



The Regulations of the Exchange Clearing House (Commodity market)

Consolidated version adopted by Resolution No. 98/54/12/2022 adopted by the IRGiT Management Board 16 December 2022. The Regulations come into force on 1 January 2023.

Table of Contents

CHAPTER I.....	4
GENERAL PROVISIONS.....	4
CHAPTER II	14
THE HOUSE MEMBERSHIP	14
CHAPTER III.....	24
RECORDING OF OPERATIONS CONNECTED WITH TRADING IN THE EXCHANGE COMMODITIES.....	24
CHAPTER IV.....	27
THE WAY AND THE MODE OF CLEARING OF TRANSACTIONS ENTERED INTO BY THE HOUSE MEMBERS.....	27
<i>The mode of transaction creating</i>	<i>27</i>
<i>The mode of transaction clearing.....</i>	<i>28</i>
CHAPTER V	31
THE CLEARING SECURING SYSTEM – THE METHOD OF ORGANIZATION OF THE TRANSACTION CLEARING LIQUIDITY SECURING SYSTEM	31
<i>The Transaction Margins</i>	<i>31</i>
<i>The Margins monitoring system.....</i>	<i>33</i>
<i>The collateral margins</i>	<i>33</i>
<i>The guarantee fund.....</i>	<i>35</i>
<i>Use of the house’s own funds</i>	<i>41</i>
<i>Bid Security.....</i>	<i>42</i>
CHAPTER VI.....	43
METHOD AND MODE OF THE SETTLEMENT OF TRANSACTIONS THE HOUSE MEMBERS ENTER INTO	43
<i>Cash settlement</i>	<i>43</i>
<i>Settlement of the Exchange Commodities - the delivery execution mode ..</i>	<i>45</i>
<i>Rules of execution of the electricity deliveries.....</i>	<i>45</i>
<i>Rules of execution of the Property Rights under Certificates of Origin</i>	<i>45</i>
<i>Principles of execution of the Gas deliveries</i>	<i>46</i>
<i>Rules for the delivery of agri-food commodities</i>	<i>47</i>
CHAPTER VII	48
MEETING OF LIABILITIES. RULES OF CONDUCT IN THE EVENT OF AN INFRINGEMENT.....	48
CHAPTER VIIA.....	51
AUTOMATIC CLOSING OF POSITIONS IN FORWARD CONTRACTS.....	51
CHAPTER VIII.....	53
OTHER OPERATIONS	53
CHAPTER IX.....	54
FEES AND CHARGES.....	54
CHAPTER X.....	57
MEASURES FOR MAINTAINING ORDER AND DISCIPLINE	57

CHAPTER XI.....	60
DISSOLVING OF THE HOUSE MEMBERSHIP AGREEMENT BY THE HOUSE MEMBER	60
THE FEE AND CHARGE TABLE.....	61

CHAPTER I

GENERAL PROVISIONS

§ 1

1. These Regulations establish the rules for the clearing and settlement of transactions in exchange commodities within the meaning of these Regulations, entered into on the Exchange Commodity Markets.
2. The conditions which should be met by the Exchanges in connection with the clearing, by the House, of transactions entered into on the Exchange Commodity Markets run by the Exchanges, including the rules governing the clearing of transactions executed by the Exchanges as part of cross-border trade within the framework of market coupling, are determined by agreements concluded between the individual Exchanges and the Commodity Clearing House (IRGiT).
3. These Regulations also establish the rules for the clearing and settlement of transactions other than those entered into on the Exchange Commodity Markets and the objects of which are specified types of energy, Gas and Property Rights under Certificates of Origin.
4. Unless it results otherwise from these Regulations, the provisions concerning exchange transactions shall be applicable, as appropriate, to transactions which are entered into outside the Exchange Commodity Markets, as referred to in sec. 3, within the scope of recording operations related to trading, clearing of the transactions, organization of the system for securing liquidity of the clearing and settlement process as well as other operations related to such transactions.
5. Unless it results otherwise from these Regulations, the provisions of the Regulations regarding exchange commodities shall be applicable in the case of the commodities referred to in sec. 3 above which are not exchange commodities.

§ 2

Whenever the Regulations' stipulations mention:

- 1) the Act - it should be understood as the act dated the day of October the 26th 2000 concerning the commodity exchanges (unified text in the Journal of Law No 121/2005, item 1019 with later amendments),
- 2) the Authority - it should be understood as the Polish Financial Supervision Authority,

- 3) the House - it should be understood as the exchange clearing house (in the understanding of the Act), run by the Commodity Clearing House,
- 4) IRGiT - it should be understood as the company called the Commodity Clearing House Joint Stock Company with its seat of business in Warsaw,
- 5) the Exchange – it should be understood as the company running the commodity exchange within the meaning of the Act (hereinafter: "commodity exchange") or an organized trading facility within the meaning of the Act on Trading (hereinafter: "OTF") in the scope of trading in wholesale energy products, which entered into the agreement referred to in §1(2_ with IRGiT,
- 6) the Position - it should be understood as a specified amount (registered in the recording accounts) of exchange commodities purchased or sold during exchange transactions or during the transactions, mentioned in § 1(3),
- 7) the Regulations - it should be understood as the present Regulations,
- 8) the Power Law Act - it should be understood as the act dated April the 10th 1997 and titled "The Power Law" (Journal of Law No 1059/2012 with later amendments),
- 8a) the Energy Efficiency Act – it should be understood as the act dated on the day o May the 20th 2015 concerning energy efficiency (Journal of Law as of 2016, item 831)
- 9) the Transaction Limit – it should be understood as the value that must not exceeded by the total daily liabilities of a clearing member of the House on account of transactions entered into on exchange commodities within a specified group of instrument types,
- 10) the Power Transmission System Operator or the eTSO – it should be understood as the Polskie Sieci Energetyczne Operator Joint Stock Company with its seat of business in Konstancin-Jeziorna,
- 11) the Gas Transmission System Operator or the gTSO – it should be understood as the Gas Transmission System Operator GAZ-SYSTEM Joint Stock Company with its seat of business in Warsaw,
- 12) IRiESPe – it should be understood as the Instruction of Transmission System Operation and Maintenance worked out by the eTSO,
- 13) IRiESPg – it should be understood as the Instruction of Transmission System Operation and Maintenance as worked out by the gTSO,
- 14) the Property Rights under Certificates of Origin – it should be understood as the property rights in the understanding of the regulations stated in the Power Law Act, property rights in the

understanding of the regulations stated in the Renewable Energy Sources Act as well as the property rights under energy efficiency certificates in the understanding of the Energy Efficiency Act,

- 15) (Repealed)
- 16) (Repealed)
- 17) (Repealed)
- 18) the Clearing Bank or BPI - it should be understood as the bank that performs the function of the House's Payer Bank and the House executes pecuniary settlements through the mediation of that,
- 19) the Brokerage House - it should be understood as the entity mentioned in Article 2 paragraph 9) of the Act,
- 19a) The Commodity Brokerage House – it should be understood as the entity mentioned in Article 2 item 8) of the Act,
- 20) the Scheduling Unit - it should be understood as the basic object of the balancing market in the understanding of the IRiESPe, assigned to a given power company or another authorized entity by the eTSO in order to execute physical delivery of electricity,
- 21) the Designation – it should be understood as the designation defined in the IRiESPg,
- 21a) the Shipper Code – it should be understood as the code defined in IRiESPg and assigned to a given Member of the House by the gTSO or made available for a given House's member or for the House's member's client, in accordance with the regulations being in force on the Exchange within the scope,
- 22) the Trading Act - it should be understood as the act dated July the 29th 2005 and concerning trading in financial instruments (Journal of Law No 183, item 1538 with later amendments),
- 22a) Toe – it should be understood as one ton of an oil equivalent in the understanding of the Energy Efficiency Act
- 22b) the Renewable Energy Sources Act – it should be understood as the act dated on the day of February the 20th 2015 concerning renewable energy sources (Journal of Laws as of 2015, item 478 with later amendments),
- 23) the Bank Law Act - it should be understood as the act dated August the 29th 1997 titled "The bank Law" (Journal of Law No 72/2002, item 665 with later amendments),
- 24) the Payer Bank or BPCI - it should be understood as the bank, which has concluded the BPCI function performance agreement with the House and which performs the function of the Payer Bank of the clearing member of the House, through the mediation of which the

clearing member of the House may manage its financial liabilities and receivables by the right of clearings made by the House,

- 25) The Power Company – it should be understood as an entity mentioned in Article 9 paragraph 3 item 4 of the Act,
- 26) the Exchange Commodity Market – it should be understood as a commodity exchange or an OTF in the scope of trading in wholesale energy products run by the Exchange,
- 27) the Balancing Market - it should be understood as the balancing of the system, mentioned in Article 3 paragraph 23a) of the Power Law Act,
- 28) the Settlement - it should be understood as the final clearing of the transaction, encompassing cash flows in accordance with § 46 as well as § 47 of the Regulations as well as the delivery of the commodity being subject to the transaction being cleared, in accordance with § 48 – 52a of the Regulations,
- 29) the Gas – it should be understood as the gaseous fuel mentioned in Article 3 item 3 a) of the Power LAW Act, being the exchange commodity admitted to trading on the exchange commodity Market pursuant to relevant internal regulations of the Exchange,
- 30) the Power Group – it should be understood as a group of power companies with equity links which are either members of the House or clients of members of the House and to which the House applies compensation of the required security interests in accordance with the principles set forth in the Regulations.
- 31) exchange commodities – they should be understood as the exchange commodities referred to in Article 2 item 2 of the Act or as wholesale energy products,
- 32) wholesale energy products or forward contracts – they should be understood as the wholesale energy products referred to in Article 2 item 2a of the Act,
- 33) agri-food commodities – means products of quality standards set by the Exchange, resulting from the cultivation of land or animal husbandry existing in the form of raw materials, semi-finished or finished products obtained from such raw materials and semi-finished products, admitted to trading on a commodity exchange, constituting a commodity, as specified in Article 2(2)(a) of the Act,
- 34) e-RTRS – means a register in which the record of agri-food commodities is kept, in accordance with the terms set forth by the Exchange,

- 35) Authorized Warehouse – means a warehouse which has been authorized to receive, store and release agri-food commodities marketed on a commodity exchange, in accordance with the terms set forth by the Exchange,
- 36) bid security – security provided for the proper performance of obligations arising from exchange transactions executed as a result of auctions involving agri-food commodities, collected, kept and returned by the House in accordance with the rules set forth in the Regulations, under Article 16(2)(5) of the Act,
- 37) Detailed Clearing Rules – detailed rules for the clearing and settlement of transactions executed on the Exchange Commodity Markets, as set forth by a resolution of the IRGiT Management Board, in accordance with § 3 of the Regulations,
- 38) Infringement – means a situation wherein a House member poses a risk or the existing circumstances reveal a risk that such House member may pose a reasonable threat to trading or the correct operation of the clearing system, in particular in connection with:
- a. the House’s becoming aware that a competent court has declared such entity’s bankruptcy or the House member has become insolvent or there is risk that it will be incapable of discharging the liabilities arising from transaction clearing in a timely manner, which means, among others, a case where:
 - i. the House member has filed a petition for bankruptcy or a petition for the initiation of restructuring proceedings, or
 - ii. the authority competent for supervision over the said entity has filed a petition for bankruptcy concerning such House member, or
 - iii. the capital adequacy ratio of the bank being a House member decreased below the minimum level referred to in Article 128 of the Banking Law, or
 - iv. the level of own funds referred to in Article 4(1)(118) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176 of 2013) of a House member being an investment firm

decreased to a level lower than the internal capital level,
or

- b. the House's becoming aware that:
 - i. the House member has been put into liquidation, or
 - ii. a decision has been issued on initiating a resolution of the House member as defined in the Act of 10 June 2016 on the Bank Guarantee Fund, the Deposit Guarantee Scheme and Resolution (Journal of Laws of 2020, item 842, as amended), or
 - iii. the authority competent for supervision over the House member has made a decision to suspend the activity of such House member or a decision to withdraw the said entity's license for the conduct of its business, or
 - iv. the authority competent for supervision over the House member has made a decision to establish receivership of such House member, or
 - v. the authority competent for supervision over the House member has been notified by an authorized body in accordance with the applicable laws that the assets of such entity are insufficient for satisfying its liabilities, or
 - vi. the competent authority has made a decision to limit the scope of activity of such entity, as a result of which it will not be authorized to execute or clear transactions, or
 - vii. a different event of a similar nature has occurred that poses or might pose a threat to trading security or the correct operation of the clearing system, or
- c. the conversion, combination, division or acquisition of the House member or the acquisition by a different entity of the primary assets of such member, including the acquisition of an enterprise or an organized part thereof (as defined in relevant laws), if as a result of such infringement the liabilities of the House member are not acknowledged or taken over by the acquirer, the entity formed as a result of a combination, conversion or the acquiree, as the case may be, or

