Eleclink Access Rules

EFFECTIVE DATE

General Provisions

1. This document, hereinafter referred to as the ElecLink Access Rules, comprises these General Provisions, the ElecLink Intraday Allocation Rules (Part 1), the ElecLink Day Ahead Allocation Rules (Part 2), the ElecLink Long-Term Allocation Rules (Part 3), the ElecLink Open Season Rules (Part 4) and the ElecLink Nomination Rules (Part 5), and shall be read and construed as one agreement and shall be legally binding and apply as such.

2. "ElecLink Access Rules" means the rules required under Ofgem's Standard Licence Condition 11A in Great Britain and under Article 59 of Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast) in France.

3. These ElecLink Access Rules shall enter into force pursuant to a notice provided by ElecLink and/or the Allocation Platform in accordance with the relevant decision of the national regulatory authorities.

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Part 1

Eleclink Intraday Allocation Rules

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CHAPTER 1
General provisions

Article 1
Subject-matter and scope

1. These Allocation Rules contain the terms and conditions for the allocation of Intraday Transmission Rights on ElecLink Interconnector, it being understood that the Registered Participant will endorse these rules by the signature of the Participation Agreement. In particular, the Allocation Rules for Intraday Capacity Allocation set out the rights and obligations of Registered Participants as well as the requirements for participation in Auctions; they describe the process of Auction, including the determination of Marginal Price as a result of Auction and the process for curtailment of Intraday Transmission Rights and invoicing/payment. These Allocations Rules apply to all Registered Participants on a non-discriminatory basis.

2. The Auctions refer to Interconnector Capacity only and Registered Participants may invoke no other right in connection with the Intraday Transmission Rights allocated to them than the rights in accordance with the provisions of these Allocation Rules for Intraday Capacity Allocation.

Article 2
Definitions and interpretation

1. The following definitions shall apply:

   Accord de Participation means an Accord de Participation signed by a Registered Participant and Réseau de Transport d'Electricité by which a Registered Participant agrees to abide by the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations*;

   Affiliate means, in relation to any person, any other person that directly or indirectly controls, is controlled by or is under direct or indirect common control with that person where control is defined as rights, contracts or any other means which, either separately or in combination and having regard to the considerations of fact or law involved, confer the possibility of exercising decisive influence on an undertaking, in particular by (a) ownership or the right to use all or part of the assets of an undertaking and/or (b) rights or contracts which confer decisive influence on the composition, voting or decisions of the organs of an undertaking;

   Allocation Platform means the Joint Allocation Platform or such other entity appointed and commissioned by ElecLink to act as an Allocation Platform on its behalf and on its own name for the attribution of intraday Interconnector Capacity through the Auctions as defined in the Participation Agreement;

   Allocation Rules means the rules for Intraday Capacity Allocation on the ElecLink Interconnector applied by the Allocation Platform (as amended from time to time);

   Auction means the process by which intraday Interconnector Capacity is offered and allocated to Registered Participants who submit Bid(s);

   Auction Reference Guide means the document entitled the 'Auction Reference Guide', published on Eleclink's website, alongside the Access Rules.

   Auction Specification means a list of specific characteristics of a particular Auction, including

the nature of products and relevant dates;

Auction Tool means the information technology system used by the Allocation Platform to perform Auctions and to facilitate other procedures described in these Allocation Rules;

Balancing and Settlement Code means the code of that name established under the licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989 permitting, inter alia, the transmission of electricity in England and Wales;

Bank Guarantee means an unconditional and irrevocable standby letter of credit or letter of guarantee issued by a bank;

Bid means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction;

Bid Price means the price which a Registered Participant is willing to pay for one (1) MW per MTU of Intraday Transmission Rights;

Bid Quantity means the amount of Intraday Transmission Rights in MW requested by a Registered Participant;

Bid Value means the Bid Price multiplied with the Bid Quantity;

Bidding Period means the time period within which the Registered Participants willing to participate in an Auction may validly submit their Bids;

Business Account means a dedicated deposit account opened at the financial institution selected by the Allocation Platform in the name of the Allocation Platform or at the discretion of the Allocation Platform opened by the Registered Participant, but with the Allocation Platform as the beneficiary of the dedicated cash deposit, which may be used for payments by the Registered Participant;

Capacity Shortage has the meaning set out in Article 39A of these Allocation Rules;

Congestion Income means the revenues received as a result of capacity allocation;

Connection and Use of System Code means the code of that name established under the licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989 permitting, inter alia, the transmission of electricity in England and Wales;

Contract Day means, in relation to a Contract Day D, a period of twenty-four (24) hours commencing at 00:00 hours on day D;

Credit Limit means the amount of the collaterals which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations;

Curtailment Quantity means, in relation to an emergency situation or a Force Majeure, the quantity calculated under CHAPTER 6;

Default Nomination means the automatic generation and submission of Nominations by the Nomination Platform, activated in advance by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules, in respect of a particular Timescale;

EIC Code means the ENTSO-E Energy Identification Coding Scheme identifying the parties in a cross-border trade;

ElecLink Interconnector means the 1,000 MW high-voltage direct current electricity interconnector between France and Great Britain which passes through the Channel Tunnel and owned by ElecLink Limited ("**ElecLink**"), a company registered in England and Wales with registration number 07595420;

ElecLink Interconnector Licence means the electricity interconnector licence granted to ElecLink under Section 6(1)(e) of the Electricity Act 1989;

Force Majeure means any unforeseeable or unusual event or situation beyond the reasonable control of a Party and/or ElecLink, and not due to a fault of the Party and/or ElecLink, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the Party and/or ElecLink, which has actually happened and is objectively verifiable, and which makes it impossible for the Party and/or ElecLink to fulfil, temporarily or permanently, its obligations;

GB Grid Code means the document referred to as the Grid Code in the transmission licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989;

Information System Rules means the terms and conditions for access to and use of the Auction Tool by Registered Participants as published on the Allocation Platform's website;

Interconnector Capacity means the right of use of the ElecLink Interconnector made available by the Allocation Platform in auctions, to facilitate the transmission of energy by Registered Participants between Great Britain and France, to the extent that the Net Transfer Capacity permits and as provided for in these Allocation Rules;

Intraday Capacity Allocation means the attribution of intraday Interconnector Capacity through an Auction;

Intraday Transmission Right means for the purposes of these Allocation Rules a Physical Transmission Right acquired in the Intraday Capacity Allocation;

Joint Allocation Platform means the Joint Allocation Office S.A., a company registered in Luxembourg with registration number B 142.282;

Marginal Price means the price determined at particular Auction to be paid by all the Registered Participants for each MW per MTU of acquired Intraday Transmission Right;

Market Time Unit or **MTU** means the Market Time Unit that is set on the Allocation and/or Nomination Platform;

Mid-Interconnector Nomination or **MIN** has the meaning given to it in the Nomination Rules;

National Regulatory Authorities means the Commision de régulation de l'énergie (CRE) and the Office of Gas and Electricity Markets (OFGEM);

Net Transfer Capacity or **NTC** means the capability (in MW, at mid-interconnector) of the ElecLink Interconnector to transmit electrical energy between Great Britain (GB) and France via the ElecLink Interconnector taking into account the effects of any event or circumstance affecting such capability at any relevant time, including events or circumstances on the GB transmission system or the French transmission system or disconnection or de-energisation of the ElecLink Interconnector from either of those transmission systems;

Netting means the superposition of MINs in two opposite directions (France-Great Britain and

Great Britain-France), in order to release some capacity in the more congested direction for the next allocation step, and "Netted" shall have corresponding meaning;

NESO means National Energy System Operator Limited, a company incorporated in England and Wales with company number 11014226 or any successor;

Nomination means the use of intraday Interconnector Capacity by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules and "Nominate", "Nominated" shall have corresponding meanings;

Nomination Gate means the relevant time period in which the holder of a Physical Transmission Right on the ElecLink Interconnector is able to Nominate this right;

Nomination Platform means the relevant system (established by ElecLink) used by PTR Holders to Nominate PTR's in the Interconnector;

Nomination Rules means nomination rules for ElecLink which are the rules with regard to the notification of use of Physical Transmission Rights to ElecLink;

Offered Capacity means the number of units being made available in the unit validity times in an Auction (i.e. the specific MTU period within the Product Period for which the units have been offered in the applicable Auction);

Outage means any reduction of NTC in either direction and includes forced outages and trips;

Participation Agreement means the agreement by which the Parties undertake to comply with the terms and conditions for Interconnector Capacity allocation as contained in these Allocation Rules;

Party / Parties means the Allocation Platform and/or a Registered Participant referred to individually as Party or collectively as Parties;

Physical Transmission Right or PTR means a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time on the ElecLink Interconnector in a specific direction;

Physical Transmission Rights Holder means a Registered Participant which has been allocated Physical Transmission Right (PTR)'s under the relevant Allocation Rules;

Pre-Nomination means Nominations submitted by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules before the opening of a specific Nomination Gate and "Pre-Nominate", "Pre-Nominated" shall have corresponding meanings. A Pre-Nomination becomes a Nomination once the relevant Nomination Gate is open;

Product Period means the time and date on which the right to use the Intraday Transmission Right commences and the time and date on which the right to use the Intraday Transmission Right ends;

Registered Participant means a market participant which entered into the Participation Agreement with the Allocation Platform;

Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations means the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations* established by RTE in the version published on its website from

time to time. These rules define the conditions to access the RTE transmission system for exports and imports;

Rights Document means a document issued by the Allocation Platform to a Registered Participant under these Allocation Rules containing the information of the maximum amount of allocated Physical Transmission Rights that can be Nominated by a Registered Participant on the ElecLink Interconnector per MTU and per direction, taking into account the volume of rights initially acquired, and any possible curtailments which occurred before the issuance of the Rights Document;

RTE means RTE Réseau de transport d'électricité, a company registered in France with registration number 444619258;

RTE Grid Code means the rules, including technical rules, establishing the minimum technical design and operation requirements for connection to the RTE transmission system;

Timescale means either long-term, daily or intraday period of time;

Transmission System Operator means each of NESO in its capacity as operator of the GB transmission system and RTE in its capacity as operator of the French transmission system;

Use It Or Lose It (UIOLI) means an automatic application by which the underlying Interconnector Capacity of the non-Nominated Physical Transmission Rights is not available for further capacity allocation and whereby PTR holders that do not Nominate do not have rights to receive a payout;

Use of System Interconnector Agreement means an agreement between NESO and a Registered Participant in the form agreed by NESO setting out the terms on which the Registered Participant may use the GB transmission system in relation to energy transmission;

Working Day means the calendar days from Monday to Friday, with the exception of public holidays as specified on the website of the Allocation Platform;

Working Hours means the hours on Working Days specified within the Participation Agreement.

2. In these Allocation Rules unless the context requires otherwise:

   (a) the singular also includes the plural and vice versa;

   (b) references to one gender include all other genders;

   (c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of these Allocation Rules;

   (d) the word "including" and its variations are to be construed without limitation;

   (e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

   (f) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

   (g) any reference to time is a reference to CET/CEST time unless otherwise specified;

(h) any reference to “CHAPTER” or “Article” is a reference to a chapter or article contained in the Allocation Rules; and

(i) where the Allocation Platform or ElecLink is required to publish any information under these Allocation Rules, it may do so by making the information or data available on ElecLink or the Allocation Platform website and/or via the Auction Tool.

Article 3
Allocation Platform

1. The Allocation Platform shall undertake the allocation functions in accordance with these Allocation Rules and in accordance with applicable relevant legislation.

2. For the purposes of these Allocation Rules the Allocation Platform shall be the party signing the Participation Agreement with the Registered Participant.

3. For the purpose of the Participation Agreement with the Registered Participant, the Allocation Platform shall publish a consolidated version of these Allocation Rules as they enter into force in accordance with the applicable national regulatory regimes. In case of a conflict between the consolidated version by the Allocation Platform and the Allocation Rules as entered into force in accordance with the applicable national regulatory regimes, the latter shall prevail.

Article 4
Effective date and application

1. These Allocation Rules shall enter into force in accordance with the applicable national regulatory regimes upon the approval of the National Regulatory Authorities and on the date as notified by the Allocation Platform.

2. These Allocation Rules apply to capacity allocation of Intraday Transmission Rights with the delivery period to be specified by the Allocation Platform on behalf of ElecLink on its website upon the entry into force of the Allocation Rules.

3. Unless expressly stated otherwise or otherwise required by the applicable governing law, these Allocation Rules shall govern all rights and obligations in connection with Intraday Transmission Rights acquired before the entry into force of these Allocation Rules but with the delivery date after the entry into force of these Allocation Rules

CHAPTER 2
Requirements and process for participation in Auctions

Article 5
General provisions

1. Market participants may acquire Intraday Transmission Right only from participation in Auctions.

2. The participation in Auctions requires that the market participant:

   (a) concludes a valid and effective Participation Agreement in accordance with Article 6 to Article 12;

   (b) has access to the Auction Tool in accordance with Article 14;

   (c) complies with the requirements for provision of collaterals as specified in CHAPTER 3;

   (d) accepts additional financial terms where needed in accordance with Article 15; and

   (e) is compliant with the specific provisions listed:

      i. its accession to a Use of System Interconnector Agreement with NESO and the Framework Agreement defined in and established under the Connection and Use of System Code;

      ii. its accession to the Framework Agreement as defined in the Balancing and Settlement Code together with full details of the Production and Consumption Interconnector BM Units registered to the Registered Participant under the Balancing and Settlement Code; and

      iii. its entry into an Accord de Participation with Réseau de Transport d'Electricité.

3. In any case, market participants have to fulfil the obligations as specified in the relevant Chapters of these Allocation Rules.

Article 6
Participation Agreement conclusion

1. At least nine (9) Working Days before the first participation in an Auction, any market participant may apply to be a party to a Participation Agreement by submitting, to the Allocation Platform, two (2) signed copies of the Participation Agreement in case of handwritten signature(s), as published on the website of the Allocation Platform, together with all duly completed information and documents required by Article 7 to Article 14. The Participation Agreement shall either be signed by handwritten signature(s) or qualified electronic signature(s) (QES). The Allocation Platform shall assess the completeness of the information submitted in accordance with Article 8 and Article 11 within seven (7) Working Days of receipt of the completed and signed Participation Agreement.

2. The Allocation Platform shall before the expiration of the seven (7) Working Days deadline ask the market participant to provide outstanding information which the market participant failed to submit with its Participation Agreement. On receipt of the outstanding information, the Allocation

Platform shall within an additional seven (7) Working Days review the information and inform the market participant if any further information is required.

3. Once the Allocation Platform has received all necessary information, it shall return one copy of the Participation Agreement signed by it to the market participant without undue delay. Signature of the Participation Agreement by the Allocation Platform shall not itself indicate compliance with any other condition set in these Allocation Rules for the participation in the Auctions. The Participation Agreement comes into force on the date of signature by the Allocation Platform.

4. In case a market participant is already a Registered Participant at the Allocation Platform it only has to complete the missing/extra requirements described under these Allocation Rules respecting the specificities of the previous paragraph of this Article 6.

Article 7
Form and content of the Participation Agreement

1. The form of the Participation Agreement and the requirements for its completion shall be published by the Allocation Platform and may be amended from time to time by the Allocation Platform without changing any terms and conditions specified in these Allocation Rules unless otherwise stated in these Allocation Rules.

2. As a minimum, the Participation Agreement will require the market participant to:

   (a) provide all necessary information in accordance with Article 8; and

   (b) agree to be bound by and comply with these Allocation Rules.

3. Nothing in these Allocation Rules shall prevent the Allocation Platform and the Registered Participant from agreeing in the Participation Agreement additional rules out of scope of these Allocation Rules, including but not limited to the participation in long-term or day-ahead explicit allocation or any fall-back process for day-ahead implicit allocation.

4. In case of difficulty of interpretation, contradiction, ambiguity or difference between these Allocation Rules and the Participation Agreement, the text of the Allocation Rules shall prevail.

Article 8
Submission of information

1. The market participant shall submit the following information with its completed and signed Participation Agreement:

   (a) name and registered address of the market participant, including general email and telephone number of the market participant for notifications in accordance with Article 54;

   (b) an extract of the registration of the market participant in the commercial register of the competent authority;

   (c) details regarding the beneficial ownership as defined in the relevant legal provisions. transposing Article 3(6) of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;

   (d) contact details and names of persons authorised to represent the market participant and

their function;

(e) EU VAT registration number or similar tax identification information where EU VAT is not applicable;

(f) taxes and levies to be considered for invoices and collateral calculations;

(g) Energy Identification Code (EIC) which has been registered in the Centralised European Register of Energy Market Participants (CEREMP);

(h) bank account information evidenced by a bank account identification document for all payments to the applicant to be used by the Allocation Platform for the purposes of Article 45 paragraphs 7 and 9. The applicant shall provide the bank account information of a credit institution based in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services. The applicant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies to them accordingly;

(i) financial contact person for collaterals, invoicing and payment issues and their contact details (email and telephone number) for notifications where required in these Allocation Rules in accordance with Article 54;

(j) commercial contact person and their contact details (email and telephone number) for notifications where required in these Allocation Rules in accordance with Article 54;

(k) operational contact person and their contact details (email and telephone number) for notifications where required in these Allocation Rules in accordance with Article 54; and

(l) ACER Registration Code (ACER Code) assigned by the European Agency for the Cooperation of Energy Regulators (ACER) during the market participant's registration process with the relevant National Regulatory Authorities, and as reported on CEREMP.

2. A Registered Participant shall ensure that all data and other information that it provides to the Allocation Platform pursuant to these Allocation Rules (including information in its Participation Agreement) is and remains accurate and complete in all material respects and must promptly notify the Allocation Platform of any change.

3. A Registered Participant shall notify the Allocation Platform if there is any change to the information, submitted in accordance with paragraph 1 of this Article, at least nine (9) Working Days before the change comes into effect and, where that is not possible, without delay after the Registered Participant becomes aware of the change.

4. The Allocation Platform will confirm the registration of the change or send a refusal note of registration of the change to the Registered Participant, at the latest, seven (7) Working Days after the receipt of the relevant notification of change. The confirmation or refusal note will be sent via electronic means as specified by the Allocation Platform on its website. If the Allocation Platform refuses to register the change, the reason shall be provided in the refusal note.

5. The change becomes valid on the day of the delivery of the confirmation to the Registered Participant.

6. If additional information is required from a Registered Participant as a consequence of an amendment to these Allocation Rules, then the Registered Participant shall submit the additional

information to the Allocation Platform within twelve (12) Working Days after the request for such submission by the Allocation Platform.

Article 9
Warranties

By the signature of the Participation Agreement the market participant warrants that:

(a) it has not commenced any proceedings seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights;

(b) no insolvency, bankruptcy or other similar legal proceeding affecting creditors' rights have been commenced in relation to the applicant;

(c) no winding-up or liquidation proceedings have been commenced with regard to the applicant; and

(d) it has no overdue payment obligations towards any current, previous or future Allocation Platform.

Article 10
Dedicated Business Account

As part of the submission of the information in accordance with Article 6 and Article 8, a dedicated Business Account is put at the disposal of the market participant for the purposes of depositing cash collaterals and/or for the purposes of making payments on the basis described in Article 45 paragraph 6.

Article 11
Acceptance of the Information System Rules

By signing the Participation Agreement, the market participant accepts the applicable Information System Rules, as amended from time to time and published on the website of the Allocation Platform.

Article 12
Costs related to the Participation Agreement

All applications to become a Registered Participant and any subsequent participation in Auctions shall be at the Registered Participants' own cost, expense and risk. The Allocation Platform shall not be liable to any person for any cost, damage, or expense in connection with the Registered Participant participating in Auctions unless otherwise explicitly stated in these Allocation Rules.

Article 13
Refusal of application

The Allocation Platform may refuse to enter into a Participation Agreement with a market participant in the following circumstances:

(a) when the applicant has not submitted a duly completed and signed Participation

Agreement in accordance with Articles 5, 6, 7 and 8; or

(b) the Allocation Platform has previously terminated a Participation Agreement with the applicant as a result of a breach of the Participation Agreement by the Registered Participant in accordance with Article 52 paragraph 4 and paragraph 5 and unless the circumstances leading to termination have ceased to exist or the Allocation Platform is reasonably satisfied that the breach will not occur again; or

(c) if entering into a Participation Agreement with the applicant would cause the Allocation Platform to breach any condition of any mandatory legal or regulatory requirement; or

(d) if any of the declarations of the Registered Participant under Article 9 are found to be not valid or false; or

(e) if the applicant is under economic and/or trade sanctions.

It being understood that the market participant, once a Registered Participant, shall continue to comply with the requirements set out by this Article.

Article 14
Access to the Auction Tool

1. The Allocation Platform shall grant access to the Auction Tool free of charge if the following requirements are satisfied:

   (a) the Registered Participant has signed and delivered a completed form included in the Information System Rules identifying the person(s) for which the user account(s) in the Auction Tool shall be established; and

   (b) the Registered Participant has fulfilled the requirements on authentication as set forth by the Information System Rules published by the Allocation Platform; such requirements may include technology for authentication purposes.

2. The Allocation Platform shall confirm the creation of the user account or send a refusal note to the Registered Participant, at the latest, five (5) Working Days after the receipt of the relevant signed and completed form by the Registered Participant. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the operational contact person specified by the Registered Participant in accordance with Article 8.

3. The Allocation Platform shall send the duly justified refusal note if the requirements listed in paragraph 1 of this Article are not fulfilled and access to the Auction Tool will not be granted.

Article 15
Conclusion of additional financial terms

The Allocation Platform may develop and publish additional standard financial terms to be accepted by the Registered Participants. These additional financial terms may include provisions to enable joint collaterals for processes organised by the Allocation Platform in accordance with the Participation Agreement, as long as these additional financial terms comply with these Allocation Rules.

Article 16
Regulatory and legal requirements

It is the responsibility of each Registered Participant to ensure that it complies with all relevant legislation, including requirements of any relevant competent authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Intraday Transmission Rights and continue to maintain the said authorisation and comply with the relevant national legislation throughout its participation in Auctions.

CHAPTER 3
Collaterals

Article 17
General provisions

1. Registered Participants shall provide collaterals in order to secure payments to the Allocation Platform resulting from Auctions and, where applicable, potential other payments falling due under the additional financial terms in accordance with Article 15.

2. Only the following forms of collateral shall be accepted:

   (a) a Bank Guarantee;

   (b) a cash deposit in a dedicated Business Account.

3. Collaterals may be provided in one of the forms mentioned in paragraph 2 of this Article or a combination of these forms, provided that the Allocation Platform is entitled as beneficiary to the full collateral.

4. Credit Limit shall always be greater or equal to zero.

5. The collaterals shall be provided in Euros (€ / EUR).

Article 18
Form of cash deposit

For collaterals that are provided in the form of a cash deposit in a dedicated Business Account the following conditions shall apply:

(a) the money shall be deposited into a dedicated Business Account at a financial institution selected by the Allocation Platform, and the Registered Participant shall pay all the amounts and payments to the Business Account from an account in its name with a credit institution based in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services. The Registered Participant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies with them accordingly;

(b) the dedicated Business Account shall be opened and used in accordance with additional financial terms to be concluded between the Allocation Platform and the Registered Participant, or where relevant the financial institution and the Registered Participant and shall only be used for Auction purposes;

(c) until withdrawal as permitted by the following provisions of Article 24, the cash deposit in the dedicated Business Account belongs to the Registered Participant if not stated otherwise in the additional financial terms in accordance with Article 15;

(d) withdrawals from the dedicated Business Account pursuant to Article 22 and Article 24 may be made solely on the instruction of the Allocation Platform;

(e) the dedicated Business Account may be used in addition for settlement as set forth in Article 45 upon request of the Allocation Platform; and

(f) interest on the amount deposited in the dedicated Business Account shall accrue for the benefit of the Registered Participant, after deduction of taxes and bank charges if any.

Article 19
Form of Bank Guarantee

1. Collaterals that are provided in the form of a Bank Guarantee shall comply with the following specifications:

   (a) the Bank Guarantee shall be provided in the form of the template that is available on the website of the Allocation Platform and updated from time to time or in a form that substantially follows the template. Alternatively, the Bank Guarantee shall be provided via SWIFT (Society for Worldwide Interbank Financial Telecommunication or any successor provider of such telecommunication services) and the fees of the receiving bank shall be covered by the Registered Participant;

   (b) the Bank Guarantee shall be written in English;

   (c) the Bank Guarantee covers all Auctions organised by the Allocation Platform subject to these Allocation Rules;

   (d) the Bank Guarantee shall allow partial and multiple drawing by the Allocation Platform, up to the maximum amount guaranteed;

   (e) the Bank Guarantee shall provide for payment upon first request of the Allocation Platform. It shall further provide that, if the Allocation Platform calls upon the Bank Guarantee, the bank shall pay automatically without any other condition than the receipt of a written demand by registered letter from the Allocation Platform;

   (f) the Bank Guarantee shall be irrevocable, unconditional and non-transferable;

   (g) the Bank Guarantee shall either include handwritten signature(s) or qualified electronic signature(s) (QES) from the issuing bank. In the event the Bank Guarantee is signed by qualified electronic signature(s) (QES), all following amendments shall be signed with by qualified electronic signature(s) (QES);

   (h) the bank issuing the Bank Guarantee shall be permanently established, including via a branch in the United Kingdom, European Economic Area, Switzerland or a country in which the Allocation Platform performs cross border auction services;

   (i) the bank issuing the Bank Guarantee or the financial group it belongs to shall have a long-term credit rating of not less than BBB+ by Standard and Poor's Corporation, BBB+ by Fitch or Baa1 by Moody's Investors Service Inc.. If the rating requirement is not fulfilled by the issuing bank itself but by the financial group to which it belongs, the issuing bank shall provide the Allocation Platform with a parental guarantee or an equivalent document issued by the financial group. If the issuing bank or the financial group the issuing bank belongs to ceases to have the required long-term credit rating, the Registered Participant shall within five (5) Working Days submit to the Allocation Platform a substitute Bank Guarantee by a bank complying with the required long-term credit rating or replace the Bank Guarantee by deposit in a dedicated Business Account.

If there are industry-wide downgrades of financial institutions, the Allocation Platform may investigate what the new standards are and, if deemed necessary, decrease the required rating for a limited period of time, informing the Transmission System Operators, who shall then inform the relevant National Regulatory Authorities; and

(j) the bank issuing the Bank Guarantee shall not be an Affiliate of the Registered Participant for which the Bank Guarantee is issued.

2. A Bank Guarantee shall contain the following:

(a) a maximum amount guaranteed;

(b) the Allocation Platform's identification as beneficiary, as specified on the website of the Allocation Platform;

(c) the Allocation Platform's bank account, as specified on the website of the Allocation Platform;

(d) the Allocation Platform's bank's address, as specified on the website of the Allocation Platform;

(e) the Registered Participant's full identification, including name, address, commercial/company register;

(f) full identification of the providing bank; and

(g) the validity time.

3. The Registered Participant shall submit the Bank Guarantee at least four (4) Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.

4. The Allocation Platform shall accept the Bank Guarantee provided by a Registered Participant if the Bank Guarantee is provided in line with the specifications set out in paragraphs 1 to 2 of this Article and in the event the Bank Guarantee includes handwritten signature(s), the original of the Bank Guarantee has been received by the Allocation Platform.

5. The Allocation Platform shall confirm the acceptance of the Bank Guarantee or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the original of the Bank Guarantee. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 8. The refusal note shall include reasoning for refusal.

Article 20
Validity and renewal of the Bank Guarantee

1. Collaterals in the form of a Bank Guarantee shall be valid for the minimum period until at least thirty (30) calendar days after the end of calendar month of the Product Period.

2. The Registered Participant shall replace or renew the collaterals in form of a Bank Guarantee to fulfil the requirements of paragraph 1 of this Article at least 4 (four) Working Days before the expiry of the validity of the collaterals.

Article 21
Credit Limit

1. The Allocation Platform shall calculate and continuously update the Credit Limit of each Registered Participant in respect of each subsequent Auction. The Credit Limit shall be equal to the amount of the collaterals in place minus any outstanding payment obligations. In case of a Bank Guarantee such Bank Guarantee shall be only considered if the requirements in Article 20 related to its validity for the respective Auction are fulfilled. The Allocation Platform shall make this information available to each Registered Participant individually through the Auction Tool.

2. Outstanding payment obligations are calculated according to Article 43 subject to additional rules in paragraphs 3 to 4 of this Article and in Article 31.

3. For the purpose of the Credit Limit calculation, outstanding payment obligations shall be increased to include the taxes and levies in force subject to Article 44.

4. Maximum payment obligations for a Registered Participant resulting from its Bid(s) registered at the closure of the Bidding Period, calculated according to Article 31, shall be considered provisionally as the outstanding payment obligations. From the publication of the provisional Auction results until the moment when the Auction results become final the due amount notified according to Article 33 paragraph 3 (c) shall be provisionally considered as outstanding payment obligations for Credit Limit calculation for any concurrent Auction. The Credit Limit shall be revised based on the actual allocated Intraday Transmission Rights when the provisional Auction results are published as described in CHAPTER 4.

Article 22
Modifications of the collaterals

1. A Registered Participant may request in written form an increase of the collateral in form of a Bank Guarantee, a decrease of the collateral in form of a Bank Guarantee and/or cash deposit or change of the form of the collateral at any time in accordance with paragraphs 2 and 3 of this Article.

2. A decrease of the collaterals of a Registered Participant shall only be allowed if the Credit Limit after applying the requested decrease of the collaterals would be greater than or equal to zero.

3. The Allocation Platform shall accept the modification of the collaterals if the request for a modification of collaterals is compliant with the condition set out in paragraph 2 of this Article in case of a decrease or with the conditions set out in Articles 19 and 20 in case of an increase of collaterals in the form of a Bank Guarantee and in case of a change in the form of the collaterals from cash on deposit to Bank Guarantee.

4. The modification of the collaterals shall become valid and effective only when the Allocation Platform has made the requested modification of the collaterals of the Registered Participant within the Auction tool.

5. The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the request. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 8. The refusal note shall include reasoning for refusal.

Article 23
Collateral incident

1. A collateral incident occurs in the following cases:

   (a) the collaterals are insufficient to secure the amount due for the Intraday Transmission Rights held by a Registered Participant on the next payment date as set forth in Article 45 considering the amount and the validity of the collaterals; or

   (b) the collaterals are not renewed in accordance with Article 20 paragraph 2; or

   (c) the collaterals are not restored after a payment incident in accordance with Article 24 or new collateral was provided that is not compliant with the conditions specified in Articles 17 paragraph 3, 18 and 19.

2. Without prejudice to the other rights of the Allocation Platform, the Allocation Platform shall notify the collateral incident to the Registered Participant by electronic means as specified by the Allocation Platform on its website. The Registered Participant shall increase its collaterals within two (2) Working Days from sending of the notification if this is done during Working Hours or two (2) Working Days starting from the next Working Day if sent after Working Hours. If the provided collaterals by the Registered Participant remain insufficient after this period, the Allocation Platform may suspend or terminate the Participation Agreement in accordance with Article 51 and Article 52.

Article 24
Calls on collaterals

1. The Allocation Platform is entitled to call upon collaterals of a Registered Participant in the event of a registered payment incident in accordance with Article 47.

2. The Registered Participant shall restore its collateral after a payment incident or collateral incident by following the conditions as set forth in Article 17 paragraph 3, Article 18 and Article 19 unless the Participation Agreement is suspended or terminated in accordance with Article 51 and Article 52.

CHAPTER 4
Auctions

Article 25
General provisions for Auctions

1. The Allocation Platform shall allocate Intraday Transmission Rights to Registered Participants by way of explicit allocation comprising a single round. Prior to any Auction the Allocation Platform shall publish Auction Specifications on its website.

2. The Auctions shall be organised via the Auction Tool. Each Registered Participant fulfilling the requirements for participating in the Auction may place Bids in the Auction Tool until the relevant deadline for placing Bids in the specific Auction expires according to the respective Auction Specification published on the website.

3. After the relevant deadline for placing Bids in the specific Auction has expired, the Allocation Platform shall evaluate the Bids against the respective Credit Limits of the Registered Participants. The results of the Auction will be notified to Registered Participants via the Auction Tool.

Article 26
Capacity allocation timeframe and form of product

1. Subject to product availability, capacity products are offered per MTU period in a minimum of two Auctions. Auctions are held seven (7) days a week including weekends and public holidays, provided that the Offered Capacity for Intraday Transmission Rights is at least one (1) MW (subject to the terms of the Allocation Rules and the outcome of Use It or Lose it).

2. The offered products in auctions per day will be each MTU from 00:00 till 23:59. Full details such as the number of Intraday Auctions per day; the gate opening and closure times of each Intraday Auction; and the offered products will be published in the Auction Reference Guide.

3. In any calendar year, there shall be no more than three (3) amendments to the number of Intraday Auctions in a Contract Day.

4. The Bidding Period for each Auction will be at such times specified by the Allocation Platform in the Auction Reference Guideor in the relevant Auction Specification. In case of contradiction between the times specified in the Auction Reference Guide and in the relevant Auction Specification, the Auction Specification shall prevail.

Article 27
Auction Specification

1. The Allocation Platform shall publish the Auction Specification as set forth in paragraph 2 of this Article.

2. The Allocation Platform shall publish the Auction Specification no later than the start of the Bidding Period of an Auction. The Auction Specification shall state in particular:

(a) the code identifying the Auction in the Auction Tool;

(b) identification of the direction covered which will either be “Great Britain to France” or “France to Great Britain”;

(c) the Product Period;

(d) the Bidding Period;

(e) the deadline for the publication of the provisional Auction results;

(f) the contestation period in accordance with Article 34;

(g) the Offered Capacity as defined in paragraph 3 of this Article; and

(h) any other relevant information or terms applicable to the product or the Auction.

3. The Offered Capacity for any part of Contract Day in Auctions (subject to any limitations due to real time system security reasons) will include:

(a) unused units (if any) that have become available for Auctions under CHAPTER 5 and that are not unavailable due to Outages and/or due to the application of curtailment; and

(b) potentially available Interconnector Capacity (in the form of units) not already allocated to Registered Participants and that is not unavailable due to Outages and/or due to the application of curtailment; and

(c) Netted units (if any) that have become available for the Contract Day and that are not unavailable due to Outages and/or due to the application of curtailment; and

(d) the available Interconnector Capacity rights already allocated to Registered Participants which will be reallocated as a result of suspension or termination in accordance with Article 51 and Article 52.

Article 28
Bids submission

1. The Registered Participant shall submit a Bid or set of Bids to the Allocation Platform in accordance with following requirements:

(a) it shall be submitted electronically using the Auction Tool and during the pre-Bidding Period or Bidding Period as specified in the Auction Specification;

(b) it shall identify the Auction via an identification code as specified in Article 27 paragraph 2 (a);

(c) it shall identify the Registered Participant submitting the Bid through its EIC code;

(d) it shall identify the direction for which the Bid is submitted, which will either be “Great Britain to France” or “France to Great Britain”;

(e) it shall state the Bid Price, which shall be different for each Bid of the same Registered Participant, exclusive of taxes and levies, in EUR per MW for one MTU of the Product Period, expressed to a maximum of two (2) decimal places, and equal to or greater than zero; and

(f) it shall state the Bid Quantity in full MW which must be expressed without decimals.

2. The Registered Participant may modify its previously registered Bid or set of Bids at any time during the pre-Bidding Period and/or Bidding Period including its cancellation. In case the Bid or set of Bids has been modified only the last valid modification of the Bid or set of Bids shall be taken into account for the Auction results determination.

3. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the relevant Offered Capacity announced in the Auction Specification, this Bid or these Bids shall be completely rejected. Where a modification of previously submitted Bids results in exceeding the Offered Capacity, the modification shall be rejected and the previously registered Bids will stand.

   During the pre-Bidding Period, Registered Participants may submit Bids (i.e. pre-Bids) but the following checks will not be performed until the bidding gate opens:

   - sum of Bid volumes is not checked against Offered Capacity as Offered Capacity may still change during the pre-bidding phase; and

   - Credit Limit verification.

4. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the relevant Offered Capacity announced after the Bids submission, the Bids with the lowest Bid Price will be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity. In case where the Information System Rules allow submission of Bids with the same Bid Price by one Registered Participant, the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the Information System Rules and shall be one or more from the following:

   (a) chronological submission (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

5. The above-mentioned process shall apply to all forms of an Auction product and all allocation timeframes.

Article 29
Bid registration

1. The Allocation Platform shall not register a Bid that:

   (a) does not comply with the requirements of Article 28; or

   (b) is submitted by a Registered Participant who is suspended in accordance with Article 51.

2. Provided that a Bid or a set of Bids fulfils the requirements set forth in Articles 28 and 29, the Allocation Platform shall confirm to the Registered Participant that such Bid(s) have been correctly registered by acknowledgment of receipt via a message on the Auction Tool. If the

Allocation Platform does not issue an acknowledgment of receipt for a Bid, such Bid shall be deemed not to have been registered. Only Bids for which the Allocation Platform issues an acknowledgment of receipt will be valid.

3. The Allocation Platform shall notify a Registered Participant whose Bid is rejected as invalid and the reason for this rejection, without undue delay after the Bid is rejected.

4. The Allocation Platform shall maintain a record of all valid Bids received.

5. Each valid Bid registered at closure of the Bidding Period shall constitute an unconditional and irrevocable offer by the Registered Participant to the Allocation Platform to buy Intraday Transmission Rights up to the Bid Quantity and at prices up to the Bid Price and under the terms and conditions of these Allocation Rules and the relevant Auction Specification.

Article 30
Default Bid

1. The Registered Participant has the option to place default Bids or set of default Bids for Auctions.

2. A default Bid or set of default Bids, once identified as such by the Registered Participant, shall apply automatically to each subsequent and relevant Auction as defined by the Registered Participant when placing the default Bid or set of default Bids. At the opening of a relevant Bidding Period, the registered default Bid or set of default Bids shall be considered as a Bid or set of Bids submitted by the Registered Participant for the relevant Auction. This Bid or set of Bids shall be considered as valid and delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

3. If a default Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several default Bids submitted for the same Auction by a Registered Participant exceeds the Offered Capacity of the relevant Auction, the Bids with the lowest Bid Price shall be rejected one (1) by one (1) until the total allowed Bid Quantity is reached. In case where the Information System Rules allow submission of Bids with the same Bid Price by one Registered Participant, the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the Information System Rules and shall be one or more from the following:

   (a) chronological submission (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

4. A Registered Participant who wants to modify a default Bid or set of default Bids for a future Auction shall change the Bid Quantity and/or the Bid Price of its default Bids or set of default Bids before the respective Auction Bidding Period opening.

5. A Registered Participant not wishing to submit the default Bid or set of default Bids on the Auction Tool for future Auctions can cancel its default Bids or set of default Bids before the subsequent Auction Bidding Period opening.

Article 31
Credit Limit verification

1. Upon submission by a Registered Participant of a Bid or set of Bids to the Auction Tool the

Allocation Platform shall check whether the maximum payment obligations (MPO) connected with that Registered Participant's registered Bid(s) calculated according to paragraphs 4 and 5 of this Article at the time of Bid(s) submission exceeds the Credit Limit. If the maximum payment obligation connected with the registered Bids exceed the Credit Limit, the Allocation Platform shall issue automatically via the Auction Tool a warning to the Registered Participant to modify the Credit Limit. Bids shall not be rejected automatically if the maximum payment obligation attributed to registered Bids exceeds the Credit Limit at Bid submission but only after the process described in paragraph 2 of this Article.

2. At closure of the Bidding Period the Allocation Platform shall confirm again whether the maximum payment obligations connected with registered Bids calculated according to paragraph 5 of this Article exceed the Credit Limit. If the maximum payment obligations connected with these Bids exceed the Credit Limit, these Bids, starting with the Bid with the lowest Bid Value, shall be one (1) by one (1) excluded, until the maximum payment obligations are less than or equal to the Credit Limit.

3. The Allocation Platform shall indicate the insufficient collaterals as the reason for the Bid exclusion in the Auction results notification to the Registered Participant.

4. The Allocation Platform shall continuously assess all the Bids irrespectively to which Auction and with regard to which direction they are submitted. In case of Bids connected with various and overlapping Auctions the Allocation Platform shall consider all calculated maximum payment obligations as outstanding payment obligations according to Article 21.

5. For calculation of maximum payment obligation (MPO) related to each direction the Allocation Platform shall sort the registered Bids of a Registered Participant by Bid Price in descending order (merit-order). Bid 1 shall be the Bid with the highest Bid Price and Bid *n* shall be the Bid with the lowest Bid Price. The Allocation Platform shall calculate the maximum payment obligation according to the following equation:

$$MPO = \sum_{hours} Max\left[Bid\ Price\ (1) * Bid\ Quantity\ (1);\ Bid\ Price\ (2) * \sum_{i=1}^{2} Bid\ Quantity\ (i);\ \ldots\right.$$

$$\left.\ldots;\ Bid\ Price\ (n-1) * \sum_{i=1}^{n-1} Bid\ Quantity\ (i);\ Bid\ Price\ (n) * \sum_{i=1}^{n} Bid\ Quantity\ (i)\right]$$

6. When calculating the maximum payment obligations according to paragraph 5 of this Article, the Allocation Platform shall also take into account the increase of the maximum payment obligations with applicable taxes and levies in force subject to Article 44.

