performing of the Exchange Member's duties or does not fulfill the requirements within the scope of clearing or settlement of the transactions being entered into on the exchange.

§25

1. The interested entity shall be entitled to appeal against the Exchange Management Board decision concerning refusal to admit to act on the exchange. The appeal may be lodged to the Exchange Supervisory Board within the period of 20 (twenty) days since the day of receiving the notification about the Exchange Management Board decision.
2. Repeated application for admittance to act on the exchange may be submitted not earlier than after 3 (three) months since the day of receiving of the Exchange Management Board's or the Exchange Supervisory Board's decision concerning refusal to admit to act at the exchange.

Section 3. The Exchange Member's duties.

§26

1. The Exchange Member shall be obliged to conduct its activity in accordance with adopted market practices, relevant regulations being in force on the exchange as well as rules of accuracy, loyalty and impartiality towards the participants of the exchange trading, as well as it should maintain rules of trading security. The Exchange Member shall be obliged especially:
 - a) to provide its customers (in appropriate time) with information about all activities being conducted on their behalf during the exchange trading process,
 - b) not to enter into exchange transactions on its own account on preference terms in relation to analogical transactions carried out on the customer's account,
 - c) not to take such actions – and especially not to place such orders – in which market price, layout of orders or sales do not express real market situation.

§27

The Exchange Member shall determine rules of purchase and sale of the exchange commodities, being quoted on the exchange, by members of its authorities or by its employees, scope of duties of which encompasses activities connected with the exchange trading as well as it shall assure obeying of such rules.

§28

The Exchange Member shall be obliged to implement procedures of protection of confidential information pieces as well as the secret connected with the exchange transactions.

§29

1. The Exchange Member shall be obliged to carry out exchange activities in honest manner, that is instrumental to its efficient and secure functioning as well as to appropriate protection of interests of all other Exchange Members.
2. Actions aimed at forced up increasing or decreasing of the exchange commodities prices in any way shall be forbidden; and especially it shall be forbidden to publish or to contribute to publishing hearsays or untrue information pieces, which might affect the exchange transactions or the

exchange commodities prices. It shall be strictly forbidden to conduct activities being manipulation in the meaning of the financial instruments trading act.

3. The Exchange member shall be obliged to abstain from direct or indirect trading of the exchange commodities in case when it has got confidential information pieces, which might affect process of exchange prices formation. And especially – the Exchange Member must not use or reveal confidential information pieces concerning the exchange commodities in the meaning of the financial instruments trading act.

§30

1. The Exchange shall be entitled to conduct inspection of the Exchange Member's activities in its seat of business or in another place, where it is conducting its activities, within the scope connected with the exchange trading and rules of access to the exchange IT systems. The Exchange Management Board shall immediately notify the relevant supervisory authority about transgressions found during the inspection of given Exchange Member.
2. The POLPX Management Board shall determine the detailed rules of the control of the POLPX Members.

Section 4. The Market Maker.

§31

1. The Exchange Member may – on the grounds of a contract, concluded with the Exchange separately – oblige itself to place purchase and sale orders for the exchange commodities on permanent basis, on its own name and on its own account, in order to maintain liquidity of trading in given commodity (the Market Maker).
2. The contract for performing of the market maker function should determine principles of its actions, and especially:
 - a) minimum amount of the exchange commodities specified in the orders being placed,
 - b) maximum price spread between the purchase- and the sale orders,
 - c) time of placing of the orders.
3. The Exchange shall be entitled to conclude the contracts with many market makers acting on one market.
4. The entity performing function of the Market Maker must not place orders, which could result in entering into transaction the Market Maker would perform simultaneously the function of selling- and purchasing entity in that.
5. The Exchange shall be entitled to terminate the contract when:
 - a) the Market Maker infringes regulations being in force on the market or stipulations of the contract,
 - b) such termination is required by safety of trading on given market or interest of the market participants.
6. Information about termination of the contract for performing of the Market Maker function shall be furnished to the public and to the PFSA.

Section 5. Suspension of the Exchange Member activity and annulling of the decision about admittance of the Exchange Member to act on the exchange.

§32

1. The Exchange Management Board shall be entitled to suspend activities of given Exchange Member on the Exchange Commodity Market, or on individual parts of the Market, for definite period, but not longer than 3 (three) months, if it finds out that the Exchange Member:
 - a) does not pay punctually the amounts due by the right of the exchange transactions entered into or if it does not pay punctually the fees it has been obliged to pay in accordance with relevant stipulations of the present Regulations, or
 - b) infringes the exchange order or the exchange regulations being in force, or
 - c) activity of that could result in threat for the exchange trading safety.
2. Before taking of the decision, mentioned in subparagraph 1 above, the Exchange Management Board shall inform given Exchange Member about the fact that there is circumstance being grounds for suspension and it shall call to remove such circumstance, with determining of appropriate time for such action.
3. The time, mentioned in subparagraph 2 above, must not be shorter than 14 (fourteen) days, counting from the day the Exchange Member receives the Exchange Management Board call on that, unless the Exchange Member actions causes such threat for the exchange trading safety that should be removed immediately.
4. After ineffective expiration of the time, mentioned in subparagraph 2 above, the Exchange Management Board shall be entitled to take decision about suspension of the Exchange Member activity on the Exchange Commodity Market or on individual parts of the Market.
5. In especially justified cases, and in particular, when the circumstances show that further actions of given Exchange Member could cause serious damage for the trading participants, the mode specified in subparagraphs 2 – 4 above shall not be applied.
6. The Exchange Management Board shall notify the Exchange Member about taking the decision concerning suspending of its actions on the exchange market as well as it shall establish the deadline given Exchange Member shall be obliged to remove the suspension reasons within that.
7. The suspension shall become effective with the moment of taking the relevant resolution by the Exchange Management Board, unless the Exchange Management Board establishes other deadline. During period of suspension of given Exchange Member activities the Exchange shall not accept the orders being placed by this Member and the orders placed previously shall be removed from the Exchange IT System.
8. The Exchange Member shall be entitled to appeal against the Exchange Management Board decision about the suspension. The appeal should be lodged to the Exchange Supervisory Board within 3- (three-) day period counting since the day of delivery of the suspension notification to given Exchange Member.
9. Lodging of the appeal, mentioned in subparagraph 8 above, shall not cease execution of the Exchange Management Board decision concerning suspension of given Exchange member activities on the exchange market.