- d. the non-performance or improper performance by such House member of its obligations arising from transaction clearing, in particular its obligations related to the clearing of transactions and collateral margins, as specified in § 33, or
- e. the House member's failure to provide the information referred to in § 17(2) and § 19 – § 22 that is necessary to assess whether the said entity satisfies the conditions for membership in the House, or information about events that might adversely affect the discharge by such entity of the liabilities arising from its House member status, or
- f. a material breach by the House member of the applicable laws or a breach of the terms for membership in the House in a manner that poses a threat to the correct and timely clearing of transactions, or
- g. the non-performance or improper performance by such House member being a Brokerage House or a Commodity Brokerage House, of the obligations specified in § 37(11), or
- h. the non-performance or improper performance by such House member of the obligation to provide collateral in compliance with § 38(2), or
- i. failure to meet the time limit for making the supplementary payment to the guarantee fund referred to in § 45c(3) or the time limit set by IRGiT under § 45b(4), or
- j. the non-performance or improper performance by such House member of the obligation to make a replacement payment to the guarantee fund referred to in § 45g, or
- k. the non-performance or improper performance by such House member of the obligation to provide collateral for the transaction margin in order to cover the delivery margin and the historical margin referred to in § 37, or
- l. the non-performance or improper performance by such House member of the obligation to keep funds in the clearing guarantee system in accordance with § 53(4), or

- m. the non-performance or improper performance by such House member of the obligation to maintain the limit of open Positions imposed by IRGiT in accordance with § 54(1), or
 - n. the non-performance or improper performance by such House member of the obligation to make the payment referred to in § 45o(2)(1) in the amount within the time limit specified by IRGiT, or
 - o. the non-performance or improper performance by such House member of the obligation to close a Position in accordance with § 67(3), or
 - p. the occurrence of a situation where there is a justified risk that such entity might lose the ability to execute transactions on the Commodity Exchange Market, or
 - q. the non-performance or improper performance by such House member of other obligations specified in the Regulations, including, in particular, the obligation to ensure the proper settlement of transactions and the fulfillment of obligations associated with the clearing guarantee system, or
 - r. the House's ascertainment, in accordance with the Regulations of the Clearing and Settlement House adopted by IRGiT, of a breach committed by the respective House member in the clearing system organized in accordance therewith, provided that such case causes a risk that the obligations arising from the clearing of transactions referred to in § 1 of these Regulations will not be fulfilled in a timely manner by such House member, or may create a reasonable threat to the security of trading.
- 39) Market-maker – it should be understood as a Clearing House Member who has undertaken, on the basis of a contract concluded with the Exchange, to place purchase and sale orders for exchange commodities on a continuous basis in its own name and on its own account, in order to maintain the liquidity of trading in a given exchange commodity.

§ 3

1. In cases provided for by the present Regulations The IRGiT Management Board shall be entitled to pass resolutions regarding detailed matters concerning the settlement and clearing system of the House, in particular within the scope concerning the security of the clearings.
2. The resolutions, mentioned in sec. 1 above, are rendered accessible to the members of the House immediately after passing them and they grow a part of the House membership agreement at the moment when the agreement comes into force.
3. The resolutions, mentioned in sec. 1 above, come into force after the period of at least two weeks since the day they were rendered accessible on that (in accordance with sec. 2, unless the resolution – for reasons connected with the safety of clearings or settlements carried out by the House – specifies another time limit.
4. The stipulations stated in sec. 3 above do not apply to the IRGiT Management Board resolutions passed for matters concerning the concluding, changing or dissolving of the membership agreement with a separately specified member of the House as well as to the resolutions, which do not include stipulations concerning the rights and obligations of the House members. With reservation for sec. 2, such resolutions come into force at the moment of passing them, unless given resolution states otherwise.

§ 4

1. Whenever the Regulations' stipulations mention the issuing of declaration or giving of information by a member of the House or by an entity trying for membership of the House it should be understood as delivery of the original of the document including a respective declaration or information, or its copy, certified in appropriate manner, with the reservation for sec. 3 – 5 below.
2. The term "document copy, certified in appropriate manner" should be understood as the copy certified as consistent with the original by persons, who have been authorized to represent a given Member of the House in accordance with relevant regulations.
3. In relations between the House and the House members it shall be acceptable to send documents including the contents of the declaration or the information by fax. However, till the moment of receiving of the document in the way specified in sec. 1 above, only actions of great urgency shall be taken out. No action shall be taken in the case when the fax transmitted document is unclear to the extent that making determination of its contents is impossible.
4. In relations between the House and the House members, with which the House has closed agreements accepting effectiveness of making of declaration of will and sending of information in form of electronic transmission and within the

scope specified in those agreements, the moment of providing of the addressee with the contents of the declaration or information in the form of a computer file shall be recognized at the moment of delivery of a given document.

5. The form, mode as well as time limits of that and within that the House delivers documents and data indispensable for making clearings as well as managing of risk is specified in the agreement concluded between the Exchange and IRGiT.
6. In the case of the transactions, mentioned in § 1(3), documents as well as data indispensable for clearings as well as for the risk management process are transferred directly by parties of the transactions or by another entity, authorized by the parties of the transactions, according to the rules determined in separate agreement concluded with the House.

§ 5

IRGiT renders the contents of the amended Regulations accessible to the House members at least two weeks before the day the amendments come into force on that.

§ 6

1. Subject to the provisions of sec. 2, 3 or 4, IRGiT shall be liable for any damage suffered by a House member as result of IRGiT's non-performance or improper performance of obligations arising from the Regulations to the extent that such damage is a normal consequence of the action or omission attributable to IRGiT.
2. IRGiT is not obliged to repair the damage within the scope of benefits the sufferer might reach if the damage has not been inflicted on it, unless the damage is inflicted because of intentional guilt or flagrant negligence of the IRGiT.
3. IRGiT does not bear responsibility for the damages, mentioned in sec. 1 above, within such scope, within that IRGiT default in fulfilling or improper fulfilling of its obligations is caused by the action or omission of the House member that has suffered the damage, action or omission of other members of the House or the consequence of other circumstances IRGiT is not responsible for.
4. IRGiT does not bear responsibility for damages, mentioned in sec. 1, which have come into being in consequence of default in fulfilling or improper fulfilling of obligations by BPCI or Authorized Warehouses.

CHAPTER II

THE HOUSE MEMBERSHIP

§ 7

1. The House membership is acquired at the moment when IRGiT Management Board passes a resolution concerning acceptance of the application submitted by the entity interested in closing of the House Membership Agreement.
2. House members may be exclusively:
 - 1) companies operating an Exchange Commodity Market,
 - 2) commodity brokerage houses,
 - 3) Brokerage Houses,
 - 4) domestic financial institutions other than those enumerated in items 1-3, in particular banks if their membership is aimed at cooperating the House in the clearing of transactions executed on Exchange Commodity Markets,
 - 5) Power Companies,
 - 6) foreign legal entities, as referred to in Article 50 item 1 of the Act, conducting brokerage activities in the scope of trading in exchange commodities in the territory of the Republic of Poland in the form of a branch.
 - 7) companies running an exchange clearing house with their registered office in a member state of the European Union, the Swiss Confederation or in a member state of the European Free Trade Agreement (EFTA) – parties to the Agreement on the European Economic Area
3. The House member may also be a legal entity or another organizational unit with its seat of business located abroad, which performs tasks within the scope of clearing of transactions entered into during the exchange commodity trading.

§ 8

The following types of House membership are distinguished:

- 1) The House direct members – the entities acting independently towards the House as well as towards other members of the House within the scope of matters resulted from their membership in the House – unless the Regulations state otherwise,
- 2) The House indirect members – members of the Exchange for which the House keeps recording accounts in appropriate registers and which entrust the clearing of transactions entered into by them to Brokerage Houses or Commodity Brokerage Houses within the framework of representation agreements.

§ 9

1. The House membership agreement, concluded in accordance with §7(1), specifies the type of activity conducted by the House direct member within the scope of the clearings of the transactions entered into on the exchange commodity Markets and cleared by the House.
2. The following types of activity conducted on given exchange commodity Market are distinguished:
 - 1) the activity on their own account – in a case, when the House member accepts responsibility for fulfilling its obligations resulting from clearings of the transactions it has entered into on its own account,
 - 2) the activity on clients' account – in a case, when the clearing member of the House accepts responsibility for fulfilling its obligations resulting from clearings of the transactions it has entered into on the account of its clients or entered into by another entity on account of the clients of that clearing member,
 - 3) the Exchange member's representative – in a case when the House member accepts responsibility for fulfilling its obligations resulting from clearings of the transactions another entity has entered into.

§ 10

A clearing member of the House may only be a direct member. The term "having the status of the House clearing member" should be understood as the status, when given member of the House bears responsibility (towards other House members and the House as such) for correct fulfilling of obligations resulted from clearing of transactions conducted by the House and -moreover – it participates in the creation of the system of securing of the clearings according to the rules specified in the Regulations.

§ 11

1. Obtaining of the status of the clearing member of the House takes place on condition that a given member of the House lodges payment into the transaction margin in accordance with the scope of activities of a given House member as well as on condition that other conditions resulted from the Regulations or the regulations issued on the grounds of the latter are met.
2. The IRGiT Management Board may consent to the payment, by members of the House that are Brokerage Houses or Commodity Brokerage Houses and fulfill the conditions set forth below, of a transaction margin to the bank account of a House member kept by the Payer Bank. The consent of the IRGiT Management Board referred to in the previous sentence shall be granted if the following conditions are fulfilled:
 - 1) submission of a pertinent application to the IRGiT Management Board,
 - 2) conduct of operations on behalf of clients or as a representative of an Exchange Member,
 - 3) execution of an agreement with the Payer Bank and IRGiT on IRGiT's use of funds deposited in the accounts and granting of an irrevocable and non-expiring power of attorney to IRGiT to use the funds deposited in such bank accounts.
3. In making the decision referred to in sec. 2, the IRGiT Management Board takes into account the impact of the applied solution on the security of trading, in particular on the clearing or settlement processes carried out by the House, and the currently applicable provisions of law. In the course of the assessment referred to in the previous sentence, the IRGiT Management Board takes into account the current financial standing of the entity in question, assessed on the basis of data collected in accordance with the Regulations and taking into consideration the data on how the entity performs its obligations towards the House or other House members.
4. The IRGiT Management Board adopts a resolution on the application referred to in sec. 2 following its examination of the submitted application, taking into consideration the criteria referred to in sec. 3. A resolution in such matter requires substantiation.
5. If a House member conducts operations both on behalf of clients or as a representative of an Exchange Member or on its own account, the consent referred to in sec. 2 shall be limited exclusively to the scope of operations not overlapping with that conducted on the House member's own account.