Article 32
Auction results determination

1. After the expiration of the Bidding Period for an Auction and the Credit Limit verification pursuant to Article 31, the Allocation Platform shall determine the Auction results and allocate Intraday Transmission Rights in accordance with this Article.

2. The Auction results determination shall include the following per MTU:

   (a) determination of the total quantity of the allocated Intraday Transmission Rights per direction on the ElecLink Interconnector;

   (b) identification of winning Bids to be fully or partially satisfied; and

(c) determination of the Marginal Price per direction on the ElecLink Interconnector.

3. The Allocation Platform shall determine the Auction results using an optimisation function aiming at maximisation of the sum of the Registered Participants' surplus and the Congestion Income generated by the winning Bids while respecting the constraints of the optimisation function in form of relevant Offered Capacities. The Allocation Platform shall publish additional explanatory information on the optimisation function of the algorithm on its website.

4. The Allocation Platform shall determine the Marginal Price for each direction on the ElecLink Interconnector based on the following criteria:

   (a) if the total quantity of Interconnector Capacity for which valid Bids have been submitted is lower than or equal to the relevant Offered Capacity for the relevant Auction, then the Marginal Price shall be zero;

   (b) if the total quantity of Interconnector Capacity for which valid Bids have been submitted exceeds the relevant Offered Capacity for the relevant Auction, the Marginal Price shall be set at the lowest Bid(s) Price(s) allocated in full or in part using the respective Offered Capacities.

5. If two (2) or more Registered Participants have submitted for one direction valid Bids with the same Bid Price, that cannot be accepted for the total requested quantity of Intraday Transmission Rights, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Intraday Transmission Rights per Registered Participant as follows:

   (a) the Interconnector Capacity available for the Bids which set the Marginal Price shall be divided equally by the number of the Registered Participants which submitted these Bids;

   (b) in case the quantity of Intraday Transmission Rights requested by a Registered Participant at Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;

   (c) in case the quantity of Intraday Transmission Rights requested by a Registered Participant at Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;

   (d) any remaining Interconnector Capacity after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.

6. Whenever the calculation set forth in paragraphs 3 to 5 of this Article does not result in a full MW amount in accordance with Article 28 paragraph 1(f), the Intraday Transmission Rights shall be rounded down to the nearest full MW. The case when the Intraday Transmission Rights allocated to individual Registered Participants are equal to zero after rounding shall not impact the Marginal Price determination.

7. The Intraday Transmission Rights are deemed to have been allocated to a Registered Participant from the moment the Registered Participant has been informed of the Auction results and the contestation period is closed in accordance with Article 34.

8. Registered Participants acknowledge and accept that their Bids may be partially accepted

according to the methodology above.

Article 33
Notification of provisional Auction results

1. The Allocation Platform shall publish on its website the provisional Auction results as soon as possible but not later than specified in the Auction Specification.

2. The publication of the provisional Auction results for each direction on the ElecLink Interconnector and MTU included in the Auction shall comprise at least the following data:

   (a) total requested Intraday Transmission Rights in MW;

   (b) total allocated Intraday Transmission Rights in MW;

   (c) Marginal Price in EUR/MW per MTU;

   (d) number of Registered Participants participating in the Auction;

   (e) number of Registered Participants who placed at least one winning Bid in the Auction;

   (f) list of registered Bids without identification of the Registered Participants (bid curve); and

   (g) Congestion Income.

3. As soon as possible after the publication of the provisional Auction results the Allocation Platform shall provide via the Auction Tool and notify to each Registered Participant who submitted a Bid to a specific Auction at least the following data:

   (a) allocated Intraday Transmission Rights for each MTU of the Product Period in MW;

   (b) Marginal Price in EUR/MW per MTU; and

   (c) due amount for allocated Intraday Transmission Rights in EUR, rounded to two decimal places.

4. In the event that the Auction Tool is unavailable, the Allocation Platform shall inform the Registered Participants of the provisional Auction results via electronic means as specified by the Allocation Platform on its website.

Article 34
Contestation of Auction results

1. Registered Participants shall check the Auction results and, where reasonably appropriate, may contest the provisional Auction results within the contestation period set out in paragraph 2 of this Article. The Allocation Platform shall only consider a contestation where the Registered Participant is able to demonstrate an error by the Allocation Platform in the provisional Auction results.

2. With respect to Intraday Auction 1 and Intraday Auction 2, the Registered Participant may contest the provisional Auction results ex post between 10:00 and 11:00 of Contract Day D+1. With respect to Intraday Auction 3, the Registered Participant may contest the provisional Auction results within the deadline set out in the relevant Auction Specification but no later than

ten (10) minutes after the provisional Auction results have been notified to the Registered Participant.

3. The contestation has to be notified to the Allocation Platform and headed as "contestation".

4. Any contestation shall contain the following:

   (a) date of contestation;

   (b) identification of contested Auction;

   (c) identification of the Registered Participant;

   (d) name, e-mail address and telephone number of the Registered Participant;

   (e) detailed description of the facts and the reason for contestation; and

   (f) evidence of erroneous Auction results.

5. The Allocation Platform shall notify its decision on the contestation to the Registered Participant no later than twenty-five (25) minutes after the end of the applicable contestation period indicated in paragraph 2 of this Article.

6. At the end of the deadline specified above in paragraph 5 of this Article and unless an Auction is cancelled, the provisional Auction results shall be considered as final and binding with no further notification.

Article 35
Auction cancellation

1. In case the Allocation Platform cancels an Auction, all Bids already submitted and any results of the respective Auction shall be deemed null and void.

2. The Allocation Platform shall inform all Registered Participants, without undue delay, of the Auction cancellation by notification published in the Auction Tool or on webpage of the Allocation Platform and by electronic means as specified by the Allocation Platform on its website.

3. An Auction cancellation may be announced in the following cases:

   (a) before the end of the contestation period in case the Allocation Platform faces technical obstacles during the Auction process like a failure of standard processes and in the event of incorrect offered capacity value, or erroneous results due to incorrect Marginal Price calculation or incorrect allocation of Intraday Transmission Rights to Registered Participants or similar reasons; and

   (b) after the end of the contestation period, in the event of incorrect offered capacity values, or erroneous results due to incorrect Marginal Price calculation or incorrect allocation of Intraday Transmission Rights to Registered Participants or similar reasons.

4. In case of Auction cancellation before the contestation period elapses, no compensation shall be paid to the Registered Participants.

5. In case of Auction cancellation after the contestation period elapses, the Registered Participant is entitled to receive a compensation equal to:

(a) the Marginal Price of the initial Auction; multiplied by

(b) the amount in MW per MTU.

6. The Allocation Platform shall publish on its website, without undue delay, the reasons for the Auction cancellation.

7. In case of Auction cancellation, a fall-back procedure is not provided and postponement of an Auction is not possible.

CHAPTER 5
Use of Intraday Transmission Rights

Article 36
General principles

1. Physical Transmission Rights allocated in Auction shall be subject to the Use it or Lose It principle with no financial compensation.

2. The holder of allocated Intraday Transmission Rights may Nominate the Intraday Transmission Rights for its physical use in accordance with Article 37. In such case, the energy accounts of the holder on each side of the border will be updated taking into account the appropriate loss factor as defined in the Nomination Rules.

Article 37
Nomination of Intraday Transmission Rights

1. Persons eligible to Nominate Intraday Transmission Rights shall fulfil the requirements described in the Nomination Rules.

2. The Nomination shall be done in compliance with the Rights Document.

3. The Nomination deadlines are set forth in the Nomination Rules. The Allocation Platform shall publish information on its website on the Nomination deadlines in respect of Interconnector Capacity of the ElecLink Interconnector. In case of any discrepancy between the deadlines published by the Allocation Platform and those of the valid and legally binding Nomination Rules, the latter shall prevail and the Allocation Platform shall not be held liable for any damages due to such a discrepancy.

Article 38
Rights Document

1. The Rights Document shall contain the information about the volume in MW that eligible persons are entitled to Nominate in a specific direction and for MTU period.

2. The Allocation Platform shall send Rights Document after each Auction to the Intraday Transmission Rights' holder via the Auction Tool, no later than fifteen (15) minutes after the contestation period as defined in Article 34.

CHAPTER 6
Curtailment

Article 39
Triggering events and consequences of curtailment on Intraday Transmission Rights

1. Intraday Transmission Rights may be curtailed in the event of Force Majeure or an emergency situation and if there is a Capacity Shortage according to applicable legislation and this CHAPTER 6.

2. Curtailment may be applied on allocated Intraday Transmission Rights or, where the case may be, on Nominated Intraday Transmission Rights.

3. Each Registered Participant affected by curtailment shall lose its right to Nominate for physical use the concerned Intraday Transmission Rights.

4. Registered Participants acknowledge that an emergency situation or a Force Majeure, or any increase or decrease in the Curtailment Quantity during an emergency situation or Force Majeure, which arises after the relevant Nomination Gate closure will be reflected in the calculation of deemed metered volumes in accordance with the Nomination Rules.

5. In case of curtailment, the affected Registered Participant is entitled to receive reimbursement or compensation according to Article 41.

Article 39A
Capacity Shortage

A Capacity Shortage occurs in any minute in a direction if:

$$NTC_{dir} < \Sigma\ Capa^{GNC}{}_{dir} + \Sigma\ MIN^{GC}{}_{dir} - \Sigma\ MIN^{GC}{}_{opp}$$

where:

(a) NTC_{dir} is the value of the Net Transfer Capacity at that time in that direction; and

(b) $\Sigma\ Capa^{GNC}{}_{dir}$ is the sum of the Interconnector Capacity rights across all Registered Participants in that direction for any Timescale for which Nomination Gate closure has not yet occurred (before curtailment of these rights in respect of the relevant Capacity Shortage in accordance with these Allocation Rules); and

(c) $\Sigma\ MIN^{GC}{}_{dir}$ is the sum of the MIN values across all Registered Participants in that direction for all Timescales for which Nomination Gate closure has occurred (before curtailment of that MIN in respect of the relevant Capacity Shortage in accordance with these Allocation Rules); and

(d) $\Sigma\ MIN^{GC}{}_{opp}$ is the sum of the MIN values across all Registered Participants in the opposite direction for all Timescales, for which Nomination Gate closure has occurred (before curtailment of that MIN in respect of the relevant Capacity Shortage in accordance with these Allocation Rules).

and the "Curtailment Quantity" is the positive number equal to the difference between NTC_{dir} in such direction and (Σ $Capa^{GNC}_{dir}$ + Σ MIN^{GC}_{dir} - Σ MIN^{GC}_{opp}) when there is an emergency situation or Force Majeure.

Article 40
Process and notification of curtailment

1. In all cases curtailment shall be carried out by the Allocation Platform based on a request by ElecLink at the ElecLink Interconnector where Intraday Transmission Rights have been allocated.

2. The Allocation Platform shall notify the affected holders of Intraday Transmission Rights as soon as possible of a curtailment of Intraday Transmission Rights via electronic means as specified by the Allocation Platform on its website and on the webpage of the Allocation Platform. The notification shall identify the affected Intraday Transmission Rights, the affected volume in MW per MTU for each concerned period and the triggering events for curtailment as described in Article 39 and the amount of Intraday Transmission Rights that remain after the curtailment.

3. The Allocation Platform shall publish the triggering events for curtailment in accordance with Article 39 including their estimated duration on its website as soon as possible.

4. The curtailment of Intraday Transmission Rights during a specific time period shall be applied to all Intraday Transmission Rights of the concerned periods on a pro rata basis, which means in proportion to the held Intraday Transmission Rights, regardless of the time of allocation.

5. For each affected Registered Participant, remaining Intraday Transmission Rights which have not been curtailed shall be rounded down to the nearest MW.

Article 41
Reimbursement for curtailments due to Force Majeure or emergency situation

1. In the case of Force Majeure or emergency situation holders of curtailed Intraday Transmission Rights shall be entitled to receive a reimbursement equal to the price of the Intraday Transmission Rights set during the Intraday Transmission Rights allocation process, which for each affected MTU and Registered Participant shall be calculated as:

   (a) the Marginal Price of the initial Auction; multiplied by

   (b) the amount in MW per MTU corresponding to the difference between the Intraday Transmission Rights held by the Registered Participant before and after the curtailment.

CHAPTER 7
Invoicing and payment

Article 42
General principles

1. A Registered Participant shall pay the amounts due as calculated in accordance with Article 43 for all Intraday Transmission Rights allocated to him.

2. The Registered Participant may upon payment and in line with separate agreements between the Registered Participant and ElecLink physically use the Interconnector Capacity connected with the allocated Intraday Transmission Rights as described in these Allocation Rules.

3. All financial information, prices and amounts due shall be expressed in Euros (€ / EUR), except if deviations are required by applicable law or regulations.

4. The payment shall be settled on the date upon which the given amount is credited to the account of the beneficiary. Any interest for late payment shall be considered as settled on the date when the payment was credited from the account of the payer.

5. Payments shall be done in Euros (€ / EUR).

6. The Allocation Platform shall consider taxes and levies at the rate and to the extent applicable when assessing payment obligations and issuing invoices under these Allocation Rules subject to Article 44.

7. The Registered Participant shall provide the Allocation Platform with relevant information for justifying whether or not respective taxes and levies are applicable when signing the Participation Agreement as well as any changes in this respect without undue delay. Therefore, the Registered Participant agrees to inform the Allocation Platform of any local, intra-community or extra-community taxes and levies which are in line with the legislation of the Registered Participant's country of establishment.

Article 43
Calculation of due amounts

1. Registered Participants shall pay for each of the Intraday Transmission Rights allocated to them and for individual MTU an amount equal to:

   (a) the Marginal Price (per MW per MTU); multiplied by

   (b) the sum of Intraday Transmission Rights in MW allocated in individual MTU of the Product Period.

2. The Intraday Transmission Rights will be invoiced on a monthly basis. The Allocation Platform shall calculate the due amount to be paid retroactively for the preceding month. The amount due plus any applicable taxes, duties or other charges subject to Article 44, shall be rounded to two decimal places.

Article 44
Tax gross-up

1. Each Registered Participant must settle all payments with respect to the Allocation Rules without any tax deduction, unless a tax deduction is required by law.

2. If a tax deduction is required by law to be made by a Registered Participant, the amount of the payment due from the Registered Participant to the Allocation Platform will be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.

3. Paragraph 2 of this Article does not apply with respect to any tax assessed on the Allocation Platform on any payment received in connection with the Allocation Rules under the laws of the jurisdiction in which the Allocation Platform is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Allocation Platform is treated as resident for tax purposes or has or is deemed for tax purposes to have a permanent establishment or a fixed place of business to which any payment under the Allocation Rules is attributable. Paragraph 2 of this Article does not apply to value added tax as provided for in Directive 2006/112/EC as amended from time to time and any other tax of a similar nature.

Article 45
Invoicing and payment conditions

1. The Allocation Platform shall issue invoices for payments for all Intraday Transmission Rights on a monthly basis and no later than the tenth (10^{th}) Working Day of each month for the Auctions with delivery period of the month preceding.

2. The Allocation Platform shall send the invoice only by electronic means as specified by the Allocation Platform on its website to the Registered Participant at the e-mail address of the financial contact person submitted in accordance with Article 8 paragraph 1(i) or it should make it available to the Registered Participant via the Auction Tool. The date of issuance of the invoice shall be the date on which the invoice is sent by electronic means as specified by the Allocation Platform on its website or the date when the invoice is made available via the Auction Tool if this is done during Working Hours or the next Working Day if sent after Working Hours.

3. In the cases of curtailment of Intraday Transmission Rights in accordance with CHAPTER 6 the invoices shall take into account any payments to be credited to the Registered Participant. The payments to be credited to the Registered Participants shall:

   (a) be settled through self-billing mechanism which shall allow the Allocation Platform to issue invoices in the name and on behalf of the Registered Participant; and

   (b) be notified through the same invoice as the one used for the payments of the Registered Participant as set forth in paragraph 1 of this Article.

4. The payments due shall be netted taking into account the amount as set forth in paragraphs 1 and 3 of this Article.

5. If the balance of the payments as set forth in paragraph 4 of this Article results in a net payment from the Registered Participant to the Allocation Platform, the Registered Participant shall settle this balance within five (5) Working Days after the date of issuance of the invoice.

6. Payments by the Registered Participant as set forth in paragraph 5 of this Article shall be collected as follows:

(a) based on the standard procedure, the Allocation Platform shall collect the payment automatically from the dedicated Business Account of the Registered Participant on the respective due date of the invoice; or

(b) alternatively, the Registered Participant shall ensure payment through a non-automated transaction from the bank account as announced during the accession process in accordance with Article 8 paragraph 1(h) by the Registered Participant to the account of the Allocation Platform specified on the invoice by indicating the invoice reference.

The alternative procedure may be used upon request of the Registered Participant and with the consent of the Allocation Platform. The Registered Participant shall notify the Allocation Platform by electronic means as specified by the Allocation Platform on its website of the request to use the alternative procedure at least two (2) Working Days before the date of issuing of the next invoice as set forth in paragraph 1 of this Article. Once the alternative procedure is agreed by the Parties, it shall be deemed to be valid until otherwise agreed between the Registered Participant and the Allocation Platform.

7. If the balance of the payments as set forth in paragraphs 1 and 3 of this Article results in a net payment from the Allocation Platform to the Registered Participant, the Allocation Platform shall pay this balance within seven (7) Working Days after the date of issuance of the invoice to the bank account as announced during the accession process in accordance with Article 8 paragraph 1(h) by the Registered Participant who is entitled to the payments at the due date.

8. Upon the collection of the payment as set forth in paragraph 6 of this Article, the Allocation Platform shall update the Credit Limit accordingly.

9. Erroneous invoices shall be corrected and settled as follows:

   a) in case of an erroneous invoice resulting in an additional payment of the Allocation Platform or the Registered Participant, the Allocation Platform shall correct the invoice and any due amount shall be settled as soon as possible and at the latest within thirty (30) Working Days to the Registered Participant or the Allocation Platform;
   b) in case of an erroneous invoice based on erroneous information provided by third parties, the Allocation Platform shall correct the amount and settle the amount to the Registered Participant as soon as possible and at the latest within given ninety (90) Working Days, from the date the Registered Participant informed the Allocation Platform of the erroneous information;
   c) in case the error in the invoice occurred due to technical constraint and if the resolution of technical constraint requires the Allocation Platform to update the Auction Tool, the Allocation Platform shall resolve the technical constraint, correct the invoice and settle the amount to the Registered Participant as soon as possible and at the latest within one hundred eighty (180) Working Days.

10. Bank fees of the payer's bank shall be covered by the payer. Bank fees of the receiving bank shall be covered by the beneficiary. Bank fees of any intermediary bank shall be covered by the Registered Participant.

11. The Registered Participant shall not be entitled to offset any amount, or withhold any debts arising in connection with obligations resulting from an Auction, against any claims towards the Allocation Platform, whether or not arising out of an Auction. Nevertheless, the right to offset and the right to withhold are not excluded in case the Registered Participant's claim against Allocation Platform is established by a legally binding judgement or is uncontested.

Article 46
Payment disputes

1. A Registered Participant may dispute the amount of an invoice, including any amounts to be credited to the Registered Participant. In this case, the Registered Participant shall notify the nature of the dispute and the amount in dispute to the Allocation Platform as soon as practicable and in any event within fifteen (15) Working Days after the date of issuance of the invoice or credit note by registered mail and electronic means as specified by the Allocation Platform on its website. Beyond this period, the invoice shall be deemed to have been accepted by the Registered Participant.

2. If the Registered Participant and the Allocation Platform are unable to resolve the difference within ten (10) Working days after the notification, the procedure for the dispute resolution in accordance with Article 50 shall apply.

3. A dispute shall in no way relieve the Registered Participant from the obligation to pay the amounts due as set forth in Article 45 paragraph 1.

4. If it is agreed or determined based upon the dispute resolution procedure as set forth in Article 50 that an amount paid or received by the Registered Participant was not properly payable, the following process shall apply:

   (a) the Allocation Platform shall refund any amount including interest to be calculated according to Article 42 paragraph 4 to the Registered Participant in case that the amount paid by the Registered Participant as set forth in Article 45 paragraphs 1 and 4 was higher or the amount paid by the Allocation Platform was lower than the due amount. The Allocation Platform shall make the payment to the bank account indicated by the Registered Participant for this reimbursement in accordance with Article 8 paragraph 1 (h) provided the Allocation Platform has received the amount due from the relevant TSOs if applicable;

   (b) the Registered Participant shall pay any amount including interest to be calculated according to Article 42 paragraph 4 to the Allocation Platform in case that the amount paid by the Registered Party as set forth in Article 45 paragraphs 1 and 4 was lower or the amount paid by the Allocation Platform was higher than the due amount. The Registered Participant shall make the payment in accordance with the procedure set forth in Article 45 paragraph 6. Upon such payment the Allocation Platform shall update the Credit Limit of the Registered Participant as set forth in Article 45 paragraph 8.

5. The interest paid in case of a payment in accordance with paragraph 4 of this Article shall be applied from the first (1st) day following the date on which the payment was due up to the date on which the disputed amount was refunded and it shall apply also to all taxes and levies required by law.

Article 47
Late payment and payment incident

1. In case the Registered Participant has not fully paid an invoice by the due date specified on the invoice, the Allocation Platform shall notify the Registered Participant that a payment incident will be registered if the amount including applicable interest due is not received within two (3) Working Days upon sending of the notification. In case of no payment within the deadline and without prejudice to the other rights of the Allocation Platform, the Allocation Platform shall notify the Registered Participant that the payment incident was registered.

2. Immediately after registration of the payment incident the Allocation Platform may invoke the collaterals. After a recurring payment incident, the Allocation Platform may require from the Registered Participant to change its Bank Guarantee collateral to a cash deposit collateral.

3. The Allocation Platform may suspend or terminate the Participation Agreement in case of registered payment incident in accordance with Article 51 and Article 52.

4. In case of late payment or refund, the Parties shall pay interest on the due amount including taxes and levies, as from the first (1st) day following the date on which payment was due until the date on which the payment is settled. The interest, being charged without further notice, shall be equal to the highest amount of:

   (a) a flat rate of 100 €; or

   (b) eight (8) percentage points per annum above the reference interest rate as officially published by the national authorities of the country in which the Allocation Platform is located and rounded up to the nearest half percentage point.

CHAPTER 8
Miscellaneous

Article 48
Duration and amendment of Allocation Rules

1. The Allocation Rules are of indefinite duration and are subject to amendment in accordance with this Article. These Allocation Rules and any amendments thereof shall be consulted upon subject to paragraph 6 of this Article and enter into force in accordance with the applicable national regulatory regime. The Allocation Platform shall publish the amended Allocation Rules and send an amendment notice to Registered Participants.

2. The amendment process shall be carried out in accordance with the conditions of the ElecLink Interconnector Licence.

3. Subject to paragraph 6 of this Article, any amendment shall be approved by the National Regulatory Authorities and shall enter into force at the date and time specified in the amendment notice but not later than thirty (30) calendar days after the amendment notice is sent to Registered Participants by the Allocation Platform.

4. Each amendment shall apply to all aspects of these Allocation Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect. The amended Allocation Rules shall govern all rights and obligations in connection with these Allocation Rules.

5. Any amendment of these Allocation Rules shall apply automatically to the Participation Agreement in force between the Allocation Platform and the Registered Participant, without the need for the Registered Participant to sign any acknowledgement or acceptance of the amendment or a new Participation Agreement or the amendment notice or the amended Allocation Rules but without prejudice to the Registered Participant's right to request the termination of its Participation Agreement in accordance with Article 52 paragraph 1. By participating in the Auction after the Registered Participant was informed about the changes and/or adaptations of the Allocation Rules and after these changes and/or adaptations of the Allocation Rules entered into force, it is deemed that the Registered Participant has accepted the changed Allocation Rules, i.e. the valid and effective version of the Allocation Rules.

6. These Allocation Rules are subject to the legislation prevailing at the time at which they take effect. In the event that there is a change in relevant legislation or any action by competent authorities which have an effect on these Allocation Rules then, notwithstanding any other provision of these Allocation Rules, the Allocation Rules shall be amended accordingly and pursuant to this Article.

Article 49
Liability

1. The Allocation Platform and the Registered Participants are solely responsible for the fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the Allocation Rules and the Participation Agreement.

2. Subject to any other provisions of these Allocation Rules, the Allocation Platform shall only be liable for damages caused by:

(a) fraud, gross negligence or wilful misconduct; or

(b) death or personal injury arising from its negligence or that of its employees, agents or subcontractors.

3. In derogation to paragraph 2(a) of this Article, liability for indirect, consequential damages including, but not limited to, loss of profit, loss of opportunity, loss of chance, trading losses is excluded in all cases.

4. For the avoidance of doubt, the Allocation Platform shall not be liable for damages suffered by Registered Participants as a result of technical problems unless such act or omission is a result of fraud, gross negligence or wilful misconduct. The Allocation Platform shall have tested the computer systems and other technical equipment in their responsibility sufficiently before putting them into operation and shall be responsible for their adequate maintenance.

5. A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a direct damage that it has caused, which any of them may suffer or incur by reason of any claim by any third party on account of any and all direct loss suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with these Allocation Rules. Liability of Registered Participants for indirect, consequential damages is excluded in all cases.

6. The Allocation Platform and each Registered Participant acknowledges and agrees that it holds the benefit of paragraphs 1, 2, and 4 of this Article for itself and as trustee and agent for its officers, employees and agents.

7. The Registered Participant shall be solely responsible for its participation in Auctions including but not limited to the following cases:

(a) the timely arrival of Bids and notifications by the Registered Participant;

(b) technical failure of the information system on the side of the Registered Participant preventing the communication via the channels foreseen in accordance with these Allocation Rules.

8. In case of curtailment compensation due to Force Majeure or emergency situation in accordance with Article 41 Registered Participants shall not be entitled to other compensation than the compensation described in these Allocation Rules.

9. In addition to paragraph 4 of this Article 49, the Registered Participant shall be liable to the Allocation Platform with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on the Allocation Platform for incorrect tax treatment due to wrong or incomplete information provided by the Registered Participant.

10. For the avoidance of doubt, nothing in this Article 49 shall prevent or restrict either the Allocation or a Registered Participant from enforcing any obligation owned to it under or pursuant to these Allocation Rules.

11. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 50
Dispute resolution

1. Without prejudice to paragraphs 6, 7 and 8 of this Article, where there is a dispute under or in relation to these Allocation Rules and/or a Participation Agreement (including any non-contractual obligations arising out of or in connection with them) the Allocation Platform and the Registered Participant (together the "**Disputing Parties**") shall first seek amicable settlement through mutual consultation pursuant to paragraph 2. For this purpose, the Party raising the dispute shall send a notification to the other party indicating:

   (a) the existence of a Participation Agreement between the Disputing Parties;

   (b) the reason for the dispute; and

   (c) a proposal for a future meeting (physical or not) with a view to settle the dispute amicably.

2. The Disputing Parties shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) Working Days from the date of the aforementioned notification, either Party may refer the matter to the senior management of the Disputing Parties to resolve the dispute pursuant to paragraph 3.

3. A senior representative of each of the Allocation Platform and the Registered Participant with authority to resolve the dispute shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) Working Days of the meeting or such longer time as may be agreed in writing by the Disputing Parties, then the dispute shall be determined by arbitration in accordance with paragraph 4.

4. Where a dispute is to be referred to arbitration under paragraph 3, either the Allocation Platform or the Registered Participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one (1) arbitrator to be nominated upon agreement of the Disputing Parties unless a Party requests the appointment of three (3) arbitrators. In case of one (1) arbitrator, the Disputing Parties shall agree on the nomination of the arbitrator within two (2) months after the notice was given by the Party referring the dispute to arbitration. If no agreement can be found, the arbitrator shall be appointed by the ICC Court. In case of three (3) arbitrators the claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each Party shall then nominate the chairman of the arbitral tribunal within three (3) Working Days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each Party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in the location of the Allocation Platform unless otherwise defined in the Participation Agreement and in accordance with the governing law of these Allocation Rules while the language of the arbitration proceedings shall be English. The arbitrators shall decide in law and not as *amiables compositeurs*[1]. The arbitration will be a first hearing and the arbitrators shall hear arguments and evidence. The emergency arbitrator provisions according to the Rules of Arbitration of the Chamber of Commerce shall not apply

[2] In the English version of these Allocation Rules, words in French in italics are to be interpreted in accordance with their meaning in French.

but the interim or injunctive relief measures under the governing law shall apply.

5. Arbitration awards shall be final and binding on the Allocation Platform and the relevant Registered Participant as from the date that they are made. The Allocation Platform and the Registered Participant shall carry out any award of an arbitration relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.

6. Notwithstanding paragraphs 3 and 4 of this Article, the Disputing Parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arisen under or in connection with these Allocation Rules and/or a Participation Agreement (including any non-contractual obligations arising out of or in connection with them).

7. In cases of late payment and without prejudice to Article 47 and paragraphs 1 to 4 of this Article, a Party may bring court proceedings against the other Party for any amount due under or in connection with these Allocation Rules and unpaid for more than twenty (20) Working Days after the date the amounts were due.

8. The Parties agree that proceedings referred to in paragraph 6 or paragraph 7 of this Article may be brought in any competent court to hear such claim. The Registered Participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any such proceedings brought in any such court may be enforced in the courts of any other jurisdiction.

9. Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Article, the Allocation Platform and the Registered Participant shall continue to perform their respective obligations under these Allocation Rules and the Registered Participant's Participation Agreement.

10. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 51
Suspension of the Participation Agreement

1. The Allocation Platform may by notice to the Registered Participant suspend the Registered Participant's rights (including rights to participate in Auctions) in connection with these Allocation Rules with immediate effect if the Registered Participant commits a major breach of an obligation in connection with these Allocation Rules which may have a significant impact to the Allocation Platform as follows:

   (a) if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform pursuant to Article 47;

   (b) if a Registered Participant fails to provide and maintain collaterals in accordance with Article 23;

   (c) any breach which may have a financial impact to the Allocation Platform;

   (d) if the Allocation Platform has reasonable grounds to believe that the Registered Participant no longer satisfies one or more of any other conditions to participate in Auctions according to these Allocation Rules unless termination applies according to Article 52; or

(e) if the Registered Participant is under economic and/or trade sanctions.

2. In any case of a minor breach in relation to these Allocation Rules such as the failure of the Registered Participant to notify a change in the submitted information in accordance with Article 8, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant that its rights in connection with these Allocation Rules may be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed without that such remedy has taken place.

3. After the suspension takes effect in accordance with paragraphs 1 and 2 of this Article, the following applies:

   a) In case of suspension in accordance with Article 51 paragraph (1)(a) to (d), the suspended Registered Participant may no longer participate in an Auction and, unless the payment of the Intraday Transmission Right is fully settled or fully secured by collaterals by the suspended Registered Participant, the suspended Registered Participant shall not be entitled to use Intraday Transmission Rights according to CHAPTER 5.

   b) in cases of suspension in accordance with Article 51 paragraph (1)(e), the suspended Registered Participant may no longer participate in an Auction and shall not be entitled to use Intraday Transmission Rights according to CHAPTER 5.

4. The Allocation Platform may withdraw a notice under paragraphs 1 or 2 of this Article at any time. Having given a notice under paragraphs 1 or 2 of this Article, the Allocation Platform may give a further or other notice at any time in respect of the same or a different suspension event.

5. Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, or if sanctions against the Registered Participant have been lifted, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to its ability to participate in Auctions by written notice to the Registered Participant. As from the date of effect of the reinstatement, the Registered Participant may participate in Auctions and the Intraday Transmission Rights allocated prior to the suspension and which remain unused may be Nominated if the relevant Nomination Gate has not closed.

6. If the Allocation Platform gives a notice to a Registered Participant under paragraph 1 or paragraph 2 of this Article, such notice of suspension does not relieve the Registered Participant from its payment obligations under CHAPTER 7.

Article 52
Termination of the Participation Agreement

1. A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Working Days upon receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled.

2. A Registered Participant may terminate the Participation Agreement to which the Registered Participant is a Party for good cause when the Allocation Platform has committed a major breach of an obligation connected with these Allocation Rules or the Participation Agreement

in the following cases:

(a) where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact; or

(b) where there is a significant breach of the confidentiality obligations in accordance with Article 55.

3. The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Working Days to remedy the breach where possible. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. Where no remedy is possible, the termination shall take effect immediately upon receipt of the termination notice.
4. If any of the termination events in paragraph 5 of this Article occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement, including the Registered Participant's rights connected with these Allocation Rules. A termination under this paragraph takes effect from the time of the notice or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform until the circumstances of termination continue to exist or it is not sufficiently guaranteed that the breach may not occur again.

5. The termination events referred to in paragraph 4 shall be the following:

(a) if the rights of the Registered Participant are suspended for longer than thirty (30) Working Days;

(b) if a Registered Participant does not qualify for the participation in the Auction as set forth in Article 9;

(c) if a Registered Participant received three single payment incident notifications within the same calendar year from the Allocation Platform, as described in Article 47 paragraph (3) of these Allocation Rules;

(d) if a Registered Participant repeatedly breaches these Allocation Rules or a Participation Agreement, whether or not the breach is capable of remedy;

(e) if a competent authority (i) determines that the Registered Participant has committed a misuse or fraudulent act and (ii) requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or (iii) agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions;

(f) if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tool (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack);

(g) if the Registered Participant has been inactive in the business relationship with the Allocation Platform for more than eight (8) months. For the sake of clarity, the Allocation Platform shall have notified the Registered Participant ahead of the upcoming termination;

(h) if a Registered Participant becomes insolvent or has a receiving order or administration order made against it or carries on business under a receiver, administrator, trustee or manager for the benefit of its creditors (or any event occurs, or proceeding is taken, with respect to the Registered Participant in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the aforementioned events); or

(i) if a Registered Participant breaches any of the provisions of the RTE Grid Code or the GB Grid Code applicable to it and such breach has or can reasonably be expected to have an adverse effect on the operation of the ElecLink Interconnector or the arrangements contemplated by these Allocation Rules and (if capable of remedy) the breach has not been remedied within ten (10) Working Days of a notice from the Allocation Platform requiring remedy.

6. After the termination takes effect in accordance with paragraphs 1 to 4 of this Article and from that time, the Registered Participant may no longer participate in an Auction and use its already acquired Intraday Transmission Rights.

7. Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these Allocation Rules which arose prior to that termination unless otherwise specified in this Article. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with the Allocation Rules, in respect of all such rights and liabilities (including its payment obligations pursuant to CHAPTER 7). This Article 52 shall apply without prejudice to any other remedies or rights available to the Allocation Platform under these Allocation Rules or at law, including any right to claim damages in respect of any breach of the Allocation Rules or the Participation Agreement which existed at or before the date of termination.

Article 53
Force Majeure

1. The Allocation Platform or a Registered Participant, which invokes Force Majeure, shall promptly send to the other Party a notification describing the nature of Force Majeure and (so far as it can be determined) its probable duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The Party invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.

2. The affected obligations, duties and rights of a Party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions in accordance with Article 55.

3. Suspension under paragraph 2 of this Article is subject to the following:

(a) suspension will be of no greater scope and of no longer duration than is required by the Force Majeure; and

(b) the suspension applies only for so long as the Party invoking Force Majeure is using reasonable efforts to remedy or mitigate its inability to perform.

4. The consequences of a Force Majeure event which is not subject to any discussion or litigation between the Allocation Platform and the Registered Participant, are as follows:

(a) the Party invoking Force Majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations during the Force Majeure and when such non-performance or partial performance is due directly to Force Majeure; and

(b) the acquired Intraday Transmission Rights which have been entirely paid and become subject to Force Majeure are reimbursed for the duration of the Force Majeure in accordance with any applicable legislation and these Allocation Rules.

5. The Party affected by the Force Majeure shall give notice to the other Party when it ceases to be affected by the Force Majeure.

6. If the Force Majeure continues for a period longer than six (6) months, the Allocation Platform or each Registered Participant may, by written notice to the other given at any time while the Force Majeure continues beyond that period, unilaterally terminate the Participation Agreement. The termination shall take effect ten (10) Working Days after the notice is given or any later date specified in the notice.

7. For avoidance of doubt this Article is without prejudice to the provisions of CHAPTER 6 regarding the curtailment of Intraday Transmission Rights.

Article 54
Notices

1. Any notice or other communication to be given under or in connection with these Allocation Rules and/or the Participation Agreement shall be in English.

2. Unless otherwise expressly provided in these Allocation Rules, all notices or other communications under or in connection with these Allocations Rules and/or the Participation Agreement shall be in writing and shall be sent by electronic means as specified by the Allocation Platform on its website and marked for the attention of the other Party's representative as set out in the Participation Agreement or as notified by the Registered Participant from time to time in accordance with Article 8.

3. All notices or other communications under or in connection with these Allocation Rules and/or the Participation Agreement shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:

(a) the conclusion of the Participation Agreement in accordance with Article 6;

(b) the suspension or termination according to Article 51 and Article 52; and

(c) the submission of the Bank Guarantee, in the event the Bank Guarantee includes handwritten signature(s), in accordance with Article 19.

4. All notices or other communications under or in connection with these Allocation Rules and/or the Participation Agreement shall be deemed to have been received:

(a) in the case of delivery by hand, when delivered against receipt; or

(b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or

(c) in the case of sent by electronic means as specified by the Allocation Platform on its

website, when delivered to the other Party but only if an acknowledgement of receipt is requested and obtained by the Party sending the electronic means as specified by the Allocation Platform on its website.

5. If a notice or other communication has been received outside normal Working Hours on a Working Day, it is deemed to have been received at the opening of business on the next Working Day.

Article 55
Confidentiality

1. The Participation Agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.

2. Subject to paragraphs 3 and 4 of this Article, the Allocation Platform and each Registered Participant who is a recipient of confidential information in relation to these Allocation Rules shall preserve the confidentiality of each item of such confidential information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.

3. Notwithstanding paragraph 2 of this Article, the Allocation Platform or a Registered Participant who is a recipient of confidential information may disclose confidential information of a disclosing Party to a third party with the other Party's prior, written and expressed consent and subject to the condition that the receiving Party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in these Allocation Rules directly enforceable by the other Party.

4. Notwithstanding paragraph 2 of this Article the Allocation Platform or a Registered Participant who is recipient of confidential information may disclose confidential information of a disclosing Party:

   (a) to the extent expressly permitted or contemplated by the Allocation Rules;

   (b) to any person who is one of the directors, officers, employees, agents, advisers (including financial advisers and legal advisers) or insurers of the recipient and who needs to know the confidential information in connection with these Allocation Rules;

   (c) as may be directed or ordered under or required in order to comply with any applicable national legislation or any other relevant domestic administrative acts such as grid codes;

   (d) as may be required by a competent regulatory authority, court or administrative tribunal having jurisdiction over the recipient or an arbitrator or expert in the course of proceedings before it to which the recipient is a Party;

   (e) as may be required by ElecLink for the proper fulfilment of its mission and its obligations in accordance with applicable laws and these Allocation Rules by itself or through agents or advisers;

   (f) as far as required in order to obtain clearances or consents from a competent authority or if requested by or required to be disclosed under any applicable powers of a competent authority (including the National Regulatory Authorities).

5. Moreover, the obligations arising from this Article shall not apply:

(a) if the Party which receives the information can prove that at the time of disclosure, such information was already publicly available (otherwise than as a result of a breach by the recipient of Article 55);

(b) if the receiving Party can prove that, at the time of disclosure, the information was already in its possession and not subject to any obligation of confidentiality;

(c) if the receiving Party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;

(d) to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market participant can be deduced; or

(e) to information whose publication is explicitly provided for by the present Allocation Rules.

6. The Allocation Platform and ElecLink shall be permitted to disclose confidential information to NESO and/or RTE in their respective capacities as transmission system operators.

7. The obligations of confidentiality in this Article 55 shall remain valid for a period of five (5) years after termination of the Registered Participant's Participation Agreement.

Article 56
Assignment and subcontracting

1. The Allocation Platform may assign, novate or otherwise transfer any of its rights or obligations under a Participation Agreement and/or these Allocation Rules to another Allocation Platform. The Allocation Platform shall notify the Registered Participants of the change by electronic means as specified by the Allocation Platform on its website with acknowledgment of receipt as soon as possible and in any event at least ten (10) Working Days before the date on which the change takes effect.

2. A Registered Participant may not assign, novate or otherwise transfer or grant any interest in or over, or create a trust in respect of, any of its rights or obligations under its Participation Agreement and/or these Allocation Rules without the prior written consent of the Allocation Platform or ElecLink.

3. Nothing in this Article shall prevent an Allocation Platform or Registered Participant from entering into a subcontracting agreement in relation to this Allocation Rules. Entry into a subcontracting agreement by a Registered Participant does not relieve the Registered Participant of any obligation or liability under its Participation Agreement and/or these Allocation Rules.

Article 57
Governing law

These Allocation Rules shall be governed by and construed in all respects in accordance with the law of the location of the registered office of the Allocation Platform unless otherwise specified in the Participation Agreement.

Article 58
Language

These Allocation Rules will be produced both in English and French. For the avoidance of doubt, in the event of inconsistencies between the English and French versions, the English version shall prevail.

Article 59
Intellectual property

1. No Party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other Party in connection with these Allocation Rules and/ or a Participation Agreement.