10. The appeal, mentioned in subparagraph 8 above, should be considered by the Exchange Supervisory Board within the period of 14 (fourteen) days since the day of receiving it, unless taking of the decision concerning the subject matter requires execution of additional activities, and especially submitting of additional documents or obtaining of additional explanations.

§33

1. The Exchange Management Board shall annul the decision concerning admittance of given Exchange Member to exchange activities in case, when the Exchange Member:
 - a) flagrantly infringes the exchange order or stipulations of relevant regulations being in force on the exchange,
 - b) does not fulfill the requirements provided for admittance to exchange activities any longer, or
 - c) it does not remove the suspension reasons within the deadline mentioned in § 32 subparagraph 6 above.
2. The Exchange Management Board shall notify immediately the Exchange Member about annulling of the decision concerning its admittance to the exchange activities. Starting from the day the resolution about admittance to the activities on the Exchange Commodity Market is annulled on that, the Exchange shall not accept orders being placed by given Exchange Member.
3. If given Exchange Member has not been authorized to act on the Exchange Commodity Market the Exchange Management Board shall be entitled to annul its resolution about granting of the Exchange Member status.
4. The Exchange Member shall be entitled to appeal against the decision about annulling its admittance to act on the exchange market. The appeal should be lodged to the Exchange Supervisory Board within 14- (fourteen-) day period counting since the day of delivery of the annulling notification to given Exchange Member. The Exchange Supervisory Board shall take decision concerning the subject matter within the period of two months, counting from the day of lodging of the appeal.
5. In the case when the Exchange Supervisory Board annuls the Exchange Management Board resolution, mentioned in § 32 subparagraph 1 and § 33 subparagraph 1 above, the Exchange Member shall be entitled to start its activity on the Exchange Commodity Market from the day following the day, the Exchange Supervisory Board gives its decision on that.

§34

1. The Exchange Member shall be entitled to make the statement about its resignation from the Exchange membership as well as from activities on the Exchange Commodity Market at any moment, with immediate effect and without necessity for justifying of such resignation.
2. Making of the Exchange Member's statement, mentioned in subparagraph 1 above, shall not relieve it from its duty to fulfill all obligations resulted from its activities at the Exchange, and especially from lodging of the exchange fees, it has been obliged to pay which in accordance with the present Regulations.

Chapter VIII. The exchange commodities trading.

Section 1. General rules.

§35

1. The exchange trading is carried out during the exchange sessions in the Exchange seat of business, from Monday to Sunday, the whole day.
2. Trading on individual markets may be carried out in the mode of the single price system, the continuous trading system, through entering into OTC (over-the-counter) deals or in the auction system.
3. The Exchange Management Board shall determine trading hours for individual markets. The Exchange Management Board shall be entitled to limit, suspend, delay or terminate the trading being carried out on individual markets, including cancellation of the exchange session on given day, if it recognizes that such actions would be advisable in consideration of interest of the Exchange Members, safety of trading or maintaining honest rules of trading on the market.
4. The Exchange Management Board shall be entitled to suspend trading on individual markets or in individual exchange commodities of given type, for the period not longer than till the end of given exchange session; in such case the Exchange Management Board should notify immediately the Exchange Members and PFSA about the suspension, specifying reason for such suspension.
5. In special cases, when the reason for suspension, mentioned in subparagraph 4 above, is impossible to be removed till the end of given exchange session, the Exchange Management Board shall be entitled to suspend the exchange commodities trading of given type for the period longer than one exchange session. Information about suspension of the trading and anticipated time for resumption of the trading shall be delivered immediately to the Exchange Members and PFSA.
6. The Exchange Management Board shall be entitled to exclude the exchange commodities from the trading:
 - if they do not meet the conditions for admittance to the trading on the ECM no longer,
 - if it recognizes that such exclusion is required by interest of the Exchange Members and safety of the trading.
7. Detailed rules for limitation, suspension, delay or termination of the trading have been specified in relevant Detailed Rules for Trading and Settlement or relevant Terms of Trading.
8. The Exchange Management Board shall inform PFSA immediately about any essential disturbance of the exchange session course.

§36

1. Quotations of individual types of the exchange commodities shall be carried out in accordance with the schedule specified in relevant Detailed Rules for Trading and Settlement or relevant Terms of Trading.
2. The Exchange Management Board shall be entitled to alter the trading hours determined in the schedule, while the Exchange shall be obliged to notify each time the Exchange Members and the PFSA about such alteration, with appropriate time advance.

§37

1. The Exchange transactions are entered into in Polish zloty or in other convertible currency specified by the Exchange Management Board.
2. Price of the exchange commodities of given type shall be determined and published without VAT.

§38

1. Limitations of price fluctuations are not valid at the Exchange.
2. The Exchange Management Board shall be entitled to introduce limitations of price fluctuations for individual markets.

§39

1. The Exchange Member shall be obliged to use organizational and technical means designed for control of amount and correctness of the orders being placed on the exchange markets.
2. The Exchange Member shall be obliged to examine the orders as well as the transactions, it is entering into, as regards possibility of making of manipulations of the price of the exchange commodity of given type.
3. In case when the Exchange finds out that the placed orders or the transactions entered into may reveal attempt of manipulation of the price of the exchange commodity of given type, the Exchange shall provide the PFSA with appropriate notification.
4. The Exchange shall inform PFSA about all orders, which have been placed as well as all transactions, which have been entered into.

Section 2. The exchange transactions.

§40

1. The exchange transaction on the Exchange Commodity Market shall be understood as the sale contract closed between the Exchange Members.
2. Execution of the exchange transaction entered into on the Exchange Commodity Market shall take place through physical delivery.

§41

The exchange transactions are entered into during the exchange session or outside the exchange session ("the OTC deals").

§42

Trading unit of the exchange commodity of given type (or multiplicity of the unit) shall be subject of the exchange transaction entered into on the ECM.

§43

The exchange transactions shall be entered into on the grounds of the orders, acceptance of which has been confirmed by the Exchange.

Section 3. The Orders.