§ 12

The House clears transaction entered into on the exchange commodity Market if the entity that has entered into the transaction:

- 1) has in its possession the House clearing member status within the scope
or,

- 2) being a member of the Exchange – it has concluded the agreement, in connection with that “the Representative of the Exchange member” type of activities has been granted to given member of the House.

§ 13

1. The disputes falling under civil law arising out of or in relation to the House membership shall be settled by the conciliatory court of the Polish Power Exchange with its seat of business in Warsaw.
2. The law applicable to the assessment of relationships between IRGiT and Clearing House Members in the part resulting from membership agreements and from transactions accepted for clearing is the law in effect in the Republic of Poland.

§ 14

3. In reference to sec. 3, the Management Board resolution about the granting of House membership shall be passed within the period of 2 weeks since the day of submitting the application for membership agreement to the House – if the entity trying for the conclusion of the agreement meets all the conditions of the House membership specified in applicable law regulations and in the present Regulations, and the application and the documents attached to it meet the formal conditions specified in the Regulations and regulations issued on the grounds of the latter – unless the IRGiT Management Board resolution concerning the matter specifies another time limit for concluding of the membership agreement.
4. In the case when the submitted application or the documents, attached to the application require to be supplemented or corrected, the period, mentioned in passage 1, starts since the day the entity, trying for the conclusion of the membership agreement, supplements or corrects the documents on that.
5. Obtaining of the House membership by the entity that will manage its liabilities and receivables through the mediation of the Payer Bank may take place on the condition that IRGiT closes the contract with the Payer Bank and that the contract specifies rules of cooperation within that scope.
6. The stipulations of sec. 1, sec. 2 and sec. 3, respectively, apply to amendments of the House membership agreement.
7. Cessation of the House membership of the entity acting as a representative does not absolve the entity from its responsibility for fulfilling its obligations resulting from the clearing of the transactions the Exchange member (represented by the entity) has entered into – till the day of the cessation of the membership (including). Such fact does not also absolve that entity from its obligations related to those transactions.

§ 15

1. The application for the concluding of the House membership agreement is made using a form, the pattern of which is laid down by the IRGiT Management Board.
2. The Applicant shall be obliged to attach the following documents to the application for concluding the membership agreement:
 - 1) a copy of the partnership statute, the partnership contract or another act specifying organization of the Applicant;
 - 2) a current (not older than 3 months) copy of or excerpt from the register competent for the Applicant,
 - 3) copies of powers of attorney – in cases, when the right to represent the Applicant does not result from the documents referred to in item 1 above,
 - 4) at IRGiT demand – an agreement authorizing IRGiT to issue VAT invoices in behalf and for benefit of the Applicant.

Apart from the documents referred to above, the Applicant shall be obliged to attach the documents (determined by the IRGiT Management Board) related to the specific nature of the Applicant's activities.

3. The application for the concluding of the House membership agreement should include:
 - 1) specification of activities, the Applicant is going to conduct within the scope of the clearing (carried out by the House) of transactions entered into on the exchange commodity markets in accordance with the classification specified in §9(2), and – if the type of activities mentioned in §9(2)(3) has been specified – specification of the entity, the Applicant is going to act as a representative of which, as well as the exchange commodity Market the obligation are to concern,
 - 2) specification of the entity that is to perform duties of the Payer Bank of the Applicant,
 - 3) power of attorney granted to IRGiT for the closing of Positions of the exchange commodities in the cases, which have been indicated in the Regulations – in accordance with the specimen determined by the House Management Board,
 - 4) the declaration concerning its consent to subjecting to the decisions of the conciliatory court.

§ 16

1. The condition for compliance with the application for concluding of the House membership agreement in the capacity of the membership specified in §9(2)(3), consisting of the representation of the Exchange member being the Power Company in clearings, is submitting of the agreement, mentioned in Article 50b(1)(1) of the Act, to the House by the Applicant.

§ 17

1. The House Member shall be obliged:

- 1) to comply with the provisions of the Regulations and other regulations applicable to House members;
- 2) to inform the House immediately about its intention to dissolve or to terminate the agreement concluded with the BPCI or about the intention to change the BPCI and about each fact, when any member of the House infringes obligations towards the BPCI, which could result in dissolving the agreement concluded by and between the BPCI and the House's Member;
- 3) to keep on the account in the BPCI means (or other collaterals acceptable by the BPCI) in amount and of value assuring appropriate and punctual settlement of the transactions by the House;
- 4) to obtain the House's consent for change of the entity performing the BPCI function;
- 5) to provide the BPCI with all indispensable approvals or permits in order to enable the BPCI to fulfill correctly its obligations towards the House;
- 6) to replace the BPCI – within the deadline indicated by the House – with another entity authorized to perform the Payer Bank function in case, when the entity performing the Payer Bank function loses such status because of any reason;
- 7) to promptly inform the House about every change in the data included in the documents pursuant to which the House membership agreement was executed;
- 8) to promptly inform the House about the occurrence of circumstances on its part that justify the occurrence of an Infringement or a reasonable concern that such circumstances will occur, no later however than 24 hours after their occurrence, and, within the same time limit, about any other events that might adversely affect the discharge of its liabilities arising from the membership, unless the Regulations provide for a different time limit.

2. The IRGiT Management Board shall be entitled to require the House member to provide pieces of information indispensable for evaluation whether the latter meets the conditions for the House membership. The House member shall be obliged to provide the information mentioned above immediately.

§ 18

1. The amount of ownership's capitals of the House clearing members must not be lower than:

1) for the House members, which clear only transactions they have entered into on their own account:

- a) 50 million PLN – in the case of a bank,
- b) 3,2 million PLN – in the case of Brokerage Houses, Commodity Brokerage Houses as well as the Power Companies and foreign legal entities, mentioned in Article 50 paragraph 1 of the Act if they execute transactions in wholesale energy products,
- c) 1,2 million PLN – subject to the provisions of (d), in the case of Brokerage Houses, Commodity Brokerage Houses as well as the Power Companies, mentioned in §7(2)(5) and the foreign legal entities, mentioned in Article 50 paragraph 1 of the Act – if they enter only into transactions, the exchange commodities mentioned in Article 2(2)(g)–(d) of the Act are subject of which.
- d) PLN 500,000 – in the case of Brokerage Houses and Commodity Brokerage Houses, provided that they only execute transactions in the exchange commodities referred to in Article 2(2)(a), (d) or (f) of the Act.

2) for the House members, with clear transactions other than those specified in item 1) above:

- a) 100 million PLN – in the case of banks,
- b) 5 million PLN – subject to the provisions of (e), in the case of Brokerage Houses as well as Commodity Brokerage Houses and foreign legal entities, mentioned in Article 50 paragraph 1 of the Act.
- c) PLN 3.2 million - subject to the provisions of (d) below, in the case of Power Utilities performing brokerage activities for members of the same group as that of which the entity performing such activities is a member, in accordance with the rules set forth in Article 9(6a) of the Act,
- d) PLN 1.2 million – in the case of Power Utilities performing brokerage activities for members of the same group as that of which the entity performing such activities is a member, in accordance with the rules set forth in Article 9(6a) of the Act, provided that they only execute transactions in the exchange commodities referred to in Article 2(2) of the Act,
- e) PLN 500,000 PLN – in the case of Brokerage Houses and Commodity Brokerage Houses, provided that they only execute transactions in the exchange commodities referred to in Article 2(2)(a), (d) or (f) of the Act.

2. The term “ownership’s capital” should be understood in the following manner:

- 1) in the case of banks – as a sum of core capitals in the understanding of the Bank Law Act, reduced by uncovered losses from last years,
- 2) in the case of the Brokerage Houses, the Commodity Brokerage Houses and the Power Companies – the sum of the initial capital (in part it has been paid in that), the supplementary capital as well as the reserve capitals, excluding the revaluation capital, reduced by uncovered losses from last years,
- 3) in the case of the foreign legal entities, mentioned in Article 50 paragraph 1 of the Act – the brokerage reserve assigned to the ownership's capitals (funds) of such foreign legal entity, increased by the reserve capitals as well as the profits of the affiliated branch and reduced by the losses of the affiliated branch.

§ 19

Brokerage houses, commodity brokerage houses, foreign legal entities referred to in Article 50(1) of the Act, conducting brokerage activities in the scope of trading in exchange commodities in the territory of the Republic of Poland in the form of a branch and banks having the status of a clearing member of the House are obligated to satisfy the prudential requirements specified in applicable provisions of law.

§ 20

The House members, mentioned in §19, shall be obliged to calculate indexes related to the prudential norms according to the rules specified in relevant regulations. In the case, when acceptable levels of the prudential norms (established on the grounds of the Regulations) are exceeded, the House member shall be obliged to inform the House about the fact, in written form and within the period of two days, specifying the reasons for such exceeding as well as the measures taken in order to restore the correct value of the prudential norms.

§ 21

1. The House clearing members shall be obliged to deliver to the House:
 - 1) annual financial statements as well as the consolidated annual financial statements – in the case when the clearing members of the House are obliged to work out such statements, along with the statement evaluation report as well as the opinion of a chartered auditor – within the period not longer than 15 days since the day of completing of the evaluation by the chartered auditor, and – if the annual finance statement is not subject to the evaluation obligation – within the period of 15 days since the day the relevant body accepts

or approves the statement on that; in the case when the clearing members of the House are obliged (in accordance with relevant regulations) to publish the annual financial statement or the consolidated annual financial statement, fulfilling the fore-mentioned obligation takes place within the deadline specified in those regulations,

- 2) financial information including data concerning the maintained prudential norms levels (which the entities are obliged to hand over to relevant authorities supervising their activities), worked out in accordance with applicable law regulations being in force – within the deadlines, within which the information should be transferred to the relevant authorities supervising activities of the entities,
 - 3) other pieces of information concerning their financial situation, which the entities are obliged to hand over to institutions, which perform tasks within the scope of clearing of the transactions during the commodity trading or the financial instruments trading – on the territory of the country, the seat of business of such entity is located in, and – in the case of a lack of obligation to establish it – the company central office is located in – within the deadlines and in form, in which the information should be handed over to such institutions.
2. If the documents, mentioned in sec. 1, have been prepared in a foreign language version, they should be submitted after translation into a Polish language version. Submitting of the documents in an English language version shall also be acceptable, if they have been worked out in accordance with law regulations, obligatory for given member of the House, or if they have been translated into English. The translation should be confirmed as “consistent with the contents and wording of the original document” by persons, who have been authorized to represent the participant.
 3. In reference to sec. 1, the House members being the Power Companies shall be obliged to provide the House with an F-01 statement about incomes, costs and financial results, worked out in accordance with the act dated June the 29th 1995 concerning public statistics (Journal of Law No 88 item 439 with later amendments) – within the deadlines the statements should be submitted to the Central Statistical Office within which in accordance with those regulations.

§ 22

The IRGiT Management Board shall be entitled to order, in the form of a resolution, a House member to submit – within the specified deadlines and during the definite period – specified information pieces concerning the House member’s financial conditions – if the Board conceives suspicion that activities of that member of the

House pose threat for the trading safety or that such threat is probable, including, in particular, in the event of an Infringement.

CHAPTER III

RECORDING OF OPERATIONS CONNECTED WITH TRADING IN THE EXCHANGE COMMODITIES

§ 23

1. All operations connected with the recording, clearing and collateralization of exchange commodity transaction clearings are conducted by the House in recording the accounts of the exchange commodity register as well as in the clearing accounts.
2. The term "recording accounts of the exchange commodity register" should be understood as recording devices, which serve for the recording of the Positions of the exchange commodities being cleared by the House.
3. The term "clearing accounts." should be understood as recording devices, which serve for recording of liabilities and receivables of the clearing member of the House by the right of margins, for recording of means being lodged by the clearing members of the House into margins as well as for recording of liabilities and receivables by the right of clearings of exchange transactions.
4. In the case, when the clearing member of the House conducts clearing activities – in accordance with § 9(2)(2) or (3) of the Regulations – recording of the transactions being entered into for the benefit of the client or for the benefit of a represented Exchange member is conducted in the House's clearing system, in allotted recording accounts of the exchange commodity register.
5. The liabilities and the receivables resulting from clearing of the exchange transactions as well as the liabilities and the receivables connected with the clearing collateralization system in case, when the clearing member of the House conducts clearing activities in accordance with § 9(2)(2) or (3) of the Regulations, are recorded in separate clearing accounts, in accordance with the rules set forth by the House.

