

## **Technical Rule no. 11 rev.3 PCE**

(under article 4 of the Rules Governing the OTC Registration Platform – PCE Rules)

<b>Title</b>	<b>Loss of qualifications or failure to fulfil obligations by the bank issuing the bank guarantee</b>
Reference Legislation	Article 56, para. 56.3 and Article 68, para. 68.1 of the PCE Rules.

**In force from 28 November 2019**

successfully verified by the Director of Markets of AEEG (Autorità per l'Energia Elettrica e il Gas – electricity & gas regulator) with Resolution of 5 April 2007,  
as subsequently amended and supplemented

## **1. Foreword**

Article 56, para. 56.3 of the PCE Rules provides that, if the bank issuing the bank guarantee, or the controlling company referred to in Article 56, para. 56.2 of the PCE Rules, no longer meets one or both of the requirements specified in Article 56, para. 56.1 a) of the PCE Rules, or if the controlling company loses control of the bank issuing the bank guarantee pursuant to art. 2359, paragraphs 1 and 2, of the Civil Code, then the bank guarantees issued by such bank shall remain valid until the term specified in the Technical Rules.

Article 68, para. 68.1 of the PCE Rules provides that the bank guarantees issued by banks that, after receiving a request for enforcement, fail to make the consequent payment within the time period indicated therein, shall remain valid until the date specified in the Technical Rules.

## **2. Loss of qualifications by the bank issuing the bank guarantee**

### **2.1 Guarantees provided pursuant to Annex 3 of the Rules**

If the bank issuing the bank guarantee, or the controlling company referred to in Article 56, para. 56.2 of the PCE Rules, loses one or both of the qualifications specified in Article 56, para. 56.1 a) of the PCE Rules, or in the event that the controlling company loses control of the bank issuing the bank guarantee pursuant to art. 2359, paragraphs 1 and 2, of the Civil Code, the related bank guarantees issued by such bank remain valid until the end of the invoicing period within which it falls the sixtieth calendar day following that on which the loss of qualification has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the guarantee submitted by the Market Participant has been positively verified by GME pursuant to Article 57, paragraph 57.10 bis of the PCE Rules.

If the Market Participant is also an ME and/or MGAS Market Participant, respectively, Technical Rules no. 03 ME and the Technical Rule no. 14 MGAS apply.

## **2.2 Guarantees provided pursuant to Annex 3 of the version of the Rules in force until the day before the go-live date of the netting markets**

With reference to the guarantees provided pursuant to Annex 3 of the Rules in force until the day before the go-live date of the netting markets if the bank issuing the bank guarantee, or the controlling company referred to in Article 56, paragraph 56.2 of the PCE Rules, loses one or both the qualifications referred to in Article 56, paragraph 56.1 a), of the PCE Rules, or if the controlling company loses control of the bank issuing the bank guarantee pursuant to art. 2359, paragraphs 1 and 2, of the Civil Code, the related bank guarantees issued by such bank remain valid until the end of the invoicing period following the one on which the loss of qualification has occurred,, unless the Market Participant priorly posts another suitable guarantee and the request to return the guarantee submitted by the Market Participant has been positively verified by GME pursuant to Article 57, paragraph 57.10 bis of the PCE Rules.

If the Market Participant is also an ME and/or MGAS Market Participant, respectively, the Technical Rule no. 03 ME and the Technical Rule no. 14 MGAS apply.

## **3. Default by the bank issuing the bank guarantee**

### **3.1 Guarantees provided pursuant to Annex 3 of the Rules**

In the event the bank issuing the bank guarantee, after receiving a request for enforcement due to the default of a Market Participant, fails to make the consequent payment within the time period indicated therein, then the other bank guarantees issued by the same bank remain valid until the end of the invoicing period within which it falls the thirtieth calendar day following the one on which such event has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the guarantee submitted by the Market Participant has been positively verified by GME pursuant to Article 57, paragraph 57.10 bis of the PCE Rules.

If the Market Participant is also an ME and/or MGAS Market Participant, respectively, the Technical Rules no. 03 ME and the Technical Rule no. 14 MGAS apply.

### **3.2 Guarantees provided pursuant to Annex of the version of the Rules in force until the day before the go-live date of the netting markets**

With reference to the bank guarantees provided pursuant to Annex 3 of the PCE Rules in force until the day before the go-live date of the netting markets, in the event the bank

issuing the bank guarantee, after receiving a request of enforcement due to default of a Market Participant, fails to make the consequent payment within the time period indicated therein, such bank guarantees shall remain valid until the end of the invoicing period following the one on which the event has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the guarantee submitted by the Market Participant has been positively verified by GME pursuant to Article 57, paragraph 57.10 bis of the Rules.

With reference to the bank guarantees provided pursuant to Annex 3 of the PCE Rules in force until the day before the go-live date of the netting markets and issued by banks that, after receiving a request of enforcement, fail to make the consequent payment within the time period indicated therein, the other bank guarantees issued from the same bank remain valid until the end of the invoicing period within which it falls the thirtieth calendar day following that on which the failure of payment has occurred, unless the Market Participant priorly posts another suitable guarantee and the request to return the guarantee submitted by the Market Participant has been positively verified by GME pursuant to Article 57, paragraph 57.10 bis of the PCE Rules.

If the Market Participant is also an ME and/or MGAS Market Participant, respectively, the Technical Rules no. 03 ME and the Technical Rule no. 14 MGAS apply.