§44

1. The Exchange Member shall be responsible for correctness of the orders, which have been placed by it.
2. The Exchange shall accept only the orders from the Exchange Members admitted to activities on individual markets, with the reservation for § 55 subparagraph 3 and § 61 of the present Regulations.
3. In the auction system the Exchange shall accept the orders only from the Exchange Members, which are not the auction applicants (called "The Auction Participants" thereafter). The Exchange shall place the orders on behalf of the Exchange Member being the auction applicant (called "The Tenderer" thereafter). The Tenderer's orders shall be issued on the grounds of the data specified in its application for opening of the auction. The Tenderer's orders shall be subject to execution in accordance with the rules specified in § 47 subparagraphs 3 and 4 as well as § 52 subparagraph 2 of the present Regulations.
4. Only the person authorized by the Exchange Member shall be entitled to deliver the orders.
5. The person authorized for delivering of the orders may represent only one Exchange Member.
6. The Exchange Members shall place the orders by electronic means with use of the IT systems specified by the Exchange Management Board.
7. The Exchange Members shall be entitled to modify and cancel the orders, which have been placed by them.
8. Detailed rules of modification and cancelling of the orders shall be determined by the Exchange Management Board in relevant Detailed Rules for Trading and Settlement or relevant Terms of Trading.
9. The orders may be cancelled as well as removed by the Exchange Members up to amount of the volume that has not been executed yet.
10. Each order placed by the Exchange Member shall specify in particular:
 - a) designation (ID) of the exchange commodity of given type that is subject of the order,
 - b) type of order (purchase / sale),
 - c) the portfolio the order is being placed with reference to that,
 - d) the price limit for the exchange commodity of given type or instruction for execution of the order without the price limit,
 - e) number of trading units (or its multiplicity) of the exchange commodity of given type being subject of the sale- or purchase order,
 - f) designation (ID) of the Exchange Member issuing the order,
 - g) the validity period,
 - h) conditions for execution of the order,

- i) date and hour of issuing of the order,
- j) the order No.

The Exchange Management Board shall be entitled to specify additional information pieces the order should include.

11. The detailed parameters, which should be included in the order shall be specified in relevant Detailed Rules for Trading and Settlement or relevant Terms of Trading.

§45

1. In order to assure safety the Exchange shall be entitled to establish the limit of the order amount.
2. The order amount limit shall specify maximum quantity of the exchange commodities of given type included in one order, with the reservation for § 88 subparagraph 3.

Section 4. The single price system.

§46

1. On the grounds of the received orders the Exchange shall determine the single price for the trading unit of the exchange commodity of given type.
2. The Exchange shall determine the single price in such manner that assures reaching of balance between demand and supply of given exchange commodity. In addition the Exchange evaluates the uniform rate unit of the commodity exchange trading. In addition the Exchange evaluates the single price single price for the trading unit of the exchange commodity according to the principle of maximizing the volume of trade
3. The orders shall be executed in accordance with the following principles:
 - a) the sale orders placed with the price limit below the price of the trading unit shall be executed en block,
 - b) the purchase orders placed with the price limit above the price of the trading unit shall be executed en block,
 - c) purchase and sale orders placed with a price limit equal to the trading unit price may be executed partially, en block or may be not executed at all.
4. The orders may be executed partially, while each exchange transaction shall concern at least one trading unit of the exchange commodity of given type.
5. The detailed rules of establishing the single price as well as execution of the orders have been included in relevant Detailed Rules for Trading and Settlement as well as relevant Terms of Trading.

Section 5. The continuous trading system.

§47

1. In the continuous trading system the orders may be modified or removed by the Exchange Members up to amount of the volume that has not been executed yet.
2. The transaction price shall be established on the grounds of the placed orders with the most favorable purchase- and sale price limit enabling entering into the transaction.
3. In the continuous trading system the transactions shall be entered into according to the principles listed below:
 - a) in the first row the orders with the highest price limit in case of purchase orders, and with the lowest price limit in case of the sale orders shall be executed,
 - b) in case of orders with equal price limits they shall be executed according to the time of the order acceptance (the orders accepted earlier shall be executed in the first row).
 - c) the orders without the price limit shall be executed at the moment of the order acceptance with the price resulted from the price limit in the waiting contrary order.
4. The orders may be executed partially, while each exchange transaction shall concern at least one trading unit of the exchange commodity of given type.
5. The detailed rules of entering into transactions in the continuous trading system have been included in relevant Detailed Rules for Trading and Settlement or relevant Terms of Trading.

Section 6. The OTC deals.

§48

1. The OTC deals shall be entered into outside the single price system as well as outside the continuous trading system.
2. The OTC deals shall be entered into through the Exchange IT system.
3. In case of failure of the exchange IT system it shall be acceptable to place orders for the OTC deals in way other than by means of the Exchange IT system, unless such solution infringes the stipulations of the present Regulations as well as relevant Detailed Rules for Trading and Settlement as well as relevant Terms of Trading.
4. The OTC deal may be entered into if at least one Exchange Member places the sale order and corresponding purchase order including the same parameters, and in particular the same price and the same number of the trading units of the exchange commodity of given type.
5. The Exchange shall be entitled to refuse its consent for entering into the OTC deals on the accordant application of the parties of the transaction or if it recognizes that concluding the transaction might infringe relevant law regulations being currently in force.
6. Additional principles of entering into the OTC deals have been included in relevant Detailed Rules for Trading and Settlement as well as relevant Terms of Trading.

Section 7. The auctions.

§49

1. The auctions shall be carried out according to the Tenderer's application.

2. The application for opening of the auction shall determine in particular:
 - a) proposed date of carrying out of the auction,
 - b) type of auction (sale or purchase),
 - c) designation (ID) of the exchange commodity of given type being subject of the auction,
 - d) number of trading units of the exchange commodity of given type the applicant is going to sell or to purchase as result of the auction (the auction volume),
 - e) the offered price limit (the price limit composes the minimum price in case of sale auction or maximum price in case of purchase auction).
3. The minimum volume of the auction for individual exchange commodities has been determined in relevant Detailed Rules for Trading and Settlement as well as relevant Terms of Trading.
4. The Exchange Management Board shall be entitled to give its consent for opening of the auction with lower auction volume if it recognizes that such solution does not adversely affect the exchange transactions liquidity.