2. The signature of a Participation Agreement and the exchange of confidential information do not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one Party to the other under the terms of the Allocation Rules.

Article 60
Relationship of the Parties

1. The relationship of the Allocation Platform and the Registered Participant via the Participation Agreement is that of service provider and service user respectively. Except as expressly provided in these Allocation Rules, nothing contained or implied in these Allocation Rules constitutes or is deemed to constitute the Allocation Platform or a Registered Participant, the partner, agent or legal representative of the other for any purpose or to create or be deemed to create any partnership, agency or trust between the Parties whatsoever.

2. The Registered Participant acknowledges that neither the Allocation Platform nor any person acting on behalf of or associated with the Allocation Platform makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these Allocation Rules, the Participation Agreements or the disclosed information or otherwise in relation to or in connection with these Allocation Rules, the Participation Agreements and the disclosed information or any transaction or arrangement contemplated by these Allocation Rules, the Participation Agreements and the disclosed Information except as specifically provided in these Allocation Rules or the Participation Agreement.

Article 61
No third party rights

The Allocation Platform and each Registered Participant acknowledge and agree that a person who is not a Party to the Participation Agreement between them, including any other market participant, has no rights to enforce these Allocation Rules and/or the Participation Agreement as between the Allocation Platform and that Registered Participant.

Article 62
Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under these Allocation Rules and the Participation Agreement shall impair or constitute a waiver of such or any other right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the

exercise of any other right, power or remedy provided by law or under these Allocation Rules and the Participation Agreement.

2. Any waiver of any right, power or remedy under these Allocation Rules and the Participation Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 63
Entire agreement

These Allocation Rules and the Participation Agreement contain or expressly refer to the entire agreement between the Allocation Platform and each Registered Participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersede all previous agreements and understandings between the Allocation Platform and each Registered Participant with respect thereto. The Allocation Platform and each Registered Participant acknowledge and confirm that none of them enter into or accede to these Allocation Rules or the Participation Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these Allocation Rules or the Participation Agreement.

Article 64
Remedies exclusive

Except as otherwise expressly provided, the rights and remedies provided by these Allocation Rules and the Participation Agreement to the Allocation Platform and each Registered Participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of these Allocation Rules and the Participation Agreement. Accordingly, the Allocation Platform and each Registered Participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these Allocation Rules and the Participation Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 65
Severability

1. If any provision of these Allocation Rules or a Participation Agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration or by order of any competent authority, such invalidity, unenforceability or illegality shall not prejudice or affect either the remaining provisions of these Allocation Rules or the Participation Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality, or the validity, enforceability or legality of such provision under the laws of any other jurisdiction. Any invalid, illegal, void and/or unenforceable part(s) or provision(s) shall be replaced by valid, legal and/or enforceable part(s) or provision(s) in order to achieve the intended economic and legal effect.

2. If any provision would otherwise be invalid, unenforceable or illegal under Article 65

paragraph 1 but would cease to be invalid, unenforceable or illegal if some part of it were deleted, the relevant part shall be deemed to be deleted.

Article 66
Anti-bribery and corruption

Any Registered Participant who offers any inducement, fee or reward to the Allocation Platform or any of its officers, employees or agents or any person acting as an adviser to the Allocation Platform in connection with any Auction which would constitute a breach of the Bribery Act 2010 may be disqualified by the Allocation Platform acting reasonably and that Registered Participant's Participation Agreement may be terminated under Article 52 paragraph 5(d) (in either case without prejudice to any other civil remedies available to the Allocation Platform and without prejudice to any criminal liability which the Registered Participant may attract).

Part 2

Eleclink Day Ahead Allocation Rules

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CHAPTER 1
General provisions

Article 1
Subject-matter and scope

1. These Allocation Rules contain the terms and conditions for the allocation of Daily Transmission Rights on ElecLink Interconnector, it being understood that the Registered Participant will endorse these rules by the signature of the Participation Agreement. In particular, the Allocation Rules for Daily Capacity Allocation on ElecLink Interconnector set out the rights and obligations of Registered Participants as well as the requirements for participation in Auctions; they describe the process of Auction, including the determination of Marginal Price as a result of Auction and the processes for curtailment of Daily Transmission Rights and invoicing/payment. These Allocations Rules apply to all Registered Participants on a non-discriminatory basis.

2. The Auctions refer to Interconnector Capacity only and Registered Participants may invoke no other right in connection with the Daily Transmission Rights allocated to them than the rights in accordance with the provisions of these Allocation Rules for Daily Capacity Allocation on the ElecLink Interconnector.

Article 2
Definitions and interpretation

1. The following definitions shall apply:

   Accord de Participation means an Accord de Participation signed by a Registered Participant and Réseau de Transport d'Electricité by which a Registered Participant agrees to abide by the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations*;

   Affiliate means, in relation to any person, any other person that directly or indirectly controls, is controlled by or is under direct or indirect common control with that person where control is defined as rights, contracts or any other means which, either separately or in combination and having regard to the considerations of fact or law involved, confer the possibility of exercising decisive influence on an undertaking, in particular by (a) ownership or the right to use all or part of the assets of an undertaking and/or (b) rights or contracts which confer decisive influence on the composition, voting or decisions of the organs of an undertaking;

   Allocation Platform means the Joint Allocation Platform or such other entity appointed and commissioned by ElecLink to act as an Allocation Platform on its behalf and on its own name for the attribution of daily Interconnector Capacity through the Auctions as defined in the Participation Agreement;

   Allocation Rules means the rules for Daily Capacity Allocation on the ElecLink Interconnector applied by the Allocation Platform (as amended from time to time);

   Auction means the process by which daily Interconnector Capacity is offered and allocated to Registered Participants who submit Bid(s);

   Auction Reference Guide means the document entitled the 'Auction Reference Guide',

published on Eleclink's website, alongside the Access Rules.

Auction Specification means a list of specific characteristics of a particular Auction, including the nature of products and relevant dates;

Auction Tool means the information technology system used by the Allocation Platform to perform Auctions and to facilitate other procedures described in these Allocation Rules;

Balancing and Settlement Code means the code of that name established under the licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989 permitting, inter alia, the transmission of electricity in England and Wales;

Bank Guarantee means an unconditional and irrevocable standby letter of credit or letter of guarantee issued by a bank;

Bid means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction;

Bid Price means the price which a Registered Participant is willing to pay for one (1) MW per MTU of Daily Transmission Rights;

Bid Quantity means the amount of Daily Transmission Rights in MW requested by a Registered Participant;

Bid Value means the Bid Price multiplied with the Bid Quantity;

Bidding Period means the time period within which the Registered Participants willing to participate in an Auction may validly submit their Bids;

Business Account means a dedicated deposit account opened at the financial institution selected by the Allocation Platform in the name of the Allocation Platform or at the discretion of the Allocation Platform opened by the Registered Participant, but with the Allocation Platform as the beneficiary of the dedicated cash deposit, which may be used for payments by the Registered Participant;

Capacity Shortage has the meaning set out in Article 45A of these Allocation Rules;

Congestion Income means the revenues received as a result of capacity allocation;

Connection and Use of System Code means the code of that name established under the licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989 permitting, inter alia, the transmission of electricity in England and Wales;

Contract Day means, in relation to a Contract Day D, a period of twenty-four (24) hours commencing at 00:00 hours on day D;

Credit Limit means the amount of the collaterals which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations;

Curtailment Quantity means, in relation to an emergency situation or a Force Majeure, the quantity calculated under CHAPTER 7;

Daily Capacity Allocation means the attribution of daily Interconnector Capacity through an Auction;

Daily Transmission Right means for the purposes of these Allocation Rules a Physical Transmission Right acquired in the Daily Capacity Allocation;

Default Nomination means the automatic generation and submission of Nominations by the Nomination Platform, activated in advance by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules, in respect of a particular Timescale;

EIC Code means the ENTSO-E Energy Identification Coding Scheme identifying the parties in a cross-border trade;

ElecLink Interconnector means the 1 000 MW high-voltage direct current electricity interconnector between France and Great Britain which passes through the Channel Tunnel and owned by ElecLink Limited ("**ElecLink**"), a company registered in England and Wales with registration number 07595420;

ElecLink Interconnector Licence means the electricity interconnector licence granted to ElecLink under Section 6(1)(e) of the Electricity Act 1989;

ElecLink Long-Term Allocation Rules means the rules applicable to ElecLink in respect of the allocation of long-term transmission rights on the ElecLink Interconnector;

Fallback Auction has the meaning given to it in Article 42;

Force Majeure means any unforeseeable or unusual event or situation beyond the reasonable control of a Party and/or ElecLink, and not due to a fault of the Party and/or ElecLink, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the Party and/or ElecLink, which has actually happened and is objectively verifiable, and which makes it impossible for the Party and/or ElecLink to fulfil, temporarily or permanently, its obligations;

GB Grid Code means the document referred to as the Grid Code in the transmission licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989;

Information System Rules means the terms and conditions for access to and use of the Auction Tool by Registered Participants as published on the Allocation Platform's website;

Interconnector Capacity means the right of use of the ElecLink Interconnector made available by the Allocation Platform in auctions, to facilitate the transmission of energy by Registered Participants between Great Britain and France, to the extent that the Net Transfer Capacity permits and as provided for in these Allocation Rules;

Joint Allocation Platform means the Joint Allocation Office S.A., a company registered in Luxembourg with registration number B 142.282;

Marginal Price means the price determined at particular Auction to be paid by all the Registered Participants for each MW and MTU of acquired Daily Transmission Right;

Mid-Interconnector Nomination or **MIN** has the meaning given to it in the Nomination Rules;

Market Time Unit or **MTU** means the Market Time Unit that is set on the Allocation Platform and/or Nomination Platform;

National Regulatory Authorities means the Commission de régulation de l'énergie (CRE) and the Office of Gas and Electricity Markets (OFGEM);

Net Transfer Capacity or **NTC** means the capability (in MW, at mid-interconnector) of the ElecLink Interconnector to transmit electrical energy between Great Britain (GB) and France via the ElecLink Interconnector taking into account the effects of any event or circumstance affecting such capability at any relevant time, including events or circumstances on the GB transmission system or the French transmission system or disconnection or de-energisation of the ElecLink Interconnector from either of those transmission systems;

Netting means the superposition of MINs in two opposite directions (France-Great Britain and Great Britain-France), in order to release some capacity in the more congested direction for the next allocation step;

NESO means National Energy System Operator Limited, a company incorporated in England and Wales with company number 11014226 or any successor;

Nomination means the use of daily Interconnector Capacity by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules and "Nominate", "Nominated" shall have corresponding meanings;

Nomination Gate means the relevant time period in which the holder of a Physical Transmission Right on the ElecLink Interconnector is able to Nominate this right;

Nomination Platform means the relevant system (established by ElecLink) used by PTR Holders to Nominate PTRs on the Interconnector;

Nomination Rules means the nomination rules for ElecLink which are the rules with regard to the notification of use of Physical Transmission Rights to ElecLink;

Offered Capacity means the number of units being made available in the unit validity times in an Auction (i.e. the specific MTU(s)within the Product Period for which the units have been offered in the applicable Auction);

Outage means any reduction of NTC in either direction and includes forced outages and trips;

Participation Agreement means the agreement by which the Parties undertake to comply with the terms and conditions for daily Interconnector Capacity allocation as contained in these Allocation Rules;

Party / Parties means the Allocation Platform and/or a Registered Participant referred to individually as Party or collectively as Parties;

Physical Transmission Right or PTR means a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time on the ElecLink Interconnector in a specific direction;

Physical Transmission Rights Holder means a Registered Participant which has been allocated Physical Transmission Right (PTR)'s under the relevant Allocation Rules;

Pre-Nomination means Nominations submitted by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules before the opening of a specific Nomination Gate and "Pre-Nominate", "Pre-Nominated" shall have corresponding meanings.

A Pre-Nomination becomes a Nomination once the relevant Nomination Gate is open;

Product Period means the time and date on which the right to use the Daily Transmission Right commences and the time and date on which the right to use the Daily Transmission Right ends. For daily allocation the Product Period covers a calendar day of a period of 24 hours beginning at 0:00 and ending at 23:59:59. The days on which the legal time changes (daylight saving time) will be composed of either 23 hours or 25 hours;

Registered Participant means a market participant which entered into the Participation Agreement with the Allocation Platform;

Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations means the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations* established by RTE in the version published on its website from time to time. These rules define the conditions to access the RTE transmission system for exports and imports;

Rights Document means a document issued by the Allocation Platform to a Registered Participant under these Allocation Rules containing the information of the maximum amount of allocated Physical Transmission Rights that can be Nominated by a Registered Participant on the ElecLink Interconnector per day, per MTU and per direction, taking into account the volume of rights initially acquired, and any possible curtailments which occurred before the issuance of the Rights Document;

RTE means RTE Réseau de transport d'électricité, a company registered in France with registration number 444619258;

RTE Grid Code means the rules, including technical rules, establishing the minimum technical design and operation requirements for connection to the RTE transmission system;

Timescale means either long-term, daily or intraday period of time;

Transmission System Operator means each of NGESO in its capacity as operator of the GB transmission system and RTE in its capacity as operator of the French transmission system;

Use It or Lose It (UIOLI) means an automatic application by which the underlying daily Interconnector Capacity of the non-Nominated Physical Transmission Rights is not available for further capacity allocation and whereby PTR holders that do not Nominate do not have rights to receive a payout;

Use of System Interconnector Agreement means an agreement between NGESO and a Registered Participant in the form agreed by NGESO setting out the terms on which the Registered Participant may use the GB transmission system in relation to energy transmission;

Working Day means the calendar days from Monday to Friday, with the exception of public holidays as specified on the website of the Allocation Platform;

Working Hours means the hours on Working Days specified within the Participation Agreement.

2. In these Allocation Rules unless the context requires otherwise:

(a) the singular also includes the plural and vice versa;

(b) references to one gender include all other genders;

(c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of these Allocation Rules;

(d) the word “including” and its variations are to be construed without limitation;

(e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

(f) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

(g) any reference to time is a reference to CET/CEST time unless otherwise specified;

(h) any reference to “CHAPTER” or “Article” is a reference to a chapter or article contained in the Allocation Rules; and

(i) where the Allocation Platform or ElecLink is required to publish any information under these Allocation Rules, it may do so by making the information or data available on ElecLink or the Allocation Platform website and / or via the Auction Tool.

Article 3
Allocation Platform

1. The Allocation Platform shall undertake the allocation functions in accordance with these Allocation Rules and in accordance with applicable relevant legislation.

2. For the purposes of these Allocation Rules the Allocation Platform shall be the party signing the Participation Agreement with the Registered Participant.

3. For the purpose of the Participation Agreement with the Registered Participant, the Allocation Platform shall publish a consolidated version of these Allocation Rules as they enter into force in accordance with the applicable national regulatory regimes. In case of a conflict between the consolidated version by the Allocation Platform and the Allocation Rules as entered into force in accordance with the applicable national regulatory regimes, the latter shall prevail.

Article 4
Effective date and application

1. These Allocation Rules shall enter into force in accordance with the applicable national regulatory regimes upon the approval of the National Regulatory Authorities and on the date as notified by the Allocation Platform.

2. These Allocation Rules apply to capacity allocation of Daily Transmission Rights with the delivery period to be specified by the Allocation Platform on behalf of ElecLink on its website upon the entry into force of the Allocation Rules.

3. Unless expressly stated otherwise or otherwise required by the applicable governing law, these Allocation Rules shall govern all rights and obligations in connection with Daily Transmission Rights acquired before the entry into force of these Allocation Rules but with the delivery date after the entry into force of these Allocation Rules.

CHAPTER 2
Requirements and process for participation in Auctions

Article 5
General provisions

1. Market participants may acquire Daily Transmission Right only from participation in Auctions.

2. The participation in Auctions requires that the market participant:

   (a) concludes a valid and effective Participation Agreement in accordance with Article 6 to Article 16;

   (b) has access to the Auction Tool in accordance with Article 14;

   (c) complies with the requirements for provision of collaterals as specified in CHAPTER 3;

   (d) accepts additional financial terms where needed in accordance with Article 15; and

   (e) is compliant with the specific provisions listed:

      i. its accession to a Use of System Interconnector Agreement with NESO and the Framework Agreement defined and established under the Connection and Use of System Code;

      ii. its accession to the Framework Agreement as defined in the Balancing and Settlement Code together with full details of the Production and Consumption Interconnector BM Units registered to the Registered Participant under the Balancing and Settlement Code; and

      iii. its entry into an Accord de Participation with Réseau de Transport d'Electricité.

3. In any case, market participants have to fulfil the obligations as specified in the relevant Chapters of these Allocation Rules.

Article 6
Participation Agreement conclusion

1. At least nine (9) Working Days before the first participation in an Auction, any market participant may apply to be a party to a Participation Agreement by submitting, to the Allocation Platform, two (2) signed copies of the Participation Agreement in case of handwritten signature(s), as published on the website of the Allocation Platform, together with all duly completed information and documents required by Article 7 to Article 16. The Participation Agreement shall either be signed by handwritten signature(s) or qualified electronic signature(s) (QES). The Allocation Platform shall assess the completeness of the information submitted in accordance with Articles 8 and 11 within seven (7) Working Days of receipt of the completed and signed Participation Agreement.

2. The Allocation Platform shall before the expiration of the seven (7) Working Days deadline ask the market participant to provide outstanding information which the market participant failed to submit with its Participation Agreement. On receipt of the outstanding information,

the Allocation Platform shall within an additional seven (7) Working Days review the information and inform the market participant if any further information is required.

3. Once the Allocation Platform has received all necessary information, it shall return one copy of the Participation Agreement signed by it to the market participant without undue delay. Signature of the Participation Agreement by the Allocation Platform shall not itself indicate compliance with any other condition set in these Allocation Rules for the participation in the Auctions. The Participation Agreement comes into force on the date of signature by the Allocation Platform.

4. In case a market participant is already a Registered Participant at the Allocation Platform it only has to complete the missing/extra requirements described under these Allocation Rules respecting the specificities of the previous paragraph of this Article 6.

Article 7
Form and content of the Participation Agreement

1. The form of the Participation Agreement and the requirements for its completion shall be published by the Allocation Platform and may be amended from time to time by the Allocation Platform without changing any terms and conditions specified in these Allocation Rules unless otherwise stated in these Allocation Rules.

2. As a minimum, the Participation Agreement will require the market participant to:

   (a) provide all necessary information in accordance with Article 8; and

   (b) agree to be bound by and comply with these Allocation Rules.

3. Nothing in these Allocation Rules shall prevent the Allocation Platform and the Registered Participant from agreeing in the Participation Agreement additional rules out of scope of these Allocation Rules, including but not limited to the participation in long-term or intraday allocation or any fall-back process for day-ahead implicit allocation.

4. In case of difficulty of interpretation, contradiction, ambiguity or difference between these Allocation Rules and the Participation Agreement, the text of the Allocation Rules shall prevail.

Article 8
Submission of information

1. The market participant shall submit the following information with its completed and signed Participation Agreement:

   (a) name and registered address of the market participant, including general email and telephone number of the market participant for notifications in accordance with Article 60;

   (b) an extract of the registration of the market participant in the commercial register of the competent authority;

   (c) details regarding the beneficial ownership as defined in the relevant legal provisions transposing Article 3(6) of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;

(d) contact details and names of persons authorised to represent the market participant and their function;

(e) EU VAT registration number or similar tax identification information where EU VAT is not applicable;

(f) taxes and levies to be considered for invoices and collateral calculations;

(g) Energy Identification Code (EIC) which has been registered in the Centralised European Register of Energy Market Participants (CEREMP);

(h) bank account information evidenced by a bank account identification document for all payments to the applicant to be used by the Allocation Platform for the purposes of Article 51. The applicant shall provide the bank account information of a credit institution based in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services. The applicant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies to them accordingly;

(i) financial contact person for collaterals, invoicing and payment issues and their contact details (email and telephone number) for notifications where required in these Allocation Rules in accordance with Article 60;

(j) commercial contact person and their contact details (email and telephone number) for notifications where required in these Allocation Rules in accordance with Article 60;

(k) operational contact person and their contact details (email and telephone number) for notifications where required in these Allocation Rules in accordance with Article 60; and

(l) ACER Registration Code (ACER Code) assigned by the European Agency for the Cooperation of Energy Regulators (ACER) during the market participant's registration process with the National Regulatory Authorities, and as reported on CEREMP.

2. A Registered Participant shall ensure that all data and other information that it provides to the Allocation Platform pursuant to these Allocation Rules (including information in its Participation Agreement) is and remains accurate and complete in all material respects and must promptly notify the Allocation Platform of any change.

3. A Registered Participant shall notify the Allocation Platform if there is any change to the information, submitted in accordance with paragraph 1 of this Article, at least nine (9) Working Days before the change comes into effect and, where that is not possible, without delay after the Registered Participant becomes aware of the change.

4. The Allocation Platform will confirm the registration of the change or send a refusal note of registration of the change to the Registered Participant, at the latest, seven (7) Working Days after the receipt of the relevant notification of change. The confirmation or refusal note will be sent via electronic means as specified by the Allocation Platform on its website. If the Allocation Platform refuses to register the change, the reason shall be provided in the refusal note.

5. The change becomes valid on the day of the delivery of the confirmation to the Registered Participant.

6. If additional information is required from a Registered Participant as a consequence of an amendment to these Allocation Rules, then the Registered Participant shall submit the additional information to the Allocation Platform within twelve (12) Working Days after the request for such submission by the Allocation Platform.

Article 9
Warranties

By the signature of the Participation Agreement the market participant warrants that:

(a) it has not commenced any proceedings seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights;

(b) no insolvency, bankruptcy or other similar legal proceeding affecting creditors' rights have been commenced in relation to the applicant;

(c) no winding-up or liquidation proceedings have been commenced with regard to the applicant; and

(d) it has no overdue payment obligations towards any current, previous or future Allocation Platform.

Article 10
Dedicated Business Account

As part of the submission of the information in accordance with Article 6 and Article 8, a dedicated Business Account is put at the disposal of the market participant for the purposes of depositing cash collaterals and/or for the purposes of making payments on the basis described in Article 51.

Article 11
Acceptance of the Information System Rules

By signing the Participation Agreement, the market participant accepts the applicable Information System Rules, as amended from time to time and published on the website of the Allocation Platform.

Article 12
Costs related to the Participation Agreement

All applications to become a Registered Participant and any subsequent participation in Auctions shall be at the Registered Participants' own cost, expense and risk. The Allocation Platform shall not be liable to any person for any cost, damage, or expense in connection with the Registered Participant participating in Auctions unless otherwise explicitly stated in these Allocation Rules.

Article 13
Refusal of application

The Allocation Platform may refuse to enter into a Participation Agreement with a market participant in the following circumstances:

(a) when the applicant has not submitted a duly completed and signed Participation Agreement in accordance with Articles 5, 6, 7 and 8; or

(b) the Allocation Platform has previously terminated a Participation Agreement with the applicant as a result of a breach of the Participation Agreement by the Registered Participant in accordance with Article 58 paragraph 4 and paragraph 5 and unless the circumstances leading to termination have ceased to exist or the Allocation Platform is reasonably satisfied that the breach will not occur again; or

(c) if entering into a Participation Agreement with the applicant would cause the Allocation Platform to breach any condition of any mandatory legal or regulatory requirement; or

(d) if any of the declarations of the Registered Participant under Article 9 are found to be not valid or false; or

(e) if the applicant is under economic and/or trade sanctions.

(f) It being understood that the market participant, once a Registered Participant, shall continue to comply with the requirements set out by this Article.

Article 14
Access to the Auction Tool

1. The Allocation Platform shall grant access to the Auction Tool free of charge if the following requirements are satisfied:

   (a) the Registered Participant has signed and delivered a completed form included in the Information System Rules identifying the person(s) for which the user account(s) in the Auction Tool shall be established; and

   (b) the Registered Participant has fulfilled the requirements on authentication as set forth by the Information System Rules published by the Allocation Platform; such requirements may include technology for authentication purposes.

2. The Allocation Platform shall confirm the creation of the user account or send a refusal note to the Registered Participant, at the latest, five (5) Working Days after the receipt of the relevant signed and completed form by the Registered Participant. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the operational contact person specified by the Registered Participant in accordance with Article 8.

3. The Allocation Platform shall send the duly justified refusal note if the requirements listed in paragraph 1 of this Article are not fulfilled and access to the Auction Tool will not be granted.

Article 15
Conclusion of additional financial terms

The Allocation Platform may develop and publish additional standard financial terms to be accepted by the Registered Participants. These additional financial terms may include provisions to enable joint collaterals for processes organised by the Allocation Platform in accordance with the Participation Agreement, as long as these additional financial terms comply with these Allocation Rules.

Article 16
Regulatory and legal requirements

It is the responsibility of each Registered Participant to ensure that it complies with all relevant legislation, including requirements of any relevant competent authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Daily Transmission Rights and continue to maintain the said authorisations and comply with the relevant national legislation throughout its participation in Auctions.

CHAPTER 3
Collaterals

Article 17
General provisions

1. Registered Participants shall provide collaterals in order to secure payments to the Allocation Platform resulting from Auctions and, where applicable, potential other payments falling due under the additional financial terms in accordance with Article 15.

2. Only the following forms of collateral shall be accepted:

   (a) a Bank Guarantee;

   (b) a cash deposit in a dedicated Business Account.

3. Collaterals may be provided in one of the forms mentioned in paragraph 2 of this Article or a combination of these forms, provided that the Allocation Platform is entitled as beneficiary to the full collateral.

4. Credit Limit shall always be greater or equal to zero.

5. The collaterals shall be provided in Euros (€ / EUR).

Article 18
Form of cash deposit

For collaterals that are provided in the form of a cash deposit in a dedicated Business Account the following conditions shall apply:

(a) the money shall be deposited in a dedicated Business Account at a financial institution selected by the Allocation Platform, and the Registered Participant shall pay all the amounts and payments to the Business Account from an account in its name with a credit institution based in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services. The Registered Participant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies with them accordingly;

(b) the dedicated Business Account shall be opened and used in accordance with additional financial terms to be concluded between the Allocation Platform and the Registered Participant, or where relevant the financial institution and the Registered Participant and shall only be used for Auction purposes;

(c) until withdrawal as permitted by the following provisions of Article 24, the cash deposit in the dedicated Business Account belongs to the Registered Participant if not stated otherwise in the additional financial terms in accordance with Article 15;

(d) withdrawals from the dedicated Business Account pursuant to Article 22 and Article 24 may be made solely on the instruction of the Allocation Platform;

(e) the dedicated Business Account may be used in addition for settlement as set forth in Article 51 upon request of the Allocation Platform; and

(f) interest on the amount deposited in the dedicated Business Account shall accrue for the benefit of the Registered Participant, after deduction of taxes and bank charges if any.

Article 19
Form of Bank Guarantee

1. Collaterals that are provided in the form of a Bank Guarantee shall comply with the following specifications:

   (a) the Bank Guarantee shall be provided in the form of the template that is available on the website of the Allocation Platform and updated from time to time or in a form that substantially follows the template. Alternatively, the bank guarantee shall be provided via SWIFT (Society for Worldwide Interbank Financial Telecommunication or any successor provider of such telecommunication services) and the fees of the receiving bank shall be covered by the Registered Participant;

   (b) the Bank Guarantee shall be written in English;

   (c) the Bank Guarantee covers all Auctions organised by the Allocation Platform subject to these Allocation Rules;

   (d) the Bank Guarantee shall allow partial and multiple drawing by the Allocation Platform, up to the maximum amount guaranteed;

   (e) the Bank Guarantee shall provide for payment upon first request of the Allocation Platform. It shall further provide that, if the Allocation Platform calls upon the Bank Guarantee, the bank shall pay automatically without any other condition than the receipt of a written demand by registered letter from the Allocation Platform;

   (f) the Bank Guarantee shall be irrevocable, unconditional and non-transferable;

   (g) the Bank Guarantee shall either include handwritten signature(s) or qualified electronic signature(s) (QES) from the issuing bank. In the event the Bank Guarantee is signed by qualified electronic signature(s) (QES), all following amendments shall be signed by qualified electronic signature(s) (QES);

   (h) the bank issuing the Bank Guarantee shall be permanently established, including via a branch in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services;

   (i) the bank issuing the Bank Guarantee or the financial group it belongs to shall have a long-term credit rating of not less than BBB+ by Standard and Poor's Corporation, BBB+ by Fitch or Baa1 by Moody's Investors Service Inc. If the rating requirement is not fulfilled by the issuing bank itself but by the financial group to which it belongs, the issuing bank shall provide the Allocation Platform with a parental guarantee or an equivalent document issued by the financial group. If the issuing bank or the financial group the issuing bank belongs to ceases to have the required long-term credit rating, the Registered Participant shall within five (5) Working Days submit to the Allocation Platform a substitute Bank Guarantee by a bank complying with the required long-term credit rating or replace the Bank Guarantee by deposit in a

dedicated Business Account. If there are industry-wide downgrades of financial institutions, the Allocation Platform may investigate what the new standards are and, if deemed necessary, decrease the required rating for a limited period of time, informing the Transmission System Operators, who shall then inform the relevant National Regulatory Authorities; and

(j) the bank issuing the Bank Guarantee shall not be an Affiliate of the Registered Participant for which the Bank Guarantee is issued.

2. A Bank Guarantee shall contain the following:

(a) a maximum amount guaranteed;

(b) the Allocation Platform's identification as beneficiary, as specified on the website of the Allocation Platform;

(c) the Allocation Platform's bank account, as specified on the website of the Allocation Platform;

(d) the Allocation Platform's bank's address, as specified on the website of the Allocation Platform;

(e) the Registered Participant's full identification, including name, address, commercial/company register;

(f) full identification of the providing bank; and

(g) the validity time.

3. The Registered Participant shall submit the Bank Guarantee at least four (4) Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.

4. The Allocation Platform shall accept the Bank Guarantee provided by a Registered Participant if the Bank Guarantee is provided in line with the specifications set out in paragraphs 1 to 2 of this Article and in the event the Bank Guarantee includes handwritten signature(s), the original of the Bank Guarantee has been received by the Allocation Platform.

5. The Allocation Platform shall confirm the acceptance of the Bank Guarantee or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the original of the Bank Guarantee. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 8. The refusal note shall include reasoning for refusal.

Article 20
Validity and renewal of the Bank Guarantee

1. Collaterals in the form of a Bank Guarantee shall be valid for the minimum period until at least thirty (30) calendar days after the end of calendar month of the Product Period.

2. The Registered Participant shall replace or renew the collaterals in form of a Bank Guarantee to fulfil the requirements of paragraph 1 of this Article at least 4 (four) Working Days before

the expiry of the validity of the collaterals.

Article 21
Credit Limit

1. The Allocation Platform shall calculate and continuously update the Credit Limit of each Registered Participant in respect of each subsequent Auction. The Credit Limit shall be equal to the amount of the collaterals in place minus any outstanding payment obligations. In case of a Bank Guarantee such Bank Guarantee shall be only considered if the requirements in Article 20 related to its validity for the respective Auction are fulfilled.

2. Outstanding payment obligations are calculated according to Article 49 subject to additional rules in paragraphs 3 to 4 of this Article and in Article 32.

3. For the purpose of the Credit Limit calculation, outstanding payment obligations shall be increased to include the taxes and levies in force subject to Article 50.

4. Maximum payment obligations for a Registered Participant resulting from its Bid(s) registered at the closure of the Bidding Period, calculated according to Article 32, shall be considered provisionally as the outstanding payment obligations. From the publication of the provisional Auction results until the moment when the Auction results become final the due amount notified according to Article 34 paragraph 3(c) shall be provisionally considered as outstanding payment obligations for Credit Limit calculation for any concurrent Auction. The Credit Limit shall be revised based on the actual allocated Daily Transmission Rights when the provisional Auction results are published as described in CHAPTER 4.

Article 22
Modifications of the collaterals

1. A Registered Participant may request in written form an increase of the collateral in form of a Bank Guarantee, a decrease of the collateral in form of a Bank Guarantee and/or cash deposit or change of the form of the collateral at any time in accordance with paragraphs 2 and 3 of this Article.

2. A decrease of the collaterals of a Registered Participant shall only be allowed if the Credit Limit after applying the requested decrease of the collaterals would be greater than or equal to zero.

3. The Allocation Platform shall accept the modification of the collaterals if the request for a modification of collaterals is compliant with the condition set out in paragraph 2 of this Article in case of a decrease or with the conditions set out in Articles 19 and 20 in case of an increase of collaterals in the form of a Bank Guarantee and in case of a change in the form of the collaterals from cash on deposit to Bank Guarantee.

4. The modification of the collaterals shall become valid and effective only when the Allocation Platform has made the requested modification of the collaterals of the Registered Participant within the Auction tool.

5. The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the request. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the commercial and operational contact persons specified by the Registered Participant in accordance with

Article 8. The refusal note shall include reasoning for refusal.

Article 23
Collateral incident

1. A collateral incident occurs in the following cases:

   (a) the collaterals are insufficient to secure the amount due for the Daily Transmission Rights held by a Registered Participant on the next payment date as set forth in Article 51 considering the amount and the validity of the collaterals; or

   (b) the collaterals are not renewed in accordance with Article 20 paragraph 2; or

   (c) the collaterals are not restored after a payment incident in accordance with Article 24 or new collateral was provided that is not compliant with the conditions specified in Articles 17 paragraph 3, 18 and 19.

2. Without prejudice to the other rights of the Allocation Platform, the Allocation Platform shall notify the collateral incident to the Registered Participant by electronic means as specified by the Allocation Platform on its website. The Registered Participant shall increase its collaterals within two (2) Working Days from sending of the notification if this is done during Working Hours or two (2) Working Days starting from the next Working Day if sent after Working Hours. If the provided collaterals by the Registered Participant remain insufficient after this period, the Allocation Platform may suspend or terminate the Participation Agreement in accordance with Article 57 and Article 58.

Article 24
Calls on collaterals

1. The Allocation Platform is entitled to call upon collaterals of a Registered Participant in the event of a registered payment incident in accordance with Article 53.

2. The Registered Participant shall restore its collateral after a payment incident or collateral incident by following the conditions as set forth in Articles 17 paragraph 3, Article 18 and Article 19 unless the Participation Agreement is suspended or terminated in accordance with Article 57 and Article 58.

CHAPTER 4
Auctions

Article 25
General provisions for Auctions

1. The Allocation Platform shall allocate Daily Transmission Rights to Registered Participants by way of explicit allocation comprising a single round. Prior to any Auction, the Allocation Platform shall publish Auction Specifications on its website.

2. The Auctions shall be organised via the Auction Tool. Each Registered Participant fulfilling the requirements for participating in the Auction may place Bids in the Auction Tool until the relevant deadline for placing Bids in the specific Auction expires according to the respective Auction Specification published on the website.

3. After the relevant deadline for placing Bids in the specific Auction has expired, the Allocation Platform shall evaluate the Bids against the respective Credit Limits of the Registered Participants. The results of the Auction will be notified to Registered Participants via the Auction Tool.

Article 26
Capacity allocation timeframe and form of product

1. The standard Daily Capacity Allocation timeframes, subject to product availability, are offered in a daily Auction per MTU period.

2. Auctions are held seven (7) days a week including weekends and public holidays, provided that the Offered Capacity for Daily Transmission Rights is at least one (1) MW (subject to the terms of the Allocation Rules and to the extent that the NTC permits).

3. Daily Transmission Rights will be allocated in advance of use and the daily Auction held on day D-1 is for Daily Transmission Rights relating to use of Interconnector Capacity on the Contract Day commencing at 00:00 hours on day D.

4. An Auction of Daily Transmission Rights for Contract Day D will always be held on Contract Day D-1. The full details of the Auction parameters, (i.e. the gate and opening times) will be published in the Auction Reference Guide

5. The Bidding Period for each daily Auction will be at such times specified by the Auction Reference Guide, or by the Allocation Platform in the relevant Auction Specification. In case of contradiction between the times specified in the Auction Reference Guide and in the relevant Auction Specification, the Auction Specification shall prevail.

Article 27
Auction Specification

1. The Allocation Platform shall publish the Auction Specification as set forth in paragraph 2 of this Article.

2. The Allocation Platform shall publish the Auction Specification no later than the start of the Bidding Period of an Auction. The Auction Specification shall state in particular:

   (a) the code identifying the Auction in the Auction Tool;

   (b) identification of the direction covered which will either be “Great Britain to France” or “France to Great Britain”;

   (c) the Product Period;

   (d) the Bidding Period;

   (e) the deadline for the publication of the provisional Auction results;

   (f) the contestation period in accordance with Article 35;

   (g) provisional Offered Capacity calculated as defined in paragraph 3 of this Article; and

   (h) any other relevant information or terms applicable to the product or the Auction.

3. The Offered Capacity for any Contract Day in Auctions will include:

   (a) available Interconnector Capacity (in the form of units) not already allocated to Registered Participants pursuant to long-term auctions and that is not unavailable due to Outages and/or due to the application of curtailment; and

   (b) unused units (if any) that have become available for the Auctions pursuant to CHAPTER 7 (*Use and remuneration of Long-Term Transmission Rights*) of the ElecLink Long-Term Allocation Rules and that are not unavailable due to Outages and/or due to the application of curtailment; and

   (c) units (if any) that have become available by application of Netting on long-term Mid-Interconnector Nominations and that are not unavailable due to Outages and/or due to the application of curtailment; and

   (d) the available Interconnector Capacity rights already allocated to Registered Participants which will be reallocated as a result of suspension or termination in accordance with Article 57 and Article 58.

Article 28
Bids submission

1. The Registered Participant shall submit a Bid or set of Bids to the Allocation Platform in accordance with following requirements:

   (a) it shall be submitted electronically using the Auction Tool and during the pre-Bidding Period or Bidding Period as specified in the Auction Specification;

   (b) it shall identify the Auction via an identification code as specified in Article 27 paragraph 2 (a);

   (c) it shall identify the Registered Participant submitting the Bid through its EIC code;

   (d) it shall identify the direction for which the Bid is submitted, which will either be “Great

Britain to France" or "France to Great Britain";

(e) it shall state the Bid Price, which shall be different for each Bid of the same Registered Participant, exclusive of taxes and levies, in EUR per MW for one MTU of the Product Period, i.e. the Bid Price will be expressed to a maximum of two (2) decimal places, and equal to or greater than zero; and

(f) it shall state the Bid Quantity in full MW which must be expressed without decimals.

2. The Registered Participant may modify its previously registered Bid or set of Bids at any time during the pre-Bidding Period and/or Bidding Period including its cancellation. In case the Bid or set of Bids has been modified only the last valid modification of the Bid or set of Bids shall be taken into account for the Auction results determination.

3. If a Bid Quantity, or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction, by a Registered Participant exceeds the relevant Offered Capacity announced in the Auction Specification, this Bid or these Bids shall be completely rejected. Where a modification of previously submitted Bids results in exceeding the Offered Capacity, the modification shall be rejected and the previously registered Bids will stand.

   During the pre-Bidding Period, Registered Participants may submit Bids (i.e. pre-Bids) but the following checks will not be performed until the bidding gate opens:

   - sum of Bid volumes is not checked against Offered Capacity as Offered Capacity may still change during the pre-bidding phase; and

   - Credit Limit verification.

4. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the relevant Offered Capacity announced after the Bids submission, in case of Bids submitted during pre-Bidding Period, the Bids with the lowest Bid Price will be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity at closure of the pre-Bidding Period. At the opening of a relevant Bidding Period, such Bid(s) shall be considered as Bid(s) submitted by the Registered Participant for the relevant Auction. This Bid shall be considered as delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

5. The above-mentioned process shall apply to all forms of an Auction product and all allocation timeframes.

Article 29
Bid registration

1. The Allocation Platform shall not register a Bid that:

   (a) does not comply with the requirements of Article 28;

   (b) or is submitted by a Registered Participant who is suspended in accordance with Article 57.

2. Provided that a Bid or a set of Bids fulfils the requirements set forth in Articles 28 and 29, the Allocation Platform shall confirm to the Registered Participant that such Bid(s) have been correctly registered by acknowledgment of receipt via a message on the Auction Tool. If the

Allocation Platform does not issue an acknowledgement of receipt for a Bid, such Bid shall be deemed not to have been registered. Only Bids for which that Allocation Platform issues an acknowledgement of receipt will be valid.

3. The Allocation Platform shall notify a Registered Participant whose Bid is rejected as invalid and the reason for this rejection, without undue delay after the Bid is rejected.

4. The Allocation Platform shall maintain a record of all valid Bids received.

5. Each valid Bid registered at closure of the Bidding Period shall constitute an unconditional and irrevocable offer by the Registered Participant to the Allocation Platform to buy Daily Transmission Rights up to the Bid Quantity and at prices up to the Bid Price and under the terms and conditions of these Allocation Rules and the relevant Auction Specification.

Article 30
Default Bid

1. The Registered Participant has the option to place default Bids or set of default Bids for Auctions.

2. A default Bid or set of default Bids, once identified as such by the Registered Participant, shall apply automatically to each subsequent and relevant Auction as defined by the Registered Participant when placing the default Bid or set of default Bids. At the opening of a relevant Bidding Period, the registered default Bid or set of default Bids shall be considered as a Bid or set of Bids submitted by the Registered Participant for the relevant Auction. This Bid or set of Bids shall be considered as valid and delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

3. If a default Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several default Bids submitted for the same Auction by a Registered Participant exceeds the Offered Capacity of the relevant Auction, the Bids with the lowest Bid Price shall be rejected one (1) by one (1) until the total allowed Bid Quantity is reached. In case where the Information System Rules allow submission of Bids with the same Bid Price by one Registered Participant, the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the Information System Rules and shall be one or more from the following;

   (a) chronological order (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

4. A Registered Participant who wants to modify a default Bid or set of default Bids for a future Auction shall change the Bid Quantity and/or the Bid Price of its default Bids or set of default Bids before the respective Auction Bidding Period opening.