§ 24

Positions are recorded in the recording accounts of the exchange commodity register, including for:

- a) electricity – the value of the Position is measured in MWh,
- b) forward contracts – the value of the Position is measured in MWh,

- c) Property Rights under Certificates of Origin – the value of the Position is measured by the number of property rights, where:
 - 1) one property right under certificates of origin, within the meaning of the Energy Law or within the meaning of the Act on Renewable Energy Sources, corresponds to 1 kWh of electricity,
 - 2) one property right under energy efficiency certificates, within the meaning of the Energy Efficiency Act, corresponds to 0.001 Toe,
- d) Gas – the value of the Position is measured in MWh.”,
- e) agri-food commodities – value of the Position measured in tons.

§ 25

(Repealed)

§ 26

Recording of the exchange commodities is conducted by the entities authorized to do that, in accordance with relevant law regulations. The recording process is designed to document:

- 1) holding of the Positions being in possession,
- 2) changes of holding of the possessed Positions as a result of entering into the exchange commodity transactions being cleared by the House,
- 3) results of other operations concerning the Positions being in possession, determined in the Detailed Rules of Clearing and Settlement.

§ 27

- 1. Recording of the exchange commodities is conducted in respect of quantity, in accordance with the following rules:
 - 1) double entry,
 - 2) (repealed)
 - 3) taking the exchange commodity property rights into consideration.
- 2. The double entry rule means that each operation concerning the exchange commodities and recorded in the House should be recorded in at least two recording accounts in such manner that the entry (or sum of the entries) on one side of the account has to be accompanied by an equal entry on the opposite side of another account (accounts), while one side of the entry is

always assigned to the House, and the other sides are assigned to the House members. In individual cases, justified by the execution mode of the transaction being cleared by the House, it is possible to make the entry in one account in the House. In such a case, the rule specified in the first sentence applies respectively.

3. Possibility of a member's desistance from the double entry rule is acceptable, providing that chronology of all entries is maintained and the exchange commodity record kept by the member is a reflection of corresponding recording account kept by the House.
4. The rule of taking the exchange commodity property rights into consideration consists in registration of the exchange commodities in the exchange commodities register recording accounts with classification into own Positions of the House member, the Positions of its clients as well as the Positions of the Exchange members represented by the House member.

§ 28

(Repealed)

CHAPTER IV

THE WAY AND THE MODE OF CLEARING OF TRANSACTIONS ENTERED INTO BY THE HOUSE MEMBERS

§ 29

1. The House organizes and executes the process of clearings as well as settlements of the transactions entered into on the exchange commodity Markets and being cleared by the House as well as it collects the funds of the clearing securing system and manages the funds.
2. The cash settlement referred to in sec. 1 is effected in the Polish currency. If the performance of a specific operation in the clearing or settlement process, in particular the clearing of transactions, requires the conversion of a value expressed in a foreign currency into the Polish currency or vice versa, then such conversion will be performed on the basis of the market value of such foreign currency determined in accordance with the rules set forth by the IRGiT Management Board by way of a resolution.

The mode of transaction creating

§ 30

1. All data concerning the exchange transactions entered into in the exchange commodities and being cleared by the House are transferred by the Exchange to the clearing system through electronic means.
2. All data concerning the transactions, mentioned in §1(3), being cleared by the House, are transferred to IRGiT by both parties of the transaction or another entity, authorized by the transaction parties to do that.
3. The House assures clearing of the transactions as well as the execution of all other activities connected with them (mentioned in the present chapter) on condition that it receives the documents and the data mentioned in passage 1 above according to the rules specified in the contract concluded between the Exchange and IRGiT.
4. The House assures the clearing of the transactions, mentioned in §1(3) as well as the execution of all other activities connected with them (mentioned in the present chapter) on condition that it receives the documents and the data

mentioned in sec. 2 above according to the rules specified in the contract concluded between IRGiT and the transaction parties or another entity, authorized by the transaction parties to do that.

The mode of transaction clearing

§ 31

Whenever the stipulations of the Regulations mention "T-day" it should be understood as the day the transaction is entered into on that. The days preceding or following T-day are designed as $T - n$ or $T + n$, respectively, where n means number of preceding or following days.

§ 32

1. After receiving data concerning the transactions mentioned in § 30 the House records (in the exchange commodities register recording accounts, mentioned in § 26(2) the Positions being subject to the transactions being recorded and then it calculates monetary debts by the right of the recorded Positions.
2. Amount of liabilities and receivables of the House clearing members is determined:
 - 1) within the scope of transactions entered into on the exchange commodity Markets – on the grounds of documents, which include the terms of the transactions as well as other data delivered to the House by the Exchange or other entities, mentioned in § 4(6),
 - 2) within the scope of other operations – on the grounds of data delivered by the clearing Members of the House.

§ 33

Within the framework of organization and execution of the process of monetary clearing of the transactions entered into on the exchange commodity Markets the House in particular:

- 1) establishes the scope of pecuniary benefits, the House clearing members, responsible for clearing of the transactions, are obliged to provide, with classification into:
 - a) liabilities and receivables by the right of clearing of the transactions,
 - b) liabilities and receivables by the right of collateral margins,
- 2) enables the providing of the benefits, mentioned in item 1 above, by the preparation of instructions causing crediting or charging of the bank

accounts indicated by the House clearing members and kept by the BPCI and handing them over for execution in the BPI and the BPCI,

- 3) within the scope specified in the present Regulations – organizes and manages the system of securing of the clearings, including establishing of value of the transaction Limits for individual clearing members of the House.

§ 34

1. The activities, mentioned in §33(1)(a), are done in accordance with the rule that the House member is obliged to provide monetary benefit, resulting from the transaction, in amount equal to the surplus over the monetary benefit due to it (compensation) – unless the Regulations stipulations state otherwise.
2. Determination of amount of liabilities mentioned in §33(1)(a) is executed according to the multilateral netting principle. The multilateral netting principle encompasses all transactions being cleared by the House, subject to the stipulations set forth in sec. 4.
3. The surplus, mentioned in sec. 1 above, determines at the same time amount of the actual cash flow on given clearing day by the right of clearing the transactions.
4. The IRGiT Management Board shall be entitled to decide (through resolution) about the exclusion of specified transactions from the multilateral netting principle or to determine types of the transactions, which are not subject to the principle. The IRGiT Management Board shall be also entitled to determine transaction groups, separate multilateral netting is conducted within the framework of which. In such cases, the amount of liabilities is determined separately for each excluded transaction or according to the bilateral netting principle.
5. The IRGiT Management Board shall be entitled to decide (through resolution) about the application of the netting principle for liabilities and receivables resulted from the transactions as well as for liabilities and receivables of the House members by other rights connected with the House membership. In such case the stipulations of sec. 2 and 3 above shall be applied respectively.

§ 35

1. IRGiT prepares statements of all operations recorded on the relevant accounts, the individual members of the House are responsible for clearing of which, as well as a balance by the right of the transaction clearing, falling to each member. IRGiT renders the documents accessible to all members of the House.
2. (Repealed)

3. The messages about value of after-netting balances of the House members are made available also for the BPI and BPCI through electronic means.
4. (Repealed).

CHAPTER V

THE CLEARING SECURING SYSTEM – The method of organization of the transaction clearing liquidity securing system

§ 36

1. The system of securing of the clearings conducted by the House consists of:
 - 1) transaction margins,
 - 2) collateral margins,
 - 3) guarantee funds,
 - 4) the margins monitoring system
 - 5) bid security.
2. The value of revenues resulting from a positive interest rate or costs resulting from a negative interest rate on the Clearing House Members' funds held in the clearing guarantee system is cleared with the Clearing House Members in accordance with the Detailed Clearing Rules, subject to § 45f.
3. The funds in the clearing guarantee system are not owned by IRGiT. The House as the entity operating the system referred to in sec. 1 may manage such funds in accordance with the terms set forth in the Regulations, in particular by making use of them in the event of an Infringement, and such funds shall be used in the first place in order to discharge the liabilities arising from the transactions.

The Transaction Margins

§ 37

1. The transaction margins are designed for collateralization of pecuniary settlements.
2. A transaction margin consists of a Delivery Margin, a Historic Margin and a Transaction Limit. Transaction Limit is constituted by the surplus of means in the transaction margin above the required value of the Delivery Margin and the Historic Margin.

3. The IRGiT Management Board sets, by way of a Resolution, the minimum value of a Transaction Margin for individual exchange commodity Market cleared by the House.
4. The value of the Delivery Margin for a clearing member of the House is conditional upon the estimated daily liabilities of the member on account of pecuniary settlement of the individual exchange commodity Markets. The algorithm for the determination of the value as well as the margin managing mode are defined in a Resolution of the IRGiT Management Board.
5. The Delivery Margin and the Historic Margin collateralize the monetary settlement in the case of reservation of the payment by the BPCI, mentioned in § 53(2).
6. The Delivery Margin is lodged in monetary means only.
7. The Historic Margin is only used in respect to electricity-based instruments listed in a unified quotation system on exchange commodity markets. The value of a Historic Margin for a clearing member of the House depends on the historic values of liabilities on account of pecuniary settlement for a specified group of electricity-based instruments listed in a unified quotation system on the exchange commodity markets referred to in Article 2 item 2 letter b) of the Act. The algorithm for the determination of the value and the mode of providing the Historic Margin and the list of the instrument types for which Historic Margin applies is defined in a resolution of the IRGiT Management Board.
8. Historic Margin can be lodged:
 - 1) in monetary means,
 - 2) in the form of bank guarantees, according to the principles specified in a resolution of the IRGiT Management Board.

The recognized value of a bank guarantee to cover the required Historic Margin may not exceed 50% of the value of the Historic Margin required.

9. The payments feeding the Transaction Limit may be lodged:
 - 1) in monetary means,
 - 2) in the form of non-monetary collateral, according to the principles specified in a resolution of the IRGiT Management Board.
10. Withdrawals of the monetary means, lodged into the Transaction Limit, may be made after placing appropriate instruction by the House's member.
11. In the case, mentioned in § 11(2), the Brokerage House or the Commodity Brokerage House shall be obliged to:
 - 1) check covering of the instructions being placed by clients of the Brokerage House or the Commodity Brokerage House and represented Exchange members,
 - 2) provide the BPCI account with financial means in amount indispensable for settlement of the transactions the clearing of which is the

responsibility of the Brokerage House or the Commodity Brokerage House, according to the principles determined in the present Regulations.

12. In the case, when the Brokerage House or the Commodity Brokerage House infringes the duties, mentioned in sec. 11, the IRGiT Management Board shall be entitled, in particular, to make a decision to revoke the consent referred to in § 11(2) or take other actions provided for in the Regulations in the event of an Infringement.

The Margins monitoring system

§ 38

- 1) The margins monitoring system consists of comparing the value of liabilities of a given clearing member of the House by the right of exchange transactions clearing as well as the liabilities by the right of the collateral margins, with the value of transaction margins and collateral margins, which have been lodged.
- 2) In the case when the value of liabilities falling to a given member of the House exceeds the value of the transaction margins and collateral margins, the IRGiT Management Board may request such House member to provide collateral to cover the difference between the value of its liabilities and the collateral provided, within the time limit specified by the House.