§50

1. The application for opening of the auction should be submitted in written form not later than 7 (seven) working days before the auction date proposed in the form, specimen of that shall be determined by the Exchange Management Board.
2. The Exchange Management Board shall be entitled to refuse to open the auction if the application for opening of the auction does not meet the formal conditions specified in the present Regulations or if the application concerns the exchange commodities, period of quotation of which expired before the proposed date of the auction opening or if carrying out of the auction might pose threat for the exchange trading safety or infringe interest of the Exchange Members.

§51

1. The Exchange shall inform the Exchange Members about the time limit for the auction not later than 5 (five) working days before the day of the auction. The Exchange's publication concerning the subject matter shall include especially:
 - a) the auction date,
 - b) the auction type, as well as
 - c) the auction subject and volume.
2. Sequence of submitting of the applications to the Exchange shall decide about sequence of the auctions.

§52

1. In order to enter into transactions in the auction system the Auction Participants shall place purchase orders – in case of the sale auction, or the sale orders – in case of the purchase auction.

2. In the auction system the orders of the Auction Participants with the price limit equal to or – in case of sale auction higher than, while in case of purchase auction lower than the price limit determined by the Tenderer in its order – shall be executed.

§53

1. Transaction rate shall not be determined in the auction system. In the auction system the exchange transactions shall be entered into with the transaction price. In the auction system the exchange transactions shall be entered into at the moment of matching of the purchase- and sale orders according to the rules specified in the present Regulations. In case, when the most favorable price limit in the Auction Participants' orders is lower (in case of the sale auction) or higher (in case of purchase auction) than the limit specified by the Tenderer in its application for opening of the auction, the auction shall remain inconclusive. In such case no exchange transaction is entered into as result of the auction.
2. In the case when the auction is inconclusive the Exchange shall publish the price limit specified in the Tenderer's order as well as the most favorable price limit specified in the orders placed by the Auction Participants.

§54

The Exchange Member shall be entitled to withdraw its application for opening of the auction not later than 2 (two) working days before the auction date. The Exchange Member shall be obliged to inform the Exchange about reasons for such decision. The Exchange Member may change the offered price limit not later than 1 working day before the date of the auction. The Management Board of POLPX may restrict changes of the limit price.

Section 8. Clearing of the transactions.

§55

1. The entity clearing the transactions entered into on the exchange is the Power Exchange Joint Stock Company, with the reservation for § 59 as well as § 89 of the present Regulations.
2. The Exchange shall be entitled to turn the transaction clearing over to an external entity, authorized for clearing of transactions on the grounds of relevant law regulations.
3. In case, when the Exchange turns clearing of the transactions over to the external entity, mentioned in subparagraph 2 above, the Exchange Members shall be obliged to obey appropriate regulations issued by the entity.

§56

Within the framework of clearing of the transactions the Exchange:

- a) records the transactions, entered into on given day, in the recording accounts of the Exchange Members,
- b) calculates – after publication of the prices for individual markets – amount of liabilities and receivables by the right of the transactions entered into,

- c) issues the clearing reports by the right of execution of the transactions entered into as well as by the right of rendering of the exchange services (the transaction fee).

§57

1. Immediately after completion of the session the Exchange shall prepare – separately for each Exchange Member – the transaction report being evidence of entering into the transactions.
2. The transaction report may concern many transactions executed by the Exchange Member and it should include especially the following information pieces:
 - a) designation (ID) of the exchange commodity of given type that was the transaction subject,
 - b) designation (ID) of the Exchange Member that has entered into the transaction,
 - c) type of the transaction (sale or purchase),
 - d) price, according to that the transaction has been entered into,
 - e) number of trading units of the exchange commodity of given type being the transaction subject.

§58

1. The financial clearing of the transactions, which have been entered into, shall be executed in the cycles of the clearing week, determined in relevant Detailed Rules for Trading and Settlement or relevant Terms of Trading.
2. After completion of the clearing week amount of liabilities and receivables is determined for each Exchange Member. Information about the amount of liabilities and receivables of individual Exchange Members is delivered to them by the Exchange.
3. After completion of the clearing week the Exchange issues the clearing reports for the Exchange Members, which have entered into transactions on individual markets during given clearing week.
4. After completion of the clearing week the Exchange issues invoices for the Exchange Members, which entered into the purchase transactions during this clearing week; the invoices are issued by the right of execution of the transactions as above.
5. After completion of the clearing week the Exchange Members, which entered into the sale transactions during given clearing week issue the invoices for the Exchange; the invoices are issued by the right of execution of the transactions as above.

§59

1. The pecuniary clearing of the OTC deals may be executed without agency of the Exchange.
2. The Exchange members shall be entitled to turn the pecuniary clearing of the OTC deals over to the Exchange.
3. The Exchange shall clear the OTC deals on the grounds of instructions submitted by the Exchange Member through the exchange IT system, providing that it participates in the transaction clearing securing system specified in § 60 of the present Regulations.
4. In case when the Exchange executes pecuniary clearing of the OTC deals the stipulations of § 55 and § 60 shall be applied respectively.

5. Additional terms of clearing of the OTC deals for the exchange commodities of given type have been specified in relevant Detailed Rules for Trading and Settlement as well as relevant Terms of Trading.

Section 9. Securing of the transaction clearing.

§60

1. In order to guarantee the clearing of the transactions entered into on the exchange markets the Exchange shall establish the securing system.
2. The amount of available collateral of the transactions shall be updated in the recording system managed by the Exchange. Within the framework of the system each Exchange Member has in its possession the recording account the current amount of collaterals is recorded in that.
3. With the reservation for subparagraph 9 below, the condition for submitting of purchase- and sale orders by given Exchange Member is establishing of collateral for meeting of liabilities by the right of the transactions entered into. The collateral amount has been specified in relevant Detailed Rules for Trading and Settlement as well as relevant Terms of Trading.
4. The collateral may take form of the cash payments of the Exchange Member, paid into the accounts specified by the Exchange.
5. The Exchange shall not execute the orders placed by the Exchange Member, verification of the order of which shows that the amount of the established collateral is lower than the amount of the required collateral.
6. The Exchange shall not execute the sale orders, placed on the ECM or EAM by the Exchange Member, verification of the order of which shows that it has not got the exchange commodities of given type in amount equal to at least one trading schedule specified in the sale order.
7. After entering into purchase transaction the collateral amount shall be reduced by the value of the transaction.
8. After entering into sale transaction the collateral amount shall be increased by the value of the transaction.
9. With the reservation for subparagraph 6 above, there shall not be necessity for covering of the OTC deals by the clearing securing system, mentioned in subparagraph 1 above.