5. A Registered Participant not wishing to submit the default Bid or set of default Bids on the Auction Tool for future Auctions can cancel its default Bids or set of default Bids before the subsequent Auction Bidding Period opening.

Article 31
Default Bid for Fallback Auction

1. In case an Auction cannot take place, a Fallback Auction will be triggered by using default Bids.

2. A default Bid shall apply automatically in simulation of an Auction as set forth in Article 42. The registered default Bid shall be considered as a Bid submitted by the Registered Participant for the relevant Fallback Auction. This Bid shall be considered as delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

3. If a default Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several default Bids submitted for the Fallback Auction by a Registered Participant exceeds the Offered Capacity used for Auction simulation as set forth in Article 42, the Bids with the lowest Bid Price shall be rejected one (1) by one (1) until the total allowed Bid Quantity is reached.

4. A Registered Participant who wants to modify a default Bid for a Fallback Auction shall change the Bid Quantity and the Bid Price of its default Bids.

5. A Registered Participant not wishing to submit the default Bid for Fallback Auction can cancel its default Bids.

Article 32
Credit Limit verification

1. Upon submission by a Registered Participant of a Bid or set of Bids to the Auction Tool, the Allocation Platform shall check whether the maximum payment obligations (MPO) connected with that Registered Participant's registered Bid(s) calculated according to paragraphs 4 and 5 of this Article at the time of Bid(s) submission exceed the Credit Limit. If the maximum payment obligation connected with the registered Bids exceeds the Credit Limit, the Allocation Platform shall issue automatically via the Auction Tool a warning to the Registered Participant to modify the Credit Limit. Bids shall not be rejected automatically if the maximum payment obligation attributed to registered Bids exceeds the Credit Limit at Bid submission but only after the process described in paragraph 2 of this Article.

2. At closure of the Bidding Period the Allocation Platform shall check again whether the maximum payment obligations connected with registered Bids calculated according to paragraph 5 of this Article exceed the Credit Limit. If the maximum payment obligations connected with these Bids exceed the Credit Limit, these Bids, starting with the Bid with the lowest Bid Value, shall be one (1) by one (1) excluded, until the maximum payment obligations are less than or equal to the Credit Limit.

3. The Allocation Platform shall indicate the insufficient collaterals as the reason for the Bid exclusion in the Auction results notification to the Registered Participant.

4. The Allocation Platform shall continuously assess all the Bids irrespectively to which Auction and with regard to which direction they are submitted. In case of Bids connected with various and overlapping Auctions the Allocation Platform shall consider all calculated maximum payment obligations as outstanding payment obligations according to Article 21.

5. For calculation of the maximum payment obligation (MPO) related to each direction, the Allocation Platform shall sort the registered Bids of a Registered Participant by Bid Price in descending order (merit-order). Bid 1 shall be the Bid with the highest Bid Price and Bid *n* shall be the Bid with the lowest Bid Price. The Allocation Platform shall calculate the

maximum payment obligation according to the following equation:

$$MPO = \sum_{hours} Max\left[Bid\ Price\ (1) * Bid\ Quantity\ (1);\ Bid\ Price\ (2) * \sum_{i=1}^{2} Bid\ Quantity\ (i);\ \ldots \right.$$

$$\left. \ldots;\ Bid\ Price\ (n-1) * \sum_{i=1}^{n-1} Bid\ Quantity\ (i);\ Bid\ Price\ (n) * \sum_{i=1}^{n} Bid\ Quantity\ (i)\right]$$

6. When calculating the maximum payment obligations according to paragraph 5 of this Article, the Allocation Platform shall also take into account the increase of the maximum payment obligations with applicable taxes and levies in force subject to Article 50.

Article 33
Auction results determination

1. After the expiration of the Bidding Period for an Auction and the Credit Limit verification pursuant to Article 32, the Allocation Platform shall determine the Auction results and allocate Daily Transmission Rights in accordance with this Article.

2. The Auction results determination shall include the following per MTU:

   (a) determination of the total quantity of the allocated Daily Transmission Rights per direction on ElecLink Interconnector;

   (b) identification of winning Bids to be fully or partially satisfied; and

   (c) determination of the Marginal Price per direction on the ElecLink Interconnector.

3. The Allocation Platform shall determine the Auction results using an optimisation function aiming at maximisation of the sum of the Registered Participants' surplus and the Congestion Income generated by the winning Bids while respecting the constraints of the optimisation function in form of relevant Offered Capacities. The Allocation Platform shall publish additional explanatory information on the optimisation function of the algorithm on its website.

4. The Allocation Platform shall determine the Marginal Price for each direction on the ElecLink Interconnector based on the following criteria:

   (a) if the total quantity of Interconnector Capacity for which valid Bids have been submitted is lower than or equal to the relevant Offered Capacity for the relevant Auction, then the Marginal Price shall be zero;

   (b) if the total quantity of Interconnector Capacity for which valid Bids have been submitted exceeds the relevant Offered Capacity for the relevant Auction, the Marginal Price shall be set at the lowest Bid(s) Price(s) allocated in full or in part using the respective Offered Capacities.

5. If two (2) or more Registered Participants have submitted for one direction on the ElecLink Interconnector valid Bids with the same Bid Price, that cannot be accepted for the total requested quantity of Daily Transmission Rights, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Daily Transmission Rights per Registered Participant as follows:

   (a) the Interconnector Capacity available for the Bids which set the Marginal Price shall

be divided equally between the number of the Registered Participants which submitted these Bids;

(b) in case the quantity of Daily Transmission Rights requested by a Registered Participant at Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;

(c) in case the quantity of Daily Transmission Rights requested by a Registered Participant at Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;

(d) any remaining Interconnector Capacity after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.

6. Whenever the calculation set forth in paragraphs 3 to 5 of this Article does not result in a full MW amount in accordance with Article 28 paragraph 1(f), the Daily Transmission Rights shall be rounded down to the nearest full MW. The case when the Daily Transmission Rights allocated to individual Registered Participants are equal to zero after rounding shall not impact the Marginal Price determination.

7. The Daily Transmission Rights are deemed to have been allocated to a Registered Participant from the moment the Registered Participant has been informed of the Auction results and the contestation period is closed in accordance with Article 35. In the event that the Auction was not successfully performed, the fallback procedures as set forth in CHAPTER 6 shall apply.

8. Registered Participants acknowledge and accept that their Bids may be partially accepted according to the methodology above.

Article 34
Notification of provisional Auction results

1. The Allocation Platform shall publish on its website the provisional Auction results as soon as possible but not later than specified in the Auction Specification.

2. The publication of the provisional Auction results for each direction on ElecLink Interconnector and MTU included in the Auction shall comprise at least the following data:

(a) total requested Daily Transmission Rights in MW;

(b) total allocated Daily Transmission Rights in MW;

(c) Marginal Price in EUR/MW per MTU;

(d) number of Registered Participants participating in the Auction;

(e) number of Registered Participants who placed at least one winning Bid in the Auction;

(f) list of registered Bids without identification of the Registered Participants (bid curve); and

(g) Congestion Income.

3. As soon as possible after the publication of the provisional Auction results the Allocation Platform shall provide via the Auction Tool and notify to each Registered Participant who submitted a Bid to a specific Auction at least the following data:

   (a) allocated Daily Transmission Rights for each MTU of the Product Period in MW;

   (b) Marginal Price in EUR/MW per MTU; and

   (c) due amount for allocated Daily Transmission Rights in EUR, rounded to two decimal places.

4. In the event that the Auction Tool is unavailable, the Allocation Platform shall inform the Registered Participants of the provisional Auction results in accordance with CHAPTER 6.

Article 35
Contestation of Auction results

1. Registered Participants shall check the provisional Auction results and, where reasonably appropriate, may contest the provisional Auction results within the contestation period set out in paragraph 2 of this Article. The Allocation Platform shall only consider a contestation where the Registered Participant is able to demonstrate an error by the Allocation Platform in the provisional Auction results.

2. The Registered Participant may contest the provisional Auction results within the deadline set out in the relevant Auction Specification but no later than thirty (30) minutes after the provisional Auction results have been notified to the Registered Participant.

3. The contestation has to be notified to the Allocation Platform and headed as “contestation”.

4. Any contestation shall contain the following:

   (a) date of contestation;

   (b) identification of contested Auction;

   (c) identification of the Registered Participant;

   (d) name, e-mail address and telephone number of the Registered Participant;

   (e) detailed description of the facts and the reason for contestation; and

   (f) evidence of erroneous Auction results.

5. The Allocation Platform shall notify its decision on the contestation to the Registered Participant no later than ninety (90) minutes after the provisional Auction results have been notified to the Registered Participant.

6. At the end of the deadline specified above in paragraph 5 of this Article and unless an Auction is cancelled, the provisional Auction results shall be considered as final and binding with no further notification.

CHAPTER 5
Use of Daily Transmission Rights

Article 36
General principles

1. Physical Transmission Rights allocated in Auction shall be subject to the Use it or Lose It principle with no financial compensation.

2. The holder of allocated Daily Transmission Rights may Nominate the Daily Transmission Rights for its physical use in accordance with Article 37. In such case, the energy accounts of the holder on each side of the border will be updated taking into account the appropriate loss factor as defined in the Nomination Rules.

Article 37
Nomination of Daily Transmission Rights

1. Persons eligible to Nominate Daily Transmission Rights shall fulfil the requirements described in the Nomination Rules.

2. The Nomination shall be done in compliance with the Rights Document.

3. The Nomination deadlines are set forth in the Nomination Rules. The Allocation Platform shall publish information on its website on the Nomination deadlines in respect of Interconnector Capacity of the ElecLink Interconnector. In case of any discrepancy between the deadlines published by the Allocation Platform and those of the valid and legally binding Nomination Rules, the latter shall prevail and the Allocation Platform shall not be held liable for any damages due to such a discrepancy.

Article 38
Rights Document

1. The Rights Document shall contain the information about the volume in MW that eligible persons are entitled to Nominate in a specific direction and for a MTU period.

2. The Allocation Platform shall send Rights Document after each Auction to the Daily Transmission Rights' holder via the Auction Tool, no later than fifteen (15) minutes after the contestation period as defined in Article 35.

CHAPTER 6
Fallback procedures

Article 39
General provisions

1. The Allocation Platform shall, to the extent reasonably practicable organize a fallback procedure in the following cases of failure of a standard process:

   (a) if it is technically not possible to hold an Auction following the process set forth in CHAPTER 4;

   (b) if it is technically not possible to use the standard data exchange procedure following the process as set forth in CHAPTER 5.

2. The Allocation Platform may use one or all of the following fallback procedures:

   (a) introduction of a fallback procedure for data exchange according to Article 40;

   (b) postponement of the Auction to a later time;

   (c) introduction of a Fallback Auction according to Article 42;

   (d) another ad hoc fallback procedure if considered appropriate by the Allocation Platform to overcome any technical obstacles.

3. The Allocation Platform shall, to the extent practicable and without undue delay, inform Registered Participants of possible deviations from the standard processes and the application of a fallback procedure via electronic means as specified by the Allocation Platform on its website and/or the Allocation Platform's website and/or using the Auction Tool.

4. Registered Participants shall immediately inform the Allocation Platform of any observed problems with the use of the Auction Tool and all potential consequences via electronic means as specified by the Allocation Platform on its website. In case of an urgent problem, which shall be solved immediately and which is identified during Working Hours, the Registered Participant shall immediately contact the Allocation Platform by phone at the telephone number indicated on the website of the Allocation Platform for this type of problems.

Article 40
Fallback procedure for data exchange

1. In case of a failure at the site of the Allocation Platform of the standard processes for data exchange via the Auction Tool as described in these Allocation Rules, the Allocation Platform may inform Registered Participants that a fallback procedure for data exchange may be used as follows:

   (a) by the applicable deadlines unless otherwise announced by the Allocation Platform the Registered Participant shall request the Allocation Platform by electronic means as specified by the Allocation Platform on its website to enter the relevant data into the Auction Tool by using this fallback procedure for data exchange;

(b) with the request the Registered Participant shall provide to the Allocation Platform in the format specified in the Information System Rules the relevant data to be entered in the Auction Tool;

(c) the Allocation Platform shall enter the submitted data into the Auction Tool;

(d) the Allocation Platform may set in Information System Rules an identification process for the Registered Participant at the moment when the Registered Participant submits the relevant operational or commercial data and requests the Allocation Platform to enter this data into the Auction Tool on its behalf by means of the fallback procedure. If the Registered Participant or the person authorized by the Registered Participant for this purpose does not clearly identify itself, the Allocation Platform shall be entitled not to perform the data entry;

(e) the Registered Participant shall provide the Allocation Platform with a telephone number, which can be used in case of a necessary communication;

(f) once the Allocation Platform has entered the provided data into the Auction Tool on behalf of the Registered Participant, the Allocation Platform shall, without undue delay, by telephone and/or via electronic means as specified by the Allocation Platform on its website, inform the Registered Participant of the entry; and

(g) the Allocation Platform shall under no circumstances be held responsible if it fails to reach the Registered Participant through the means of communication above or if it fails to enter the data correctly via the fallback procedure.

2. In case of application of the fallback procedure for data exchange, all necessary information which is made available via the Auction Tool during the standard processes may be distributed to the Registered Participants by the Allocation Platform by electronic means as specified by the Allocation Platform on its website or where appropriate published on the website of the Allocation Platform.

Article 41
Postponement of Auction

1. The postponement of the Auction shall be the default fallback procedure for Auctions.

2. The Allocation Platform shall:

(a) where reasonably practicable postpone an Auction by notifying the Registered Participants of the revised time of the new Auction; or

(b) cancel the initial Auction according to Article 43 and organize a new Auction for the same Product Period.

3. If the postponement of the Auction is announced after the Bidding Period has opened, the Allocation Platform may also cancel the initial Auction according to Article 43 and organize a new Auction for the same Product Period or may apply the Fallback Auction as specified in Article 42.

4. If the fallback procedure described in paragraphs 1 and 2 of this Article cannot be implemented for the same Product Period, the Allocation Platform shall offer the respective Interconnector Capacities in subsequent capacity allocation process.

5. The Allocation Platform shall inform all Registered Participants, without undue delay, of the postponement by notification published in the Auction Tool and/or on the webpage of the Allocation Platform and/or by electronic means as specified by the Allocation Platform on its website.

Article 42
Fallback Auction

1. If it is technically not possible to hold an Auction following the process set forth in CHAPTER 4, the Allocation Platform may generate Rights Document using Auction results determined within the last simulation of the Auction carried out according to paragraph 3 of this Article before the technical problems occurred, if necessary reduced according to paragraph 5 of this Article.

2. The Allocation Platform shall inform all Registered Participants, of the application of Fallback Auction by notification published in the Auction Tool and/or on the webpage of the Allocation Platform and/or by e-mail no later than at 10:15 a.m. on day preceding the delivery day.

3. The Allocation Platform shall simulate the Auction of the day preceding the delivery day. In this simulation of the Auction the Allocation Platform will use the latest available default Bids for Fallback Auction together with the latest available information on the Offered Capacity.

4. In the simulation of the Auction according to paragraph 2 above the Credit Limit of the Registered Participant will be taken into consideration. However, contrary to Articles 21 and 32 the potential outstanding payment obligations resulting from Fallback Auction will be considered for Credit Limit assessment only if the results of the Fallback Auction are published.

5. The Daily Transmission Rights generated according to the Auction simulation set forth in paragraphs 3 and 4 of this Article will be published and notified according to Article 34 paragraph 2 by 10:15 a.m. on day preceding the day of delivery. Information according to Article 34 paragraph 3 will be notified in accordance with Article 40 paragraph 2. Article 35 applies as well.

6. If new default Bids cannot be uploaded and if the Auction cannot be carried out according to CHAPTER 4 because the technical problems continue, the Allocation Platform shall continue to generate Daily Transmission Rights according paragraphs 2 to 6 of this Article based on the results of the last available simulation of the Auction from before the technical problems initially occurred. The Allocation Platform will inform the Registered Participant of the necessity to carry out a consecutive Fallback Auction without undue delay. The Registered Participant has to inform the Allocation Platform by e-mail between 11:00 a.m. and 05:00 p.m. on the same day, when the Allocation Platform informs about the consecutive Fallback Auction, if he does not want to receive Daily Transmission Rights in the consecutive Fallback Auction of the following day. Daily Transmission Rights will only be allocated to the Registered Participant in the consecutive Fallback Auction if he has sufficient Credit Limit.

Article 43
Auction cancellation

1. In case the Allocation Platform cancels an Auction, all Bids already submitted and any results of the respective Auction shall be deemed null and void.

2. The Allocation Platform shall inform all Registered Participants without undue delay, of the Auction cancellation by notification published in the Auction Tool or on webpage of Allocation Platform and by electronic means as specified by the Allocation Platform on its website.

3. An Auction cancellation may be announced in the following cases:

   (a) before the end of the contestation period in case the Allocation Platform faces technical obstacles during the Auction process like a failure of standard processes and fallback procedures in the event of erroneous results due to incorrect Marginal Price calculation or incorrect offered capacity values; and

   (b) after the end of the contestation period, in the event of incorrect offered capacity values, or erroneous results due to incorrect Marginal Price calculation or incorrect allocation of Daily Transmission Rights to Registered Participants or similar reasons.

4. In case of Auction cancellation before the contestation period elapses, no compensation shall be paid to the Registered Participants.

5. In case of Auction cancellation after the contestation period elapses, the Registered Participant is entitled to receive a compensation equal to:

   (a) the Marginal Price of the initial Auction; multiplied by

   (b) the volume in MW per MTU.

6. The Allocation Platform shall publish on its website, without undue delay, the reasons for the Auction cancellation.

Article 44
Fallback procedure for eligible person notification

1. In case of failure in the standard process of eligible person notification to the Allocation Platform via the Auction Tool, the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 40.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for eligible person notification.

3. In case the fallback procedure for data exchange cannot be implemented as necessary to enable the registration of the eligible person, the eligible person shall be deemed notified as set forth in Information System Rules.

CHAPTER 7
Curtailment

Article 45
Triggering events and consequences of curtailment on Daily Transmission Rights

1. Daily Transmission Rights may be curtailed in the event of Force Majeure or an emergency situation and if there is a Capacity Shortage according to applicable legislation and this CHAPTER 7.

2. Curtailment may be applied on allocated Daily Transmission Rights including, where the case may be, on Nominated Daily Transmission Rights.

3. Each Registered Participant affected by curtailment shall lose its right to Nominate for physical use the concerned Daily Transmission Rights.

4. Registered Participants acknowledge that an emergency situation or a Force Majeure, or any increase or decrease in the Curtailment Quantity during an emergency situation or Force Majeure, which arises after the relevant Nomination Gate closure will be reflected in the calculation of deemed metered volumes in accordance with the Nomination Rules

5. In case of curtailment, the affected Registered Participant is entitled to receive reimbursement or compensation according to Article 47

Article 45A
Capacity Shortage

A Capacity Shortage occurs in any minute in a direction if:

$$NTC_{dir} < \Sigma\ Capa^{GNC}_{dir} + \Sigma\ MIN^{GC}_{dir} - \Sigma\ MIN^{GC}_{opp}$$

where:

(a) NTC_{dir} is the value of the Net Transfer Capacity at that time in that direction; and

(b) $\Sigma\ Capa^{GNC}_{dir}$ is the sum of the Interconnector Capacity rights across all Registered Participants in that direction for any Timescale for which Nomination Gate closure has not yet occurred (before curtailment of these rights in respect of the relevant Capacity Shortage in accordance with these Allocation Rules); and

(c) $\Sigma\ MIN^{GC}_{dir}$ is the sum of the MIN values across all Registered Participants in that direction for all Timescales for which Nomination Gate closure has occurred (before curtailment of that MIN in respect of the relevant Capacity Shortage in accordance with these Allocation Rules); and

(d) $\Sigma\ MIN^{GC}_{opp}$ is the sum of the MIN values across all Registered Participants in the opposite direction for all Timescales, for which Nomination Gate closure has

occurred (before curtailment of that MIN in respect of the relevant Capacity Shortage in accordance with these Allocation Rules).

and the "Curtailment Quantity" is the positive number equal to the difference between NTC_{dir} in such direction and (Σ $Capa^{GNC}_{dir}$ + Σ MIN^{GC}_{dir} - Σ MIN^{GC}_{opp}) when there is an emergency situation or Force Majeure.

Article 46

Process and notification of curtailment on Daily Transmission Rights

1. In all cases curtailment on Daily Transmission Rights shall be carried out by the Allocation Platform based on a request by ElecLink where Daily Transmission Rights have been allocated.

2. The Allocation Platform shall notify the affected holders of Daily Transmission Rights as soon as possible of a curtailment of Daily Transmission Rights via electronic means as specified by the Allocation Platform on its website and / or on the webpage of the Allocation Platform. The notification shall identify the affected Daily Transmission Rights, the affected volume in MW per MTU for each concerned period, the triggering events for curtailment as described in Article 45 and the amount of Daily Transmission Rights that remain after the curtailment.

3. The Allocation Platform shall publish the triggering events for curtailment in accordance with Article 45 including their estimated duration on its website as soon as possible.

4. The curtailment of Daily Transmission Rights during a specific time period shall be applied to all Daily Transmission Rights of the concerned periods on a pro rata basis, which means in proportion to the held Daily Transmission Rights.

5. For each affected Registered Participant, remaining Daily Transmission Rights which have not been curtailed shall be rounded down to the nearest MW.

Article 47

Reimbursement for curtailments due to Force Majeure or emergency situation

1. In the case of Force Majeure or emergency situation holders of curtailed Daily Transmission Rights shall be entitled to receive a reimbursement equal to the price of the Daily Transmission Rights set during the Daily Transmission Rights allocation process, which for each affected MTU and Registered Participant shall be calculated as:

   (a) the Marginal Price of the initial Auction; multiplied by

   (b) the amount in MW per MTU corresponding to the difference between the Daily Transmission Rights held by the Registered Participant before and after the curtailment.

CHAPTER 8
Invoicing and payment

Article 48
General principles

1. A Registered Participant shall pay the amounts due as calculated in accordance with Article 49 for all Daily Transmission Rights allocated to him.

2. The Registered Participant may upon payment and in line with separate agreements between the Registered Participant and ElecLink physically use the Interconnector Capacity connected with the allocated Daily Transmission Rights as described in these Allocation Rules.

3. All financial information, prices and amounts due shall be expressed in Euros (€ / EUR), except if deviations are required by applicable law or regulations.

4. The payment shall be settled on the date upon which the given amount is credited to the account of the beneficiary. Any interest for late payment shall be considered as settled on the date when the payment was credited from the account of the payer.

5. Payments shall be done in Euros (€ / EUR).

6. The Allocation Platform shall consider taxes and levies at the rate and to the extent applicable when assessing payment obligations and issuing invoices under these Allocation Rules subject to Article 50.

7. The Registered Participant shall provide the Allocation Platform with relevant information for justifying whether or not respective taxes and levies are applicable when signing the Participation Agreement as well as any changes in this respect without undue delay. Therefore, the Registered Participant agrees to inform the Allocation Platform of any local, intra-community or extra-community taxes and levies which are in line with the legislation of the Registered Participant's country of establishment.

Article 49
Calculation of due amounts

1. Registered Participants shall pay for each of the Daily Transmission Rights allocated to them and for individual MTU's an amount equal to:

   (a) the Marginal Price (per MW per MTU); multiplied by

   (b) the sum of Daily Transmission Rights in MW allocated in individual MTU of the Product Period.

2. The Daily Transmission Rights will be invoiced on a monthly basis. The Allocation Platform shall calculate the due amount to be paid retroactively for the preceding month. The amount due plus any applicable taxes, duties or other charges subject to Article 50, shall be rounded to two decimal places.

Article 50
Tax gross-up

1. Each Registered Participant must settle all payments with respect to the Allocation Rules for ElecLink without any tax deduction, unless a tax deduction is required by law.

2. If a tax deduction is required by law to be made by a Registered Participant, the amount of the payment due from the Registered Participant to the Allocation Platform will be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.

3. Paragraph 2 of this Article does not apply with respect to any tax assessed on the Allocation Platform on any payment received in connection with the Allocation Rules for Eleclink under the laws of the jurisdiction in which the Allocation Platform is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Allocation Platform is treated as resident for tax purposes or has or is deemed for tax purposes to have a permanent establishment or a fixed place of business to which any payment under the Allocation Rules is attributable. Paragraph 2 of this Article does not apply to value added tax as provided for in the Directive 2006/112/EC as amended from time to time and any other tax of a similar nature.

Article 51
Invoicing and payment conditions

1. The Allocation Platform shall issue invoices for payments for all Daily Transmission Rights on a monthly basis and no later than the tenth (10^{th}) Working Day of each month for the Auctions with delivery period of the month preceding.

2. The Allocation Platform shall send the invoice only by electronic means as specified by the Allocation Platform on its website to the Registered Participant at the e-mail address of the financial contact person submitted in accordance with Article 8 paragraph 1(i) or it should make it available to the Registered Participant via the Auction Tool. The date of issuance of the invoice shall be the date on which the invoice is sent by electronic means as specified by the Allocation Platform on its website or the date when the invoice is made available via the Auction Tool if this is done during Working Hours or the next Working Day if sent after Working Hours.

3. In the cases of curtailment of Daily Transmission Rights in accordance with CHAPTER 7 the invoices shall take into account any payments to be credited to the Registered Participant. The payments to be credited to the Registered Participants shall:

   (a) be settled through self-billing mechanism which shall allow the Allocation Platform to issue invoices in the name and on behalf of the Registered Participant; and

   (b) be notified through the same invoice as the one used for the payments of the Registered Participant as set forth in paragraph 1 of this Article.

4. The payments due shall be netted taking into account the amount as set forth in paragraphs 1 and 3 of this Article.

5. If the balance of the payments as set forth in paragraph 4 of this Article results in a net payment from the Registered Participant to the Allocation Platform, the Registered Participant shall settle this balance within five (5) Working Days after the date of issuance of the invoice.

6. Payments by the Registered Participant as set forth in paragraph 5 of this Article shall be

collected as follows:

(a) based on the standard procedure, the Allocation Platform shall collect the payment automatically from the dedicated Business Account of the Registered Participant on the respective due date of the invoice; or

(b) alternatively, the Registered Participant shall ensure payment through a non-automated transaction to the account of the Allocation Platform specified on the invoice by indicating the invoice reference from the bank account as announced during the accession process in accordance with Article 8 paragraph 1(h) by the Registered Participant.

The alternative procedure may be used upon request of the Registered Participant and with the consent of the Allocation Platform. The Registered Participant shall notify the Allocation Platform by electronic means as specified by the Allocation Platform on its website of the request to use the alternative procedure at least two (2) Working Days before the date of issuing of the next invoice as set forth in paragraph 1 of this Article. Once the alternative procedure is agreed by the Parties, it shall be deemed to be valid until otherwise agreed between the Registered Participant and the Allocation Platform.

7. If the balance of the payments as set forth in paragraphs 1 and 3 of this Article results in a net payment from the Allocation Platform to the Registered Participant, the Allocation Platform shall pay this balance within seven (7) Working Days after the date of issuance of the invoice to the bank account as announced during the accession process in accordance with Article 8 paragraph 1(h) by the Registered Participant who is entitled to the payments at the due date.

8. Upon the collection of the payment as set forth in paragraph 6 of this Article, the Allocation Platform shall update the Credit Limit accordingly.

9. Erroneous invoices shall be corrected and settled as follows:

   (a) in case of an erroneous invoice resulting in an additional payment of the Allocation Platform or the Registered Participant the Allocation Platform shall correct the invoice and any due amount shall be settled as soon as possible and at the latest within thirty (30) Working Days to the Registered Participant or the Allocation Platform;

   (b) in case of an erroneous invoice based on erroneous information provided by third parties, the Allocation Platform shall correct the amount and settle the amount to the Registered Participant as soon as possible and at the latest within given ninety (90) Working Days, from the date the Registered Participant informed the Allocation Platform of the erroneous information;

   (c) in case the error in the invoice occurred due to technical constraint and if the resolution of technical constraint requires the Allocation Platform to update the Auction Tool, the Allocation Platform shall resolve the technical constraint, correct the invoice and settle the amount to the Registered Participant as soon as possible and at the latest within one hundred eighty (180) Working Days.

10. Bank fees of the payer’s bank shall be covered by the payer. Bank fees of the receiving bank shall be covered by the beneficiary. Bank fees of any intermediary bank shall be covered by the Registered Participant.

11. The Registered Participant shall not be entitled to offset any amount, or withhold any debts arising in connection with obligations resulting from an Auction, against any claims towards the Allocation Platform, whether or not arising out of an Auction. Nevertheless, the right to offset and the right to withhold are not excluded in case the Registered Participant's claim against Allocation Platform is established by a legally binding judgement or is uncontested.

Article 52
Payment disputes

1. A Registered Participant may dispute the amount of an invoice, including any amounts to be credited to the Registered Participant. In this case, the Registered Participant shall notify the nature of the dispute and the amount in dispute to the Allocation Platform as soon as practicable and in any event within fifteen (15) Working Days after the date of issuance of the invoice or credit note by registered mail and electronic means as specified by the Allocation Platform on its website. Beyond this period, the invoice shall be deemed to have been accepted by the Registered Participant.

2. If the Registered Participant and the Allocation Platform are unable to resolve the difference within ten (10) Working days after the notification, the procedure for the dispute resolution in accordance with Article 56 shall apply.

3. A difference or dispute shall in no way relieve the Registered Participant from the obligation to pay the amounts due as set forth in Article 51 paragraph 1.

4. If it is agreed or determined based upon the dispute resolution procedure as set forth in Article 56 that an amount paid or received by the Registered Participant was not properly payable, the following process shall apply:

   (a) the Allocation Platform shall refund any amount including interest to be calculated according to Article 48 paragraph 4 to the Registered Participant in case that the amount paid by the Registered Participant as set forth in Article 51 was higher or the amount paid by the Allocation Platform was lower than the due amount. The Allocation Platform shall make the payment to the bank account indicated by the Registered Participant for this reimbursement in accordance with Article 8 paragraph 1 (h) provided the Allocation Platform has received the amount due from the relevant TSOs if applicable;

   (b) the Registered Participant shall pay any amount including interest to be calculated according to Article 48 paragraph 4 to the Allocation Platform in case that the amount paid by the Registered Party as set forth in Article 51 was lower or the amount paid by the Allocation Platform was higher than the due amount. The Registered Participant shall make the payment in accordance with the procedure set forth in Article 51 paragraph 6. Upon such payment the Allocation Platform shall update the Credit Limit of the Registered Participant as set forth in Article 51 paragraph 8.

5. The interest paid in case of a payment in accordance with paragraph 4 of this Article shall be applied from the first (1st) day following the date on which the payment was due up to the date on which the disputed amount was refunded and it shall apply also to all taxes and levies required by law.

Article 53
Late payment and payment incident

1. In case the Registered Participant has not fully paid an invoice by the due date specified on the invoice, the Allocation Platform shall notify the Registered Participant that a payment incident will be registered if the amount including applicable interest due is not received within three (3) Working Days upon sending of the notification. In case of no payment within the deadline and without prejudice to the other rights of the Allocation Platform, the Allocation Platform shall notify the Registered Participant that the payment incident was registered.

2. Immediately after registration of the payment incident the Allocation Platform may invoke the collaterals. After a recurring payment incident, the Allocation Platform may require from the Registered Participant to change its Bank Guarantee collateral to a cash deposit collateral.

3. The Allocation Platform may suspend or terminate the Participation Agreement in case of registered payment incident in accordance with Article 57 and Article 58.

4. In case of late payment or refund, the Parties shall pay interest on the due amount including taxes and levies as from the first (1st) day following the date on which payment was due until the date on which the payment is settled. The interest, being charged without further notice, shall be equal to the highest amount of:

   (a) a flat rate of 100 €; or

   (b) eight (8) percentage points per annum above the reference interest rate as officially published by the national authorities of the country in which the Allocation Platform is located and rounded up to the nearest half percentage point.

CHAPTER 9
Miscellaneous

Article 54
Duration and amendment of Allocation Rules

1. The Allocation Rules are of indefinite duration and are subject to amendment in accordance with this Article. These Allocation Rules and any amendments thereof shall be consulted upon subject to paragraph 6 of this Article and enter into force in accordance with the applicable national regulatory regime. The Allocation Platform shall publish the amended Allocation Rules and send an amendment notice to Registered Participants.

2. The amendment process shall be carried out in accordance with the conditions of the ElecLink Interconnector Licence.

3. Subject to paragraph 6 of this Article, any amendment shall be approved by the National Regulatory Authorities and shall enter into force at the date and time specified in the amendment notice but not later than thirty (30) calendar days after the amendment notice is sent to Registered Participants by the Allocation Platform.

4. Each amendment shall apply to all aspects of these Allocation Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect. The amended Allocation Rules shall govern all rights and obligations in connection with these Allocation Rules.

5. Any amendment of these Allocation Rules shall apply automatically to the Participation Agreement in force between the Allocation Platform and the Registered Participant, without the need for the Registered Participant to sign any acknowledgement or acceptance of the amendment or a new Participation Agreement or the amendment notice or the amended Allocation Rules but without prejudice to the Registered Participant's right to request the termination of its Participation Agreement in accordance with Article 58 paragraph 1. By participating in the Auction after the Registered Participant was informed about the changes and/or adaptations of the Allocation Rules and after these changes and/or adaptations of the Allocation Rules entered into force, it is deemed that the Registered Participant has accepted the changed Allocation Rules, i.e. the valid and effective version of the Allocation Rules.

6. These Allocation Rules are subject to the legislation prevailing at the time at which they take effect. In the event that there is a change in relevant legislation or any action by competent authorities which have an effect on these Allocation Rules then, notwithstanding any other provision of these Allocation Rules, the Allocation Rules shall be amended accordingly and pursuant to this Article.

Article 55
Liability

1. The Allocation Platform and the Registered Participants are solely responsible for the fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the Allocation Rules and the Participation Agreement.

2. Subject to any other provisions of these Allocation Rules the Allocation Platform shall only

be liable for damages caused by:

(a) fraud, gross negligence or wilful misconduct; or

(b) death or personal injury arising from its negligence or that of its, employees, agents or subcontractors.

3. In derogation to paragraph 2(a) of this Article, liability for indirect, consequential damages including, but not limited to, loss of profit, loss of opportunity, loss of chance, trading losses is excluded in all cases.

4. For the avoidance of doubt, the Allocation Platform shall not be liable for damages suffered by Registered Participants as a result of technical problems unless such act or omission is a result of fraud, gross negligence or wilful misconduct. The Allocation Platform shall have tested the computer systems and other technical equipment in their responsibility sufficiently before putting them into operation and shall be responsible for their adequate maintenance.

5. A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a direct damage that it has caused, which any of them may suffer or incur by reason of any claim by any third party on account of any and all direct loss suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with these Allocation Rules. Liability of Registered Participants for indirect, consequential damages is excluded in all cases.

6. The Allocation Platform and each Registered Participant acknowledges and agrees that it holds the benefit of paragraphs 1, 2, ,3 and 4 of this Article for itself and as trustee and agent for its officers, employees and agents.

7. The Registered Participant shall be solely responsible for its participation in Auctions including but not limited to the following cases:

(a) the timely arrival of Bids and notifications by the Registered Participant;

(b) technical failure of the information system on the side of the Registered Participant preventing the communication via the channels foreseen in accordance with these Allocation Rules.

8. In case of curtailment compensation due to Force Majeure or emergency situation in accordance with Article 47 Registered Participants shall not be entitled to other compensation than the compensation described in these Allocation Rules.

9. In addition to paragraph 4 of this Article 55, the Registered Participant shall be liable to the Allocation Platform with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on the Allocation Platform for incorrect tax treatment due to wrong or incomplete information provided by the Registered Participant.

10. For the avoidance of doubt, nothing in this Article 55 shall prevent or restrict either the Allocation or a Registered Participant from enforcing any obligation owned to it under or pursuant to these Allocation Rules.

11. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 56
Dispute resolution

1. Without prejudice to paragraphs 6, 7 and 8 of this Article, where there is a dispute under or in relation to these Allocation Rules and/or a Participation Agreement (including any non-contractual obligations arising out of or in connection with them) the Allocation Platform and the Registered Participant (together the "**Disputing Parties**") shall first seek amicable settlement through mutual consultation pursuant to paragraph 2. For this purpose, the Party raising the dispute shall send a notification to the other party indicating:

   (a) the existence of a Participation Agreement between the Disputing Parties;

   (b) the reason for the dispute; and

   (c) a proposal for a future meeting (physical or not) with a view to settle the dispute amicably.

2. The Disputing Parties shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) Working Days from the date of the aforementioned notification, either Party may refer the matter to the senior management of the Disputing Parties to resolve the dispute pursuant to paragraph 3.

3. A senior representative of each of the Allocation Platform and the Registered Participant with authority to resolve the dispute shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) Working Days of the meeting or such longer time as may be agreed in writing by the Disputing Parties, then the dispute shall be determined by arbitration in accordance with paragraph 4.

4. Where a dispute is to be referred to arbitration under paragraph 3, either the Allocation Platform or the Registered Participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one (1) arbitrator to be nominated upon agreement of the Disputing Parties unless a Party requests the appointment of three (3) arbitrators. In case of one (1) arbitrator, the Disputing Parties shall agree on the nomination of the arbitrator within two (2) months after the notice was given by the Party referring the dispute to arbitration. If no agreement can be found, the arbitrator shall be appointed by the ICC Court. In case of three (3) arbitrators the claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each Party shall then nominate the chairman of the arbitral tribunal within three (3) Working Days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each Party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in the location of the Allocation Platform unless otherwise defined in the Participation Agreement and in accordance with the governing law of these Allocation Rules while the language of the arbitration proceedings shall be English. The arbitrators shall decide in law and not as *amiables compositeurs*[2]. The arbitration will be a first hearing and the arbitrators shall hear arguments and evidence. The emergency arbitrator provisions according to the Rules of Arbitration of the Chamber of Commerce shall not apply

[1] In the English version of these Allocation Rules, words in French in italics are to be interpreted in accordance with their meaning in French.

but the interim or injunctive relief measures under the governing law shall apply.

5. Arbitration awards shall be final and binding on the Allocation Platform and the relevant Registered Participant as from the date that they are made. The Allocation Platform and the Registered Participant shall carry out any award of an arbitrator relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.

6. Notwithstanding paragraphs 3 and 4 of this Article, the Disputing Parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arisen under or in connection with these Allocation Rules and/or a Participation Agreement (including any non-contractual obligations arising out of or in connection with them).

7. In cases of late payment and without prejudice to Article 53 and paragraphs 1 to 4 of this Article, a Party may bring court proceedings against the other Party for any amount due under or in connection with these Allocation Rules and unpaid for more than twenty (20) Working Days after the date the amounts were due.

8. The Parties agree that proceedings referred to in paragraph 6 or paragraph 7 of this Article may be brought in any competent court to hear such claim. The Registered Participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any such proceedings brought in any such court may be enforced in the courts of any other jurisdiction.

9. Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Article, the Allocation Platform and the Registered Participant shall continue to perform their respective obligations under these Allocation Rules and the Registered Participant's Participation Agreement.

10. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 57
Suspension of the Participation Agreement

1. The Allocation Platform may by notice to the Registered Participant suspend the Registered Participant's rights (including rights to participate in Auctions) in connection with these Allocation Rules with immediate effect if the Registered Participant commits a major breach of an obligation in connection with these Allocation Rules which may have a significant impact to the Allocation Platform as follows:

   (a) if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform pursuant to Article 53;

   (b) if a Registered Participant fails to provide and maintain collaterals in accordance with Article 23;

   (c) any breach which may have a financial impact to the Allocation Platform; or

   (d) the Allocation Platform has reasonable grounds to believe that the Registered Participant no longer satisfies one or more of any other conditions to participate in Auctions according to these Allocation Rules unless termination applies according to Article 58; or

(e) if the Registered Participant is under economic and/or trade sanctions.

2. In any case of a minor breach in relation to these Allocation Rules such as the failure of the Registered Participant to notify a change in the submitted information in accordance with Article 8, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant that its rights in connection with these Allocation Rules may be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed without that such remedy has taken place.

3. After the suspension takes effect in accordance with paragraphs 1 and 2 of this Article, the following applies:

   (a) in cases of suspension in accordance with Article 57 paragraph (1)(a) to (d), the suspended Registered Participant may no longer participate in an Auction and, unless the payment of the Daily Transmission Right is fully settled or fully secured by collaterals by the suspended Registered Participant, the suspended Registered Participant shall not be entitled to use Daily Transmission Rights according to CHAPTER 5.

   (b) in cases of suspension in accordance with Article 57 paragraph (1)(e), the suspended Registered Participant may no longer participate in an Auction and shall not be entitled to use Daily Transmission Rights according to CHAPTER 5.