The collateral margins

§ 39

1. The collateral margins serve the purpose of securing the proper execution of transactions in forward contracts. They are reckoned in the clearing accounts assigned for the House members required to provide them in the form of:
 - 1) the initial margin,
 - 2) the variation margin.
2. The value of the required initial margin depends on:
 - 1) number of Positions opened in individual contracts,
 - 2) value of daily clearing prices set by the House,
 - 3) the risk parameter, depending on variability of prices on the market as well as number of days for execution of given series of the contracts,

- 4) inter-period compensation coefficients within delivery groups and between delivery groups,
 - 5) parameter of recognition of inter-period compensation and parameter of recognition of inter-product compensation.
3. The value of the variation margin depends on difference in prices, for which given contracts were concluded as well as on current daily clearing price set by the House in accordance with the rules laid down in the Detailed Clearing and Settlement Rules.

The method of determining of value of the collateral margins for the forward contracts has been specified in Detailed Rules for Trading and Settlement for the exchange commodity Markets run by the Exchange, published by the House.
4. In special cases, which could cause a threat for security of the clearings or the settlements being executed by the House, the IRGiT Management Board shall be entitled (through resolution) to determine the daily clearing price value other than the value established by the Exchange for given day or any other value of the daily clearing prices set by the House, as referred to in sec. 2(2).
5. The value of the risk parameters and the coefficients referred to in sec. 2(3) through (5) shall be made accessible on the public Web page of IRGiT.
6. Payments into the collateral margins may be made in following way:
 - 1) in the form of monetary payments,
 - 2) in the form of non-monetary collaterals, lodged according to the principles determined through a Resolution of the IRGiT Management Board.
7. The collateral margins for the securing of the Positions in the forward contracts, lodged by the clearing member of the House, who conducts activities for the benefit of clients pursuant to § 9(2)(2) of these Regulations or represented Exchange members, in accordance with § 9(2)(3) of these Regulations, shall be reckoned separately for each client and each represented Exchange member. With the IRGiT Management Board approval – expressed in form of relevant resolution – the collateral margins for the House’s members belonging to a Power Group may be derived from the compensated – within the boundaries of the Power Group – Positions the clearing of which is the responsibility of House members who are members of the respective Power Group. The detailed rules for the compensation in the fore-mentioned case shall be determined through the IRGiT Management Board resolution.
8. The value of the collateral margin lodged by the clearing member of the House, who conducts activities for the benefit of clients pursuant to

§ 9(2)(2) of these Regulations or represented Exchange members, in accordance with § 9(2)(3) of these Regulations, and conducting activity on its own account in accordance with § 9(2)(1) of these Regulations, shall amount to the sum of the margins reckoned in the clearing accounts being kept for individual clients or represented Exchange members of a given member of the House and collateral margins calculated for such House member's own positions.

9. (Repealed).

§ 40

(Repealed)

The guarantee fund

§ 41

1. In order to assure the security of clearing of the transactions entered into on the Exchange Commodity Market, shall organize the guarantee funds for each type of exchange commodity or for exchange commodities of different types, depending on decisions taken by the IRGiT Management Board.
2. A resolution of the IRGiT Management Board on the establishment of a specific guarantee fund defines the scope of transactions secured by such fund.

§ 42

3. The guarantee funds shall be created from the payments made by the House clearing members.
4. IRGiT shall be entitled to manage the guarantee Funds resources.

§ 43

1. The guarantee Funds resources are used for the clearing of transactions for which the House member is responsible in the cases, which are mentioned in § 54(2) of the Regulations. The House is authorized to dispose of the cash paid to the guarantee fund in accordance with the fund's objectives.
2. If the guarantee fund's resources, required in order to clear the transactions, a given member of the House is responsible for, exceed the amount of its payment into the appropriate fund, the disbursement of the Fund resources over the payment takes place first and foremost from the payment of that House member into another fund, with the reservation for sec. 3, and – if such

a solution proves insufficient – from the other resources of the appropriate fund.

3. Any use of resources of given guarantee fund to meet liabilities connected with clearing of the transactions, which are collateralized by the means of another fund, is acceptable only in the case, when the liabilities of the House member connected with the clearings collateralized by the resources of given fund have been met within the entire scope and there is no opportunity for incurring of new liabilities. Such resources may be used only up to the amount of payment of given House member into given guarantee fund.
4. The liabilities, which came into being as a result of use of given guarantee fund shall be considered particularly as the liabilities mentioned in sec. 3 above.

§ 44

1. Payments into individual guarantee funds shall be made by the House members within the scope of clearing of the transactions being collateralized by resources of those funds.
2. The House member shall make the first payment into the guarantee fund only in cash, not later than two days before the day indicated by the Exchange as the day of beginning of the derivatives market activities as the day on which the House Member or the entity to be represented by the House Member as a clearing House member, starts its activity on the market secured by such fund.
3. The amount of the first payment referred to in sec. 2 shall be equal to triple the value of the minimum payment, mentioned in §45b(3) of the Regulations.

§ 45

The House member shall make payments into individual guarantee funds only in pecuniary form or in non-cash form in accordance with the rules set forth in the relevant resolution of the IRGiT Management Board.

§ 45a

1. The value of liabilities of each member of the House required to maintain the payments in the respective fund shall be calculated (updated) and made known to the respective House member on the first business day of each subsequent month.
2. The payment update referred to in § 44(3) of the present Regulations shall be effected on the day of the closest updating of value of liabilities for the other clearing members after beginning of entering into transactions by the House member in its own behalf or by the entity that shall be represented in the House by a given House member as the House clearing member.

§ 45b

1. Updating of payments made into individual funds shall be executed on the basis of the algorithm determined through relevant resolution of the IRGiT Management Board.
2. The value of payments to individual guarantee funds calculated for a given House member shall depend on the value of risk measured by the amount of uncovered loss of such House member in the event of realization of the most unfavorable stress test scenario, in accordance with the rules set forth in the pertinent resolution adopted by the IRGiT Management Board.
3. The payment made into the fund must not be lower than the amount of the minimum payment established through relevant resolution of the IRGiT Management Board.
4. In cases especially justified by reasons of security of trading and clearing of the transactions, IRGiT may update the payments to the fund on a date other than that specified in § 45a(1) and require all or some clearing members of the House to make supplementary payments into the fund or funds.

§ 45c

1. The adjustment of the payment shall take place by lodging (by the House clearing member) of supplementary payment into the fund in the case, when the new amount of the payment – determined as result of updating of the payments – is higher than the payment resulted from previous updating or by returning (by the House to the House clearing member) of part of the payment made previously – if the updated payment is lower than the value resulted from previous updating.
2. The payment adjustment shall take place separately for each fund unless, for the sake of security of clearing, IRGiT decides to allocate the part of the refundable payment assigned to the respective guarantee fund designated for the pertinent clearing member towards the supplementary payment of such clearing member to a different fund.
3. The adjustment consisting in returning of part of the previously made payment for the House clearing member shall be suspended if a situation, in which the House clearing members are obliged to lodge replacement- or additional payments (mentioned in § 45g and § 45h of the present Regulations), takes place.
4. The House member is required to make the supplementary payment referred to in sec. 1 by 11:30 a.m. on the payment adjustment date, specified as the third business day after the date of provision by IRGiT of information on the updated value of the payment referred to in § 45a(1) unless - in cases justified by security of trading and clearing of transactions - IRGiT determines the

deadline for given updating otherwise.

5. (Repealed).
6. IRGiT is required to effect the return referred to in sec. 1 by the third business day following the update date unless the time limit for making supplementary payments has been set differently for such update in accordance with sec. 3 or unless effecting the return on a different date is justified by the security of trading and the clearing of transactions.

§ 45d

The payment adjustment shall take place on the grounds of documents issued by IRGiT and made accessible for the House members on the day of updating.

§ 45e

(Repealed)

§ 45f

1. The managing of the cash collected in the guarantee funds, as referred to in § 42(2), is construed as actions taken by IRGiT for the purposes of investing the cash collected in such funds.
2. The share of a House member in revenues generated as a result of positive interest rates or costs incurred as a result of negative interest rates on the cash deposited in each fund in connection with the investment of such cash shall be pro rata to the value of such House member's payments in cash to the respective funds in the accounting period in which these revenues were generated or costs incurred.
3. The accounting period referred to in sec 2 shall be the period between consecutive payment adjustment dates to the guarantee fund referred to in § 45c(4).
4. The value of revenues obtained in connection with the investment of the cash referred to in sec. 1, attributable to the respective House member, shall be paid to such member on the first payment adjustment date to the guarantee fund following the end of the respective quarter, except that, if such House member is required to make the supplementary payment referred to in § 45c(1), the value of revenues shall be allocated towards its payment to the guarantee fund, thereby reducing the required value of the supplementary payment.
5. The value of costs incurred in connection with the investment of the cash referred to in sec. 1, attributable to the respective Clearing House Member,

increases the amount of the required supplementary payment or reduces the returned amount referred to in § 45c(1), on the first day of regulation of payments to the guarantee fund following the end of the quarter.

§ 45g

1. If the cash in the relevant guarantee fund has been used in accordance with § 43, the House members obligated to maintain their payments in such fund shall be required to make replacement payments in the amount and within the time limit specified by IRGiT. The obligation to make replacement payments does not apply to House members whose liabilities have been covered with cash from the guarantee fund.
2. The value of the replacement payments of individual clearing members shall be equal to the difference between the payment due to the fund on a given day and the value of payment that remains in the fund after executing of the operation, mentioned in sec. 1.
3. IRGiT may decide to take into account the value of replacement payments when calculating the amount of returns on account of updating the payments to the guarantee fund or the amount of the supplementary payment referred to in § 45c.
4. The clearing members of the House shall be required to make additional payments to the relevant fund, pro rata to the value of their previous payments resulting from the most recent update of the fund, to the extent necessary to perform the obligations guaranteed by the fund.

§ 45h

1. A House member whose liabilities have been covered with cash from the guarantee fund shall be required to return such cash. The House, as the entity managing the clearing guarantee system, may take appropriate steps to recover the cash of the guarantee fund from the House member whose liabilities have been fulfilled which such cash.
2. Any cash obtained in accordance with sec. 1 shall be returned to the House members pro rata to their participation in covering the obligations referred to in sec. 1 as part of the update of the payments referred to in § 45b, following the date on which such cash was received by the House, unless the IRGiT Management Board specifies a different date of return for reasons having to do with the security of clearing.

§ 45i

1. In the case of a cessation of the House membership IRGiT shall return all resources of a given member of the House, which are in individual guarantee funds, along with income due on account of its investment, after a given House member meets all liabilities resulted from its membership in the House, with

the reservation that such liabilities may be performed on the terms set forth in § 45j.

2. The rule, mentioned in sec. 1 above, shall not be applicable in the case when a cessation of the House membership takes place as result of takeover (or fusion) of a given member of the House by (with) another entity that enters into all rights of the House member, which is taken over. In such case the payment into the fund resources shall be apportioned for the benefit of the House member that executes the takeover.
3. The return of the cash referred to in sec 1. from the fund's resources shall be made on the first payment adjustment date of such fund, following the cessation of membership in the House or the fulfillment of all obligations arising from membership in the House, subject to the provisions of § 45f(4).

§ 45j

The resources, mentioned in § 45i(1) of the present Regulations and being returned to the House member, may be reduced by the resources indispensable for clearing of transactions entered into in connection with other transactions, a given entity was the House clearing member for which, as well as by the resources needed for clearing of the transactions, another House member is responsible for which – if the grounds for clearing of them (with use of appropriate guarantee fund) have come into being before cessation or limitation of the House membership of the entity, the resources mentioned in §45i(1) of the present Regulations, are returned to which.