§61

In special situations, provided for in relevant regulations, the Exchange shall be entitled to submit the orders (in the name of an Exchange Member), execution of which shall lead to reducing of its liabilities. The matter concerns first and foremost the following situations:

- a) when given Exchange Member exceeds the established limit for market exposure (determined in § 88 subparagraph 2) or the daily transaction limit (specified in § 88 subparagraph 4) and when such exceeding poses threat for security of trading and clearing, or
- b) when given Exchange Member or the Making-Available Entity, that is not the Exchange Member, is excluded from the Balancing Market in accordance with the IOCUTN.

Section 10. The Exchange's clearing of the transactions entered into on other markets

§62

1. The Exchange shall be entitled to clear the transactions, entered into on other markets by the Power Companies, which are not the Exchange Members, in cases when:
 - a) the Exchange has concluded appropriate cooperation agreement with the entity running given market or with the entity that performs the function of main clearing participant on the market,
 - b) the transaction orders (sale- and purchase orders) shall be placed with use of the exchange IT system.
2. The orders, mentioned in subparagraph 1 above, shall be the grounds for entering into the transactions by the Exchange Members in accordance with relevant regulations being in force on given market. The Exchange shall bear no responsibility for execution of such orders.
3. The detailed rules for clearing of the transactions entered into by the Exchange Members on other market on the grounds of the orders, mentioned in subparagraph 1 above, shall be established by the Exchange Management Board.

Section 11. Cancelling of the transactions.

§63

In justified cases, if matters of trading safety or interest of the entities participating in the trading speak in advocacy of such solution, the Exchange Management Board shall be entitled to cancel the transaction, entered into during the continuous trading process, according to the motion moved by the Exchange Member that has placed incorrect order, what resulted in entering into incorrect transaction. The incorrect transaction may be cancelled if it has been entered into on the grounds of order, in which the Exchange Member has specified incorrect price limit, volume, type of order or designation (ID) of the instrument, and if the second party of the incorrect transaction gives its consent to such cancelling.

§64

1. The Exchange Management Board shall be entitled to cancel the exchange transaction in the following cases:
 - a) when an error in the Exchange Member's order is self evident – cancelling of the incorrect transaction may be done without consent of another party of the transaction,
 - b) with reference to the transactions entered into during entire exchange session or during any part of the session, in case, when it receives the Transmission System Operator's notification about refusal to accept the exchange transactions for physical execution in accordance with the IOCUTN or in another case, when there is no possibility for submitting the exchange transactions for physical execution by the TSO because of the Force Majeure event.
2. The Exchange Management Board shall determine the detailed criteria for assessment of the situations, during which the error in the Exchange Member's order could be recognized as self evident, taking into consideration especially deviation of the incorrect transaction from general volume of transactions in given exchange commodity having been entered on the market as well as deviation of its price from the average exchange prices.

3. An event that meets the following conditions (in conjunction) shall be recognized as the Force Majeure event in the meaning of § 64 subparagraph 1 letter b) above:
 - a) the event that composes the Force Majeure event in the understanding of relevant law regulations,
 - b) the event that concerns all parties of the exchange transactions being subject of cancelling, as well as
 - c) the event, removing of that was impossible within the deadline the exchange transaction should be submitted for physical execution to the TSO within that (in accordance with the rules determined in the IOCUTN).

§65

1. The motion for cancelling of the incorrect transaction must not be moved later than within 10 (ten) minutes from the moment of entering into the transaction. The Exchange Management Board or an Exchange clerk authorized by the Management Board shall be entitled to suspend trading concerning the instrument, the incorrect transaction has been entered into in that.
2. The Exchange Member that has been another part of the transaction, mentioned in § 63 above, shall be obliged to inform the Exchange about its consent for cancelling of the transactions or about its refusal to give such consent – within the period of 15 (fifteen) minutes since the moment of moving of the motion, mentioned in subparagraph 1 above. The refusal to give the consent for cancelling of the transaction shall require justification. In especially justified cases the Exchange Management Board shall be entitled to prolong the time limit needed for transferring of such information by the Exchange Members.
3. In case, when the time limit specified in subparagraph 2 above expires and when the Exchange Members do not give their consent as specified in § 63, the Exchange Management Board shall take the decision about refusal to give its consent for cancelling of the transaction, with the reservation for § 64 subparagraph 1 letter a) above.
4. The Exchange Management Board shall be entitled to refuse to give its consent for cancelling of the transaction in spite of meeting of the conditions specified in subparagraph 1 as well as subparagraph 2 above.
5. The cancelled transaction shall be recognized as the transaction that has not been entered into. The orders, which were the grounds for cancelling of the transaction shall become invalid.
6. The decision about cancelling of the incorrect transaction shall be published immediately.
7. In each case the Exchange shall provide the PFSA with information about receiving of the motion for cancelling of the transaction as well as with copy of given Exchange Member's explanations.
8. The Management Board shall determine detailed terms and mode of procedure in case of moving of the motion for cancelling of the incorrect transaction, the wording of the motion as well as scope and form of the information being transferred by the market participants in connection with cancelling of the transaction.

§66

In case of cancelling of the exchange transaction in accordance with the present Regulations the cancelled transaction must not be recognized as the grounds for lodging of any indirect cross claims by that right, including the claims towards the Exchange acting as the party in such transaction.

Chapter IX. Provisions concerning individual markets.

Section 1. The Day-Ahead and Intraday Market.

§67

Electricity is subject of the trading on the Day-Ahead and Intraday Market.

§68

The trading on the DAM&IDM shall be carried out in the single price- and continuous trading system as well as through entering into the OTC deals.

§69

1. The exchange transaction on the DAM&IDM shall be a sale contract, concluded on the exchange by the Exchange Members, that results in conveyance of property of electricity from the seller to the purchaser.
2. The conveyance of property of electricity shall require notification of the Transmission System Operator about the exchange transactions entered into and submitted for physical execution.
3. The transaction shall be recognized as entered into on the DAM&IDM at the moment of determination of electricity price on the DAM&IDM as well as matching of the purchase- and sale orders according to the rules specified in the present Regulations.