4. For the avoidance of doubt, the Interconnector Capacity rights which the Registered Participant is prohibited from using as a result of such suspension may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not be required to compensate the Registered Participant.

5. The Allocation Platform may withdraw a notice under paragraphs 1 or 2 of this Article at any time. Having given a notice under paragraphs 1 or 2 of this Article, the Allocation Platform may give a further or other notice at any time in respect of the same or a different suspension event.

6. Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, or if the sanctions against the Registered Participant have been lifted, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to its ability to participate in Auctions by written notice to the Registered Participant. As from the date of effect of the reinstatement, the Registered Participant may participate in Auctions.

7. If the Allocation Platform gives a notice to a Registered Participant under paragraph 1 or paragraph 2 of this Article, such notice of suspension does not relieve the Registered Participant from its payment obligations under CHAPTER 8.

Article 58
Termination of the Participation Agreement

1. A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Working Days upon receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled.

2. A Registered Participant may terminate the Participation Agreement to which the Registered

Participant is a Party for good cause when the Allocation Platform has committed a major breach of an obligation connected with these Allocation Rules or the Participation Agreement in the following cases:

(a) where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact; or

(b) where there is a significant breach of the confidentiality obligations in accordance with Article 61.

3. The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Working Days to remedy the breach where possible. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. Where no remedy is possible, the termination shall take effect immediately upon receipt of the termination notice.

4. If any of the termination events in paragraph 5 of this Article occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement, including the Registered Participant's rights connected with these Allocation Rules. A termination under this paragraph takes effect from the time of the notice or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform until the circumstances of termination continue to exist or it is not sufficiently guaranteed that the breach may not occur again.

5. The termination events referred to in paragraph 4 shall be the following:

(a) if the rights of the Registered Participant are suspended for longer than thirty (30) Working Days;

(b) if a Registered Participant does not qualify for the participation in the Auction as set forth in Article 9;

(c) if a Registered Participant received three single payment incident notifications within the same calendar year from the Allocation Platform, as described in Article 53 paragraph (3) of these Allocation Rules;

(d) if a Registered Participant repeatedly breaches these Allocation Rules or a Participation Agreement, whether or not the breach is capable of remedy;

(e) if a competent authority (i) determines that the Registered Participant has committed a misuse or fraudulent act and (ii) requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or (iii) agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions;

(f) if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tool (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack); or

(g) if the Registered Participant has been inactive in the business relationship with the

Allocation Platform for more than eight (8) months. For the sake of clarity, the Allocation Platform shall have notified the Registered Participant ahead of the upcoming termination; or

(h) if a Registered Participant becomes insolvent or has a receiving order or administration order made against it or carries on business under a receiver, administrator, trustee or manager for the benefit of its creditors (or any event occurs, or proceeding is taken, with respect to the Registered Participant in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the aforementioned events); or

(i) if a Registered Participant breaches any of the provisions of the RTE Grid Code or the GB Grid Code applicable to it and such breach has or can reasonably be expected to have an adverse effect on the operation of the ElecLink Interconnector or the arrangements contemplated by these Allocation Rules and (if capable of remedy) the breach has not been remedied within ten (10) Working Days of a notice from the Allocation Platform requiring remedy.

6. After the termination takes effect in accordance with paragraphs 1 to 4 of this Article and from that time, the Registered Participant may no longer participate in an Auction and use its already acquired Daily Transmission Rights. For the avoidance of doubt, the Interconnector Capacity rights which the Registered Participant is prohibited from using as a result of such termination may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not be required to compensate the Registered Participant.

7. Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these Allocation Rules which arose prior to that termination unless otherwise specified in this Article. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with the Allocation Rules, in respect of all such rights and liabilities (including its payment obligations under CHAPTER 8). This paragraph shall apply without prejudice to other remedies available to the Allocation Platform under these Allocation Rules or at law, including any right to claim damages in respect of any breach of the Allocation Rules or the Participation Agreement which existed at or before the date of termination.

Article 59
Force Majeure

1. The Allocation Platform or a Registered Participant, which invokes Force Majeure, shall promptly send to the other Party a notification describing the nature of Force Majeure and (so far as it can be determined) its expected duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The Party invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.

2. The affected obligations, duties and rights of a Party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions in accordance with Article 61.

3. Suspension under paragraph 2 of this Article is subject to the following:

(a) suspension will be of no greater scope and of no longer duration than is required by the Force Majeure; and

(b) the suspension applies only for so long as the Party invoking Force Majeure is using reasonable efforts to remedy or mitigate its inability to perform.

4. The consequences of a Force Majeure event which is not subject to any discussion or litigation between the Allocation Platform and the Registered Participant, are as follows:

   (a) the Party invoking Force Majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations during the Force Majeure and when such non-performance or partial performance is due directly to Force Majeure; and

   (b) the acquired Daily Transmission Rights which have been entirely paid and become subject to Force Majeure are reimbursed for the duration of the Force Majeure in accordance with any applicable legislation and these Allocation Rules.

5. The Party affected by the Force Majeure shall give notice to the other Party when it ceases to be affected by the Force Majeure.

6. If the Force Majeure continues for a period longer than six (6) months, the Allocation Platform or each Registered Participant may, by written notice to the other given at any time while the Force Majeure continues beyond that period, unilaterally terminate the Participation Agreement. The termination shall take effect ten (10) Working Days after the notice is given or any later date specified in the notice.

7. For avoidance of doubt this Article is without prejudice to the provisions of CHAPTER 7 regarding the curtailment of Daily Transmission Rights.

Article 60
Notices

1. Any notice or other communication to be given under or in connection with these Allocation Rules and/or the Participation Agreement shall be in English.
2. Unless otherwise expressly provided in these Allocation Rules, all notices or other communications under or in connection with these Allocations Rules and/or the Participation Agreement shall be in writing and shall be sent by electronic means as specified by the Allocation Platform on its website and marked for the attention of the other Party's representative as set out in the Participation Agreement or as notified by the Registered Participant from time to time in accordance with Article 8.

3. All notices or other communications under or in connection with these Allocation Rules and/or the Participation Agreement shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:

   (a) the conclusion of the Participation Agreement in accordance with Article 6;

   (b) the suspension or termination according to Article 57 and Article 58; and

   (c) the submission of the Bank Guarantee, in the event the Bank Guarantee includes handwritten signature(s), in accordance with Article 19.

4. All notices or other communications under or in connection with these Allocation Rules and/or the Participation Agreement shall be deemed to have been received:

   (a) in the case of delivery by hand, when delivered against receipt; or

(b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or

(c) in the case of sent by electronic means as specified by the Allocation Platform on its website, when delivered to the other Party but only if an acknowledgement of receipt is requested and obtained by the Party sending the electronic means as specified by the Allocation Platform on its website.

5. If a notice or other communication has been received outside normal Working Hours on a Working Day, it is deemed to have been received at the opening of business on the next Working Day.

Article 61
Confidentiality

1. The Participation Agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.

2. Subject to paragraphs 3 and 4 of this Article, the Allocation Platform and each Registered Participant who is a recipient of confidential information in relation to these Allocation Rules shall preserve the confidentiality of each item of such confidential information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.

3. Notwithstanding paragraph 2 of this Article, the Allocation Platform or a Registered Participant who is a recipient of confidential information may disclose confidential information of a disclosing Party to a third party with the other Party's prior, written and expressed consent and subject to the condition that the receiving Party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in these Allocation Rules directly enforceable by the other Party.

4. Notwithstanding paragraph 2 of this Article the Allocation Platform or a Registered Participant who is recipient of confidential information may disclose confidential information of a disclosing Party:

(a) to the extent expressly permitted or contemplated by the Allocation Rules;

(b) to any person who is one of the directors, officers, employees, agents, advisers (including financial advisers and legal advisers) or insurers of the recipient and who needs to know the confidential information in connection with these Allocation Rules;

(c) as may be directed or ordered under or required in order to comply with any applicable national legislation or any other relevant domestic administrative acts such as grid codes;

(d) as may be required by a competent regulatory authority, court or administrative tribunal having jurisdiction over the recipient or an arbitrator or expert in the course of proceedings before it to which the recipient is a Party;

(e) as may be required by ElecLink for the proper fulfilment of its mission and its obligations in accordance with applicable laws and these Allocation Rules by itself or through agents or advisers; or

(f) as far as required in order to obtain clearances or consents from a competent

authority or if requested by or required to be disclosed under any applicable powers of a competent authority (including the National Regulatory Authorities).

5. Moreover, the obligations arising from this Article shall not apply:

   (a) if the Party which receives the information can prove that at the time of disclosure, such information was already publicly available (otherwise than as a result of a breach by the recipient of Article 61);

   (b) if the receiving Party can prove that, at the time of disclosure, the information was already in its possession and not subject to any obligation of confidentiality;

   (c) if the receiving Party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;

   (d) to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market participant can be deduced; or

   (e) to information whose publication is explicitly provided for by the present Allocation Rules.

6. The Allocation Platform and ElecLink shall be permitted to disclose confidential information to NESO and/or RTE in their respective capacities as transmission system operators.

7. The obligations of confidentiality in this Article shall remain valid for a period of five (5) years after termination of the Registered Participant's Participation Agreement.

Article 62
Assignment and subcontracting

1. The Allocation Platform may assign, novate or otherwise transfer any of its rights or obligations under a Participation Agreement and/or these Allocation Rules to another Allocation Platform. The Allocation Platform shall notify the Registered Participants of the change by electronic means as specified by the Allocation Platform on its website with acknowledgment of receipt as soon as possible and in any event at least ten (10) Working Days before the date on which the change takes effect.

2. A Registered Participant may not assign, novate or otherwise transfer or grant any interest in or over, or create a trust in respect of, any of its rights or obligations under its Participation Agreement and/or these Allocation Rules without the prior written consent of the Allocation Platform or ElecLink.

3. Nothing in this Article shall prevent an Allocation Platform or Registered Participant from entering into a subcontracting agreement in relation to this Allocation Rules. Entry into a subcontracting agreement by a Registered Participant does not relieve the Registered Participant of any obligation or liability under its Participation Agreement and/or these Allocation Rules.

Article 63
Governing law

These Allocation Rules shall be governed by and construed in all respects in accordance with the law of the location of the registered office of the Allocation Platform unless otherwise specified in the Participation Agreement.

Article 64
Language

These Allocation Rules shall be produced both in English and French. For the avoidance of doubt, in the event of inconsistencies between the English and French versions published by the Allocation Platform, the English version published by the Allocation Platform shall prevail.

Article 65
Intellectual property

1. No Party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other Party in connection with these Allocation Rules and/ or a Participation Agreement.

2. The signature of a Participation Agreement and the exchange of confidential information do not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one Party to the other under the terms of the Allocation Rules.

Article 66
Relationship of the Parties

1. The relationship of the Allocation Platform and the Registered Participant via the Participation Agreement is that of service provider and service user respectively. Except as expressly provided in these Allocation Rules, nothing contained or implied in these Allocation Rules constitutes or is deemed to constitute the Allocation Platform or a Registered Participant, the partner, agent or legal representative of the other for any purpose or to create or be deemed to create any partnership, agency or trust between the Parties whatsoever.

2. The Registered Participant acknowledges that neither the Allocation Platform nor any person acting on behalf of or associated with the Allocation Platform makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these Allocation Rules, the Participation Agreements or the disclosed information or otherwise in relation to or in connection with these Allocation Rules, the Participation Agreements and the disclosed information or any transaction or arrangement contemplated by these Allocation Rules, the Participation Agreements and the disclosed Information except as specifically provided in these Allocation Rules or the Participation Agreement.

Article 67
No third party rights

The Allocation Platform and each Registered Participant acknowledge and agree that a person who is not a Party to the Participation Agreement between them, including any other market participant, has no rights to enforce these Allocation Rules and/or the Participation

Agreement as between the Allocation Platform and that Registered Participant.

Article 68
Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under these Allocation Rules and the Participation Agreement shall impair or constitute a waiver of such or any other right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under these Allocation Rules and the Participation Agreement.

2. Any waiver of any right, power or remedy under these Allocation Rules and the Participation Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 69
Entire agreement

These Allocation Rules and the Participation Agreement contain or expressly refer to the entire agreement between the Allocation Platform and each Registered Participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersede all previous agreements and understandings between the Allocation Platform and each Registered Participant with respect thereto. The Allocation Platform and each Registered Participant acknowledge and confirm that none of them enter into or accede to these Allocation Rules or the Participation Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these Allocation Rules or the Participation Agreement.

Article 70
Remedies exclusive

Except as otherwise expressly provided, the rights and remedies provided by these Allocation Rules and the Participation Agreement to the Allocation Platform and each Registered Participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of these Allocation Rules and the Participation Agreement. Accordingly, the Allocation Platform and each Registered Participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these Allocation Rules and the Participation Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 71
Severability

1. If any provision of these Allocation Rules or a Participation Agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to

arbitration or by order of any competent authority, such invalidity, unenforceability or illegality shall not prejudice or affect either the remaining provisions of these Allocation Rules or the Participation Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality, or the validity, enforceability or legality of such provision under the laws of any other jurisdiction. Any invalid, illegal, void and/or unenforceable part(s) or provision(s) shall be replaced by valid, legal and/or enforceable part(s) or provision(s) in order to achieve the intended economic and legal effect.

2. If any provision would otherwise be invalid, unenforceable or illegal under Article 71 paragraph 1 but would cease to be invalid, unenforceable or illegal if some part of it were deleted, the relevant part shall be deemed to be deleted.

Article 72
Anti-bribery and corruption

Any Registered Participant who offers any inducement, fee or reward to the Allocation Platform or any of its officers, employees or agents or any person acting as an adviser to the Allocation Platform in connection with any Auction which would constitute a breach of the Bribery Act 2010 may be disqualified by the Allocation Platform acting reasonably and that Registered Participant's Participation Agreement may be terminated under Article 58 paragraph 5(d) (in either case without prejudice to any other civil remedies available to the Allocation Platform and without prejudice to any criminal liability which the Registered Participant may attract).

Part 3

Eleclink Long-Term Allocation Rules

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CHAPTER 1
General provisions

Article 1
Subject-matter and scope

1. These ElecLink Long-Term Allocation Rules contain the terms and conditions for the allocation of Long-Term Transmission Rights on the Interconnector, it being understood that the Registered Participant will accede to these rules by the signature of the Participation Agreement. In particular, the ElecLink Long-Term Allocation Rules set out the rights and obligations of Registered Participants as well as the requirements for participation in Auctions, they describe the process of Auction, including the determination of Marginal Price as a result of Auction, the conditions for transfer and return of Long-Term Transmission Rights, for remuneration of holders of such returned Long-Term Transmission Rights, and the processes for curtailment of Long-Term Transmission Rights and invoicing/payment. These ElecLink Long-Term Allocation Rules apply to all Registered Participants on a non-discriminatory basis.

2. The Auctions and transfer of Long-Term Transmission Rights refer to Interconnector Capacity only and Registered Participants may invoke no other right in connection with the Long-Term Transmission Rights allocated to them than the rights in accordance with the provisions of these ElecLink Long-Term Allocation Rules.

Article 2
Definitions and interpretation

1. The following definitions shall apply:

   Affiliate means, in relation to any person, any other person that directly or indirectly controls, is controlled by or is under direct or indirect common control with that person where control is defined as rights, contracts or any other means which, either separately or in combination and having regard to the considerations of fact or law involved, confer the possibility of exercising decisive influence on an undertaking, in particular by (a) ownership or the right to use all or part of the assets of an undertaking and/or (b) rights or contracts which confer decisive influence on the composition, voting or decisions of the organs of an undertaking;

   Allocation Platform means the Joint Allocation Platform or such other entity appointed and commissioned by ElecLink to act as an Allocation Platform on its behalf and on its own name for the attribution of Long-Term Interconnector Capacity through the Auctions as defined in the Participation Agreement;

   Auction means any auction of Long-Term units under CHAPTER 4;

   Auction Specification means a list of specific characteristics of a particular Auction, including the nature of offered products and relevant dates;

   Auction Tool means the information technology system used by the Allocation Platform to perform Auctions and to facilitate other procedures described in these ElecLink Long-Term Allocation Rules such as transfer or return of Long-Term Transmission Rights;

   Bank Guarantee means an unconditional and irrevocable standby letter of credit or letter of guarantee issued by a bank;

   Bid means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction;

Bid Price means the price which a Registered Participant is willing to pay for one (1) MW and MTU of Long-Term Transmission Rights;

Bid Quantity means the amount of Long-Term Transmission Rights in MW requested by a Registered Participant;

Bidding Period means the time period within which the Registered Participants wishing to participate in an Auction may validly submit their Bids;

Business Account means a dedicated deposit account opened at the financial institution selected by the Allocation Platform in the name of the Allocation Platform or at the discretion of the Allocation Platform opened by the Registered Participant, but with the Allocation Platform as the beneficiary of the dedicated cash deposit, which may be used for payment by the Registered Participant;

Capacity Allocation means the attribution of cross zonal capacity;

Capacity Shortage has the meaning set out in Article 56A of these ElecLink Long-Term Allocation Rules;

Congestion Income means the revenues received as a result of Capacity Allocation;

Contract Day means, in relation to a Contract Day D, a period of twenty-four (24) hours commencing at 00:00 hours on day D;

Credit Limit means the amount of the collaterals which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations;

Default Nomination means the automatic generation and submission of Nominations by the Nomination Platform, activated in advance by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules, in respect of a particular Timescale;

EIC Code means the ENTSO-E Energy Identification Coding Scheme identifying the parties in a cross-border trade;

ElecLink means ElecLink Limited, a company registered in England and Wales with registration number 07595420;

ElecLink Day Ahead Allocation Rules means the rules applicable to ElecLink in respect of the allocation of daily capacity on the Interconnector;

ElecLink Interconnector Licence means the electricity interconnector licence granted to ElecLink under section 6(1)(e) of the Electricity Act 1989;

Firmness Deadline means the point in time after which Interconnector Capacity becomes firm as further described in Article 58.

Force Majeure means any unforeseeable or unusual event or situation beyond the reasonable control of a Party and/or ElecLink, and not due to a fault of the Party and/or ElecLink, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the Party and/or ElecLink, which has actually happened and is objectively verifiable, and which makes it impossible for the Party and/or ElecLink to fulfil, temporarily or permanently, its obligations;

Information System Rules means the terms and conditions for access to and use of the Auction Tool by Registered Participants as published on the Allocation Platform's website;

Interconnector means ElecLink;

Interconnector Capability means the capability of the interconnected system to accommodate energy transfer between bidding zones;

Interconnector Capacity means the right of use of the Interconnector made available by the Allocation Platform in auctions, to facilitate the transmission of energy by Registered Participants between Great Britain and France, to the extent that the net transfer capacity permits and as provided for in these ElecLink Long-Term Allocation Rules;

Joint Allocation Platform means the Joint Allocation Office S.A., a company registered in Luxembourg with registration number B 142.282;

Long-Term means processes relating to Auctions with Product Periods greater than one (1) Contract Day and less than or equal to one (1) year, and associated Interconnector Capacity activities;

Long-Term Transmission Right means a Physical Transmission Right acquired in the forward Capacity Allocation;

Marginal Price means the price determined at a particular Auction to be paid by all the Registered Participants for each MW and MTU period of acquired Long-Term Transmission Right;

Market Time Unit or **MTU** means the Market Time Unit that is set on the Allocation and/or Nomination Platform;

National Regulatory Authorities means the relevant GB and French regulatory authorities;

NESO means National Energy System Operator Limited, a company incorporated in England and Wales with company number 11014226 or any successor;

Nomination means, in relation to a PTR holder, the action to submit a mid-Interconnector nomination (or MIN), and “Nominated”, “Nominate” shall have corresponding meaning;

Nomination Gate means the relevant time period in which a holder of Physical Transmission Rights is able to Nominate its Interconnector Capacity rights;

Nomination Platform means the relevant system (established by ElecLink) used by PTR Holders to Nominate PTRs on the Interconnector;

Nomination Rules means the Nomination rules applicable to ElecLink in respect of Physical Transmission Rights;

Offered Capacity means the number of units being made available in the unit validity times in an Auction (i.e. the specific MTU period within the Product Period for which the units have been offered in the applicable Auction);

Operational Security Limits means the acceptable operating boundaries for secure grid operation such as thermal limits, voltage limits, short-circuit current limits, frequency and dynamic stability limits;

Participation Agreement means the agreement, by which the Registered Participant and the Allocation Platform undertake to comply with the terms and conditions for Capacity Allocation as contained in these ElecLink Long-Term Allocation Rules;

Party / Parties means the Allocation Platform and/or a Registered Participant referred to individually as Party or collectively as Parties;

Physical Transmission Right or PTR means a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time across the Interconnector in a specific direction;

Physical Transmission Rights Holder means a Registered Participant which has been allocated Physical Transmission Right (PTR)'s under the ElecLink Long-Term Allocation Rules;

Pre-Nomination means Nominations submitted by a PTR holder, or an authorised third party, to ElecLink in accordance with the Nomination Rules before the opening of a specific Nomination Gate and "Pre-Nominate", "Pre-Nominated" shall have corresponding meanings. A Pre-Nomination becomes a Nomination once the relevant Nomination Gate is open;

Product Period means the time and date on which the right to use the Long-Term Transmission Right commences and the time and date on which the right to use the Long-Term Transmission Right ends;

Reduction Period means a period of time, i.e. specific calendar days and/or MTU(s), within the Product Period in which Interconnector Capacities with a reduced amount of MW are offered taking into account a foreseen specific network situation (e.g. planned maintenance, long-term outages, foreseen balancing problems);

Registered Participant means a market participant which has entered into a Participation Agreement with the Allocation Platform;

Rights Document means a document issued by the Allocation Platform to a Registered Participant under these ElecLink Long-Term Allocation Rules containing the information of the maximum amount of allocated Physical Transmission Rights that can be nominated by the Registered Participant on the Interconnector per day, per MTU period and per direction taking into account the volume of Long-Term Transmission Rights initially acquired, the subsequent transfers and returns, and any possible curtailments which occurred before the issuance of the Rights Document;

RTE means RTE Réseau de Transport d'Electricité, a company registered in France and with registration number 444619258;

Settlement Period means each half-hour period coinciding with Settlement Periods as defined in the Balancing and Settlement Code which is the code of that name established under the NGESO transmission licence;

Timescale means either Long-Term, daily or intraday period of time;

Use it or Sell it or **UIOSI** has the meaning given to it in CHAPTER 7;

Working Day means the calendar days from Monday to Friday, with the exception of public holidays as specified on the website of the Allocation Platform;

Working Hours means the hours on Working Days specified within the Participation Agreement.

2. In these ElecLink Long-Term Allocation Rules, unless the context requires otherwise:

   (a) the singular also includes the plural and vice versa;

(b) references to one gender include all other genders;

(c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the ElecLink Long-Term Allocation Rules;

(d) the word “including” and its variations are to be construed without limitation;

(e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

(f) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

(g) a reference to time is a reference to CET/CEST time unless otherwise specified;

(h) any reference to a day, month or year is to be construed as a reference to a calendar day, month or year as the case may be;

(i) any reference to “CHAPTER” or “Article” is a reference to a chapter or article contained in these ElecLink Long-Term Allocation Rules;

(j) where the ElecLink or Allocation Platform is required to publish any information under these ElecLink Long-Term Allocation Rules, it shall do so by making the information or data available on ElecLink or the Allocation Platform website and/or via the Auction Tool.

Article 3
Allocation Platform

1. The Allocation Platform shall undertake the allocation functions in accordance with these ElecLink Long-Term Allocation Rules and in accordance with applicable national legislation.

2. For the purposes of these ElecLink Long-Term Allocation Rules the Allocation Platform shall be the party signing the Participation Agreement with the Registered Participant.

3. For the purpose of the Participation Agreement with the Registered Participant, the Allocation Platform shall publish a consolidated version of these ElecLink Long-Term Allocation Rules as they enter into force in accordance with the applicable national regulatory regimes. In case of a conflict between the consolidated version by the Allocation Platform and the ElecLink Long-Term Allocation Rules as entered into force in accordance with the applicable national regulatory regimes, the latter shall prevail.

Article 4
Effective date and application

1. These ElecLink Long-Term Allocation Rules shall enter into force in accordance with the applicable national regulatory regimes and on the date as notified by the Allocation Platform.

2. These ElecLink Long-Term Allocation Rules apply to Capacity Allocation for Long-Term Transmission Rights with the delivery period to be specified by the Allocation Platform on its website upon the entry into force of these ElecLink Long-Term Allocation Rules.

3. Unless expressly stated otherwise or otherwise required by the applicable governing law, these ElecLink Long-Term Allocation Rules shall govern all rights and obligations in connection with Long-Term Transmission Rights acquired before the entry into force of these ElecLink Long-

Term Allocation Rules but with the delivery date after the entry into force of these ElecLink Long-Term Allocation Rules.

CHAPTER 2
Requirements and process for participation in Auctions and transfers

Article 5
General provisions

1. Market participants may acquire a Long-Term Transmission Right only from participation in Auctions or/and via transfer.

2. The participation both in Auctions and in transfers requires that the market participant:

   (a) concludes a valid and effective Participation Agreement in accordance with Article 6 to Article 14; and

   (b) has access to the Auction Tool in accordance with Article 15.

3. The participation in Auctions requires that market participants, in addition to the conditions set forth in the previous paragraph, fulfil also the following conditions:

   (a) they comply with the requirements for provision of collaterals as specified in CHAPTER 3; and

   (b) they accept additional financial terms where needed in accordance with Article 16.

4. In any case, market participants have to fulfil the obligations as specified in the relevant Chapters of these ElecLink Long-Term Allocation Rules.

Article 6
Participation Agreement conclusion

1. At least nine (9) Working Days before the first participation in an Auction, any market participant may apply to be a party to a Participation Agreement by submitting, to the Allocation Platform, two (2) signed copies of the Participation Agreement in case of handwritten signature(s), as published on the website of the Allocation Platform, together with all duly completed information and documents required by Article 7 to Article 15. The Participation Agreement shall either be signed by handwritten signature(s) or qualified electronic signature(s) (QES). The Allocation Platform shall assess the completeness of the information submitted in accordance with Article 8 and Article 12 within seven (7) Working Days of receipt of the completed and signed Participation Agreement.

2. The Allocation Platform shall before the expiration of the seven (7) Working Days deadline ask the market participant to provide any outstanding information which the market participant fails to submit with its Participation Agreement. On receipt of the outstanding information, the Allocation Platform shall within an additional seven (7) Working Days review the information and inform the market participant if any further information is required.

3. Once the Allocation Platform has received all necessary information, it shall return one copy of the Participation Agreement signed by it to the market participant without undue delay. Signature of the Participation Agreement by the Allocation Platform shall not itself indicate compliance with any other condition set in these ElecLink Long-Term Allocation Rules for the participation in the Auctions. The Participation Agreement comes into force on the date of signature by the Allocation Platform.

4. The Allocation Platform shall publish a list of Registered Participants eligible to transfer Long-Term Transmission Rights.

5. In case the market participant is already a Registered Participant at the Allocation Platform it only has to complete the missing/extra requirements described under these ElecLink Long-Term Allocation Rules respecting the specificities of paragraph 3 of this Article 6.

Article 7
Form and content of the Participation Agreement

1. The form of the Participation Agreement and the requirements for its completion shall be published by the Allocation Platform and may be amended from time to time by the Allocation Platform without changing any terms and conditions specified in these ElecLink Long-Term Allocation Rules unless otherwise stated in these ElecLink Long-Term Allocation Rules.

2. As a minimum, the Participation Agreement will require the market participant to:

   (a) provide all necessary information in accordance with Article 8 and Article 12; and

   (b) agree to be bound by and comply with these ElecLink Long-Term Allocation Rules.

3. Nothing in these ElecLink Long-Term Allocation Rules shall prevent the Allocation Platform and the Registered Participant from agreeing in the Participation Agreement additional rules, out of the scope of these ElecLink Long-Term Allocation Rules, including but not limited to the participation in day-ahead or intraday explicit allocation.

4. In the event of difficulty of interpretation, contradiction or ambiguity between these ElecLink Long-Term Allocation Rules and the Participation Agreement, the text of the ElecLink Long-Term Allocation Rules shall prevail.

Article 8
Submission of information

1. The market participant shall submit the following information with its completed and signed Participation Agreement:

   (a) name and registered address of the market participant including general email, and telephone number of the market participant for notifications in accordance with Article 74;

   (b) if the market participant is a legal person, an extract of the registration of the market participant in the commercial register of the competent authority;

   (c) details regarding the beneficial ownership as defined in the relevant legal provisions transposing Article 3(6) of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;

   (d) contact details and names of persons authorised to represent the market participant and their function;

   (e) European value added tax registration number or similar tax identification information where EU VAT is not applicable;

   (f) taxes and levies to be considered for invoices and collateral calculations;

   (g) Energy Identification Code (EIC) which has been registered in the Centralised European Register of Energy Market Participants (CEREMP);

(h) bank account information evidenced by a bank account identification document for all payments to the applicant to be used by the Allocation Platform for the purposes of Article 65 paragraphs 8 and 9. The applicant shall provide the bank account information of a credit institution based in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services. The applicant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies to them accordingly;

(i) financial contact person for collaterals, invoicing and payment issues, and its contact details (email and telephone number) for notifications where required in these ElecLink Long-Term Allocation Rules in accordance with Article 74;

(j) commercial contact person and its contact details (email and telephone number) for notifications where required in these ElecLink Long-Term Allocation Rules in accordance with Article 74;

(k) operational contact person and its contact details (email and telephone number) for notifications where required in these ElecLink Long-Term Allocation Rules in accordance with Article 74; and

(l) ACER Registration Code (ACER Code) assigned by the European Agency for the Cooperation of Energy Regulators (ACER) during the market participant's registration process with the National Regulatory Authorities, and as reported on CEREMP.

2. A Registered Participant shall ensure that all data and other information that it provides to the Allocation Platform pursuant to these ElecLink Long-Term Allocation Rules (including information in its Participation Agreement) is and remains accurate and complete in all material respects and must promptly notify the Allocation Platform of any change.

3. A Registered Participant shall notify the Allocation Platform if there is any change to the information, submitted in accordance with paragraph 1 of this Article, at least nine (9) Working Days before the change comes into effect and, where that is not possible, without delay after the Registered Participant becomes aware of the change.

4. The Allocation Platform will confirm the registration of the change or send a refusal note of registration of the change to the Registered Participant, at the latest, seven (7) Working Days after the receipt of the relevant notification of change. The confirmation or refusal note will be sent via electronic means as specified by the Allocation Platform on its website. If the Allocation Platform refuses to register the change, the reason shall be provided in the refusal note.

5. The change becomes valid on the day of the delivery of the confirmation to the Registered Participant.

6. If additional information is required from a Registered Participant as a consequence of an amendment to these ElecLink Long-Term Allocation Rules, then the Registered Participant shall submit the additional information to the Allocation Platform within twelve (12) Working Days after the request for such submission by the Allocation Platform.

Article 9
Warranties

By the signature of the Participation Agreement the market participant warrants that:

(a) it has not commenced any proceedings seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting

creditors' rights;

(b) no insolvency, bankruptcy or other similar legal proceeding affecting creditors' rights have been commenced in relation to the applicant;

(c) no winding-up or liquidation proceedings have been commenced with regard to the applicant; and

(d) it has no overdue payment obligations towards any current, previous or future Allocation Platform.

Article 10
Declaration for participation in transfer only

As part of the submission of the information in accordance with Article 6 and Article 8, the market participant shall declare to the Allocation Platform whether it intends to participate in transfer of Long-Term Transmission Rights only. In such a case, it shall not be entitled to participate in any Auction.

Article 11
Dedicated Business Account

As part of the submission of the information in accordance with Article 6 and Article 8, a dedicated Business Account is put at the disposal of the market participant for the purposes of depositing cash collaterals and/or for the purposes of making payments on the basis described in Article 65 paragraph 7.

Article 12
Acceptance of the Information System Rules

By signing the Participation Agreement, the market participant accepts the applicable Information System Rules, as amended from time to time and published on the website of the Allocation Platform.

Article 13
Costs related to the Participation Agreement

All applications to become a Registered Participant and any subsequent participation in Auctions and/or the notification of transfer or the return of Long-Term Transmission Rights shall be at the Registered Participants' own cost, expense and risk. The Allocation Platform shall not be liable to any person for any cost, damages, or expense in connection with the Registered Participant participating in Auctions and/or transfer or return of Long-Term Transmission Rights unless otherwise explicitly stated in these ElecLink Long-Term Allocation Rules.

Article 14
Refusal of application

The Allocation Platform may refuse to enter into a Participation Agreement with a market participant in the following circumstances:

(a) when the applicant has not submitted a duly completed and signed Participation Agreement in accordance with Article 6, Article 7 and Article 8; or

(b) the Allocation Platform has previously terminated a Participation Agreement with the

applicant as a result of a breach of the Participation Agreement by the Registered Participant in accordance with Article 72 paragraphs 3 and 4 and unless the circumstances leading to termination have ceased to exist or the Allocation Platform is reasonably satisfied that the breach will not occur again; or

(c) if entering into a Participation Agreement with the applicant would cause the Allocation Platform to breach any condition of any mandatory legal or regulatory requirement;

(d) if any of the warranties of the Registered Participant under Article 9 are found to be not valid or false; or

(e) if the applicant is under economic and/or trade sanctions.

It being understood that the market participant, once a Registered Participant, shall continue to comply with the requirements set out by this Article.

Article 15
Access to the Auction Tool

1. The Allocation Platform shall grant access to the Auction Tool free of charge if the following requirements are satisfied:

   (a) the Registered Participant has signed and delivered a completed form included in the Information System Rules identifying the person(s) for which the user account(s) in the Auction Tool shall be established, including any third parties authorised to act on behalf of the Registered Participant for the purposes of return and transfer of Long-Term Transmission Rights in accordance with Article 38 and Article 41; and

   (b) the Registered Participant has fulfilled the requirements on authentication as set forth by the Information System Rules published by the Allocation Platform; such requirements may include technology for authentication purposes.

2. The Allocation Platform shall confirm the creation of the user account or may send a refusal note to the Registered Participant, at the latest, five (5) Working Days after the receipt of the relevant signed and completed form by the Registered Participant. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the operational contact person specified by the Registered Participant in accordance with Article 8.

3. The Allocation Platform shall send the duly justified refusal note if the requirements listed in paragraph 1 of this Article are not fulfilled and access to the Auction Tool will not be granted.

Article 16
Conclusion of additional financial terms

The Allocation Platform may develop and publish additional standard financial terms to be accepted by the Registered Participants. These additional financial terms may include provisions to enable joint collaterals for Long-Term and other processes organised by the Allocation Platform in accordance with the Participation Agreement, as long as these additional financial terms comply with these ElecLink Long-Term Allocation Rules.

Article 17
Regulatory and legal requirements

It is the responsibility of each market participant to ensure that it complies with relevant national legislation, including requirements of any relevant competent authority, and obtained all

necessary authorisations in connection with its participation in Auctions or in transfer and the use of Long-Term Transmission Rights and continue to maintain the said authorisations and comply with the relevant national legislation throughout its participation in Auctions.

CHAPTER 3
Collaterals

Article 18
General provisions

1. Registered Participants shall provide collaterals in order to secure payments to the Allocation Platform resulting from Auctions and, where applicable, potential other payments falling due under the additional financial terms in accordance with Article 16.

2. Only the following forms of collaterals shall be accepted:

   (a) a Bank Guarantee;

   (b) a cash deposit in a dedicated Business Account.

3. Collaterals may be provided in one of the forms mentioned in paragraph 2 of this Article or a combination of these forms, provided that the Allocation Platform is entitled as beneficiary to the full collateral.

4. Credit Limit shall always be greater or equal to zero.

5. The collaterals shall be provided in Euros (€ / EUR).

Article 19
Form of cash deposit

For collaterals that are provided in the form of a cash deposit in a dedicated Business Account the following conditions shall apply:

(a) the money shall be deposited in a dedicated Business Account at a financial institution selected by the Allocation Platform, and the Registered Participant shall pay all the amounts and payments to the Business Account from an account in its name with a credit institution based in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services. The Registered Participant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies with them accordingly;

(b) the dedicated Business Account shall be opened and used in accordance with additional financial terms to be concluded between the Allocation Platform and the Registered Participant, or where relevant the financial institution and the Registered Participant and shall only be used for Auction purposes;

(c) until withdrawal as permitted by the following provisions of Article 25, the cash deposit in the dedicated Business Account belongs to the Registered Participant if not stated otherwise in the additional financial terms in accordance with Article 16;

(d) withdrawals from the dedicated Business Account pursuant to Article 23 and Article 25 may be made solely on the instruction of the Allocation Platform;

(e) the dedicated Business Account may be used by the Allocation Platform for the purposes of settlement as set forth in Article 65 upon request of the Allocation Platform; and

(f) interest on the amount deposited in the dedicated Business Account shall accrue for the

benefit of the Registered Participant, after deduction of taxes and bank charges if any.

Article 20
Form of Bank Guarantee

1. Collaterals that are provided in the form of a Bank Guarantee shall comply with the following specifications:

   (a) the Bank Guarantee shall be provided in the form of the template that is available on the website of the Allocation Platform and updated from time to time or in a form that substantially follows the template. Alternatively, the Bank Guarantee shall be provided via SWIFT (Society for Worldwide Interbank Financial Telecommunication or any successor provider of such telecommunication services) and the fees of the receiving bank shall be covered by the Registered Participant;

   (b) the Bank Guarantee shall be written in English;

   (c) the Bank Guarantee covers all Auctions organised by the Allocation Platform subject to these ElecLink Long-Term Allocation Rules;

   (d) the Bank Guarantee shall allow partial and multiple drawing by the Allocation Platform, up to the maximum amount guaranteed;

   (e) the Bank Guarantee shall provide for payment upon first request of the Allocation Platform. It shall further provide that, if the Allocation Platform calls upon the Bank Guarantee, the bank shall pay automatically without any other condition than the receipt of a written demand by registered letter from the Allocation Platform;

   (f) the Bank Guarantee shall be irrevocable, unconditional and non-transferable;

   (g) the Bank Guarantee shall either include handwritten signature(s) or qualified electronic signature(s) (QES) from the issuing bank. In the event the Bank Guarantee is signed by qualified electronic signature(s) (QES), all following amendments shall be signed by qualified electronic signature(s) (QES);

   (h) the bank issuing the Bank Guarantee shall be permanently established, including via a branch in the United Kingdom, European Economic Area, Switzerland, or a country in which the Allocation Platform performs cross border auction services;

   (i) the bank issuing the Bank Guarantee or the financial group it belongs to shall have a long-term credit rating of not less than BBB+ by Standard and Poor's Corporation, BBB+ by Fitch or Baa1 by Moody's Investors Service Inc. If the rating requirement is not fulfilled by the issuing bank itself but by the financial group to which it belongs, the issuing bank shall provide the Allocation Platform with a parental guarantee or an equivalent document issued by the financial group. If the issuing bank or the financial group the issuing bank belongs to ceases to have the required long-term credit rating, the Registered Participant shall within five (5) Working Days submit to the Allocation Platform a substitute Bank Guarantee by a bank complying with the required long-term credit rating or replace the Bank Guarantee with a cash collateral deposit in a dedicated Business Account. If there are industry-wide downgrades of financial institutions, the Allocation Platform may investigate what the new standards are and, if deemed necessary, decrease the required rating for a limited period of time, informing the transmission system operators, who shall then inform the relevant National Regulatory Authorities; and

   (j) the bank issuing the Bank Guarantee shall not be an Affiliate of the Registered

Participant for which the Bank Guarantee is issued.

2. A Bank Guarantee shall contain the following:

   (a) a maximum amount guaranteed;

   (b) the Allocation Platform's identification as beneficiary, as specified on the website of the Allocation Platform;

   (c) the Allocation Platform's bank account, as specified on the website of the Allocation Platform;

   (d) the Allocation Platform's bank's address, as specified on the website of the Allocation Platform;

   (e) the Registered Participant's full identification, including name, address, commercial/company register;

   (f) full identification of the providing bank; and

   (g) the validity time.

3. The Registered Participant shall submit the Bank Guarantee at least four (4) Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.

4. The Allocation Platform shall accept the Bank Guarantee provided by a Registered Participant if the Bank Guarantee is provided in line with the specifications set out in paragraphs 1 to 2 of this Article and in the event the Bank Guarantee includes handwritten signature(s), the original of the Bank Guarantee has been received by the Allocation Platform.

5. The Allocation Platform shall confirm the acceptance of the Bank Guarantee or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the original of the Bank Guarantee. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 8. The refusal note shall include reasoning for refusal.

Article 21
Validity and renewal of the Bank Guarantee

1. Collaterals in the form of a Bank Guarantee shall be valid for the minimum periods as follows:

   (a) for product(s) with a duration of more than one (1) month, until at least thirty (30) calendar days after the end of each next calendar month within the Product Period(s);

   (b) for product(s) with a duration of one (1) month, until at least thirty (30) calendar days after the end of the Product Period(s); and

   (c) for product(s) with a duration of less than one (1) month, until at least sixty (60) calendar days after the end of the Product Period(s).

2. The Registered Participant shall replace or renew the collaterals in form of a Bank Guarantee to fulfil the requirements of paragraph 1 of this Article at least four (4) Working Days before the expiry of the validity of the collaterals.