§ 45k

1. The House member's payment into the fund, made during the period of suspension of its membership in the House, shall not be subject to updating; such payment shall be used as well as replaced according to general rules up to the level of the payment made on the day of suspension.
2. In the case of a restoration of the House member status after the suspension period the payment to be made by the House member into the fund shall be determined in accordance with § 44(3) of the present Regulations.
3. In the case of a takeover of the House member by another entity within the given scope the value of payments to be made by into a given fund the taking over entity shall be determined in amount of the last updated payment made by the House member, which has been taken over, with the reservation for § 45k of the present Regulations.

§ 45l

The payment to be made into the fund by the taking over House member that is

participant of the fund shall be determined according to general rules, but with the use of data required to calculate such payment, concerning not only the taking over but also the taken over as well as the member of the House.

§ 45m

An extension of the House membership by representation of a new entity within the scope of transactions being entered into on the same derivatives market shall not require lodging of the payment, mentioned in § 44(2) and (3) of the present Regulations.

§ 45n

IRGiT shall provide the House members, which are participants of individual funds, with quarterly and annual reports concerning its activities within the scope of managing their resources.

Use of the house's own funds

§ 45o

1. The Clearing House may use from its own funds for purposes related to ensuring the liquidity of clearings resulting from any of the following reasons:
 - 1) the limiting of payments, as referred to in § 53(1
 - 2) inability to dispose of non-cash collateral in an efficient manner,
 - 3) unfavorable time distribution of losses on the portfolio of the House member for which the House has proceeded to close the position.
2. The House shall recover all funds earmarked (together with interest payable to banks) for the purposes of securing the liquidity of clearings for the reasons described in sec. 1 by:
 - 1) requesting the House Member to pay the amount due,
 - 2) set-off with funds obtained as a result of the settlement of the House member's recently closed positions,
 - 3) set-off with funds obtained from the disposal of non-cash collateral,
 - 4) set off with profits realized on the portfolio of the House member for which the House has proceeded to close the position.
3. If the activities described in sec. 2 prove insufficient for the House to recover all funds earmarked for liquidity purposes for the reasons described in sec. 1, then the difference between the amount of the House's own funds used in accordance with sec. 1 and the amount of funds recovered in accordance

with paragraph 2 shall be covered from contributions paid House members to the guarantee funds, pro rata to the amounts of their contributions.

4. The term "own funds" referred to in sec. 1 should be understood in the amount of PLN 10,000,000.00 as funds kept by the House in excess of the minimum equity amount specified in accordance with Article 68a item 11 of the Act on Trading." and available credit facilities.

Bid Security

§ 45p

1. In cases specified by the Exchange, the opening of auctions for agri-food commodities is subject to the bidder ("Bidder") submitting a bid security in the amount within the time limit specified by the House.
2. The bid security secures the proper performance of obligations arising from the exchange transactions executed by the Bidder as a result of the auction.
3. The bid security may be contributed in a monetary or non-monetary form, according to the principles specified in a resolution of the IRGiT Management Board.
4. The algorithm for calculating the amount and the time limit and method for the payment of the bid security are defined by the IRGiT Management Board by way of a resolution.

§ 45r

1. The House collects and keeps the bid security contributed in monetary form in a dedicated account in the CHPB.
2. The bid security contributed in monetary form will be returned to the account of the respective Bidder who is a House member or to the account of the House member representing the respective Bidder, by day T+21 or on the first business day following day T+21 if T+21 is a public holiday, subject to the provisions of sec. 3. Detailed rules governing refunds of bid security are defined by the IRGiT Management Board by way of a resolution.
3. In the event that information is received from the Exchange about the Bidder's failure to properly perform its obligations arising from the transaction executed as a result of the auction, the House will transfer the bid security amount to the other party to the transaction in the amount corresponding to the volume of the transaction executed by such entity.

CHAPTER VI

METHOD AND MODE OF THE SETTLEMENT OF TRANSACTIONS THE HOUSE MEMBERS ENTER INTO

Cash settlement

§ 46

1. The cash settlement of the transactions, entered into in exchange commodities and being cleared by the House as well as other operations connected with pecuniary receivables or liabilities of the House member – if the obligation to provide the benefit results from the membership of the House – is conducted by the House through the agency of the Clearing Bank as well as the payer Banks.
2. The Clearing Bank transfers the means on the grounds of the instructions issued and submitted by IRGiT in accordance with the information pieces mentioned in § 35(1).
3. On each working day IRGiT prepares:
 - 1) The instructions of crediting or charging – by the right of clearing of the Transactions – of bank accounts of the clearing members of the House,
 - 2) The instructions of crediting or charging – by the right of updating the collateral margins – of bank accounts of the clearing members of the House.
4. The payment instructions are handed over by IRGiT to the Clearing Bank as well as to the BPCI on the grounds of the agreement, concluded between IRGiT and the Clearing Bank, as well as on the grounds of the agreements, concluded by IRGiT and BPCI.

§ 47

1. Cash settlements are performed, subject to the provisions of sec. 4:
 - a) on the day of delivery – for transactions executed on the Day-Ahead Market and the Gas Day-Ahead Market operated by the Exchange and for transactions in wholesale energy products,

- b) on the day following the day of delivery – for transactions executed on the Gas Intraday Market and the Property Rights Market operated by the Exchange,
 - c) on the second day following the delivery date – for transactions executed on the Intraday Market operated by the Exchange.
- 2. For transactions in agri-food commodities, Cash Settlements are effected on the next business day following the date of execution of the transaction, subject to the provisions in the next sentence. For transactions executed as a result of auctions, for which the Exchange has introduced the possibility of a buyer to report irregularities regarding the quantity or quality of the acquired agri-food commodities, Cash Settlements of the House members take place by day T+21, provided that no information has been received from the Exchange regarding a justified notification of irregularities, according to the rules set forth in the relevant Detailed Clearing and Settlement Rules..
- 3. On statutory idle days as well as on Saturdays the pecuniary settlements are not executed.
- 4. In the case when the pecuniary Settlements fall on an idle day or on the first of consecutive idle days (including Saturdays) the payment is made on the closest working day. In the case when the pecuniary Settlements fall on the second or next consecutive idle day (including Saturdays) the payment is made on the second working day following the last idle day, in accordance with the schedule specified in the Detailed Clearing and Settlement Rules.
- 5. On the day of execution of the pecuniary Settlement the Member of the House shall be obliged to provide the means on the bank account indicated by it and kept in the BPCI, in amount at least equal to the balance of the liabilities calculated by the House, within the deadlines, which have been established in the agreement concluded between the Member of the House and the BPCI indicated by it, and which enable the BPCI to fulfill its obligations, resulting from the schedule specified in the Detailed Clearing and Settlement Rules. In the case, when the Member of the House does not fulfill its obligation, mentioned in the previous sentence, the BPCI shall be obliged to make the payment, unless the BPCI has made reservation of the payment according to the rules determined in the agreement concluded between the House and the BPCI.
- 6. The pecuniary Settlement is made by the BPI or the BPCI on the grounds of the instructions of payments, submitted to them by IRGiT and generated on the grounds of the statements mentioned in §35(1), which specify the net value of the Positions the clearing of which is the responsibility of the respective House member, increased by VAT tax value as well as excise tax value, reckoned for trading in the exchange commodities being object of the transactions being cleared, in accordance with relevant law regulations being in force.
- 7. (Repealed)
- 8. (Repealed)

Settlement of the Exchange Commodities - the delivery execution mode

§ 48

Within the framework of the operations connected with execution of deliveries of the exchange commodities the House shall enable provision of the benefits, resulted from the recorded Positions, through submitting of instructions (enabling delivery of the exchange commodities) to the authorized entities.

Rules of execution of the electricity deliveries

§ 49

1. The execution of the transactions being cleared by the House takes place through declaring of balance of electricity delivered to and received by the eTSO.
2. The balance is declared to the eTSO with classification into the Scheduling Units.
3. The clearing activities being done by the House within the scope of delivery of electricity shall be recognized as completed at the moment when the eTSO confirms that the instruction for electricity delivery has been accepted for execution.

§ 50

(Repealed)

§ 51

(Repealed)

Rules of execution of the Property Rights under Certificates of Origin

§ 52

1. After the transactions, the Property Rights under Certificates of Origin are subject of which, are recorded in the recording account, IRGiT:
 - 1) executes clearing of session transactions as well as OTC deals, the Property Rights under Certificates of Origin are subject of which,

- 2) transfers (in electronic form) the information concerning the transactions to relevant Property Rights Register kept by an authorized entity.
2. On the grounds of pieces of information about the transactions entered into, the Property Rights under Certificates of Origin are subject to change of posting entries in the register from the account of the House member that has sold the Property Rights into the account of the House member that has purchased the Property Rights, with the reservation for sec. 3.
3. In respect of transactions executed by a House member on the client's account and transactions executed by an Exchange member represented by a House member in accordance with § 9(2)(3) of the Regulations, the process of changing the posting entries concerning the Property Rights to Certificates of Origin is executed in the register on the account of the client or the Exchange member, as the case may be.
4. Activities of the settlement, conducted by the House within the scope of delivery of the Property Rights under Certificates of Origin shall be considered as accomplished at the moment of providing the entities keeping relevant registers:
 - 1) of Certificates of Origin, mentioned in Power Law Act, in the Renewable Energy Sources Act or in the Energy Efficiency Act ,
 - 2) of Energy Efficiency Certificates, mentioned in the Energy Efficiency Act with information about the exchange transactions, which have been entered into.
5. Transfer of ownership of the Property Rights under Certificates of Origin resulting from exchange transactions, which have been entered into, takes place at the moment of recording an appropriate number of the Property Rights under Certificates of Origin, pursuant to separate regulations, in the Register on the purchaser's account.

Principles of execution of the Gas deliveries

§ 52a

1. Execution of the transactions being cleared by the House shall be made through declaring (to the gTSO) the balance of the Gas delivered or received.
2. The deliveries are declared to the gTSO through the Designations, with a breakdown on the Shipper Codes.
3. The clearing activities being done by the House within the scope of delivery of the Gas shall be recognized as completed at the moment when the Designations are declared to the gTSO.

Rules for the delivery of agri-food commodities

§ 52b

1. After the registration of transactions in agri-food commodities in the trading account, IRGiT will:
 - 1) clear such transactions in accordance with the rules set forth in the Regulations,
 - 2) provide information in electronic form about such transactions to the Exchange to enable their entry in the e-RTRS.
2. On the basis of information on executed transactions, agri-food commodities are transferred in the e-RTRS from the account of the selling House member to the account of the buying House member, subject to the provisions of sec. 3.
3. In respect of transactions executed by a House member on the client's account and transactions executed by an Exchange member represented by a House member in accordance with § 9(2)(3) of the Regulations, the process of transferring the respective agricultural commodities shall be performed in e-RTRS on the account of the client or the Exchange member, as the case may be.
4. Settlement activities performed by the House in respect of the delivery of agri-food commodities are considered to have been completed when information on the executed exchange transactions in agri-food commodities is submitted to the e-RTRS.
5. The transfer of title to agri-food commodities as a result of executed exchange transactions occurs at the time of registration in the e-RTRS in the buyer's account of the appropriate quantity of agri-food commodities in accordance with the rules set forth by the Exchange.

CHAPTER VII

MEETING OF LIABILITIES. RULES OF CONDUCT IN THE EVENT OF AN INFRINGEMENT.