§70

The detailed rules of trading and settlement concerning the Day-Ahead and Intraday Market shall be determined by the Exchange Management Board in the Day-Ahead Market Detailed Rules of Electricity Trading and Settlement and in the Intraday Market Detailed Rules of Electricity Trading and Settlement.

Section 2. The Gas Market.

§71

1. Gas is subject of the trading on the Gas Market.
2. The Exchange Management Board shall determine types of gas, which could be introduced into the Exchange trading.

§72

The trading on GM shall be carried out in the single price- and continuous trading system and also through concluding OTC deals.

§73

1. The exchange transaction on the GM shall be a sale contract, concluded on the exchange by the Exchange Members, that results in conveyance of property of gas from the seller to the purchaser.
2. The conveyance of property of gas shall require notification of the transmission system operator (acting within the scope of gas fuel transmission) about the exchange transactions entered into and submitted for physical execution, in accordance with the Power Law Act.
3. The transaction shall be recognized as entered into on the GM at the moment of determination of gas price on the GM as well as matching of the purchase- and sale orders according to the rules specified in the present Regulations.

§74

The detailed rules concerning the GM shall be determined by the Exchange Management Board in the Gas Market Detailed Rules of Trading and Settlement.

Section 3. The Property Rights Market.

§75

1. The property rights, mentioned in Article 2 item 2 letter d) of the exchange commodities act (“the Property Rights”) are subjects of the trading on the Property Rights Market.
2. The Property Rights are issued on the grounds of appropriate Certificates of Origin and they are recorded in appropriate register in recording accounts of the entities they are vested to.
3. The Property Rights do not have any material form and they exist only in electronic record form.
4. One Property Right corresponds to 1 kWh of electricity.

§76

Admittance to and introduction of given Property Rights into the exchange trading shall take place at the moment when they are recorded in the recording account of the Exchange Member in relevant register.

§77

The trading in the Property Rights on the PRM shall be carried out in the single price- and continuous trading system as well as through entering into the OTC deals.

§78

1. The exchange transaction on the PRM shall be a sale contract, concluded on the exchange by the Exchange Members, that results in conveyance of property of the Property Rights from the seller to the purchaser.
2. Conveyance of the Property Rights as result of entering into the exchange transaction shall take place at the moment when they are recorded in the recording account of the purchaser in relevant register. Inter-account movement of the Property Rights in relevant registers takes place on the grounds of the transactions entered into on the PRM.

§79

The detailed rules of trading and settlement concerning the PRM shall be determined by the Exchange Management Board in relevant Property Rights Market Detailed Rules of Trading and Settlement, separately for individual types of the Property Rights.

Section 4. The Emission Allowance Market.

§80

1. Emission allowances are subject of the trading on the Emission Allowance Market.
2. The Exchange Management Board shall determine types of the emission allowances, which could be introduced into the exchange trading.

§81

The trading on the EAM shall be carried out in the single price- and continuous trading system as well as through entering into the OTC deals.

§82

1. The exchange transaction on the EAM shall be a sale contract, concluded on the exchange by the Exchange Members, that results in conveyance of property of the emission allowances from the seller to the purchaser.
2. Conveyance of the emission allowance as result of entering into the exchange transaction shall take place at the moment when they are recorded in the recording account of the purchaser in the National Register of the Emission Allowances.
3. The transaction shall be recognized as entered into on the EAM at the moment of determination of emission allowance price on the EAM as well as matching of the purchase- and sale orders according to the rules specified in the present Regulations.

§83

The detailed rules of trading and settlement concerning the EAM shall be determined by the Exchange Management Board in the Emission Allowance Market Detailed Rules of Trading and Settlement, separately for individual emission allowances.

Section 5. The Commodity Derivatives Market.

§84

Subject of the trading on the Commodity Derivatives Market could be property rights, which are not financial instruments and price of which depends (in direct- or in indirect way) on assessment or value determined as regards sort of things, specified types of energy, measures and limits of production amount, emission of pollutants as well as the property rights being the exchange commodity and mentioned in the Power Law Act ("the commodity derivatives").

§85

1. The commodity derivatives are admitted to and introduced into the trading on the Commodity Derivatives Market by the Exchange Management Board.
2. Admitting the commodity derivatives to the trading the Exchange Management Board shall determine:
 - a) terms of trading for individual commodity derivatives,
 - b) standard of the commodity derivatives.

§86

Trading in individual commodity derivatives could be carried out in the continuous trading system, in the auction system as well as through entering into OTC deals.

§87

The exchange transaction on the CDM shall be a contract, concluded on the exchange by the Exchange Members, resulting in birth of rights or obligations connected with ownership of the commodity derivatives.

§88

1. In order to assure safety of the settlements the Clearing House shall be entitled to establish the market exposure limits with reference to opened positions of each Exchange Member as well as daily transaction limits. In order to assure safety of trading the Exchange shall be entitled to establish the order amount limit.
2. The exposure limit shall compose maximum value of the positions opened by one Exchange Member.
3. The order amount limit shall determine maximum number of the commodity derivatives in one order.
4. The daily transaction limit shall determine maximum value of liabilities the Exchange member could incur by the right of clearing of occupied and new opened positions on the CDM.

§89

The Clearing House is the entity that clears the exchange transactions entered into on the Commodity Derivatives Market.

§90

The detailed rules of trading and settlement concerning the CDM shall be determined by the Exchange Management Board in the Terms of Trading for individual commodity derivatives.

Chapter X. Publication of exchange information.

§91

1. Immediately after completion of the exchange session the Exchange shall publish on its web site information pieces about activity of the exchange as well as results of the exchange session, which shall concern in particular:
 - a) rates or prices of the exchange commodities,

- b) the exchange commodities trading volume,
 - c) value of the exchange indices.
2. The detailed rules, scope and mode of publication of the exchange information shall be determined by the Exchange Management Board.

§92

1. The Exchange shall provide the Exchange Members with access to the exchange information, at the same time and according to the same rules.
2. Information pieces concerning volume, rates, transaction prices as well as value of the transactions entered into on the market shall be made accessible for the Exchange Members on the private web site that is accessible only for given Exchange Member and the Exchange.
3. The Exchange Members shall be obliged to inform the Exchange immediately about all events, which could affect rates or prices of the exchange commodities. Such information pieces shall be published by the Exchange on its public web site.
4. The detailed rules for process of making exchange information accessible for the Exchange Members shall be determined by the Exchange Management Board.