Article 22
Credit Limit

1. The Allocation Platform shall calculate and continuously update the Credit Limit of each Registered Participant in respect of each subsequent Auction. The Credit Limit shall be equal to the amount of the collaterals in place minus any outstanding payment obligations. In case of a Bank Guarantee such Bank Guarantee shall be only considered if the requirements in Article 21 related to its validity for the respective Auction are fulfilled. The Allocation Platform shall make this information available to each Registered Participant individually through the Auction Tool.

2. Outstanding payment obligations are calculated according to Article 63 subject to additional rules in paragraphs 3 to 5 of this Article and in Article 33.

3. For the purpose of the Credit Limit calculation, outstanding payment obligations shall be increased to include the taxes and levies in force subject to Article 64.

4. Reduction Periods are taken into consideration for the calculation of the Credit Limit as set forth in Article 63.

5. Maximum payment obligations for a Registered Participant resulting from its Bid(s) registered at the closure of the Bidding Period, calculated according to Article 33, shall be considered provisionally as the outstanding payment obligations. From the publication of the provisional Auction results until the moment when the Auction results become final the due amount notified according to Article 35 paragraphs 3(b) and (c) shall be provisionally considered as outstanding payment obligations for Credit Limit calculation for any concurrent Auction. The Credit Limit shall be revised based on the actual allocated Long-Term Transmission Rights when the provisional Auction results are published as described in CHAPTER 4.

Article 23
Modifications of the collaterals

1. A Registered Participant may request in written form an increase of the collaterals in form of a Bank Guarantee, a decrease of the collaterals in form of a Bank Guarantee and/or cash deposit or change of the form of the collaterals at any time in accordance with paragraphs 2 and 3 of this Article.

2. A decrease of the collaterals of a Registered Participant shall only be allowed if the Credit Limit after applying the requested decrease of the collaterals would be greater than or equal to zero.

3. The Allocation Platform shall accept the modification of the collaterals if the request for a modification of collaterals is compliant with the condition set out in paragraph 2 of this Article in case of a decrease or with the conditions set out in Article 20 and Article 21 in case of an increase of collaterals in the form of a Bank Guarantee and in case of a change in the form of the collaterals from cash on deposit to Bank Guarantee.

4. The modification of the collaterals shall become valid and effective only when the Allocation Platform has made the requested modification of the collaterals of the Registered Participant within the Auction tool.

5. The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the latest, four (4) Working Days after the receipt of the request. The confirmation or refusal note shall be sent via electronic means as specified by the Allocation Platform on its website to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 8. The refusal

note shall include reasoning for refusal.

Article 24
Collateral incident

1. A collateral incident occurs in the following cases:

   (a) the collaterals are insufficient to secure the amount due for the Long-Term Transmission Rights held by a Registered Participant on the next payment date as set forth in Article 65 considering the amount and the validity of the collaterals; or

   (b) the collaterals are not renewed in accordance with Article 21 paragraph 2; or

   (c) the collaterals are not restored after a payment incident in accordance with Article 25 or new collateral was provided that is not compliant with the conditions specified in Article 18 paragraph 3, Article 19 and Article 20.

2. Without prejudice to the other rights of the Allocation Platform, the Allocation Platform shall notify the collaterals incident to the Registered Participant by electronic means as specified by the Allocation Platform on its website. The Registered Participant shall increase its collaterals within two (2) Working Days from sending of the notification if this is done during Working Hours or two (2) Working Days starting from the next Working Day if sent after Working Hours. If the collaterals provided by the Registered Participant remains insufficient after this period, the Allocation Platform may suspend or terminate the Participation Agreement in accordance with Article 71 and Article 72.

Article 25
Calls on collaterals

1. The Allocation Platform is entitled to call upon collaterals of a Registered Participant in the event of a registered payment incident in accordance with Article 67.

2. The Registered Participant shall restore its collaterals after a payment incident or collaterals incident by following the conditions as set forth in Article 18 paragraph 3, Article 19 and Article 20 unless the Participation Agreement is suspended or terminated in accordance with Article 71 and Article 72.

CHAPTER 4
Auctions

Article 26
General provisions for Auctions

1. The Allocation Platform shall allocate Long-Term Transmission Rights to Registered Participants by way of explicit Capacity Allocation. Prior to the Auction the Allocation Platform shall publish Auction Specifications on its website.

2. The Auctions shall be organised via the Auction Tool. Each Registered Participant fulfilling the requirements for participating in the Auction may place Bids in the Auction Tool until the relevant deadline for placing Bids in the specific Auction expires according to the respective Auction Specification.

3. After the relevant deadline for placing Bids in the specific Auction has expired, the Allocation Platform shall evaluate the Bids including against the respective Credit Limits of the Registered Participants. The results of the Auction will be notified to Registered Participants via the Auction Tool.

4. The Allocation Platform shall provide information on forthcoming Auctions by publishing on its website a provisional Auction calendar with the dates of Auctions reasonably in advance before the Auctions take place. A provisional Auction calendar for each calendar year shall be published no later than 1 December of the year preceding including provisional information on the form of the product, Product Period and Bidding Period.

Article 27
Capacity Allocation timeframe and form of product

1. The Allocation Platform shall, subject to product availability, offer Interconnector Capacity on annual and monthly timeframes, and in addition may offer capacity on other Long-Term timeframes such as seasonal, quarterly and weekend. For the avoidance of doubt, the annual timeframe starts on the first day and ends on the last day of a calendar year while the monthly timeframe starts on the first day and ends on the last day of a calendar month.

2. The standard form of the Auction products shall be a base product by which a fixed amount of MW throughout the Product Period is allocated subject to announced Reduction Periods. Additional products may be offered.

Article 28
Auction Specification

1. The Allocation Platform shall publish a provisional version of the Auction Specification and a final version of the Auction Specification as set forth in paragraphs 2 to 3 of this Article.

2. For annual Auctions the Allocation Platform shall publish the provisional and the final Auction Specification no later than one (1) week and for any other shorter Capacity Allocation timeframe no later than two (2) Working Days before the end of the Bidding Period of an Auction. The provisional Auction Specification shall state in particular:

   (a) the code identifying the Auction in the Auction Tool;

   (b) type of Long-Term Transmission Rights;

(c) the Capacity Allocation timeframe (e.g. annually, monthly or other, as described in Article 27);

(d) the form of product (e.g. base, peak, off-peak as described in Article 27);

(e) an identification of direction covered on the Interconnector, which will either be “Great Britain to France” or “France to Great Britain”;

(f) the deadline for return of the Long-Term Transmission Rights allocated in previous Auctions;

(g) the Product Period;

(h) the Reduction Period(s) associated with the Product Period if applicable;

(i) the Bidding Period;

(j) the deadline for the publication of the provisional Auction results;

(k) the contestation period in accordance with Article 36;

(l) the provisional Offered Capacity which shall not include Interconnector Capacity released via return of Long-Term Transmission Rights and Interconnector Capacity released in accordance with Article 71 and Article 72;

(m) any other relevant information or terms applicable to the product or the Auction.

3. Not earlier than four (4) hours after the publication of the provisional Auction Specification, the Allocation Platform shall publish the final Auction Specification for that Auction stating the final Offered Capacity and any other update of relevant information or terms applicable to the product or the Auction.

4. The final Offered Capacity shall consist of:

(a) the provisional Offered Capacity;

(b) the Interconnector Capacity already allocated to Registered Participants for which a valid request for return of Long-Term Transmission Rights has been submitted for this Auction in accordance with Article 37 and Article 38; and

5. The Allocation Platform shall publish the format of the Bids to be used.

Article 29
Reduction Periods of Offered Capacity

1. The Allocation Platform may announce one or more Reduction Periods in the Auction Specification. In this case, the Auction Specification shall include for each Reduction Period information on the duration of the Reduction Period and the amount of Offered Capacities.

2. For the avoidance of doubt, Reduction Periods do not apply to already allocated Long-Term Transmission Rights and shall not be considered for any purpose including compensation as a curtailment according to CHAPTER 9.

Article 30
Bids submission

1. The Registered Participant shall submit a Bid or set of Bids to the Allocation Platform in accordance with following requirements:

   (a) it shall be submitted electronically using the Auction Tool and during the Bidding Period as specified in the Auction Specification;

   (b) it shall identify the Auction via an identification code as specified in Article 28 paragraph 2 (a);

   (c) it shall identify the Registered Participant submitting the Bid through its EIC Code;

   (d) it shall identify the direction for which the Bid is submitted;

   (e) it shall state the Bid Price, which shall be different for each Bid of the same Registered Participant, exclusive of taxes and levies, in Euros per MW for one (1) MTU of the Product Period. The Bid Price will be expressed to a maximum of two (2) decimal places, and equal to or greater than zero (0);

   (f) it shall state the Bid Quantity in full MW which must be expressed without decimals.

2. The Registered Participant may modify its previously registered Bid or set of Bids at any time during the Bidding Period including its cancellation. In case the Bid or set of Bids has been modified only the last valid modification of the Bid or set of Bids shall be taken into account for the Auction results determination.

3. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction, by a Registered Participant exceeds the Offered Capacity announced in the final Auction Specification, this Bid or these Bids shall be completely rejected. Where a modification of previously submitted Bids results in exceeding the Offered Capacity, the modification shall be rejected and the previously registered Bids will stand.

4. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the relevant Offered Capacity announced after the Bids submission, the Bids with the lowest Bid Price will be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity. In case where the Information System Rules allow submission of Bids with the same Bid Price by one Registered Participant, the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the Information System Rules and shall be one or more from the following:

   (a) chronological order (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

5. The above-mentioned process shall apply to all forms of an Auction product and all forward Capacity Allocation timeframes.

Article 31
Bid registration

1. The Allocation Platform shall not register a Bid that:

(a) does not comply with the requirements of Article 30; or

(b) is submitted by a Registered Participant who is suspended in accordance with Article 71.

2. Provided that a Bid or a set of Bids fulfils the requirements set forth in Article 30, the Allocation Platform shall confirm to the Registered Participant that such Bid(s) have been correctly registered by an acknowledgment of receipt via the Auction Tool. If the Allocation Platform does not issue an acknowledgment of receipt for a Bid, such Bid shall be deemed not to have been registered. Only Bids for which the Allocation Platform issues an acknowledgment of receipt will be valid.

3. The Allocation Platform shall notify a Registered Participant whose Bid is rejected as invalid and the reason for this rejection, without undue delay after the Bid is rejected.

4. The Allocation Platform shall maintain a record of all valid Bids received.

5. Each valid Bid registered at closure of the Bidding Period shall constitute an unconditional and irrevocable offer by the Registered Participant to buy Long-Term Transmission Rights up to the Bid Quantity and at prices up to the Bid Price and under the terms and conditions of these ElecLink Long-Term Allocation Rules and the relevant Auction Specification.

Article 32
Default Bid

1. The Registered Participant has the option to place default Bids for Auctions.

2. A default Bid, once identified as such by the Registered Participant, shall apply automatically to each subsequent relevant Auction as defined by the Registered Participant when placing the default Bid. At the opening of a relevant Bidding Period, the registered default Bid shall be considered as a Bid submitted by the Registered Participant for the relevant Auction. This Bid shall be considered as valid and delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

3. If a default Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several default Bids submitted for the same Auction by a Registered Participant exceeds the final Offered Capacity of the relevant Auction, the Bids with the lowest Bid Price shall be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity. In case where the Information System Rules allow submission of Bids with the same Bid Price by one Registered Participant, the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the Information System Rules and shall be one or more from the following:

(a) chronological order (time stamp); and/or

(b) Bid identification assigned by the Auction Tool; and/or

(c) rejection of all relevant Bids with the same Bid Price.

4. A Registered Participant who wants to modify a default Bid for a future Auction shall change the Bid Quantity and/or the Bid Price of its default Bid before the applicable Auction Bidding Period opening.

5. A Registered Participant not wishing to submit the default Bid on the Auction Tool for future Auctions can cancel its default Bid before the subsequent Auction Bidding Period opening.

Article 33
Credit Limit verification

1. Upon submission by a Registered Participant of a Bid or a set of Bids to the Auction Tool the Allocation Platform shall check whether the maximum payment obligations (MPO) connected with that Registered Participant's registered Bid(s) calculated according to paragraphs 4 and 5 of this Article at the time of Bid(s) submission exceeds the Credit Limit. If the maximum payment obligation connected with such registered Bids exceed the Credit Limit, the Allocation Platform shall issue automatically via the Auction Tool a warning to the Registered Participant to modify the Credit Limit. Bids shall not be rejected automatically if the maximum payment obligation attributed to registered Bids exceeds the Credit Limit at Bid submission but only after the process described in paragraph 2 of this Article.

2. At closure of the Bidding Period the Allocation Platform shall check again whether the maximum payment obligations connected with registered Bids calculated according to paragraph 5 of this Article exceed the Credit Limit. If the maximum payment obligations connected with these Bids exceed the Credit Limit, these Bids, starting with the Bid with the lowest Bid Price, shall be one (1) by one (1) excluded, until the maximum payment obligations are less than or equal to the Credit Limit.

3. The Allocation Platform shall indicate insufficient collaterals as the reason for the Bid exclusion in the Auction results notification to the Registered Participant.

4. The Allocation Platform shall continuously assess all the Bids irrespectively to which Auction and with regard to which direction they are submitted. In case of Bids connected with various and overlapping Auctions the Allocation Platform shall consider all calculated maximum payment obligations as outstanding payment obligations according to Article 22.

5. For the calculation of the maximum payment obligations related to each direction the Allocation Platform shall sort the registered Bids of a Registered Participant by Bid Price in descending order (merit-order). Bid 1 shall be the Bid with the highest Bid Price and Bid n shall be the Bid with the lowest Bid Price. The Allocation Platform shall calculate the maximum payment obligations according to the following equation:

$$MPO = \sum_{hours} Max\left[Bid\ Price\ (1) * Bid\ Quantity\ (1);\ Bid\ Price\ (2) * \sum_{i=1}^{2} Bid\ Quantity\ (i);\ \ldots \right.$$
$$\left. \ldots;\ Bid\ Price\ (n-1) * \sum_{i=1}^{n-1} Bid\ Quantity\ (i);\ Bid\ Price\ (n) * \sum_{i=1}^{n} Bid\ Quantity\ (i)\right]$$

6. When calculating the maximum payment obligations according to paragraph 5 of this Article, the Allocation Platform shall also take the following into account:

   (a) if applicable, for each individual MTU period of the Reduction Period the maximum quantity of Long-Term Transmission Rights which can be allocated to the Registered Participant during the Reduction Period;

   (b) the increase of the maximum payment obligations with applicable taxes and levies in force subject to Article 64; and

   (c) in respect of Long-Term Transmission Rights with a Product Period of one (1) or more months, one (1) or two (2) monthly instalments respectively should be secured in compliance with due amount calculation according to Article 63 paragraph 5.

Article 34
Auction results determination

1. After the expiration of the Bidding Period for an Auction and the Credit Limit verification pursuant to Article 33, the Allocation Platform shall determine the Auction results and allocate the Long-Term Transmission Rights in accordance with this Article.

2. The Auction results determination shall include the following:

   (a) determination of the total quantity of the allocated Long-Term Transmission Rights per direction;

   (b) identification of winning Bids to be fully or partially satisfied; and

   (c) determination of the Marginal Price per direction.

3. The Allocation Platform shall determine the Auction results using an optimisation function aiming at maximisation of the sum of the Registered Participants' surplus and the Congestion Income generated by the winning Bids while respecting the constraints of the optimisation function in form of Offered Capacities. The Allocation Platform shall publish additional explanatory information on the optimisation function of the algorithm on its website.

4. The Allocation Platform shall determine the Marginal Price at each direction based on the following criteria:

   (a) if the total quantity of Interconnector Capacity for which valid Bids have been submitted is lower than or equal to the relevant Offered Capacity for the relevant Auction, then the Marginal Price shall be zero;

   (b) if the total quantity of Interconnector Capacity for which valid Bids have been submitted exceeds the relevant Offered Capacity for the relevant Auction, the Marginal Price shall be set at the lowest Bid(s) Price(s) allocated in full or in part using the respective Offered Capacities.

5. If two (2) or more Registered Participants have submitted for one direction valid Bids with the same Bid Price, that cannot be accepted in full for the total requested quantity of Long-Term Transmission Rights, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Long-Term Transmission Rights per Registered Participant as follows:

   (a) the Interconnector Capacity available for the Bids which set the Marginal Price shall be divided equally between the number of the Registered Participants which submitted these Bids;

   (b) in case the quantity of Long-Term Transmission Rights requested by a Registered Participant at Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;

   (c) in case the requested quantity of Long-Term Transmission Rights by a Registered Participant at Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;

   (d) any remaining Interconnector Capacity after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.

6. Where a Reduction Period is indicated in the Auction Specification for an Auction, the Allocation Platform shall determine the Auction results in accordance with the provisions of paragraphs 3 to 5 of this Article, modified as follows:

   (a) winning Bids and Marginal Prices for respective directions are determined according to paragraphs 3 to 5 of this Article;

   (b) for each Reduction Period the quantity of Long-Term Transmission Rights to be allocated to individual Registered Participants shall be calculated on a pro-rata basis taking into account the quantity of Long-Term Transmission Rights corresponding to the respective winning Bids of each Registered Participant and the respective reduced Offered Capacities. The Allocation Platform shall publish on its website clarifications and examples concerning the calculation of the quantity of Long-Term Transmission Rights to be allocated to individual Registered Participants in the Reduction Period.

7. Whenever the calculation set forth in paragraphs 3 to 6 of this Article does not result in a whole MW amount in accordance with Article 30 paragraph 1(f), the Long-Term Transmission Rights shall be rounded down to the nearest full MW. The case when Long-Term Transmission Rights allocated to individual Registered Participants are equal to zero after rounding shall not impact the Marginal Price determination.

8. The Long-Term Transmission Rights are deemed to have been allocated to a Registered Participant from the moment the Registered Participant has been informed of the results and the contestation period is closed in accordance with Article 36. In the event that the Auction was not successfully performed, the fallback procedures as set forth in CHAPTER 8 shall apply.

9. Registered Participants acknowledge and accept that their Bids may be partially accepted according to the methodology above.

Article 35
Notification of provisional Auction results

1. The Allocation Platform shall publish on its website the provisional Auction results as soon as possible but not later than specified in the final Auction Specification.

2. The publication of the provisional Auction results for each direction shall comprise at least the following data:

   (a) total requested Long-Term Transmission Rights in MW;

   (b) total allocated Long-Term Transmission Rights in MW;

   (c) Marginal Price in Euros/MW per MTU;

   (d) number of Registered Participants participating in the Auction;

   (e) list of names and number of Registered Participants who placed at least one winning Bid in the Auction;

   (f) list of registered Bids without identification of the Registered Participants (bid curve); and

   (g) Congestion Income.

3. No later than thirty (30) minutes after the publication of the provisional Auction results the Allocation Platform shall make available via the Auction Tool to each Registered Participant who submitted a Bid to a specific Auction at least the following data:

(a) allocated Long-Term Transmission Rights for each MTU of the Product Period in MW; and

(b) Marginal Price in Euros/MW per MTU; and

(c) due amount for allocated Long-Term Transmission Rights in Euro, rounded to two decimal places; and

(d) due amount for one (1) monthly instalment for allocated Long-Term Transmission Rights in Euros, rounded to two decimal places, in the event that the Product Period is longer than one (1) month.

4. In the event that the Auction Tool is unavailable, the Allocation Platform shall inform the Registered Participants of the provisional Auction results in accordance with CHAPTER 8.

Article 36
Contestation of Auction results

1. Registered Participants shall check the Auction results and, where reasonably appropriate, may contest the Auction results within the contestation period set out in paragraph 2 of this Article. The Allocation Platform shall only consider a contestation where the Registered Participant is able to demonstrate an error by the Allocation Platform in the Auction results.

2. The Registered Participant may contest the Auction results within the deadline set out in the relevant Auction Specification but no later than two (2) Working Days after the provisional Auction results have been notified to the Registered Participant.

3. The contestation shall be notified to the Allocation Platform and headed as “contestation”.

4. Any contestation shall contain the following:

(a) date of contestation;

(b) identification of contested Auction;

(c) identification of the Registered Participant;

(d) name, e-mail address and telephone number of the Registered Participant;

(e) detailed description of the facts and the reason for contestation; and

(f) evidence of erroneous Auction results.

5. The Allocation Platform shall notify its decision on the contestation to the Registered Participant no later than four (4) Working Days after the provisional Auction results have been notified to the Registered Participant.

6. At the end of the contestation period and unless an Auction is cancelled, the provisional Auction results shall be considered as final and binding with no further notification.

CHAPTER 5
Return of Long-Term Transmission Rights

Article 37
General provisions

1. Long-Term Transmission Right holder(s) may return some or all of their Long-Term Transmission Rights to the Allocation Platform for reallocation at any subsequent Long-Term Auction once the final Auction results are published.

2. Returned Long-Term Transmission Rights shall be either a constant band of whole MW(s) over the specific timeframe of the subsequent Auction or a constant value of whole MW(s) during the days out of the Reduction Period(s). This second case applies only if the Long-Term Transmission Rights to be returned at a subsequent Auction contain exactly the same Reduction Period(s) as the one(s) of the subsequent Auction itself.

3. The minimum volume for a returned Long-Term Transmission Right shall be one (1) MW over the specific timeframe of the subsequent Auction.

4. The Allocation Platform shall make the volumes of returned Long-Term Transmission Rights available at the subsequent Long-Term Auction, increasing the Offered Capacity announced in the provisional Auction Specification accordingly and equally for each MTU of the Product Period. The same applies for where the Offered Capacity announced in the provisional Auction Specification for the subsequent Long-Term Auction contains a Reduction Period.

5. If the returned Long-Term Transmission Rights are rounded down in accordance with the process described in Article 34 paragraph 7, the Allocation Platform shall remunerate the Registered Participant for the full amount of the returned Long-Term Transmission Rights in accordance with Article 39.

Article 38
Process of the return

1. Long-Term Transmission Right holder(s) wishing to return their Long-Term Transmission Rights shall send a notification, directly or indirectly through an authorised third party, via the Auction Tool to the Allocation Platform in line with the corresponding Information System Rules no later than the deadline specified in the provisional Auction Specification for the subsequent Auction to which the Long-Term Transmission Right is to be returned.

2. A valid notification of the return pursuant to paragraph 1 of this Article shall contain the following information:

   (a) EIC Code of the Long-Term Transmission Right holder;

   (b) identity of the subsequent Auction to which the Long-Term Transmission Right is returned; and

   (c) the volume of the Long-Term Transmission Rights for return.

3. In order to be able to return Long-Term Transmission Rights the Registered Participant shall:

   (a) have a valid and effective Participation Agreement with the Allocation Platform;

(b) hold the relevant Long-Term Transmission Rights at the time of the notification of the return;

(c) send the notification before the deadline pursuant to paragraph 1 of this Article; and

(d) fulfil or secure its financial obligations pursuant to these ElecLink Long-Term Allocation Rules.

4. If the requirements set forth in paragraph 3 of this Article are fulfilled, the Allocation Platform shall send without undue delay a notification to the Registered Participant via the Auction Tool containing:

(a) a message confirming the acceptance of the return subject to paragraph 7 of this Article; or

(b) a message rejecting the return including the reasons for rejection subject to paragraph 7.

5. If the return is accepted, the Allocation Platform shall decrease the total volume of the Long-Term Transmission Rights held by the respective Long-Term Transmission Right holder by the amount returned.

6. Long-Term Transmission Right holder(s) wishing to modify their return as notified in accordance with paragraphs 1 and 2 of this Article, shall send a notification via the Auction Tool with the adjusted volume of the Long-Term Transmission Rights to be returned before the deadline for return of Long-Term Transmission Rights pursuant to paragraph 1 expires. Where the volume of the Long-Term Transmission Rights to be returned is adjusted to zero (0) MW, the related return shall be deemed as cancelled.

7. If the Allocation Platform is unable to register a return as set forth in this CHAPTER 5, the Allocation Platform may apply a fallback procedure for data exchange pursuant to Article 53. If no fallback procedure for return is technically possible, no financial compensation may be claimed by the Registered Participants.

Article 39
Remuneration of Long-Term Transmission Right holders

1. Registered Participants who returned Long-Term Transmission Right are entitled to receive a remuneration equal to the value of the returned Long-Term Transmission Right set during the relevant subsequent Auction(s) calculated for each MTU as follows:

(a) the Marginal Price of the Auction at which the returned Long-Term Transmission Right was reallocated in Euros/MW per MTU multiplied by

(b) the amount of MW which was reallocated.

2. On return the Registered Participant ceases to be holder of Long-Term Transmission Right for the returned amount of Long-Term Transmission Right. This means that all rights and obligations of the Registered Participant connected to the returned amount of Long-Term Transmission Right will cease except those connected to its payments obligations pursuant to CHAPTER 10 and the remuneration set forth in this CHAPTER 5. All rights and obligations of the Registered Participant related to the not returned proportion of Long-Term Transmission Right will remain unaffected.

CHAPTER 6
Transfer of Long-Term Transmission Rights

Article 40
General provisions

1. Long-Term Transmission Right holder(s) may transfer some or all of their Long-Term Transmission Rights to another Registered Participant once the Auction results in respect of those rights are final. Regardless of how the transfer was concluded, it shall be notified to the Allocation Platform following the process pursuant to Article 41 and via the Auction Tool according to a format specified on the Allocation Platform's website.

2. The minimum volume of Long-Term Transmission Rights that may be transferred shall be one (1) MW per MTU.

Article 41
Process of the transfer

1. The transferor shall send a notification, directly or indirectly through an authorised third party, of the transfer to the Allocation Platform via the Auction Tool with the following information:

   (a) the EIC Codes of the transferor and transferee;

   (b) the time period of the transfer including the start and end dates and MTU period(s); and

   (c) the volume (MW) of the transferred Long-Term Transmission Right in whole MW(s) defined per MTU.

2. The notification of the transfer shall be delivered to the Allocation Platform no later than at 12:00 p.m. on the second (2^{nd}) day preceding the day of delivery.

3. In order to be able to transfer the Long-Term Transmission Rights the following requirements shall be fulfilled:

   (a) the transferor and transferee have a valid and effective Participation Agreement with the Allocation Platform at least for transfer of Long-Term Transmission Rights; the transferor holds the concerned Long-Term Transmission Rights at the time of the notification of the transfer;

   (b) the transferor has fulfilled or secured its financial obligations pursuant to these ElecLink Long-Term Allocation Rules regardless whether the transferor transfers all or only part of its Long-Term Transmission Rights and even in the case of multiple transfers among several Registered Participants; and

   (c) the transferor has delivered the notification of the transfer before the deadline pursuant to paragraph 2 of this Article.

4. The Allocation Platform shall issue without undue delay an acknowledgement of receipt of the notification to the transferor. Where the notification fulfils the requirements pursuant to paragraph 3 of this Article the Allocation Platform shall inform the transferee about the notification of the transfer.

5. In the event that the acknowledgement is not sent by the Allocation Platform, the concerned notification shall be deemed not to have been submitted.

6. The notification of transfer shall be confirmed by the transferee within four (4) hours upon receiving the transfer information from the Allocation Platform and no later than at 12:00 p.m. the second (2^{nd}) day preceding the day of delivery.

7. In the event that the transferee does not confirm the transfer by the deadline pursuant to paragraph 6, the Allocation Platform shall automatically cancel the process of the transfer notification.

8. The Allocation Platform shall then issue without undue delay to the transferor and the transferee a second acknowledgement via the Auction Tool stating either:

   (a) that the transfer notification has been accepted and is effective; or

   (b) that the transfer notification has been rejected including the reason(s).

9. If for any technical reason the acknowledgement is not sent by the Allocation Platform, the concerned transfer is deemed not to have been submitted.

10. The transferor shall not be entitled to withdraw the transfer notification once the transferee has accepted it. The transferee may initiate another transfer to transfer the Long-Term Transmission Rights further.

11. In the event of Auction Tool failure, a fallback procedure pursuant to CHAPTER 8 shall apply. If the process of the transfer notification cannot be completed in accordance with this Article due to an information technology (IT) system and/or fallback procedure failure, Registered Participants shall not be entitled to claim any financial compensation from the Allocation Platform.

Article 42
Legal consequences of the transfer

All rights and obligations resulting from these ElecLink Long-Term Allocation Rules, with exception of the payment obligation of the original Long-Term Transmission Right holder regarding the allocation of Long-Term Transmission Right pursuant to Article 62 paragraph 1, shall be transferred together with the Long-Term Transmission Right.

Article 43
Notice board

1. The notice board shall facilitate only the exchange of information between the Registered Participants regarding their interest in buying and/or selling Long-Term Transmission Rights. No agreements may be concluded via this notice board. Use of the notice board is free of charge.

2. Any notices published via the notice board by the Registered Participants shall not be considered as an evidence for a valid and effective contract for the transfer of Long-Term Transmission Rights.

3. The Allocation Platform shall not be held liable for the accuracy and completeness of the information published by a Registered Participant on the notice board.

4. The Allocation Platform may delete from the notice board any information it considers not relevant for the purpose of the notice board. In case of such a deletion, the Allocation Platform shall provide the reasons for the deletion to the respective Registered Participant.

CHAPTER 7
Use and remuneration of Long-Term Transmission Rights

Article 44
General principles

1. Physical Transmission Rights shall be subject to the Use it or Sell it principle.

2. The holder of allocated Physical Transmission Rights may Nominate the Physical Transmission Rights for its physical use in accordance with Article 45.

3. In case the holder of Physical Transmission Rights does not Nominate its Physical Transmission Rights, the Allocation Platform shall make the underlying Interconnector Capacity of the non-Nominated Physical Transmission Rights available for the relevant daily allocation. The PTR holders who do not Nominate their Physical Transmission Rights for physical use of their rights or have not reserved their Physical Transmission Rights for the balancing services, if this is applicable, shall be entitled to receive remuneration in accordance with Article 47.

4. In case the Long-Term Transmission Rights holder reserves its Long-Term Transmission Rights for the balancing services, such Interconnector Capacity shall be excluded from the application of the remuneration processes as detailed in CHAPTER 7. The process of notification of such reservation shall be subject to the relevant rules entered into force in accordance with the applicable national regulatory regime and published by the responsible Allocation Platform.

Article 45
Nomination of Physical Transmission Rights

1. Persons eligible to Nominate Physical Transmission Rights shall fulfil the requirement described in the Nomination Rules. Eligible persons may be the following:

   (a) the PTR holder; or

   (b) the person notified by the PTR holder during the Nomination process to ElecLink in line with the Nomination Rules; or

   (c) the person authorised by the PTR holder to Nominate in line with the Nomination Rules and notified to the Allocation Platform.

2. The Allocation Platform shall provide on its website an overview of the options listed in paragraph 1 of this Article which are applicable on the Interconnector.

3. For the process of the notification of the eligible persons to the Allocation Platform in accordance with paragraph 1(c) of this Article the following criteria should be met:

   (a) the eligible person shall have an EIC Code in order to allow its identification in the Rights Document; and

   (b) the PTR holder shall notify the eligible person to the Allocation Platform via the Auction Tool in accordance with the Information System Rules and at the latest one (1) hour before the sending of the Rights Document for a specific day.

4. The Allocation Platform shall not take into account notifications of eligible persons which do not meet the criteria in accordance with paragraph 3 of this Article when sending the Rights Document in respect of a day of delivery of electricity.

5. The Nomination shall be done in compliance with the Rights Document.

6. The Allocation Platform shall publish a list with the Nomination Rules for the Interconnector on its website.

7. The Long-Term Nomination deadlines for the Interconnector are set forth in the relevant Nomination Rules. The Allocation Platform shall publish information on its website on the Long-Term Nomination deadlines on the Interconnector. In case of any discrepancy between the deadlines published by the Allocation Platform and those of the valid and legally binding relevant Nomination Rules, the latter shall prevail and the Allocation Platform shall not be held liable for any damages due to such a discrepancy.

Article 46
Rights Document

1. The Rights Document shall contain the information about the volume in MW that eligible persons are entitled to Nominate on the Interconnector and per directions and for MTU period.

2. The Allocation Platform shall send the Rights Document daily and no later than at 13:00 on the second (2nd) day preceding the delivery day via the Auction Tool to the to the eligible person according to Article 45(1) a) and/or c).

Article 47
Remuneration of Long-Term Transmission Rights holders for non-Nominated Physical Transmission Rights

1. The Allocation Platform shall remunerate the Long-Term Transmission Rights holder for the Long-Term Transmission Rights which are reallocated at the daily allocation. The Allocation Platform shall remunerate the Long-Term Transmission Rights holder for each MW which was non-Nominated for the relevant MTU period. The remuneration shall be calculated as the difference between the volumes stated in the Rights Document and the final volumes Nominated and accepted by ElecLink, multiplied by the Marginal Price of the daily auction at which that Physical Transmission Right was reallocated, for the concerned MTU period.

2. The Allocation Platform shall compensate the Long-Term Transmission Rights holder for non-Nominated Physical Transmission Rights which are not reallocated at the relevant daily allocation in accordance with CHAPTER 9 in case of the triggering event listed in Article 56.

3. The Allocation Platform shall compensate the Long-Term Transmission Rights holder in accordance with Article 59 paragraph 1 for the non-Nominated Physical Transmission Rights which are not reallocated at the relevant daily allocation for other reasons than these mentioned in paragraph 2 of this Article.

Article 48
[Not used]

CHAPTER 8
Fallback Procedures

Article 49
General provisions

1. The Allocation Platform shall, to the extent reasonably practicable, organise a fallback procedure in the following cases of failure of a standard process:

   (a) if it is technically not possible to hold an Auction following the process set forth in CHAPTER 4;

   (b) if it is technically not possible to register a return of Long-Term Transmission Rights following the process as set forth in CHAPTER 5;

   (c) if it is technically not possible to register a notification of transfer of Long-Term Transmission Rights following the process as set forth in CHAPTER 6; and

   (d) if it is technically not possible to register a notification of an eligible person following the process as set forth in CHAPTER 7.

2. The Allocation Platform may use one or all of the following fallback procedures:

   (a) introduction of a fallback procedure for data exchange according to Article 50;

   (b) postponement of the Auction to a later date/time;

   (c) another ad hoc fallback procedure if considered appropriate by the Allocation Platform to overcome any technical obstacles.

3. The Allocation Platform shall, to the extent practicable and without undue delay, inform Registered Participants of possible deviations from the standard processes and the application of a fallback procedure via electronic means as specified by the Allocation Platform on its website and using the Auction Tool.

4. Registered Participants shall immediately inform the Allocation Platform of any observed problems with the use of the Auction Tool and all potential consequences via electronic means as specified by the Allocation Platform on its website. In case of an urgent problem, which shall be solved immediately and which is identified during Working Hours, the Registered Participant shall immediately contact the Allocation Platform by phone at the telephone number indicated on the website of the Allocation Platform for this type of problems.

Article 50
Fallback procedure for data exchange

1. In case of a failure at the site of the Allocation Platform of the standard processes for data exchange via the Auction Tool as described in these ElecLink Long-Term Allocation Rules, the Allocation Platform may inform Registered Participants that a fallback procedure for data exchange may be used as follows:

   (a) by the applicable deadlines unless otherwise announced by the Allocation Platform the Registered Participant shall request the Allocation Platform by electronic means as specified by the Allocation Platform on its website to enter the relevant data into the Auction Tool by using this fallback procedure for data exchange;

(b) with the request the Registered Participant shall provide to the Allocation Platform in the format specified in the Information System Rules the relevant data to be entered in the Auction Tool;

(c) the Allocation Platform shall enter the submitted data into the Auction Tool;

(d) the Allocation Platform may set in the Information System Rules an identification process for the Registered Participant at the moment when the Registered Participant submits the relevant operational or commercial data and requests the Allocation Platform to enter this data into the Auction Tool on its behalf by means of the fallback procedure. If the Registered Participant or the person authorised by the Registered Participant for this purpose does not clearly identify itself, the Allocation Platform shall be entitled not to perform the data entry;

(e) the Registered Participant shall provide the Allocation Platform with a telephone number, which can be used in case of a necessary communication;

(f) once the Allocation Platform has entered the provided data into the Auction Tool on behalf of the Registered Participant, the Allocation Platform shall, without undue delay, by telephone and/or via electronic means as specified by the Allocation Platform on its website, inform the Registered Participant of the entry; and

(g) the Allocation Platform shall under no circumstances be held responsible if it fails to reach the Registered Participant through the means of communication above.

2. In case of application of the fallback procedure for data exchange, all necessary information which is made available via the Auction Tool during the standard processes may be distributed to the Registered Participants by the Allocation Platform, by electronic means as specified by the Allocation Platform on its website, or where appropriate published on the website of the Allocation Platform.

Article 51
Fallback procedures for Auction

1. The postponement of the Auction shall be the default fallback procedure for Auctions before the Bidding Period has opened. The Allocation Platform may postpone an Auction by notifying Registered Participants of the revised date and/or time of the new Auction.

2. After the Bidding Period has opened, the Allocation Platform shall:

(a) where reasonably practicable postpone the end of the Bidding Period by notifying the Registered Participants about the revised deadlines in the Auction Specification; or

(b) cancel the initial Auction according to Article 52 and organise a new Auction for the same Product Period.

3. If the fallback procedure described in paragraphs 1 and 2 of this Article cannot be implemented for the same Product Period, the respective Interconnector Capacities shall be offered in subsequent Capacity Allocation process.

4. The Allocation Platform shall inform all Registered Participants, without undue delay, of the postponement by notification published in the Auction Tool and/or on the webpage of the Allocation Platform and/or by electronic means as specified by the Allocation Platform on its website.

Article 52
Auction cancellation

1. In case the Allocation Platform cancels an Auction, all Bids already submitted, all returns already accepted and any results of the respective Auction shall be deemed null and void.

2. The Allocation Platform shall inform all Registered Participants without undue delay, of the Auction cancellation by notification published in the Auction Tool or on webpage of the Allocation Platform and by electronic means as specified by the Allocation Platform on its website.

3. An Auction cancellation may be announced in the following cases:

   (a) before the end of the contestation period in case the Allocation Platform faces technical obstacles during the Auction process like a failure of standard processes and fallback procedures in the event of erroneous results due to incorrect Marginal Price calculation or in the event of incorrect allocation of Long-Term Transmission Rights to Registered Participants, or incorrect offered capacity values or similar reasons; and

   (b) after the end of the contestation period, in the event of incorrect offered capacity values, or erroneous results due to incorrect Marginal Price calculation or incorrect allocation of Long-Term Transmission Rights to Registered Participants or similar reasons.

4. In case of Auction cancellation before the contestation period elapses, no compensation shall be paid to the Registered Participants.

5. The Allocation Platform shall publish on its website, without undue delay, the reasons for the Auction cancellation.

Article 53
Fallback procedure for return of Long-Term Transmission Rights

1. In case of failure in the standard process for the registration of the return of Long-Term Transmission Rights via the Auction Tool as set forth in CHAPTER 5, the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for Long-Term Transmission Rights return.

3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the return of Long-Term Transmission Rights, all requests for Long-Term Transmission Rights return already submitted that cannot be registered in the Auction Tool shall be automatically cancelled.

Article 54
Fallback procedure for transfer of Long-Term Transmission Rights

1. In case of failure in the standard process for the registration of the transfer of Long-Term Transmission Rights organised via the Auction Tool as set forth in CHAPTER 6 the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for Long-Term Transmission Rights transfer.

3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the transfer of Long-Term Transmission Rights, all requests for Long-Term Transmission Rights transfer already submitted and not confirmed by transferee shall be automatically cancelled.

Article 55
Fallback procedure for eligible person notification

1. In case of failure in the standard process of eligible person notification to the Allocation Platform via the Auction Tool as set forth in CHAPTER 7, the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for eligible person notification.

3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the eligible person, the eligible person shall be deemed notified as set forth in the Information System Rules.

CHAPTER 9
Curtailment

Article 56
Triggering events and consequences of curtailment on Long-Term Transmission Rights

1. Long-Term Transmission Rights irrespectively of the Product Period may be curtailed in the event of Force Majeure, or to ensure operation remains within Operational Security Limits before the Firmness deadline specified in Article 58. For the avoidance of doubt a Capacity Shortage shall be automatically deemed by the Allocation Platform as requiring a curtailment to ensure operation remains within the applicable Operational Security Limits to the extent it occurs before the Firmness Deadline.

2. Curtailment may be applied on allocated Long-Term Transmission Rights including, where the case may be, on Nominated Physical Transmission Rights.

3. Long-Term Transmission Rights may be curtailed after the Firmness Deadline in the case of Force Majeure or emergency situation. For the avoidance of doubt, Long-Term Transmission Rights when curtailed after the Firmness Deadline shall be curtailed in the same way as day-ahead and intraday capacity.

4. Long-Term MINs may be curtailed ex-post after Long-Term Nomination Gate closure whether before or after the Firmness Deadline in accordance with these ElecLink Long-Term Allocation Rules.

5. Each Registered Participant affected by curtailment shall lose its right to transfer, return or Nominate for physical use the concerned Physical Transmission Rights or to receive remuneration based on the Use It or Sell It principle.

6. In case of curtailment, the affected Registered Participant is entitled to receive reimbursement or compensation according to Article 59, Article 60, Article 60A and where applicable Article 61 and Article 61A.