§ 53

1. The House member being obliged to perform monetary benefits in accordance with the statement referred to in §35(1) and made accessible on a given day shall be obliged to have in its possession appropriate means kept in its Payer Bank, which is designed for the purposes specified in §46(1), not later than till the moment of their maturity, determined in the agreement concluded with the Payer Bank, indicated by it, and which enable the Payer Bank to fulfill its obligations resulting from the schedule specified in the Detailed Clearing and Settlement Rules. The amount of the means has to be at least equal to the liability amount, taking other liabilities, connected with the House membership of given member and borne by it, into consideration. If the House member fails to fulfill its obligation, mentioned in the previous sentence, the Payer Bank shall be obliged to make the payment, unless it has made reservation of the payment according to the rules determined in the agreement concluded between the House and the BPCI.
2. In the case when the BPCI makes a reservation of the payment by the right mentioned in § 33(1)(a), the liabilities of a House member may be covered with cash paid by such entity as a transaction margin and security margin in accordance with the principles set forth in the Detailed Clearing and Settlement Rules. If such funds are insufficient, the House may use its own funds in accordance with the rules set forth in § 45o.
3. The House member bearing responsibility for causing the payment reservation may be charged with the fee referred to in § 61(2).
4. The House member is required to maintain cash in the clearing guarantee system in an amount corresponding to at least the value specified by the House.
5. In cases caused by the Force Majeure or events of unusual nature or remaining beyond the House's control the IRGiT Management Board shall be entitled to take a decision about temporary suspension of the Settlement execution, as a whole or partially, or with regard to specified transactions. Detailed rules of action in such cases shall be determined by the IRGiT Management Board through appropriate resolution.

§ 54

1. In a situation where an Infringement has been found in respect of a House member, the House may:
 - a) require such House member to provide information in accordance with § 22,
 - b) make the decision referred to in § 34(4) or (5),
 - c) update the payment of such House member to the guarantee funds and request the updated payment to be made to the guarantee fund referred to in § 45b(4) within the time limit specified by the House,
 - d) impose a limit on open Positions in a manner that the value of open Positions for the clearing of which such House member is responsible is not greater than the set level,
 - e) apply to the Exchange for blocking the possibility of placing buy or sell orders for the clearing of which such House member is responsible on all or selected markets, groups or individual instruments,
 - f) refuse to accept for clearing any transactions to which the House member involved in the Infringement is a clearing party,
 - g) liquidate any assets existing in non-cash form, contributed by such House member to the clearing guarantee system, or decide not to continue accepting any non-cash collateral provided by such House member and require this House member to replenish the collateral in cash, with the reservation that until the collateral has been supplemented in cash, any non-cash collateral may be used in accordance with the purpose for which it has been established,
 - h) decide to settle the liabilities and receivables of such House member via the account in the Settlement Bank assigned to such House member and transfer to that account the cash contributed by such House member to the transaction margin and the collateral margin,
 - i) submit, for execution to the Clearing Bank, instructions that result in debiting or crediting the bank account maintained with the Clearing Bank specified by such House member, in order to settle the liabilities resulting from its membership in the House,
 - j) start closing any Positions opened as a result of transactions for the clearing of which such House member is responsible and use any receivables of such House member and any collateral contributed by it to cover any losses,
 - k) apply in respect of such House member the measures for maintaining order and discipline referred to in § 61(1),
 - l) take other actions provided for such situation in the Detailed Clearing and Settlement Rules.

The application of any one of the rights listed above shall not preclude the application of any other of them.

2. If the receivables of a House member in respect of whom an Infringement has been found and the collateral contributed by it as part of the collateral margins and transaction margins turn out to be insufficient to cover the costs of closing the Position, i.e. a loss arises, the House shall use the contributions made to the pertinent guarantee fund in accordance with the following rules:

- 1) first, the contributions shall be used made by the clearing member of the House in respect of whom the Infringement has been found. If such member makes contributions to more than one guarantee fund, the House shall use the contributions made to each of such funds to cover the losses of such House member on the terms set forth in § 43(3). The detailed method of calculating losses and using contributions made to individual funds shall be defined by the IRGiT Management Board by way of a resolution;
 - 2) then, contributions of other clearing members of the House shall be used, requesting them, on an as-needed basis, to replenish their contributions to the fund. If a given member makes contributions to more than one guarantee fund, the House shall use the contributions made by such House member to the pertinent fund solely for the purpose of covering the loss which occurred on the market covered by this fund.
3. In the event of circumstances justifying the taking of the actions referred to in sec.1, the House shall inform thereof the House member in respect of whom an Infringement has been found, at the same time requesting such House member to remove the Infringement within a specified time limit. Such information shall be provided in electronic form or, if impossible, in any form that will leave a sufficiently permanent trace. In particularly justified cases, and especially where it follows from the circumstances that further actions of the House member may cause serious harm to trading participants, the House may take actions specified in sec. 1 without the prior request to remove the infringements.
 4. The House shall immediately inform the Exchange and the Polish Financial Supervision Authority as well as other entities, if required by the security of clearing, of the identified Infringement, in accordance with the terms specified in the pertinent resolution of the IRGiT Management Board.

CHAPTER VIIa

AUTOMATIC CLOSING OF POSITIONS IN FORWARD CONTRACTS

§ 54a

1. The automatic closing of Positions may be organized by the House in order to secure the financial settlements resulting from the process of clearing the transactions of given Clearing Member of the House, regarding which the House has proceeded to close the Positions in accordance with § 54(1).
2. The process of automatic closing of Positions consists in entering by the House, in respect of the Positions that are registered on the trading accounts of the House member in respect of whom the House has proceeded to close the Positions in accordance with § 54(1), into the transaction for the opposite position corresponding to the Position the clearing of which is the responsibility of such member, through auctions organized on the terms specified by the Exchange.
3. The process, mentioned in sec. 1 above, is carried out by the House with due diligence resulting from reasonable market conditions existing on the day of carrying out the process. The "due diligence" should be understood in the following way: the House takes actions in accordance with appropriate regulations being in force, maintaining security of the transaction clearing process and taking into consideration reasonable interest of the House Members.

§ 54b

(Repealed)

§ 54c

1. The detailed rules and mode of the process of automatic closing of Positions will be determined in appropriate detailed clearing rules.
2. The House is entitled – at any time and in circumstances justified by security of the process of clearings – to cease or to suspend the process of automatic closing of Positions without giving reasons for that.
3. Costs of the process of automatic closing of Positions are covered from receivables of the Clearing Member that is obliged to cover them, from

the transaction margins and from margins lodged by given entity, from payments into the Guarantee Fund and – if the aforementioned resources appear to be insufficient – from the Guarantee Fund resources

4. In case when the Guarantee Fund resources used according to the rules mentioned in sec. 3 above appear to be insufficient, the Clearing Members of the House obliged to maintain payments into the Fund lodge the replacement payments pursuant to § 45g.

CHAPTER VIII

OTHER OPERATIONS

§ 55

1. The Position transfer consists of the moving of the entries expressing holdings of the positions in the exchange commodities from the recording account kept for a House member into another recording account kept for the same or another entity, without transfer of the ownership of the exchange commodities, or – in cases, when such operation is permissible on the grounds of relevant law regulations – in connection with acquisition of them in consequence of particular legal event, with transfer of the property right.
2. The Position transfer is made on the grounds of written application submitted by the clearing member of the House; the application shall include detailed pieces of information confirming the Position being transferred.

CHAPTER IX

FEES AND CHARGES

§ 56

1. The types, rules of establishing as well as amount of the fees and the charges within the scope that has not been regulated in the stipulations of the present Chapter have been presented in "The Fee and Charge Table".
2. Changes in the amount of the fees and the charges indicated in the Fee and Charge Table, made after establishing of public- and legal charges for activities, the fees are charged for which, do not change the status of the fees as the fees, which should be increased by amounts of possible public- and legal charges.
3. The IRGiT Management Board shall be entitled – for a definite duration – to reduce a particular category of fees and charges, mentioned in the Fee and Charge Table, or to waive their collection in relation to individual members or groups of members of the House.

§ 57

The House members pay the fees and the charges within a 14- (fourteen-) day period since the date of issuing the invoice, unless the Regulations stipulation states otherwise.

§ 58

1. The Annual House membership fee, collected from the House Members, concluding the membership agreement during a given calendar year, shall be reckoned in the full amount. The annual fee shall not be subject to return in the case of a suspension of the membership or dissolving of the membership agreement.
2. The selection of variant I of the annual transaction clearing fee results in the selection of variant I of the session transaction clearing fee for electricity sessions. The selection of variant II of the annual transaction clearing fee results in the selection of variant II of the session transaction clearing fee for electricity sessions. The selection of variant III of the annual transaction clearing fee results in the selection of variant III of the session transaction clearing fee for electricity sessions. The fee for the clearing of OTC transactions in electricity is the same for each variant. The selection of the annual fee variant for a given calendar year is made by the House Member. If no variant is selected within the time limit set by the IRGiT Management

Board, it shall be deemed that the House Member continues the fee variant selected for the previous calendar year.

3. The method and time limit for paying of the transaction clearing fee as well as the way of and the deadline for submitting declarations concerning selection of the annual fee variant shall be determined by the IRGiT Management Board. The amount of the first annual transaction clearing fee, collected from the House Members concluding the House membership agreement and selecting variant I or variant II during a given calendar year shall be reckoned proportionally to the remaining part of a given calendar year, including the month the agreement is concluded in that. The amount of the first annual transaction clearing fee, collected from the House Members concluding the House membership agreement and selecting variant III during given calendar year shall be reckoned in full amount. The annual transaction clearing fee shall not be subject to return in case of suspension of the membership or dissolving of the membership agreement.
4. The invoices, the annual fees are paid on the grounds of which, shall be issued within a 14- (fourteen-) day period since beginning of the calendar year the fee concerns. The invoices for new members of the House, issued during a given calendar year, shall be issued within a 14- (fourteen-) day period since the day the IRGiT Management Board passes the House membership granting resolution on that.

§ 59

1. The fees for clearing and settlement of the transactions shall be reckoned in monthly cycles and they shall be paid by the House members being parties of the clearing process.
2. The annual fees for participation on the markets, on which the electricity, the Gas or the Property Rights under Certificates of Origin are subject of trading, and the fee for registration of forward contracts concluded by market makers, are determined on the basis of the contract concluded between IRGiT and the market-maker.
3. The amount of the fees established in accordance with sec. 2 above must not be higher than the amount of the fees established for other clearing members of the House.
4. The invoices, the transaction clearing and settlement fees are paid on the grounds of which, shall be issued on the first working day of the month following the month they concern.
5. The House members shall pay the fees and the charges within a 14- (fourteen-) day period since the date of issuing of the invoice, unless the applicable stipulation of the Regulations states otherwise.
6. The fee for the clearing and settlement of the Positions of forward contracts is reckoned with distribution into the clearing accounts assigned to the clearing

members of the House as well as calculated according to the balance of transactions, which have been entered into for a given instrument.

§ 60

The fees for management of the monetary resources composing the House Members' contributions into the system of securing of the clearings shall be reckoned and collected from the income obtained in benefit of a given member of the House during the quarter period.

CHAPTER X

MEASURES FOR MAINTAINING ORDER AND DISCIPLINE

§ 61

1. There are following measures for maintaining order and discipline:
 - 1) the fee, mentioned in sec. 2 below,
 - 2) deprivation or suspension of the House membership.
2. In the case, when a member of the House infringes the membership rules, what consists of a default in fulfilling or improper fulfilling of the obligations, resulting from the House membership agreement, the IRGiT Management Board shall be entitled to oblige that member of the House to pay the fee in amount of PLN 100,000.00, according to the rules specified below.

§ 62

1. In the case, when the grounds for imposing of the fee mentioned in § 61(2) occur, the IRGiT Management Board shall notify the House member about the fact of infringement, specifying precisely the nature of the infringement as well as establishing the time limit for removing the conditions resulting from such infringement. If such conditions are not removed the IRGiT Management Board shall charge the House member with the fee.
2. (Repealed).
3. If there is no opportunity to remove the infringement conditions for reasons independent of the House member, the IRGiT Management Board shall reprimand the House member. In such a case the fee, mentioned in § 61(2), shall not be imposed.