Chapter XI. Settlement of disputes and disciplinary measures.

§93

1. The disputes falling under civil law arising out of the exchange transactions shall be settled by the Exchange Court, being a permanent court of arbitration operating at the Exchange.
2. The competencies of the Exchange Court may include solving of other matters as long as it is stipulated by the Exchange Regulations or the Exchange Court Regulations.
3. The Exchange Court consists of 6 to 10 arbitrators appointed by the Exchange Supervisory Board for a term in office lasting 5 (five) years. The arbitrators of the Exchange Court are appointed from amongst the persons equipped with necessary knowledge and experience related to exchanges, regulated market, commodity markets and power sector.
4. The Exchange Court makes judgments working in 3-person teams. Each of the parties appoints one arbitrator, while the Chairman of the team is appointed by the Chairman or Deputy Chairman of the Exchange Court. The Chairman and Deputy Chairman of the Exchange Court are appointed and dismissed by the Exchange Supervisory Board. The term in office of the Chairman and Deputy Chairman shall last five years.
5. One may not appeal against the judgments of the Exchange Court.
6. The Exchange Court Regulations are established by the Exchange Supervisory Board through the resolution .

§94

1. The Exchange shall bear no responsibility towards the Exchange Members or third persons for damages resulted from infringement of the rules specified in the present Regulations or other regulations, being in force on the exchange, by the other Exchange Members.
2. In case when the Exchange Management Board has found out that the Exchange Member infringes stipulations of the regulations being in force at the exchange or infringes the exchange order it shall be entitled to apply the following measures to such Exchange Member:
 - a) to issue a warning,
 - b) to impose a financial penalty provided for in the present Regulations up to amount of 20.000,- zloty.
3. The Exchange Member shall be entitled to appeal against the Exchange Management Board decision imposing the financial penalty provided for herein to the Exchange Supervisory Board within the period of 7 (seven) days since the day it receives such decision on that. Lodging of the appeal shall hold up execution of the Exchange Management Board decision. The Exchange Supervisory Board should examine the Exchange Member's appeal during its closest meeting.
4. The Exchange Management Board shall immediately inform the Polish Financial Supervisory Authority about any essential disturbance of the exchange session course.

Chapter XII. The exchange IT systems

§95

1. The Exchange shall be entitled to assign the right for access to its IT systems only to authorized clerks of the Exchange, authorized representatives of the Exchange Members, authorized officers of the Polish Financial Supervisory Authority or authorized clerks of the Clearing House.
2. The Exchange Management Board shall be entitled to give its consent for access to the exchange IT systems for persons other than those specified in subparagraph 1 above.

§96

1. The access to the Exchange IT systems shall take place through providing the authorized persons with a personal access code.
2. The right to access to the Exchange IT systems shall entitle the persons, the personal access codes have been provided for which, to use the Exchange IT system only within the scope of performing of their tasks on the market.
3. The persons, which have been provided with the personal access codes, shall be entitled to use such codes only in such time and within such scope as well as in such place, as it shall be indispensable for performing of their tasks in accordance with the trading order ruling on given market.
4. The persons, mentioned in subparagraph 3 above, shall be obliged to exercise appropriate care in order to disenable unauthorized persons from access to the Exchange IT systems.

§97

1. The Exchange Members shall be responsible for proper functioning of their IT systems in the way that enables them to enter into transactions on the market.

2. The Exchange shall not be responsible for correctness of data being transferred to the Exchange or by the Exchange with use of electronic methods – if the error has taken place outside the communication servers of the exchange.

§98

The Exchange Management Board shall be entitled to determine detailed conditions for access to the exchange IT systems.

§99

1. The Exchange Member shall be obliged to provide the authorized clerks of the Exchange or the persons indicated by the Exchange with access to its links to the exchange IT systems in order to conduct inspection of correctness of use of them.
2. The Exchange Management Board shall be entitled to establish the detailed rules of such inspections.

Chapter XIII. Fees and Charges.

§100

1. The Exchange Member shall be obliged to pay fees for the benefit of the Exchange in the amounts and within the deadlines specified in the Appendix to the present Regulations.
2. The Exchange Management Board shall be entitled to reduce periodically the fees, mentioned in subparagraph 1 above, informing the Exchange Members about the fact with seven-day (7-day) notice. The Exchange Management Board shall be entitled to reduce periodically the fees, mentioned in subparagraph 1 above, or to exempt from such fees the Exchange Members paying the fees by the right of participation on the exchange commodity market organized by the Exchange.
3. The Exchange Management Board shall be entitled to reduce the fees, mentioned in subparagraph 1 above, receivable from the Exchange Members performing the function of the Market Maker. The Exchange Management Board shall determine (through relevant resolution) criteria, which shall compose the grounds for reduction the fees for the Exchange Members performing the Market Maker function as well as deadlines for as well as method of payment of such fees. The Exchange Management Board shall be entitled to inform the Exchange Members about the resolution contents and wording with thirty-day (30-day) notice.
4. The Exchange Management Board shall establish the detailed rules for calculation and collecting of the exchange fees and charges.

Chapter XIV. The exchange arrangements.

§101

1. The Exchange Supervisory Board shall be entitled to amend the present Regulations as a whole or partially, at any time, on condition that the Exchange Members are notified about contents and wording of the amendments not later than 14 (fourteen) days before the day they come into force on that.

2. The Appendices to the Regulations shall compose integral part of the Regulations.
3. The Exchange Management Board shall establish (through resolution) relevant Detailed Rules of Trading and Settlement as well as relevant Terms of Trading. The Exchange Members shall be informed about the resolutions concerning the subject matter as well as the amendments of the resolutions not later than 7 (seven) days before the day the resolutions come into force on that.