Article 56A
Capacity Shortage

A Capacity Shortage occurs on the Interconnector for any minute in a direction if:

$$IC_{dir} < \Sigma\ Capa^{GNC}_{dir} + \Sigma\ MIN^{GC}_{dir} - \Sigma\ MIN^{GC}_{opp}$$

where:

(a) IC_{dir} is the value of the Interconnector Capability at that time in that direction; and

(b) $\Sigma\ Capa^{GNC}_{dir}$ is the sum of the Interconnector Capacity rights across all Registered Participants in that direction, including daily and intraday rights, for any Timescale for which Nomination Gate closure has not yet occurred (before curtailment of these rights in respect of the relevant Capacity Shortage); and

(c) $\Sigma\ MIN^{GC}_{dir}$ is the sum of the MIN values across all Registered Participants in that direction for all Timescales for which Nomination Gate closure has occurred (before curtailment of that MIN in respect of the relevant Capacity Shortage in accordance with these ElecLink Long-Term Allocation Rules or the rules applicable to ElecLink for daily or intraday allocation); and

(d) Σ MIN$^{GC}_{opp}$ is the sum of the MIN values across all Registered Participants in the opposite direction for all Timescales, for which Nomination Gate closure has occurred (before curtailment of that MIN in respect of the relevant Capacity Shortage in accordance with these ElecLink Long-Term Allocation Rules or the rules applicable to ElecLink for daily or intraday allocation),

And the "Curtailment Quantity" is the positive number equal to the difference between ICdir in such direction and (Σ Capa$^{GNC}_{dir}$ + Σ MIN$^{GC}_{dir}$ - Σ MIN$^{GC}_{opp}$)

Article 57
Process and notification of curtailment

1. In all cases curtailment shall be carried out by the Allocation Platform based on a request by ElecLink where Long-Term Transmission Rights have been allocated.

2. The Allocation Platform shall notify the affected holders of Long-Term Transmission Rights as soon as possible of a curtailment of Long-Term Transmission Rights including the triggering event via electronic means as specified by the Allocation Platform on its website and on the webpage of the Allocation Platform. The notification shall identify the affected Long-Term Transmission Rights, the affected volume in MW per MTU for each concerned period, the triggering events for curtailment as described in Article 56 and the amount of Long-Term Transmission Rights that remain after the curtailment.

3. The Allocation Platform shall publish the triggering events for curtailment in accordance with Article 56 including their estimated duration on its website as soon as possible.

4. The curtailment shall be applied to Long-Term Transmission Rights of the concerned periods on a pro rata basis, which means in proportion to the held Long-Term Transmission Rights, regardless of the time of allocation.

5. In the event of curtailments of Physical Transmission Rights after the Nomination deadline, and as long as the capacity has not been reallocated in the day-ahead allocation, the curtailment shall be applied on a pro rata basis to both Nominated and not Nominated Physical Transmission Rights.

6. Compensation rules according to Article 59, Article 60, Article 60A and where applicable Article 61 and Article 61A also apply if offered day-ahead Interconnector Capacities are lower than the amount of non-Nominated Long-Term Transmission Rights.

7. For each affected Registered Participant, remaining Long-Term Transmission Rights which have not been curtailed shall be rounded down to the nearest MW. The same rounding applies for the curtailment of both Nominated and non-Nominated Physical Transmission Rights according to paragraph 4 of this Article.

8. In cases of curtailment, any transfer of Long-Term Transmission Rights to be curtailed, which is not yet accepted by the transferee, shall be automatically cancelled and the transferor shall remain the holder of the Long-Term Transmission Rights. If the transfer has already been notified to the Allocation Platform and accepted by the transferee, the compensation or reimbursement for curtailed Long-Term Transmission Rights shall be paid to the transferee.

9. The Allocation Platform shall cancel all notifications for return of Long-Term Transmission Rights that have been accepted for a subsequent Long-Term Auction for which curtailment is necessary and for which the final Auction Specification has not yet been published. By this cancellation, the Long-Term Transmission Rights are given back to the Long-Term Transmission Right holders that have requested the return. If the final Auction Specification has already been

published the return shall not be cancelled and the compensation or reimbursement for curtailed Long-Term Transmission Rights shall be paid to the holder who returned the Long-Term Transmission Rights.

Article 58
Firmness Deadline

The Allocation Platform shall take into account for the calculation of compensation for curtailed Long-Term Transmission Rights the following Firmness Deadline of 09:00 a.m. on the first (1st) day preceding the delivery day, unless otherwise specified by the Allocation Platform on its website.

Article 58A
Curtailment of Long-Term Transmission Rights to ensure operation remains within Operational Security Limits before the Firmness Deadline

1. In order to ensure operation remains within applicable Operational Security Limits in any Settlement Period, the Long-Term Transmission Rights of all Registered Participants in that Settlement Period in the required direction may be curtailed by the Allocation Platform in accordance with these ElecLink Long-Term Allocation Rules.

2. In the event of a need of curtailment in order to ensure operation remains within Operational Security Limits between Rights Documents publication and Long-Term Nomination Gate closure, the curtailment process, in that Settlement Period and in that direction, is deferred until such Long-Term Nomination Gate closure. When calculating each Registered Participant's share of the curtailment quantity, netting of its Nominations across the two directions is applied.

Article 59
Compensation for curtailments to ensure operation remains within Operational Security Limits before the Firmness Deadline

1. In cases of curtailment to ensure operation remains within Operational Security Limits before the Firmness Deadline the compensation for each affected MTU period and Registered Participant shall be calculated. Holders of curtailed Long-Term Transmission Rights shall therefore be entitled to receive reimbursement per MTU equal to the difference between the allocated Long-Term Transmission Rights held by the Registered Participant before and after the curtailment multiplied by the Marginal Price of the initial auction.

2. A cap shall be applied to the compensations calculated according to this Article. The cap shall be determined as the total amount of Congestion Income collected by ElecLink on the Interconnector in the relevant month, deducting all remunerations paid according to Article 39 and Article 47 and compensations paid according to Article 60 and Article 60A and where applicable Article 61 and Article 61A for the considered month. The total amount of Congestion Income in one month is defined as the sum of a twelfth of the revenues raised at annual Auction on the Interconnector and the revenues generated by the monthly Auction and Congestion

3. Income from other timeframes which occurred during this month.

4. If, before application of the relevant cap described in paragraph 2 of this Article, the total calculated compensations of curtailed Long-Term Transmission Rights exceed the relevant cap, the compensations of curtailed Long-Term Transmission Rights shall be reduced on a pro rata basis. This will be based on the proportion of uncapped compensation of allocated Long-Term Transmission Rights due to each Registered Participant in the relevant period (calendar month). The compensations due to each Registered Participant will be calculated as follows:

[(Uncapped compensations of curtailed Long-Term Transmission Rights due to Registered Participant)/(Total uncapped compensations of curtailed Long-Term Transmission Rights due to all Registered Participants)] x (Relevant Cap as described in paragraph 2 of this Article)

Article 60
Reimbursement for curtailments due to Force Majeure before the Firmness Deadline

In the case of Force Majeure before the Firmness Deadline, holders of curtailed Long-Term Transmission Rights shall be entitled to receive a reimbursement equal to the price of the Long-Term Transmission Rights set during the Long-Term Transmission Rights allocation process, which for each affected MTU and Registered Participant shall be calculated as:

(a) the Marginal Price of the initial Auction; or

(b) in case the Marginal Price of the initial Auction cannot be identified, the weighted average of Marginal Prices of all the Auctions for which the Registered Participant holds Long-Term Transmission Rights where the weight is given by Long-Term Transmission Rights which the Registered Participant holds before the curtailment; multiplied by

(c) the amount in MW per MTU corresponding to the difference between the Long-Term Transmission Rights held by the Registered Participant before and after the curtailment.

Article 60A
Curtailment of non-Nominated and Nominated Physical Transmission Rights due to an emergency situation after the Firmness Deadline

1. In case of an emergency situation, the non-Nominated and Nominated Physical Transmission Rights, in that Settlement Period and in that direction, for which Nomination Gate closure has occurred, may be curtailed in accordance with these ElecLink Long-Term Allocation Rules. When calculating each Registered Participant's share of the curtailment quantity, netting of its Nominations across the two directions is applied.

2. Should a daily auction be cancelled, leading to the curtailment of all non-Nominated Physical Transmission Rights, the Registered Participant will be compensated by the Allocation Platform for the corresponding curtailed Physical Transmission Rights in accordance with Article 61A.

Article 61
Reimbursement or compensation for curtailments due to Force Majeure after the Firmness Deadline

In the event of Force Majeure after the Firmness Deadline, holders of curtailed Long-Term Nominated and non-Nominated Physical Transmission Rights shall be entitled to receive reimbursement equal to the price of the Long-Term Transmission Rights set during the Long-Term Transmission Rights allocation process, which for each affected MTU and Registered Participant shall be calculated as:

(a) the Marginal Price of the initial Auction; or

(b) in case the Marginal Price of the initial Auction cannot be identified, the weighted average of Marginal Prices of all the Auctions for which the Registered Participant holds Long-Term Transmission Rights where the weight is given by Long-Term Transmission Rights which the Registered Participant holds before the curtailment and multiplied by

(c) the amount in MW per MTU corresponding to the difference between the Long-Term Transmission Rights held by the Registered Participant before and after the curtailment.

Article 61A

Reimbursement or compensation for curtailments due to an emergency situation after the Firmness Deadline

1. Holders of curtailed Long-Term Nominated and non-Nominated Physical Transmission Rights under Article 60A shall be entitled to receive reimbursement for the corresponding curtailed units, based on the number of curtailed units multiplied by the marginal price of the explicit daily auction held in accordance with the provisions of the ElecLink Day Ahead Allocation Rules. For the avoidance of doubt, the marginal price of the explicit daily auction is the price, determined at this particular auction, to be paid by all the Registered Participants for each MW and MTU of acquired daily transmission right.

2. In the event that the explicit daily auction is not held or is cancelled in accordance with the provisions of the ElecLink Day Ahead Allocation Rules, holders of curtailed Long-Term Nominated and non-Nominated Physical Transmission Rights under Article 60A shall be entitled to receive reimbursement for the corresponding curtailed units, based on the number of curtailed units multiplied by the Marginal Price of the initial Auction or, in case the Marginal Price of the initial Auction cannot be identified, the weighted average of Marginal Prices of all the Auctions for which the Registered Participant holds Long-Term Transmission Rights where the weight is given by Long-Term Transmission Rights which the Registered Participant holds before the curtailment and multiplied by the amount in MW per MTU corresponding to the difference between the Long-Term Transmission Rights held by the Registered Participant before and after the curtailment.

CHAPTER 10
Invoicing and Payment

Article 62
General principles

1. A Registered Participant shall pay the amounts due as calculated in accordance with Article 63 for all Long-Term Transmission Rights allocated to it. This obligation shall be fulfilled irrespective of any return or transfer or curtailment of all or some of these Long-Term Transmission Rights in accordance with these ElecLink Long-Term Allocation Rules.

2. The Registered Participant may upon payment use the Interconnector Capacity connected with the allocated Long-Term Transmission Rights as described in these ElecLink Long-Term Allocation Rules only. Any right for physical use of the transmission system in case of a Physical Transmission Right may be subject to separate agreements between the Registered Participant and ElecLink.

3. All financial information, prices and amounts due shall be expressed in Euros (€), except if deviations are required by applicable law or regulations.

4. The payment shall be settled on the date upon which the given amount is credited to the account of the beneficiary. Any interest for late payment shall be considered as settled on the date when the payment was credited from the account of the payer.

5. Payments shall be done in Euros (€).

6. The Allocation Platform shall consider taxes and levies at the rate and to the extent applicable when assessing payment obligations and issuing invoices under these ElecLink Long-Term Allocation Rules subject to Article 64.

7. The Registered Participant shall provide the Allocation Platform with relevant information for justifying whether or not respective taxes and levies are applicable when signing the Participation Agreement as well as any changes in this respect without undue delay. Therefore, the Registered Participant agrees to inform the Allocation Platform of any local, intra-community or extra-community taxes and levies which are in line with the legislation of the Registered Participant's country of establishment.

Article 63
Calculation of due amounts

1. Registered Participants shall pay for each of the Long-Term Transmission Rights allocated to them an amount equal to:

   (a) the Marginal Price (per MW per MTU); multiplied by

   (b) the sum of Long-Term Transmission Rights in MW allocated in individual MTUs of the Product Period incorporating any Reduction Period where relevant in accordance with Article 34.

2. The amount due plus any applicable taxes and levies, duties or other charges subject to Article 64, shall be rounded to two decimal places.

3. The Allocation Platform shall calculate the due payments in monthly instalments when the Interconnector Capacity product has a duration of more than a month.

4. Monthly instalments shall be equal for each month and determined by dividing the amount due as set forth in paragraph 1 of this Article by the duration of the Interconnector Capacity products expressed in months and rounded to two decimal places. The last instalment shall in addition include the balance due to the rounding down applied in the other monthly instalments.

5. If the first payment date of the Interconnector Capacity product with a duration of more than one (1) month occurs after the start of the Product Period, then the first payment shall include two (2) monthly instalments.

Article 64
Tax gross-up

1. Each Registered Participant must settle all payments with respect to the ElecLink Long-Term Allocation Rules without any tax deduction, unless a tax deduction is required by law.

2. If a tax deduction is required by law to be made by a Registered Participant, the amount of the payment due from the Registered Participant to the Allocation Platform will be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.

3. Paragraph 2 of this Article does not apply with respect to any tax assessed on the Allocation Platform on any payment received in connection with the ElecLink Long-Term Allocation Rules under the laws of the jurisdiction in which the Allocation Platform is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Allocation Platform is treated as resident for tax purposes or has or is deemed for tax purposes to have a permanent establishment or a fixed place of business to which any payment under the ElecLink Long-Term Allocation Rules is attributable. Paragraph 2 of this Article does not apply to value added tax as provided for in the Directive 2006/112/EC and/or any other applicable national legislation as amended from time to time and any other tax of a similar nature.

Article 65
Invoicing and payment conditions

1. Payments shall be settled before the start of the Product Period if the Auction timeline allows so. If the Interconnector Capacity product has a duration of more than one (1) month, each monthly instalment shall be settled before the start of each respective month if the Auction timeline allows so. If the settlement of an amount due for allocated Long-Term Transmission Rights is not possible before the start of the Product Period then the payment will be settled at the next fixed invoice date.

2. Unless notified otherwise, the Allocation Platform shall issue invoices for payments for all Long-Term Transmission Rights on a monthly basis and no later than the tenth (10^{th}) Working Day of each month.

3. The invoices shall be issued to the Registered Participants for the following payments:

   (a) the amount of the monthly instalment(s) payable by the Registered Participant if the Long-Term Transmission Right has a Product Period of more than one month as set forth in Article 63 paragraphs 4 and 5;

   (b) the amount payable by the Registered Participant due set forth in Article 63 paragraph 2 if the Long-Term Transmission Right has a Product Period equal to one (1) month or less;

(c) if requested by the Registered Participant, amounts for advanced payment of monthly instalments that would otherwise be settled with subsequent invoices; and

(d) any relevant taxes and levies subject to Article 64.

4. The Allocation Platform shall send the invoice only by electronic means as specified by the Allocation Platform on its website to the Registered Participant at the e-mail address of the financial contact person submitted in accordance with Article 8 paragraph 1(i) or it should make it available to the Registered Participant via the Auction Tool. The date of issuance of the invoice shall be the date on which the invoice is sent by electronic means as specified by the Allocation Platform on its website or the date when the invoice is made available via the Auction Tool if this is done during Working Hours or the next Working Day if sent after Working Hours.

5. In the cases of curtailment of Long-Term Transmission Rights, return of Long-Term Transmission Rights according to Article 39 or remuneration of Long-Term Transmission Rights according to Article 47, the invoices shall take into account any payments to be credited to the Registered Participant. The payments to be credited to the Registered Participants shall:

(a) be settled through self-billing mechanism which shall allow the Allocation Platform to issue invoices in the name and on behalf of the Registered Participant; and

(b) be notified through the same invoice as the one used for the payments of the Registered Participant as set forth in paragraph 3 of this Article.

6. Where compensations are due to the Registered Participant in respect of curtailment of Long-Term Transmission Rights and are subject to the cap set forth in Article 59 paragraph 2, such compensations shall be settled with the first invoice to be issued after the end of the relevant month. In the case of default of a market participant, ElecLink cost recovery shall be ensured by the National Regulatory Authorities in accordance with the applicable legislation.

7. Payments by the Registered Participant under this Article shall be made as follows:

(a) based on the standard procedure, the Allocation Platform shall collect the payment automatically from the dedicated Business Account of the Registered Participant on the respective due date of the invoice; or

(b) alternatively, the Registered Participant shall ensure payment through a non-automated transaction from the bank account as announced during the accession process in accordance with Article 9 paragraph 1(h) by the Registered Participant to the account of the Allocation Platform specified on the invoice by indicating the invoice reference.

The alternative procedure set out in this sub-paragraph (b) may only be used upon request of the Registered Participant and with the consent of the Allocation Platform. The Registered Participant shall notify the Allocation Platform of the request to use the alternative procedure by electronic means as specified by the Allocation Platform on its website at least two (2) Working Days before the date of issuing of the next invoice under paragraph 2 of this Article. Once the alternative procedure is agreed by the Parties, it shall be deemed to be valid until otherwise agreed between the Registered Participant and the Allocation Platform.

8. The payments due shall be netted by the Allocation Platform taking into account the amount as set forth in paragraphs 3 and 5 of this Article.

9. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the Registered Participant to the Allocation Platform, the Registered Participant shall settle this balance within five (5) Working Days after the date of issuance of the invoice.

10. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net

payment from the Allocation Platform to the Registered Participant, the Allocation Platform shall pay this balance within seven (7) Working Days after the date of issuance of the invoice to the bank account as announced during the accession process in accordance with Article 8 paragraph 1(h) by the Registered Participant who is entitled to the payments at the due date.

11. Upon the collection of the payment as set forth in paragraph 8 of this Article, the Allocation Platform shall update the Credit Limit accordingly.

12. Erroneous invoices shall be corrected and settled as follows:

    (a) in case of an erroneous invoice resulting in an additional payment of the Allocation Platform or the Registered Participant the Allocation Platform shall correct the invoice and any due amount shall be settled as soon as possible and at the latest within thirty (30) Working Days to the Registered Participant or the Allocation Platform;

    (b) in case of an erroneous invoice based on erroneous information provided by third parties, the Allocation Platform shall correct the amount and settle the amount to the Registered Participant as soon as possible and at the latest within given ninety (90) Working Days, from the date the Registered Participant informed the Allocation Platform of the erroneous information;

    (c) in case the error in the invoice occurred due to technical constraint and if the resolution of technical constraint requires the Allocation Platform to update the Auction Tool, the Allocation Platform shall resolve the technical constraint, correct the invoice and settle the amount to the Registered Participant as soon as possible and at the latest within one hundred eighty (180) Working Days.

13. Bank fees of the payer's bank shall be covered by the payer. Bank fees of the receiving bank shall be covered by the beneficiary. Bank fees of any intermediary bank shall be covered by the Registered Participant.

14. The Registered Participant shall not be entitled to offset any amount, or withhold any debts arising in connection with obligations resulting from an Auction, against any claims towards the Allocation Platform, whether or not arising out of an Auction. Nevertheless, the right to offset and the right to withhold are not excluded in case the Registered Participant's claim against Allocation Platform is established by a legally binding judgement or is uncontested.

Article 66
Payment disputes

1. A Registered Participant may dispute the amount of an invoice, including any amounts to be credited to the Registered Participant. In this case, the Registered Participant shall notify the nature of the dispute and the amount in dispute to the Allocation Platform as soon as practicable and in any event within fifteen (15) Working Days after the date of issuance of the invoice or credit note by registered mail and electronic means as specified by the Allocation Platform on its website. Beyond this period, the invoice shall be deemed to have been accepted by the Registered Participant.

2. If the Registered Participant and the Allocation Platform are unable to resolve the difference within ten (10) Working days after the notification, the procedure for the dispute resolution in accordance with Article 70 shall apply.

3. A dispute shall in no way relieve the Party from the obligation to pay the amounts due as set forth in Article 65.

4. If it is agreed or determined based upon the dispute resolution procedure as set forth in Article 70

that an amount paid or received by the Registered Participant was not properly payable, the following process shall apply:

(a) the Allocation Platform shall refund any amount including interest to be calculated according to Article 62 paragraph 4 to the Registered Participant in case that the amount paid by the Registered Participant as set forth in Article 65 paragraphs 3) and 6 was higher or the amount paid by the Allocation Platform was lower than the due amount. The Allocation Platform shall make the payment to the bank account indicated by the Registered Participant for this reimbursement in accordance with Article 8 paragraph 1 (h) provided the Allocation Platform has received the amount due from the relevant TSOs if applicable.

(b) the Registered Participant shall pay any amount including interest to be calculated according to Article 62 paragraph 4 to the Allocation Platform in case that the amount paid by the Registered Party as set forth in Article 65 paragraphs 3) and 6 was lower or the amount paid by the Allocation Platform was higher than the due amount. The Registered Participant shall make the payment in accordance with the procedure set forth in Article 65 paragraph 8. Upon such payment the Allocation Platform shall update the Credit Limit of the Registered Participant as set forth in Article 65 paragraph 7.

5. The interest paid in case of a payment in accordance with paragraph 4 of this Article shall be applied from the first (1st) day following the date on which the payment was due up to the date on which the disputed amount was refunded and it shall apply also to all taxes and levies required by law.

Article 67
Late payment and payment incident

1. In case the Registered Participant has not fully paid an invoice by the due date specified on the invoice, the Allocation Platform shall notify the Registered Participant that a payment incident will be registered if the amount including applicable interest due is not received within three (3) Working Days upon sending of the notification. In case of no payment within the deadline and without prejudice to the other rights of the Allocation Platform, the Allocation Platform shall notify the Registered Participant that the payment incident was registered.

2. Immediately after registration of the payment incident the Allocation Platform may invoke the collaterals. After a recurring payment incident, the Allocation Platform may require from the Registered Participant to change its Bank Guarantee collateral to a cash deposit collateral.

3. The Allocation Platform may suspend or terminate the Participation Agreement in case of registered payment incident in accordance with Article 71 and Article 72.

4. In case of late payment or refund and without prejudice to the other rights of the Parties, the Parties shall pay interest on the due amount including taxes and levies as from the first (1st) day following the date on which the payment was due until the date on which the payment is settled. The interest, being charged without further notice, shall be equal to the highest amount of:

(a) a flat rate of one hundred (100) €; or

(b) eight (8) percentage points per annum above the reference interest rate as officially published by the national authorities of the country in which the Allocation Platform is located and rounded up to the nearest half percentage point.

CHAPTER 11
Miscellaneous

Article 68
Duration and amendment of ElecLink Long-Term Allocation Rules

1. The ElecLink Long-Term Allocation Rules are of indefinite duration and are subject to amendment in accordance with this Article. These ElecLink Long-Term Allocation Rules and any amendments thereof shall be consulted upon subject to paragraph 8 of this Article, and enter into force in accordance with the applicable national regulatory regime. The Allocation Platform shall publish the amended ElecLink Long-Term Allocation Rules and send an amendment notice to Registered Participants.

2. The amendment process shall be carried out in accordance with the conditions of the ElecLink Interconnector Licence.

3. Subject to paragraph 8 of this Article, an amendment shall be approved by the National Regulatory Authorities and shall enter into force at the date and time specified in the amendment notice but not earlier than thirty (30) calendar days after the amendment notice is sent to Registered Participants by the Allocation Platform.

4. Each amendment shall apply to all aspects of these ElecLink Long-Term Allocation Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.

5. Unless expressly stated otherwise by the Allocation Platform and/or ElecLink the amended ElecLink Long-Term Allocation Rules shall govern all rights and obligations in connection with these ElecLink Long-Term Allocation Rules including those acquired before the date of amendment but with the delivery date after the amendment takes effect.

6. Any amendment of these ElecLink Long-Term Allocation Rules shall apply automatically to the Participation Agreement in force between the Allocation Platform and the Registered Participant, without the need for the Registered Participant to sign any acknowledgement or acceptance of the amendment or a new Participation Agreement or the amendment notice or the amended ElecLink Long-Term Allocation Rules but without prejudice to the Registered Participant's right to request the termination of its Participation Agreement in accordance with Article 72 paragraph 1. By participating in the Auction after the Registered Participant was informed about the changes and/or adaptations of the ElecLink Long-Term Allocation Rules and after these changes and/or adaptations of the ElecLink Long-Term Allocation Rules entered into force, it is deemed that the Registered Participant has accepted the changed ElecLink Long-Term Allocation Rules, i.e. the valid and effective version of the ElecLink Long-Term Allocation Rules.

7. The ElecLink Long-Term Allocation Rules shall be periodically reviewed by the Allocation Platform and/or ElecLink at least every two (2) years involving the Registered Participants. In case ElecLink considers the amendment of these ElecLink Long-Term Allocation Rules as a result of this review, the procedure described in this Article shall apply. This biennial review is without prejudice of the competence of the National Regulatory Authorities and/or the Allocation Platform to request at any time amendments of the ElecLink Long-Term Allocation Rules and for the avoidance of doubt the biennial review shall be treated as satisfied to the extent that any such review is undertaken in accordance with the requirements of the competent National Regulatory Authorities.

8. These ElecLink Long-Term Allocation Rules are subject to the legislation prevailing at the time at which they take effect. In the event that there is a change in legislation or any action by competent authorities at national level which have an effect on these ElecLink Long-Term Allocation Rules then, notwithstanding any other provision of these ElecLink Long-Term Allocation Rules, the ElecLink Long-Term Allocation Rules shall be amended accordingly and pursuant to this Article.

Article 69
Liability

1. The Allocation Platform and the Registered Participants are solely responsible for the fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the ElecLink Long-Term Allocation Rules and the Participation Agreement.

2. Subject to any other provisions of these ElecLink Long-Term Allocation Rules the Allocation Platform shall only be liable for damages caused by:

   (a) fraud, gross negligence or wilful misconduct;

   (b) death or personal injury arising from its negligence or that of its employees, agents or subcontractors.

3. In derogation to paragraph 2(a) of this Article, liability for indirect, consequential damages including, but not limited to, loss of profit, loss of opportunity, loss of chance, trading losses is excluded in all cases.

4. For the avoidance of doubt, the Allocation Platform shall not be liable for damages suffered by Registered Participants as a result of technical problems unless such act or omission is a result of fraud, gross negligence or wilful misconduct. The Allocation Platform shall have tested the computer systems and other technical equipment in their responsibility sufficiently before putting them into operation and shall be responsible for their adequate maintenance.

5. A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a direct damage that it has caused, which any of them may suffer or incur by reason of any claim by any third party on account of any and all direct loss suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with these ElecLink Long-Term Allocation Rules. Liability of Registered Participants for indirect, consequential damages is excluded in all cases.

6. The Allocation Platform and each Registered Participant acknowledges and agrees that it holds the benefit of paragraphs 1, 2, 3 and 4 of this Article for itself and as trustee and agent for its officers, employees and agents.

7. The Registered Participant shall be solely responsible for its participation in Auctions including but not limited to the following cases:

   (a) the timely arrival of Bids and transfer and return notifications by the Registered Participant;

   (b) technical failure of the information system on the side of the Registered Participant preventing the communication via the channels foreseen in accordance with these ElecLink Long-Term Allocation Rules.

8. In case of remuneration in accordance with Article 47 or curtailment compensation due to Force Majeure or in order to ensure operation remains within Operational Security Limits or in emergency situation in accordance with Article 59, Article 60, Article 60A, Article 61 and Article 61A Registered Participants shall not be entitled to other compensation than the compensation described in these ElecLink Long-Term Allocation Rules.

9. In addition to paragraph 4 of this Article 69, the Registered Participant shall be liable to the Allocation Platform with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on the Allocation Platform for incorrect tax treatment due to wrong or incomplete information provided by the Registered Participant.

10. For the avoidance of doubt, nothing in this Article 69 shall prevent or restrict either the Allocation Platform or a Registered Participant from enforcing any obligation owned to it under or pursuant to these ElecLink Long-Term Allocation Rules.

11. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 70
Dispute resolution

1. Without prejudice to paragraphs 6, 7 and 8 of this Article, where there is a dispute under or in relation to these ElecLink Long-Term Allocation Rules and/or a Participation Agreement (including any non-contractual obligations arising out of or in connection with them) the Allocation Platform and the Registered Participant (together the "**Disputing Parties**") shall first seek amicable settlement through mutual consultation pursuant to paragraph 2. For this purpose, the Party raising the dispute shall send a notification to the other Party indicating:

   (a) the existence of a Participation Agreement between the Disputing Parties;

   (b) the reason for the dispute; and

   (c) a proposal for a future meeting, physical or not, with a view to settle the dispute amicably.

2. The Disputing Parties shall meet within twenty (20) Working Days after the matter has been referred to them and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) Working Days from the date of the aforementioned notification, either Party may refer the matter to the senior management of the Disputing Parties to resolve the dispute pursuant to paragraph 3.

3. A senior representative of each of the Allocation Platform and the Registered Participant with authority to resolve the dispute shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) Working Days of the meeting or such longer time as may be agreed in writing by the Disputing Parties, then the dispute shall be determined by arbitration in accordance with paragraph 4.

4. Where a dispute is to be referred to arbitration under paragraph 3, either the Allocation Platform or the Registered Participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one (1) arbitrator to be nominated upon agreement of the Disputing Parties unless a Party requests the appointment of three (3) arbitrators. In case of one (1) arbitrator,

the Disputing Parties shall agree on the nomination of the arbitrator within two (2) months after the notice was given by the Party referring the dispute to arbitration. If no agreement can be found, the arbitrator shall be appointed by the ICC Court. In case of three (3) arbitrators the claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each Party shall then nominate the chairman of the arbitral tribunal within three (3) Working Days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each Party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in the location of the Allocation Platform unless otherwise defined in the Participation Agreement and in accordance with the governing law of these ElecLink Long-Term Allocation Rules while the language of the arbitration proceedings shall be English. The arbitrators shall decide in law and not as *amiable compositeurs*[3]. The arbitration will be a first hearing and the arbitrators shall hear arguments and evidence. The emergency arbitrator provisions according to the Rules of Arbitration of the Chamber of Commerce shall not apply but the interim or injunctive relief measures under the governing law shall apply.

5. Arbitration awards shall be final and binding on the Allocation Platform and the relevant Registered Participant as from the date that they are made. The Allocation Platform and the Registered Participant shall carry out any award of an arbitration relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.

6. Notwithstanding paragraphs 3 and 4 of this Article, the Disputing Parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arisen under or in connection with these ElecLink Long-Term Allocation Rules and/or a Participation Agreement (including any non-contractual obligations arising out of or in connection with them).

7. In cases of late payment and notwithstanding Article 67 and paragraphs 1 to 4 of this Article, a Party may bring court proceedings against the other Party for any amount due under or in connection with these ElecLink Long-Term Allocation Rules and unpaid for more than twenty (20) Working Days after the date the amounts were due.

8. The Parties agree that proceedings referred to in paragraph 6 or paragraph 7 of this Article may be brought in any competent court to hear such claim. The Registered Participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any such proceedings brought in any such court may be enforced in the courts of any other jurisdiction.

9. Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Article, the Allocation Platform and the Registered Participant shall continue to perform their respective obligations under these ElecLink Long-Term Allocation Rules and the Registered Participant's Participation Agreement.

10. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 71

[3] In the English version of these ElecLink Long-Term Allocation Rules, words in French in italics are to be interpreted in accordance with their meaning in French.

Suspension of the Participation Agreement

1. The Allocation Platform may by notice to the Registered Participant suspend the Registered Participant's rights (including rights to participate in Auctions) in connection with these ElecLink Long-Term Allocation Rules with immediate effect if the Registered Participant commits a major breach of an obligation in connection with these ElecLink Long-Term Allocation Rules which may have a significant impact to the Allocation Platform as follows:

   (a) if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform pursuant to Article 67;

   (b) if a Registered Participant fails to provide and maintain collaterals in accordance with Article 24;

   (c) any breach which may have a significant financial impact to the Allocation Platform; \

   (d) if the Allocation Platform has reasonable grounds to believe that the Registered Participant no longer satisfies one or more of any other conditions to participate in Auctions according to these ElecLink Long-Term Allocation Rules unless termination applies according to Article 72; or

   (e) if the Registered Participant is under economic and/or trade sanctions.

2. In any case of a minor breach in relation to these ElecLink Long-Term Allocation Rules such as but not limited to the failure of the Registered Participant to notify a change in the submitted information in accordance with Article 8, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant that its rights in connection with these ElecLink Long-Term Allocation Rules may be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed without that such remedy has taken place.

3. After the suspension takes effect in accordance with paragraphs 1 and 2 of this Article, the following applies:

   (a) in cases of suspension in accordance with Article 71 paragraph (1) (a) to (d), the suspended Registered Participant may no longer participate in an Auction or in the transfer or return of Long-Term Transmission Rights and unless the payment of the Long-Term Transmission Right is fully settled or fully secured by collaterals by the suspended Registered Participant, the suspended Registered Participant shall not be entitled to use (nominate or get remunerated) Long-Term Transmission Rights according to CHAPTER 7.

   (b) in cases of suspension in accordance with Article 71 paragraph (1)(e), the suspended Registered Participant may no longer participate in an Auction or in the transfer or return of long-term transmission rights. The suspended Registered Participant shall not be entitled to use (nominate or get remunerated) Long-Term Transmission Rights according to CHAPTER 7.

4. For the avoidance of doubt, the Long-Term Transmission Rights which the Registered Participant is prohibited from using as a result of such suspension may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not return the remuneration for Long-Term Transmission Rights in accordance with Article 47.

5. The Allocation Platform may withdraw a notice under paragraphs 1 or 2 of this Article at any time. Having given a notice under paragraphs 1 or 2 of this Article, the Allocation Platform may give a further or other notice at any time in respect of the same or a different suspension event.

6. Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, or if the sanctions against the Registered Participant have been lifted, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to use of its allocated Long-Term Transmission Rights and its ability to participate in Auctions and/or the transfer and return of Long-Term Transmission Rights by written notice to the Registered Participant. As from the date of effect of the reinstatement, the Long-Term Transmission Rights allocated prior to the suspension and which remain unused may be Nominated in the case of Physical Transmission Rights and the Registered Participant may participate in Auctions and/or the transfer and return of Long-Term Transmission Rights and is entitled to receive remuneration for Long-Term Transmission Rights in accordance with Article 47.

7. If the Allocation Platform gives a notice to a Registered Participant under paragraph 1 or 2 of this Article, such notice of suspension does not relieve the Registered Participant from its payment obligations under CHAPTER 10, including its payment obligations in relation to the Long-Term Transmission Rights for which the Registered Participant loses the right of use pursuant to paragraph 2. For the avoidance of doubt and only in the event of a suspension in accordance with Article 71 paragraph 1 (e), the Registered Participant is entitled to receive all or part of the amount paid of the original product. The Allocation Platform shall perform the return of the amount paid for the original product following the approval of the transfer by the Allocation Platform's banking partner.

Article 72
Termination of the Participation Agreement

1. A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Working Days upon receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled, which for the avoidance of doubt shall include any and all remaining instalments for the entire product period of Long-Term Transmission Rights with a product period of one (1) or more months.

2. A Registered Participant may terminate the Participation Agreement to which the Registered Participant is a Party for good cause when the Allocation Platform has committed a major breach of an obligation connected with these ElecLink Long-Term Allocation Rules or the Participation Agreement in the following cases:

   (a) where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact; or

   (b) where there is a significant breach of the confidentiality obligations in accordance with Article 75.

   The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Working Days to remedy the breach. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. A holder of Long-Term Transmission Rights whose Participation Agreement is terminated

under this paragraph is under no obligation to pay remaining instalments for the Long-Term Transmission Rights and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.

3. If any of the termination events in paragraph 4 of this Article occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement, including the Registered Participant's rights connected with these ElecLink Long-Term Allocation Rules. A termination under this paragraph takes effect from the time of the notice or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform until the circumstances of termination continue to exist or it is not sufficiently guaranteed that the breach may not occur again.

4. The termination events referred to in paragraph 3 shall be the following:

   (a) if the rights of the Registered Participant are suspended for longer than thirty (30) Working Days;

   (b) if a Registered Participant does not qualify for the participation in the Auction as set forth in Article 9;

   (c) if a Registered Participant received three single payment incident notifications within the same calendar year from the Allocation Platform, as described in Article 67 paragraph (3) of these ElecLink Long-Term Allocation Rules;

   (d) if a Registered Participant repeatedly breaches these ElecLink Long-Term Allocation Rules or a Participation Agreement, whether or not the breach is capable of remedy;

   (e) if a competent authority (i) determines that the Registered Participant has committed a misuse or fraudulent act and (ii) requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or (iii) agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions and/or transfer/return of Long-Term Transmission Rights;

   (f) if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tool (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack); or

   (g) if the Registered Participant has been inactive in the business relationship with the Allocation Platform for more than eight (8) months. For the sake of clarity, the Allocation Platform shall have notified the Registered Participant ahead of the upcoming termination;

   (h) if a Registered Participant becomes insolvent or has a receiving order or administration order made against it or carries on business under a receiver, administrator, trustee or manager for the benefit of its creditors (or any event occurs, or proceeding is taken, with respect to the Registered Participant in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the aforementioned events).

5. After the termination takes effect in accordance with paragraphs 1 to 3 of this Article and from that time, the Registered Participant may no longer participate in an Auction or in the transfer or return of Long-Term Transmission Rights it has acquired. CHAPTERS 5,6 and 7 shall not apply to such acquired Long-Term Transmission Rights. For the avoidance of doubt, the Long-Term Transmission Rights, which the Registered Participant is prohibited from using as a result of termination, may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not return the remuneration for Long-Term Transmission Rights in accordance with Article 47.

6. Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these ElecLink Long-Term Allocation Rules which arose prior to that termination unless otherwise specified in this Article. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with the ElecLink Long-Term Allocation Rules, in respect of all such rights and liabilities (including its payment obligations pursuant to CHAPTER 10). This Article 72 shall apply without prejudice to any other remedies or rights available to the Allocation Platform under these ElecLink Long-Term Allocation Rules or at law, including any right to claim damages in respect of any breach of the ElecLink Long-Term Allocation Rules or the Participation Agreement which existed at or before the date of termination.

Article 73
Force Majeure

1. The Allocation Platform or a Registered Participant, which invokes Force Majeure, shall promptly send to the other Party a notification describing the nature of Force Majeure and (so far as it can be determined) its probable duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The Party invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.

2. The affected obligations, duties and rights of a Party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions in accordance with Article 75.

3. Suspension under paragraph 2 of this Article is subject to the following:

   (a) suspension will be of no greater scope and of no longer duration than is required by the Force Majeure; and

   (b) the suspension applies only for so long as the Party invoking to Force Majeure is using reasonable efforts to remedy or mitigate its inability to perform.

4. The consequences of a Force Majeure event, which is not subject to any discussion or litigation between the Allocation Platform and the Registered Participant, are:

   (a) the Party invoking Force Majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations during the Force Majeure and when such non-performance or partial performance is due directly to Force Majeure;

   (b) the acquired Long-Term Transmission Rights which have been entirely paid and become subject to Force Majeure are reimbursed for the duration of the Force

Majeure in accordance with any applicable legislation and these ElecLink Long-Term Allocation Rules; and

(c) where the Long-Term Transmission Rights' holder is the Party claiming the Force Majeure event, the Allocation Platform may, for its own benefit, reallocate the holder's Long-Term Transmission Rights to the subsequent Auctions and for the duration of the Force Majeure event.

5. The Party affected by the Force Majeure shall give notice to the other Party when it ceases to be affected by the Force Majeure.

6. If the Force Majeure continues for a period longer than six (6) months, the Allocation Platform or each Registered Participant may, by written notice to the other given at any time while the Force Majeure continues beyond that period, unilaterally terminate the Participation Agreement. The termination shall take effect ten (10) Working Days after the notice is given or any later date specified in the notice. A holder of Long-Term Transmission Rights whose Participation Agreement is terminated under this paragraph is under no obligation to pay remaining instalments for the Long-Term Transmission Rights and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.

7. For avoidance of doubt this Article is without prejudice to the provisions of CHAPTER 9 regarding the curtailment of Long-Term Transmission Rights.

Article 74
Notices

1. Any notice or other communication to be given under or in connection with these ElecLink Long-Term Allocation Rules and/or the Participation Agreement shall be in English.

2. Unless otherwise expressly provided in these ElecLink Long-Term Allocation Rules, all notices or other communications shall be in writing and shall be sent by electronic means as specified by the Allocation Platform on its website and marked for the attention of the other Party's representative as set out in the Participation Agreement or as notified by the Registered Participant from time to time in accordance with Article 8.

3. All notices or other communications under or in connection with these ElecLink Long-Term Allocation Rules and/or the Participation Agreement shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:

   (a) the conclusion of the Participation Agreement in accordance with Article 5;

   (b) the suspension or termination according to Article 71 and Article 72; and

   (c) the submission of the Bank Guarantee, in the event the Bank Guarantee includes handwritten signature(s), in accordance with Article 20 paragraph 3.