§ 63

1. The IRGiT Management Board resolution concerning the imposing of the fee, mentioned in § 61(2) above, shall be delivered immediately to the House member it concerns that. The House member on whom the fee referred to in § 61(2) has been imposed shall have the right to file an appeal with the IRGiT Supervisory Board within 14 days of receiving the resolution of the IRGiT Management Board referred to in the preceding sentence. The filing of such appeal shall not suspend the enforceability of the IRGiT Management Board's decision. The Supervisory Board shall consider the appeal within 30 days of

the date on which it is filed. The decision of the Supervisory Board shall be final.

2. The fee imposing resolution shall be liable to execution within a 10- (ten-) day period since the day of delivering it to the House member.
3. A change in the circumstances taking place after issuing of the fee imposing resolution by the IRGiT Management Board must not be considered as the grounds for repealing of the resolution. In such case the House member shall be entitled to apply to the IRGiT Management Board with the request for repeated consideration of the matter.

§ 64

1. IRGiT shall be entitled to terminate the House membership agreement with immediate effect (deprivation of membership) or refrain from carrying out the agreement (suspension of the membership) if a given member of the House threatens the safety of trading or the proper functioning of the House. Such a threat occurs, specifically, if a given member of the House contravenes the legal provisions regulating the functioning of the House or the provisions specified in the present Regulations.
2. The suspension of the membership takes place for a specified period, not longer than 6 months. The previous status of the House member shall be restored on the grounds of the IRGiT Management Board resolution, passed before or on expiry of the aforementioned period, unless a different decision concerning further membership of the House is taken before the expiration of that period, including a decision to re-suspend the membership for reasons having to do with the security of clearing and settlement.
3. The membership may be suspended or deprived with regard to all activities of a given member of the House under the House membership agreement or with regard to only some scope of activities.
4. The decision about the suspension of the House membership shall specify the conditions needed for a restoration of the previous status of a given member of the House.
5. A change in the circumstances taking place after the passing of the House membership deprivation or suspension resolution by the IRGiT Management Board must not be considered as the grounds for repealing of the resolution. In such case the House member shall be entitled to apply to the IRGiT Management Board with the request for repeated consideration of the matter.

§ 65

Suspension and deprivation of the membership shall not affect the House member's obligations arising from its activities carried out up till the date of

suspension or deprivation of membership. The provisions of the present Regulations shall apply respectively.

§ 66

During the membership suspension period or in the case, when the House membership is terminated, only operations justified by events, which took place till the day of suspension or termination of the House membership, shall be carried out on accounts kept by a given member of the House.

CHAPTER XI

DISSOLVING OF THE HOUSE MEMBERSHIP AGREEMENT BY THE HOUSE MEMBER

§ 67

1. The House member shall be entitled to dissolve the House membership agreement (with keeping of the 14- (fourteen-) day termination period), with effect falling in the end of a given calendar month. To be valid, the House member statement about the termination of the House membership agreement shall require written form.
2. Termination of a House membership agreement will not result in the loss of the status of a Clearing House Member in respect of transactions executed until the date of termination of such agreement or the expiration of other obligations related to such status.
3. A House Member who has terminated a House membership agreement is required to take action to close the Positions for the clearing of which it is responsible or to transfer such Positions to another House Member. The closing or transfer of such Positions should take place no later than by the end of the termination notice period.

THE FEE AND CHARGE TABLE

I. The Membership Fees

1. The annual fees for IRGiT direct membership, depending on type of activity being conducted:

1.1 Activity on one's own account	5 000 PLN
1.2 Activity on customers' account	10 000 PLN and 1 000 PLN per client
1.3 The exchange member representative	5 000 PLN

2. The annual fee for IRGiT indirect membership

	2 500 PLN
--	-----------

II. The fees for clearing and settlement of transactions entered into on the Exchange or of OTC deals

1. Annual fees for participation on the markets, where electricity is traded:

1.1 The annual transaction clearing fee (Variant I)	40 000 PLN
1.2 The annual transaction clearing fee (Variant II)	20 000 PLN
1.3 The annual transaction clearing fee (Variant III)	400 PLN
1.4 The annual fee for the Market Maker	subject to negotiations

2. Annual fees for participation on the markets, where Gas is traded:

2.1 The annual transaction clearing fee	10 000 PLN
2.2 The annual fee for the Market Maker	subject to negotiations

3. Annual fee for participation in markets where agri-food commodities are traded:

3.1 Annual fee for the clearing of transactions 20,000 PLN

4. The clearing fees as well as the exchange transaction settlement fee:

The fees as below shall be collected from each party of the transaction.

The fee for clearing and settlement of transactions in electricity, entered into on the Exchange (spot):

4.1 The fee for clearing of session transactions (Variant I)	0,08 PLN	per 1 MWh
4.2 The fee for clearing of session transactions (Variant II)	0,16 PLN	per 1 MWh
4.3 The fee for clearing of session transactions (Variant III)	0,36 PLN	per 1 MWh
4.4 The fee for clearing of OTC deals	0,04 PLN	per 1 MWh
4.5 (repealed)		

The fee for clearing and settlement of transactions in Gas, entered into on the Exchange (spot):

4.6 The fee for clearing of session transactions	0,08 PLN	per 1 MWh
4.7 The fee for clearing of OTC deals	0,08 PLN	per 1 MWh
4.8 (repealed)		

The fee for clearing and settlement of the transactions in Property Rights under the Certificates of Origin for electricity generated in Renewable Energy Sources entered into on the Exchange:

4.9 The fee for clearing of session transactions	0,14 PLN	per 1 MWh
4.10 The fee for clearing of cleared OTC transactions	0,20 PLN	per 1 MWh
4.11 The fee for registration of non-cleared OTC transactions	0,20 PLN	per 1 MWh

The fee for clearing and settlement of the transactions in Property Rights under the Certificates of Origin for electricity generated in high-efficient CHP in the sources, mentioned in Article 9I paragraph 1 item 2 of the Power Law Act, entered into on the Exchange:

4.12 The fee for clearing of session transactions	0,02 PLN	per 1 MWh
---	----------	-----------

4.13 The fee for clearing of cleared OTC transactions	0,03 PLN	per 1 MWh
4.14 The fee for registration of non-cleared OTC transactions	0,03 PLN	per 1 MWh

The fee for clearing and settlement of the transactions in Property Rights under the Certificates of Origin for electricity generated in high-efficient CHP in other sources, mentioned in the Power Law Act, entered into on the Exchange:

4.15 The fee for clearing of session transactions	0,08 PLN	per 1 MWh
4.16 The fee for clearing of cleared OTC transactions	0,10 PLN	per 1 MWh
4.17 The fee for registration of non-cleared OTC transactions	0,10 PLN	per 1 MWh

The fee for clearing and settlement of the transactions in Property Rights under Certificates of Origin of agro biogas, mentioned in the Renewable Energy Sources Act, entered into on the Exchange:

4.18 The fee for clearing of session transactions	0,14 PLN	per 1 MWh
4.19 The fee for clearing of cleared OTC transactions	0,20 PLN	per 1 MWh
4.20 The fee for registration of non-cleared OTC transactions	0,20 PLN	per 1 MWh

The fee for clearing and settlement of transactions in Property Rights under Energy Efficiency Certificates mentioned in the Energy Efficiency Act, entered into on the Exchange:

4.21 The fee for clearing of session transactions	3,20 PLN	per 1 Toe
4.22 The fee for clearing of cleared OTC transactions	4,00 PLN	per 1 Toe
4.23 The fee for registration of non-cleared OTC transactions	4,00 PLN	per 1 Toe

5. The fee for registration of forward contracts for electricity or Gas entered into or off the Exchange:

5.1	The charge for registration of the Positions, the electricity is subject of which, in recording accounts of the House	0,04 PLN	per 1MWh
5.2	The charge for registration of the Positions, the electricity is subject of which, in recording accounts of House, reckoned for the Market Maker		subject to negotiations
5.3	The charge for registration of the Positions, the Gas is subject of which, in recording accounts of the House	0,04 PLN	per 1 MWh
5.4	The charge for registration of the Positions, the Gas is subject of which, in recording accounts of the House, reckoned for the Market Maker		subject to negotiations

6. The fee for clearing and settlement of the Positions in electricity forward contracts, entered into on or off the Exchange:

6.1	Variant I	0,04 PLN	per 1 MWh
6.2	Variant II	0,12 PLN	per 1 MWh
6.3	Variant III	0,20 PLN	per 1 MWh

7. The fee for clearing and settlement of the Positions in gas forward contracts, entered into on or off the Exchange:

7.1	The clearing and settlement fee	0,04 PLN	per 1 MWh
-----	---------------------------------	----------	-----------

8. Fee for the clearing and settlement of transactions in agri-food commodities

8.1	Fee for the clearing of session transactions	PLN 1.00	per ton
8.2	Fee for the clearing of auction transactions	PLN 2.00	per ton

III. Other fees and charges

1. (Repealed)

2. (Repealed)

3. The fee for management of the House's Members' resources in the clearings securing system

3.1 Quarterly fee calculated on the contributed funds:

0.2% of the base amount understood as the arithmetic mean of the value of cash held by a Clearing House Member in the clearing guarantee system, according to the balance on the individual days of the calendar quarter.

- 3.2 Quarterly fee calculated on the contributed non-cash collateral other than bank guarantees:

0,02% of the base amount understood as the arithmetic mean of the value of assets of a given type held by a Clearing House Member in the clearing guarantee system, according to the balance on the individual days of the calendar quarter, but no more than PLN 30,000.

- 3.3 Transfer of bank costs related to the cash contributed by the Clearing House Member to the clearing guarantee system.

Where the Clearing House incurs bank costs related to the management, holding or investing of cash contributed by Clearing House Members to the clearing guarantee system, the Clearing House may obligate the Clearing House Members to reimburse the Clearing House for such costs. The costs subject to reimbursement are the costs resulting from the negative interest rate, bank commissions, fees for keeping a high account balance and other fees that have a similar effect and are charged by banks on such cash.

4. The fee for registration of non-cash collaterals in the collateral register (reckoned for each type of collaterals being lodged)	200 PLN	per registration
5. The fee for monthly servicing of the non-cash collaterals being lodged in form of bank guarantees	200 PLN	per month
6. The fee for transfer of the exchange commodities position	50 PLN	per transfer of 1 transaction
7. The fees for opening and modifying accounts in the clearing system		
7.1 The fee for opening the Clearing Account	500 PLN	per account
7.2 The fee for opening the Trading Account	500 PLN	per account
7.3 The fee for making modifications by the House at the request of a House member in accounts kept in the clearing system (including changes in the parameterization of such accounts with respect to Scheduling Units or Shipper Codes). Not applicable to deactivation of accounts.	500 PLN	per change

- | | | |
|--|-----------|-------------------------|
| 8. The annual fee for access to IRGiT private web site containing the settlement reports (the issue concerns each established access from among the number higher than three) | 300 PLN | per access |
| 8a. Annual fee for technical access to the clearing system | 1 000 PLN | per access |
| 9. The annual fee for access to db-direct Internet system in order to inspect the holding of resources being deposited by the House's Members in IRGiT clearings securing system (the issue concerns each established access from among the number higher than three) | 300 PLN | per access |
| 10. The fee for preparation and carrying out clearings in IRGiT training system | 800 PLN | man-day |
| 11. The fee for compensation of collateral margins within the framework of power Groups | | |
| <p>The fee in amount of 0,01% derived from the amount of compensation is lodged by Members of the power Group, the collateral margins having been lodged by which are decreased in result of the compensation.</p> <p>The fee is reckoned on the basis of the arithmetic average of the compensation amount for individual Members of the power Group, according to the holdings on individual days of a calendar quarter.</p> | | |
| 12. The fee for training services | | subject to negotiations |
| 13. The fee for handling accounting documents outside the self-invoicing system | 50 PLN | per document |

All fees and charges presented in the Fee and the Charge Table above do not include VAT tax.