Appendix. The exchange fees and charges

1.	The fixed fees:	
1.1.	The fee for the application for closing the exchange membership agreement	2 000 PLN
1.2.	Annual fees for participation on individual markets:	
1.2.1.	Annual fee for participation on the DAM&IDM – variant I	100 000 PLN
1.2.2.	Annual fee for participation on the DAM&IDM – variant I	1.000 PLN
Selection of Variant I of annual fee for participation on the DAM&IDM shall result in selection of Variant I of the session transaction fee for the DAM&IDM. Selection of Variant II of annual fee for participation on the DAM&IDM shall result in selection of Variant II of the session transaction fee for the DAM&IDM. The transaction fee for the OTC deals on the DAM&IDM shall be identical for each Variant.		
1.2.3.	Annual fee for participation on the GM	0 PLN
1.2.4.	Annual fee for participation on the Exchange Commodities Market ECM	20 000 PLN
The Exchange Members, which have been admitted to activities on the DAM&IDM shall not pay the annual fees on the ECM.		
1.2.5.	Annual fee for participation on the PRM	0 PLN
1.2.6.	Annual fee for participation on the EAM	0 PLN
2.	The transaction fees:	
The transaction fees shall be collected from each party of the transaction:		
2.1.	Transaction fees – the DAM&IDM	
2.1.1.	Exchange service – the session transactions (Variant I)	0,05 PLN / 1 MWh
2.1.2.	Exchange service - the session block transactions (Variant I)	0,05 PLN / 1 MWh
2.1.3.	Exchange service – the session transactions (Variant II)	0,45 PLN / 1 MWh
2.1.4.	Exchange service - the session block transactions (Variant II)	0,45 PLN / 1 MWh
2.1.5.	Exchange service – the OTC deals	0,10 PLN / 1 MWh
2.2.	The transaction fees – the GM	
2.2.1.	Exchange service	2,00 PLN / 1000 m ³
2.3.	The transaction fees – the PRM	
2.3.1.	For the Property Rights under Certificates of Origin for electricity generated in renewable energy sources	
2.3.1.1.	Exchange service concerning the session transactions – entered into in the single price system and the continuous trading system	0,35 PLN / 1 MWh
2.3.1.2.	Exchange service concerning the OTC deals being cleared	0,50 PLN / 1 MWh
2.3.1.3.	Exchange service concerning the OTC deals, which are not cleared	0,50 PLN / 1 MWh
2.3.2.	For the Property Rights under Certificates of Origin for biogas, mentioned in Article 9o paragraph 1 of the Power Law Act.	
2.3.2.1.	Exchange service concerning the session transactions – entered into in the single price system and the continuous trading system	0,35 PLN / 1 MWh
2.3.2.2.	Exchange service concerning the OTC deals being cleared	0,50 PLN / 1 MWh

2.3.2.3.	Exchange service concerning the OTC deals, which are not cleared	0,50 PLN / 1 MWh
2.3.3.	For the Property Rights under Certificates of Origin for electricity generated in high-efficient CHP sources, mentioned in Article 9I paragraph 1 subparagraph 1 of the Power Law Act.	
2.3.3.1.	Exchange service concerning the session transactions – entered into in the single price system and the continuous trading system	0,20 PLN / 1 MWh
2.3.3.2.	Exchange service concerning the OTC deals being cleared	0,25 PLN / 1 MWh
2.3.3.3.	Exchange service concerning the OTC deals, which are not cleared	0,25 PLN / 1 MWh
2.3.4.	For the Property Rights under Certificates of Origin for electricity generated in high-efficient CHP sources, mentioned in Article 9I paragraph 1 subparagraph 2 of the Power Law Act.	
2.3.4.1.	Exchange service concerning the session transactions – entered into in the single price system and the continuous trading system	0,05 PLN / 1 MWh
2.3.4.2.	Exchange service concerning the OTC deals being cleared	0,06 PLN / 1 MWh
2.3.4.3.	Exchange service concerning the OTC deals, which are not cleared	0,06 PLN / 1 MWh
2.3.5.	For the Property Rights under Certificates of Origin for electricity generated in high-efficient CHP sources other than those mentioned in the Power Law Act.	
2.3.5.1.	Exchange service concerning the session transactions – entered into in the single price system and the continuous trading system	0,20 PLN / 1 MWh
2.3.5.2.	Exchange service concerning the OTC deals being cleared	0,25 PLN / 1 MWh
2.3.5.3.	Exchange service concerning the OTC deals, which are not cleared	0,25 PLN / 1 MWh
2.3.6.	The transaction fees – the EAM	
2.3.6.1.	Exchange service concerning the session transactions – entered into in the single price system and the continuous trading system	0,15 PLN / 1 allowance
2.3.6.2.	Exchange service for the OTC deals	0,15 PLN / 1 allowance
2.3.7.	The transaction fees – the CDM	
2.3.7.1.	Exchange service for the derivatives	0,04 PLN / 1 MWh
3.	Additional fees and charges:	
3.1.	The charges by the right of cancelling of the incorrect transaction (to be collected from the Exchange Member moving motion for cancelling of the transactions)	
3.1.1.	The charge for moving of the motion for cancelling of incorrect transaction	10.000,00 PLN
3.1.2.	The charge being collected from the motion mover in case of cancelling of the transaction	1% of value of the cancelled transaction, not less than 1.000 zloty and not more than 100.000 zloty
The fees, specified in item 2 above and resulted from the transactions, shall not be collected from the parties of the cancelled transactions.		

REMARKS:

- 1) Method of and deadline for payment of the annual fee as well as method of and deadline for declarations concerning selection of the annual fee variant shall be determined by the Exchange Management Board.
- 2) The variant of the annual fee for participation on the DAM&IDM for given calendar year shall be selected by the Exchange Member. In case, when the Exchange member does not submit its declaration about selection of the annual participation fee on the DAM&IDM within the specified deadline it shall be recognized that given Exchange Member shall continue the annual fee variant selected for the previous calendar year.
- 3) The amount of the first annual fee, collected from the Exchange Members concluding the Exchange membership agreement and selecting variant I of the DAM&IDM participation fee, during given calendar year shall be reckoned proportionally to remaining part of given calendar year, including the month the membership agreement is concluded in that. The amount of the first annual fee, collected from the House Members concluding the Exchange membership agreement and selecting variant II of the DAM&IDM participation fee during given calendar year shall be reckoned in full amount.
- 4) The annual fee shall not be subject to return in case of suspension of the membership or dissolving of the membership agreement.
- 5) The fees and charges presented in the present Appendix do not include VAT tax.