4. All notices or other communications under or in connection with these ElecLink Long-Term Allocation Rules and/or the Participation Agreement shall be deemed to have been received:

   (a) in the case of delivery by hand, when delivered against receipt; or

   (b) in the case of recorded delivery prepaid post, on the day following the recorded day

of delivery; or

(c) in the case of sent by electronic means as specified by the Allocation Platform on its website, when delivered to the other party but only if an acknowledgement of receipt is requested and obtained by the Party sending the electronic means as specified by the Allocation Platform on its website.

5. If a notice or other communication between the Allocation Platform and the Registered Participant has been received outside normal Working Hours on a Working Day, it is deemed to have been received at the opening of business on the next Working Day.

Article 75
Confidentiality

1. The Participation Agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.

2. Subject to paragraphs 3 and 4 of this Article, the Allocation Platform and each Registered Participant who is a recipient of confidential information in relation to these ElecLink Long-Term Allocation Rules shall preserve the confidentiality of each item of such confidential information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.

3. Notwithstanding paragraph 2 of this Article, the Allocation Platform or a Registered Participant who is recipient of confidential information may disclose confidential information of a disclosing Party to a third party with the other Party's prior consent expressed in writing and subject to the condition that the receiving Party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in these ElecLink Long-Term Allocation Rules directly enforceable by the other Party.

4. Notwithstanding paragraph 2 of this Article the Allocation Platform or a Registered Participant who is recipient of confidential information may disclose confidential information of a disclosing Party:

(a) to the extent expressly permitted or contemplated by the ElecLink Long-Term Allocation Rules;

(b) to any person who is one of the directors, officers, employees, agents, advisers (including financial advisers and legal advisers) or insurers of the recipient and who needs to know the confidential information in connection with these ElecLink Long-Term Allocation Rules;

(c) as may be directed or ordered under or required in order to comply with any applicable national legislation or any other relevant domestic administrative acts such as grid codes;

(d) as may be required by a competent regulatory authority, court or administrative tribunal having jurisdiction over the recipient or an arbitrator or expert in the course of proceedings before it to which the recipient is a party;

(e) as may be required by ElecLink for the proper fulfilment of its mission and its obligations in accordance with applicable laws and these ElecLink Long-Term

Allocation Rules by itself or through agents or advisers; or

(f) as far as required in order to obtain clearances or consents from a competent authority or if requested by or required to be disclosed under any applicable powers of a competent authority (including the National Regulatory Authorities.

5. Moreover, the obligations arising from this Article shall not apply:

(a) if the Party which receives the information can prove that at the time of disclosure, such information was already publicly available (other than as a result of a breach by the recipient of Article 75);

(b) if the receiving Party can prove that, at the time of disclosure, the information was already in its possession and not subject to any obligation of confidentiality;

(c) if the receiving Party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;

(d) to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market participant can be deduced; or

(e) to information whose publication is explicitly provided for by the present ElecLink Long-Term Allocation Rules.

6. The Allocation Platform and ElecLink shall be permitted to disclose confidential information to NESO and/or RTE in their respective capacities as transmission system operators.

7. The obligations of confidentiality in this Article 75 shall remain valid for a period of five (5) years after termination of the Registered Participant's Participation Agreement.

Article 76
Assignment and subcontracting

1. The Allocation Platform may assign, novate or otherwise transfer any of its rights or obligations under a Participation Agreement and/or these ElecLink Long-Term Allocation Rules to another Allocation Platform. The Allocation Platform shall notify the Registered Participants of the change by electronic means as specified by the Allocation Platform on its website with acknowledgment of receipt as soon as possible and in any event at least ten (10) Working Days before the date on which the change takes effect.

2. Without prejudice to Article 40, a Registered Participant may not assign, novate or otherwise transfer or grant any interest in or over, or create a trust in respect of, any of its rights or obligations under its Participation Agreement and/or these ElecLink Long-Term Allocation Rules without the prior written consent of the Allocation Platform or ElecLink.

3. Nothing in this Article shall prevent an Allocation Platform or a Registered Participant from entering into a subcontracting agreement in relation to these ElecLink Long-Term Allocation Rules. Entry into a subcontracting agreement by a Registered Participant does not relieve the Registered Participant of any obligation or liability under its Participation Agreement and/or these ElecLink Long-Term Allocation Rules.

Article 77
Governing law

These ElecLink Long-Term Allocation Rules shall be governed by and construed in all respects in accordance with the law of the location of the registered office of the Allocation Platform unless otherwise specified in the Participation Agreement.

Article 78
Language

These ElecLink Long-Term Allocation Rules will be produced both in English and French. For the avoidance of doubt, in the event of inconsistencies between the English and French versions, the English version shall prevail.

Article 79
Intellectual property

1. No Party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other Party in connection with these ElecLink Long-Term Allocation Rules.
2. The signature of a Participation Agreement and the exchange of confidential information do not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one Party to the other under the terms of these ElecLink Long-Term Allocation Rules.

Article 80
Relationship of the Parties

1. The relationship of the Allocation Platform and the Registered Participant via the Participation Agreement is that of service provider and service user respectively. Except as expressly provided in these ElecLink Long-Term Allocation Rules, nothing contained or implied in these ElecLink Long-Term Allocation Rules constitutes or is deemed to constitute the Allocation Platform or a Registered Participant, the partner, agent or legal representative of the other for any purpose whatsoever including transfer of Long-Term Transmission Rights or to create or be deemed to create any partnership, agency or trust between the Parties whatsoever.
2. The Registered Participant acknowledges that neither the Allocation Platform nor any person acting on behalf of or associated with the Allocation Platform makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these ElecLink Long-Term Allocation Rules, the Participation Agreements or the disclosed information or otherwise in relation to or in connection with these ElecLink Long-Term Allocation Rules, the Participation Agreements and the disclosed information or any transaction or arrangement contemplated by these ElecLink Long-Term Allocation Rules, the Participation Agreements and the disclosed Information except as specifically provided in these ElecLink Long-Term Allocation Rules or the Participation Agreement.

Article 81
No third party rights

The Allocation Platform and each Registered Participant acknowledge and agree that a person who is not a party to the Participation Agreement between them, including any other

market participant, has no rights to enforce these ElecLink Long-Term Allocation Rules and/or the Participation Agreement as between the Allocation Platform and that Registered Participant.

Article 82
Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under these ElecLink Long-Term Allocation Rules and the Participation Agreement shall impair or constitute a waiver of such or any other right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under these ElecLink Long-Term Allocation Rules and the Participation Agreement.

2. Any waiver of any right, power or remedy under these ElecLink Long-Term Allocation Rules and the Participation Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 83
Entire agreement

These ElecLink Long-Term Allocation Rules and the Participation Agreement contain or expressly refer to the entire agreement between the Allocation Platform and each Registered Participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersede all previous agreements and understandings between the Allocation Platform and each Registered Participant with respect thereto. The Allocation Platform and each Registered Participant acknowledge and confirm that none of them enter into or accede to these ElecLink Long-Term Allocation Rules or the Participation Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these ElecLink Long-Term Allocation Rules or the Participation Agreement.

Article 84
Remedies exclusive

1. Except as otherwise expressly provided, the rights and remedies provided by these ElecLink Long-Term Allocation Rules and the Participation Agreement to the Allocation Platform and each Registered Participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of these ElecLink Long-Term Allocation Rules and the Participation Agreement.

2. Accordingly, the Allocation Platform and each Registered Participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these ElecLink Long-Term Allocation Rules and the Participation Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 85

Severability

1. If any provision of these ElecLink Long-Term Allocation Rules or a Participation Agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration or by order of any competent authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of these ElecLink Long-Term Allocation Rules and the Participation Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality, or the validity, enforceability or legality of such provision under the laws of any other jurisdiction. Any invalid, illegal, void and/or unenforceable part(s) or provision(s) shall be replaced by valid, legal and/or enforceable part(s) or provision(s) in order to achieve the intended economic and legal effect.
2. If any provision would otherwise be invalid, unenforceable or illegal under Article 85 paragraph 1 but would cease to be invalid, unenforceable or illegal if some part of it were deleted, the relevant part shall be deemed to be deleted.

Article 86
Anti-bribery and corruption

Any Registered Participant who offers any inducement, fee or reward to the Allocation Platform or any of its officers, employees or agents or any person acting as an adviser to the Allocation Platform in connection with any Auction which would constitute a breach of the Bribery Act 2010 may be disqualified by the Allocation Platform acting reasonably and that Registered Participant's Participation Agreement may be terminated under Article 72 paragraph 4(d) (in either case without prejudice to any other civil remedies available to the Allocation Platform and without prejudice to any criminal liability which the Registered Participant may attract).

Part 4

Eleclink Open Season Rules

ElecLink Open Season Rules

Preamble (not forming part of the Rules)

The French and British transmission systems are be connected by a 1,000MW Interconnector between Peuplingues in France and Sellindge in England known as the ElecLink Interconnector. The Interconnector supports electricity trading in both directions. The Interconnector is operated by ElecLink.

ElecLink offers rights to use the Interconnector to third parties.

These are the ElecLink Open Season Rules established by ElecLink for allocating rights to use the Interconnector by explicit Auction and setting out the terms of use in respect of Open Season Units. They do not cover the operation of Long-Term, Daily and Intraday Auctions.

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SECTION A: GENERAL INTRODUCTION

Rule A1: Introduction

Scope

A1.1 These Rules set out (in particular):

(a) the procedures for auctioning rights to use Open Season Interconnector Capacity;

(b) the terms on which Open Season Users may participate in Auctions; and

(c) the terms for use of Open Season Interconnector Capacity.

Structure

A1.2 The Rules are divided into six (6) sections as follows:

(a) Section A: General Introduction;

(b) Section B: Rules Applicable to Participation;

(c) Section C: Financial Matters Applicable to these Rules;

(d) Section D: Auction Rules for Open Season Units;

(e) Section E: Capacity Usage Rules; and

(f) Section F: General Conditions.

A1.3 The Rules also contain nine (9) Schedules as follows:

1. Definitions and Interpretation;
2. Form of ElecLink Open Season User Agreement;
3. Standing Data;
4. Business Rules for Use of Open Season Interconnector Capacity;
5. List of Open Season Products;
6. Credit Ratings and Tangible Net Worth Requirements;
7. Example of the Open Season Auction Credit Requirement;
8. Letter of Acknowledgement and Undertaking in relation to Assignment of the ElecLink Open Season User Agreement; and
9. Market Share Declaration Template.

Rule A2: Parties and Participation

Participation in Auctions and use of Interconnector

A2.1 A person wishing to participate in any Auction and/or in the Secondary Market and/or wishing to use Open Season Interconnector Capacity shall comply with Rule B2 and agrees to be bound by and comply with these Rules. These Rules apply to all persons on a non-discriminatory basis. These Rules do not apply to participation in Long-term, Daily and Intraday Auctions.

A2.2 Only a person who is a party to an ElecLink Open Season User Agreement with ElecLink may participate in an Auction and in the Secondary Market for Open Season Units.

Operator

A2.3 ElecLink operates the Interconnector.

A2.4 ElecLink may commission a third party to operate the Auctions and/or the processes in relation to the Secondary Market and Nominations on behalf of ElecLink in which case good discharge of an obligation under these Rules by such third party shall be construed as good discharge of the relevant obligation by ElecLink and vice versa.

ElecLink Open Season User Forum

A2.5 ElecLink will from time to time, and at least once per year, invite all Open Season Users to meet with ElecLink to discuss future Auctions and the commercial and operational aspects in relation to the Interconnector. Details of those who may attend the meetings, the agenda and location will be notified by ElecLink within a reasonable time before the meeting.

Rule A3: Definitions and Interpretation

Definitions

A3.1 In these Rules, unless the context otherwise requires, capitalised words and phrases have the meanings given to them in Part I of Schedule 1.

Interpretation

A3.2 The rules of interpretation applicable to these Rules are set out in Part II of Schedule 1.

Time

A3.3 All timings referred to within these Rules are CET time, unless otherwise stated.

Rule A4: Amendment

Amendment

A4.1.1 This Rule A4.1 applies to the amendment of these Rules as they apply to and are incorporated in the ElecLink Open Season User Agreements.

A4.1.2. ElecLink is entitled to amend these Rules under the circumstances described in Rules A4.5, A4.6, A4.8 and A4.9 and subject always to the provisions of this Rule A4.

A4.1.3 In the event of an amendment of these Rules, ElecLink will give an Amendment Notice to Open Season Users.

A4.1.4 Nothing in this Rule A4 shall prevent an Open Season User from proposing in writing amendments to these Rules at any time.

A4.1.5 In the event that a Rule amendment is proposed by an Open Season User, ElecLink shall, within five (5) Business Days, confirm receipt of the proposed amendment and provide timescales for consideration of the proposal.

Effective time

A4.2 Subject to Rule A4.5, an amendment made under Rule A4.1 takes effect from the later of:

(a) the start of the Contract Day commencing ten (10) Business Days after the Amendment Notice is notified to Open Season Users by ElecLink; or

(b) the date and time specified in the Amendment Notice.

Application

A4.3.1 Each amendment applies to any aspect of these Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.

A4.3.2 Unless expressly stated otherwise by ElecLink, the amended Rules shall govern all rights to use Open Season Interconnector Capacity and all other rights and obligations acquired under these Rules and any ElecLink Open Season User Agreement including those acquired before but for use after the amendment takes effect.

A4.3.3 Subject as provided above, any amendment of these Rules will apply automatically to the ElecLink Open Season User Agreements in force between ElecLink and each Open Season User, without the need for the Open Season User to sign any acknowledgement or acceptance of the amendment or the Amendment Notice or the amended Rules. In the event of any amendment, an Open Season User may request termination of its ElecLink Open Season User Agreement for Open Season Interconnector Capacity in accordance with Rule F6.2 but, for the avoidance of doubt, ElecLink has no obligation whatsoever to accept any such request.

Open Season User comments

A4.4 Before making any amendment to these Rules under Rule A4.1, ElecLink will, in accordance with the conditions of the ElecLink Interconnector Licence, give Open Season Users a reasonable opportunity, and in any event not less than 28 days, to review and give written comments to ElecLink on the proposed amendment. If ElecLink decides to modify a proposed amendment as a result of comments from Open Season Users, it may give Open Season Users

a further opportunity to review and comment on the modified proposals under this Rule indicating timescales for provision of such comments.

Amendments due to legal requirements

A4.5 These Rules are subject to the law prevailing at the time at which they take effect. In the event that there is a change in law or any action by Competent Authorities at national level which have an effect on these Rules then, notwithstanding any other provision of these Rules, the Rules will be amended accordingly and, where possible, pursuant to this Rule A4.

Amendments due to the requirements of the Exemption Decision

A4.6 In accordance with the Exemption Decision, in regards to Open Season Units, the capacity usage rules relating to that part of the Product Period which coincides with the product period of Regulated Units must respect the same provisions, including compensation in case of Curtailment, as these Regulated Units.

In the event that it becomes necessary to amend the Rules to comply with this Rule A4.6, notwithstanding any other provision of these Rules, the Rules will be amended accordingly pursuant to the provisions of this Rule A4.

Rules approval

A4.7 These Rules are approved by the relevant regulatory authorities. Accordingly, any Amendment Notice will be issued to Open Season Users only after such approval(s) (as required) has/have been received by ElecLink. Following receipt of such approval(s) the amended Rules will be published on ElecLink's website.

Business process timings

A4.8 Schedule 4 and its Appendix contain the Business Rules for use of Open Season Interconnector Capacity. Modifications may be made to Schedule 4 and its Appendix by ElecLink to reflect changes in either the French or British electricity markets and/or changes to ElecLink's operational practices by giving at least ten (10) Business Days' notice to Open Season Users.

Open Season products

A4.9 Schedule 5 contains the list of Open Season products available at the time of entry into force of these Rules. Subject to Rule A4.7 and any applicable requirements of the ElecLink Interconnector Licence, modifications may be made to Schedule 5 by ElecLink by means of notification on ElecLink's website and/or as specified in the relevant Auction Specification.

SECTION B: RULES APPLICABLE TO PARTICIPATION

Rule B1: Introduction

Scope

B1.1 This Section B of the Rules sets out Rules which are applicable to participation by Open Season Users in Auctions, the Secondary Market and the Nominations process.

Structure

B1.2 Section B is divided into four (4) Rules as follows:

(a) Rule B1: Introduction;

(b) Rule B2: Participation Requirements;

(c) Rule B3: ElecLink Open Season User Agreement; and

(d) Rule B4: Open Season User Systems.

Rule B2: Participation Requirements

Eligibility to participate in Auctions, the Secondary Market for Open Season Interconnector Capacity and the Nominations process for Open Season Interconnector Capacity.

B2.1.1 To be eligible to participate in the Auctions or the Secondary Market for Open Season Interconnector Capacity, a person must:

(a) be a party to an ElecLink Open Season User Agreement with ElecLink (see Schedule 2);

(b) not have had its eligibility to participate suspended under Rule F6.3.1 (unless it has been reinstated under Rule B2.5);

(c) have given its Standing Data to ElecLink in accordance with Rule B3.8;

(d) declare to ElecLink in accordance with Rule B2.2.1 and as provided in the Market Share Declaration Template (see Schedule 9) if its Market Share in France or Great Britain exceeds 40%;

(e) in the case of Auctions only, submit a non-binding and indicative offer stating the maximum number of Open Season Units that it intends to bid for at the Minimum Starting Price and the Maximum Starting Price respectively (this non-binding and indicative offer will be used to set its Initial Eligibility in accordance with Rule D1.5.3); and

(f) have satisfied (for the purposes of any Auction) the Open Season Auction Credit Requirement in accordance with Rule B 2.3.1.

B2.1.2 A person wishing to participate in an Auction must:

(g) meet the participation requirements provided in Rule B2.1.1 no later than the end of the First Qualification Period for the relevant Auction; and

(h) if requested by ElecLink, promptly respond to ElecLink's satisfaction to any requests for clarification of documents or information provided or the provision of any additional or outstanding information in connection with the person’s participation in the relevant Auction, no later than the end of the Second Qualification Period.

B2.1.3 A person wishing to participate only in the Secondary Market for Open Season Interconnector Capacity must meet the participation requirements provided in Rule B2.1.1 no later than fifteen (15) Business Days prior to the first day on which it wishes to start participating in the Secondary Market for Open Season Interconnector Capacity.

B2.1.4 In addition, to be eligible to use the capacity rights obtained in an Auction or through the Secondary Market for Open Season Interconnector Capacity and/or to participate in the Nominations process for Open Season Interconnector Capacity a person must:

(a) have established its interface between its Open Season User System and the CMS and/or the Nomination Platform in accordance with Rule B4 to the reasonable satisfaction of ElecLink;

(b) be a party to the following agreements:

(i) a Use of System Interconnector Agreement with NESO and the Framework Agreement defined in and established under CUSC;

(ii) a Framework Agreement as defined in the Balancing and Settlement Code; and

(iii) an Accord de Participation with RTE; and

(c) register and provide to ElecLink its BM Units for the ElecLink Interconnector.

B2.1.5 To be eligible to use the capacity rights obtained in an Auction or through the Secondary Market for Open Season Interconnector Capacity and/or to participate in the Nominations process for Open Season Interconnector Capacity, a person must provide evidence, satisfactory to ElecLink, that it has met the requirements provided in Rule B2.1.4 above by no later than fifteen (15) Business Days prior to the first day on which it wishes to start using the capacity rights obtained in an Auction or through the Secondary Market for Open Season Interconnector Capacity and/or to start participating in the Nominations process for Open Season Interconnector Capacity.

Capacity limits on Bids for Open Season Units

B2.2.1 To be eligible to participate in the Auctions, an Open Season User:

(a) must declare to ElecLink, by no later than the end of the First Qualification Period for the relevant Auction, if its Market Share in France or Great Britain exceeds 40%; and

(b) must certify that its Bid will comply with Rule B2.2.2.

B2.2.2 Each Open Season User must ensure that its total Bid in any Auction shall not result in the following:

(a) the Open Season User and its Related Undertaking(s) acquiring, at any one time, more than 400 MW of Interconnector Capacity in either direction; or

(b) if the Open Season User has a Market Share of more than 40%, the Open Season User and its Related Undertaking(s) acquiring, at any one time, more than 200 MW of Interconnector Capacity in the direction of import to the market in which the Open Season User holds such a Market Share.

B2.2.3 If at any time the Open Season User fails to meet the requirements in Rule B2.2.1 and/or Rule B2.2.2, the Open Season User shall be liable for and must indemnify ElecLink against any and all liability, claims, payments, costs and expenses arising directly or indirectly from such failure, including but not limited to any penalty imposed by the French Regulator and/or the GB Regulator in accordance with paragraph 1.48 of the Exemption Decision and all or any powers in connection therewith.

Credit requirements for Open Season Users

B2.3.1 An Open Season User may only submit a Bid in an Auction if:

(a) it satisfies the Open Season Auction Credit Requirement in relation to that Bid; and

(b) where it wishes to satisfy the Open Season Auction Credit Requirement on the basis of its own or its Parent Company's Credit Rating, it has declared to ElecLink, by no later than the end of the First Qualification Period, its or its Parent Company's most recent Credit Rating and has delivered to ElecLink, by no later than the end of the First Qualification Period, evidence satisfactory to ElecLink of its, or its Parent Company's, most recent Credit Rating; and

(c) where it wishes to satisfy the Open Season Auction Credit Requirement on the basis of its own or its Parent Company's Tangible Net Worth, it has declared to ElecLink, by no later than the end of the First Qualification Period, its or its Parent Company's current Tangible Net Worth (and the basis for the Open Season User's calculation thereof) and has delivered to ElecLink, by no later than the end of the First Qualification Period, its, or its Parent Company's, latest audited statutory accounts evidencing its, or its Parent Company's, current Tangible Net Worth, together with confirmation that there has been no Material Adverse Change affecting the Open Season User or such Parent Company since the date to which such statutory accounts were prepared; and

(d) where it wishes to satisfy the Open Season Auction Credit Requirement on the basis of its Parent Company's Credit Rating or Tangible Net Worth, it has delivered to ElecLink, by no later than the end of the First Qualification Period, and at the Open Season User's own cost:

(i) a Parent Company Guarantee executed by that Parent Company; and

(ii) evidence satisfactory to ElecLink that the Parent Company is a parent undertaking of the Open Season User; and

(iii) such evidence (including a legal opinion addressed to ElecLink in relation to the laws of the place of incorporation of the Parent Company) regarding the power, capacity and authority of the Parent Company to issue the Parent Company Guarantee, due execution of the Parent Guarantee and such other matters in relation to the Parent Company Guarantee as ElecLink may in its sole discretion require; and

(e) where it wishes to satisfy the Open Season Auction Credit Requirement on the basis of a Letter of Credit, it has (at the Open Season User's own cost) procured and delivered the Letter of Credit to ElecLink by no later than the end of the First Qualification Period; and

(f) ElecLink has confirmed in writing to the Open Season User that ElecLink is satisfied that the applicable requirements of paragraphs (a) - (e) above have been fulfilled.

B2.3.2 If at any time prior to the commencement of an Auction, and notwithstanding the issue by ElecLink of confirmation as provided in Rule B2.3.1(f), ElecLink has reasonable grounds for believing that an Open Season User does not in fact, or no longer, satisfies the Open Season Auction Credit Requirement, ElecLink shall promptly give notice of such grounds to the Open Season User, and the Open Season User shall be deemed not to satisfy the Open Season Auction Credit Requirement until such time as the Open Season User provides ElecLink with evidence satisfactory to ElecLink that it does, or continues to, satisfy the Open Season Auction Credit Requirement.

B2.3.3 In any Auction ElecLink shall be entitled to reject any Bid by an Open Season User who does not satisfy or is deemed in accordance with Rule B2.3.2 not to satisfy the Open Season Auction Credit Requirement for that Bid.

B2.3.4 Where an Open Season User wishes to satisfy the Open Season Auction Credit Requirement on the basis of its own or its Parent Company's Tangible Net Worth in accordance with Rule B2.3.1 (c), and its or its Parent Company's Tangible Net Worth, as evidenced in its or its Parent Company's latest audited statutory accounts, is denominated in a currency other than euro, ElecLink will assess the Open Season User's compliance with the Open Season Auction Credit Requirement by converting its or its Parent Company's Tangible Net Worth into a euro equivalent

using the Euro Foreign Exchange Reference Rates, as published by the European Central Bank on the last day of the Second Qualification Period, rounding up to the nearest million.

Eligibility Notice

B2.4.1 An Open Season User may not submit any Bid in an Auction and/or participate in the Secondary Market and/or, as the case may be, Nominate, until ElecLink has provided the Open Season User with a notice ("Eligibility Notice") stating that ElecLink is satisfied that the Open Season User has complied with the requirements of Rules B2.1 – B2.3. The Eligibility Notice shall take effect upon the date and time specified within the Eligibility Notice and shall state whether it applies to Auctions and/or the Secondary Market for Open Season Interconnector Capacity and/or the Nominations process for Open Season Interconnector Capacity.

In the case of Auctions, the Eligibility Notice shall also state the Initial Eligibility of the Open Season User.

B2.4.2 The Open Season User shall immediately (and in any case before submitting any Bid in an Auction and/or participating in the Secondary Market and/or, as the case may be, Nominating) acknowledge receipt of the Eligibility Notice by e-mail.

B2.4.3 Once effective in accordance with Rules B2.4.1 and B2.4.2, the Open Season User is eligible to participate in Auctions to which the Eligibility Notice applies and/or the Secondary Market to which the Eligibility Notice applies and/or, as the case may be, in the Nominations process to which the Eligibility Notice applies.

B2.4.4 If ElecLink is not satisfied that an Open Season User has complied with the requirements of Rules B2.1 – B2.3, ElecLink will:

(a) not provide the Open Season User with an Eligibility Notice; and

(b) notify the Open Season User of the requirements that the Open Season User has not complied with and the reasons why.

Suspension and reinstatement

B2.5 An Open Season User, in receipt of a notice under Rule F6.3.1, is prohibited from submitting Bids in any Auction and/or participating in the Secondary Market and/or, as the case may be, from Nominating, from the date its eligibility is suspended until ElecLink gives the Open Season User notice in writing terminating such suspension (a "Reinstatement Notice").

Regulatory and legal requirements

B2.6 It is the responsibility of each Open Season User to ensure that it has complied with all requirements, including Applicable Laws and the requirements of any Competent Authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Open Season Interconnector Capacity.

Costs of participation

B2.7 All Open Season Users will participate in Auctions and/or the Secondary Market, and/or will Nominate at their own cost, expense and risk. ElecLink will not be liable to any person for any

cost, claim, or expense of any Open Season User in connection with the Open Season User participating in Auctions, the Secondary Market and/or the Nominations process.

Practices that may affect competition

B2.8.1 All Open Season Users participate in Auctions on the terms of these Rules and the relevant Auction Specifications.

B2.8.2 Any Open Season User who offers any inducement, fee or reward to ElecLink, the Auction Manager, any employee or agent of ElecLink or any person acting as an adviser to ElecLink in connection with any Auction which would constitute a breach of the Bribery Act 2010 may be disqualified by ElecLink acting reasonably (in either case without prejudice to any other civil remedies available to ElecLink and without prejudice to any criminal liability which the Open Season User may attract).

B2.8.3 An Open Season User must not communicate to any person other than ElecLink and the Auction Manager any information relating to its Bid, amend its Bid by arrangement with any other person, make any arrangement with any other person about whether or not he or that other person should or should not submit a Bid, engage in, or attempt to engage in Market Manipulation, or enter into an agreement or understanding with another person that is likely to prevent or restrict competition in the Auction. Any breach of or non-compliance with this Rule B2.8.3 by the Open Season User will, without affecting the Open Season User's civil or criminal liability for such breach or non-compliance, invalidate the Open Season User's Bid.

B2.8.4 There must be no collusion by any Open Season User with any other Open Season User and Open Season Users must not otherwise seek improperly to influence the outcome of any Auction. If ElecLink has evidence of a breach of Rule B2.8.2 or B2.8.3 or of collusive or other improper behaviour which might be considered as unlawful, ElecLink will refer the matter to the relevant Competent Authorities or jurisdictions, and inform the GB Regulator and the French Regulator and, upon decision of the Competent Authority or jurisdiction that the Open Season User' behaviour is unlawful, may disqualify the relevant Bids.

Disclosure of Bid information

B2.9 ElecLink may provide or disclose any information related to any Open Season User or any Bid(s) which is required for the proper performance of its obligations and duties, or by Applicable Laws or in accordance with the requirements of any Competent Authority.

Rule B3: ElecLink Open Season User Agreement

Application for an agreement

B3.1 Any person ("Applicant") may apply to enter into an ElecLink Open Season User Agreement with ElecLink by submitting a completed Application Form to ElecLink together with all the information and documents required by the Application Form and the Application Pack.

B3.2 The Applicant must complete one Application Form only and can only enter into one ElecLink Open Season User Agreement.

Form of Application Form

B3.3 The form of the Application Form and the Application Pack and the requirements for its completion and submission will be specified by ElecLink from time to time. As a minimum, the Application Form will require the Applicant to:

(a) identify itself and provide its contact details and names of authorised representatives;

(b) attach evidence of the authority of the person signing the Application Form and the ElecLink Open Season User Agreement to do so on behalf of the Applicant; and

(c) agree to be bound by and comply with Rule B3.7 (Costs of application).

Return of agreements

B3.4 Once the Applicant has submitted an Application Form and sent the relevant information required under this Rule B3, the Applicant shall sign the ElecLink Open Season User Agreement and then send it in duplicate to ElecLink. ElecLink will return one copy of the ElecLink Open Season User Agreement executed by ElecLink to the Applicant concerned in conjunction with the Eligibility Notice. Execution of the ElecLink Open Season User Agreement by ElecLink will not waive any Eligibility Condition and does not itself indicate compliance with any other Eligibility Condition or oblige ElecLink to issue an Eligibility Notice.

Additional information

B3.5 ElecLink may ask an Applicant to provide additional or outstanding information reasonably required by ElecLink in connection with the Applicant's eligibility in accordance with these Rules to be party to an ElecLink Open Season User Agreement and otherwise in connection with ElecLink's approval and execution of an ElecLink Open Season User Agreement with that Applicant.

Refusal

B3.6 ElecLink may refuse to enter into an ElecLink Open Season User Agreement with an Applicant:

(a) if ElecLink has previously terminated an ElecLink Open Season User Agreement with the Applicant pursuant to Rule F6 either (i) as a result of a failure by the Open Season User (as it was at the time) to pay any amount owed under or in connection with these Rules and the Open Season User has not paid all amounts owed by it to ElecLink in connection with that termination, or (ii) for any other Termination Event of Default which (where capable of remedy) remains unremedied; or

(b) If ElecLink has previously terminated an ElecLink User Agreement with the Applicant pursuant to the relevant Allocation Rules; or

(c) if any act or omission of the Open Season User causes ElecLink to breach any condition of the ElecLink Interconnector Licence; or

(d) if any act or omission of the Open Season User causes ElecLink to breach any condition of the French Electricity law; or

(e) if any act or omission of the Open Season User causes ElecLink to breach any condition of the Exemption Decision; or

(f) if any act or omission of the Open Season User causes ElecLink to breach any Applicable Law or regulation.

Costs of application

B3.7 Applicants shall bear their own costs and expenses of any application under this Rule B3.

Information provided by Open Season Users

B3.8.1 Applicants and Open Season Users must provide ElecLink with the data and information in Schedule 3 ("Standing Data") before they are eligible to participate in any Auction. Initially, the information will be provided by Open Season Users in their Application Forms.

B3.8.2 An Applicant or an Open Season User must notify ElecLink if there is any change to the Standing Data at least ten (10) Business Days before the change comes into effect and, where that is not possible, as soon as practicable after the Open Season User becomes aware of the change.

B3.8.3 An Applicant or an Open Season User must notify ElecLink if it does not consent to ElecLink publishing its name as an Open Season Unit Holder for the facilitation of the Secondary Market.

B3.8.4 Pursuant to any notification sent by the Open Season User in accordance with Rule B3.8.3, ElecLink will (subject and without prejudice to Rule D1.10) reflect such notification in the CMS as soon as practicable and in any event within two (2) Business Days of the receipt of the notification.

Accuracy and completeness

B3.9 Each Open Season User must ensure that all data and other information that it provides to ElecLink pursuant to these Rules (including information in its Application Form) is and remains accurate and complete in all material respects and must promptly notify ElecLink of any change.

Rule B4: Open Season User Systems

General requirement

B4.1 Each Open Season User must establish and maintain, at its own cost, its own Open Season User Systems. ElecLink shall have no liability in the event that the Open Season User System fails, for any reason, to communicate with the CMS.

Interfaces with the Capacity Management System (CMS)

B4.2 ElecLink will give Open Season Users the information (including updates as applicable) reasonably necessary to enable Open Season User Systems to interface with the CMS.

Interface testing

B4.3.1 Each Open Season User must demonstrate to the reasonable satisfaction of ElecLink its ability to exchange information with the CMS before being eligible to participate in the Auctions, the Secondary Market and the Nominations process.

B4.3.2 In this context, ElecLink shall endeavour to give access to Open Season Users to a CMS test platform to test their interfaces.

Security and confidentiality of communications

B4.4.1 ElecLink may from time to time, where reasonably necessary for the purpose of protecting the security and authenticity of communications under these Rules, including those between the CMS and Open Season User Systems, establish communication protocols and standards with which Open Season Users must comply.

B4.4.2 Open Season Users accept that data sent to the CMS is binding, and that Open Season Users are fully responsible for those individuals who have access to the CMS on behalf of the Open Season User.

Training

B4.5 Training is available to each Open Season User. In relation to Auctions, Open Season Users that have received an Eligibility Notice in accordance with Rule B2 will receive an Open Season User Guide outlining access to and use of the Open Season Auction Software. Prior to the Auction, ElecLink will offer eligible Open Season Users the opportunity to participate in a training session relating to the Open Season Auction Software. The training session will provide eligible Open Season Users the opportunity to submit mock Bids over the course of several rounds and ask questions to the Auction Manager regarding the Bid submission process.

B4.6 Standard Training for the use of the CMS will be available to the Open Season Users free of charge.

SECTION C: FINANCIAL MATTERS APPLICABLE TO THESE RULES

Rule C1: Introduction

Scope

C1.1 This Section C of the Rules sets out Rules which are applicable to invoicing, payments and payment security.

Structure

C1.2 Section C is divided into four (4) Rules as follows:

(a) Rule C1: Introduction;

(b) Rule C2: Invoicing and Payment;

(c) Rule C3: Payment Security; and

(d) Rule C4: Credit Cover for Open Season Unit Holders.

Rule C2: Invoicing and Payment

Obligation to pay independent of use

C2.1 Each Open Season User must pay ElecLink the Unit Prices for all Unit Quantities acquired even if all or some of the Open Season Units have been Resold or Capacity Transferred as set out in Rule E4 (except as provided for in Rule E4.4.10(b)), and even if the Open Season User does not use the corresponding Open Season Interconnector Capacity.

Currency

C2.2.1 All prices referred to in Rule C2 are indicated in Euros.

C2.2.2 All payments made according to Rule C2 must be in Euros.

Invoices

C2.3.1 No later than the 11th Business Day of each month M, ElecLink will send by email as a PDF attachment (or by any other means as determined from time to time by ElecLink) to the Open Season User an invoice or credit note stating:

(a) the monthly instalments payable by the Open Season User in respect of the portion related to month M+1 of Open Season Units which have been allocated before the 3rd Business Day of month M; and such monthly instalment is calculated as the product of a) the number of Open Season Units (in megawatts) allocated to the Open Season User for month M+1, b) the aggregate hours of the Unit Validity Times of such Open Season Units within month M+1, and c) the Unit Price applicable to month M+1, rounded down to the nearest Euro cent for each monthly instalment. For example, an Open Season Unit with a Product Period of 5 calendar years starting on 1 January of year Y will be invoiced in sixty (60) monthly instalments, starting in December of year Y-1 and ending in November of year Y+4;

(b) the monthly instalments payable by the Open Season User in respect of the portion related to month M of Open Season Units which have been allocated on or after the 3rd Business Day of month M-1; and such monthly instalment is calculated in the same way as in Rule C2.3.1(a) above;

(c) the monthly instalments payable by ElecLink to the Open Season User in respect of the portion related to month M+1 of Open Season Units which have been Resold, for a Product Period equal to or greater than one (1) month in Long-Term Auctions, and which have been Resold before the third (3rd) Business Day of month M and such monthly instalment is calculated as the product of the Resold Unit Quantity and the Unit Resale Price, prorated by one (1) month over the total number of months in the Product Period for the Resold Open Season Units, rounded down to the nearest Euro cent for each monthly instalment, with the balance payable in the last monthly instalment. For example the Resale of an Open Season Unit for a Product Period from January to March is credited in three (3) monthly instalments, starting in December the year before and ending in February;

(d) the monthly instalments payable by ElecLink to the Open Season User in respect of the portion related to month M of Open Season Units which have been Resold for a Product Period equal to or greater than one (1) month in Long-Term Auctions, and

which have been Resold on or after or on the third (3rd) Business Day of month M-1. The monthly instalment receivable is calculated in the same way as in Rule C2.3.1 (c);

(e) the full amount payable by ElecLink in respect of the Open Season Units which have been Resold in Long-Term Auctions for a Product Period of less than one (1) month and which starts in month M-1, calculated as the product of the Resold Unit Quantity and the Unit Resale Price;

(f) the amount payable by ElecLink in respect of Unused Units as set out in Rule E5.2, and in respect of Contract Days within month M-1;

(g) where practicable, the notification of the portion related to month M-1 of the Open Season Units subject to Capacity Transfer by or to the Open Season User;

(h) any amounts payable by ElecLink or credits due to the Open Season User under Rule E7 (Curtailment and Curtailment Reconciliation);

(i) any amount payable by the Open Season User to ElecLink for any training requested by the Open Season User, in addition to the Standard Training provided to the use of the CMS pursuant to Rules B4.5 and B4.6;

(j) any Taxes payable by the Open Season User or ElecLink in respect of amounts in the invoice;

(k) the total amounts payable by the Open Season User to ElecLink and receivable by the Open Season User from ElecLink under the above paragraphs (a)-(g), and the balance after setting off payments due from the Open Season User and payments due from ElecLink under the above paragraphs (a)-(g); and

(l) any other information required to be included in the invoice under English law.

Payment of invoices

C2.4.1 In case of a balance due from the Open Season User under an invoice, the Open Season User must pay the full value of that balance invoiced to it under this Rule C2 in full, free of any charge, set off or counterclaim, except as provided by Rule C2.3.1(k), by the due date for payment, even if it disputes any amount in the invoice, by making payment to the bank account notified from time to time to the Open Season User by ElecLink for the purpose of these Rules.

C2.4.2 In case of a balance due from ElecLink under a credit note, ElecLink must pay the full value of that balance under this Rule C2 in full, free of any charge, set off or counterclaim, except as provided by Rule C2.3.1(k), by the due date for payment, even if it disputes any amount in the invoice, by making payment to the bank account notified from time to time to ElecLink by the Open Season User for the purpose of these Rules.

C2.4.3 Payments are due no later than fourteen (14) calendar days after the date of issuance of the invoice or credit note. If the day that payment is due is not a Business Day, then the payment is due on the next Business Day.

Payment disputes

C2.5.1 Subject to Rule C2.7, if an Open Season User disputes an invoice (or credit note) rendered under this Rule C2, then it must as soon as practicable and in any event within ten (10) Business Days after the date of issuance of the invoice (or credit note) notify ElecLink by registered mail

of the nature of the dispute and the amount in dispute. The notification of a dispute does not suspend any obligation to pay the amounts invoiced. If the Open Season User and ElecLink are unable to resolve the difference within ten (10) Business Days of the notice then such difference will constitute a Dispute which will be submitted for resolution in accordance with Rule F8 (Dispute resolution).

C2.5.2 If it is agreed or determined pursuant to Rule F8 that an amount paid by the Open Season User was not properly payable then ElecLink will refund such amount to the Open Season User no later than twenty (20) Business Days after the agreement or determination.

C2.5.3 If it is agreed or determined pursuant to Rule F8 that an amount paid by ElecLink was not properly payable then the Open Season User will refund such amount to ElecLink no later than twenty (20) Business Days after the agreement or determination.

Late payments

C2.6 Without prejudice to the other rights of ElecLink and Open Season Users, interest will be charged without further notice on amounts due for payment by an Open Season User or by ElecLink but unpaid at the date due for payment at the rate of four percent (4%) per annum above the interest rate applied by the European Central Bank for the main refinancing operations. This interest shall be charged from the date due for payment until the date of actual payment. In all cases the minimum amount to be charged for late payment is one hundred and forty euros (€140). Interest will be charged without further notice. Interest will be increased to include taxes and levies in force.

Payment Incident

C2.7.1 Without prejudice to the other rights of ElecLink, if any amount due for payment by the Open Season User to ElecLink is not paid in full by the Open Season User within five (5) Business Days after the due date for payment, ElecLink will register such non-payment as a payment incident (a “Payment Incident”) and inform the Open Season User by formal notice.

C.2.7.2 Immediately after registering a Payment Incident pursuant to Rule C2.7.1, ElecLink may invoke the Credit Cover.

C2.7.3 From the day of notice of a Payment Incident, the rights of the Open Season User to participate in Auctions or in the Secondary Market and to Nominate the Open Season Units that are the subject of the Payment Incident may be suspended by ElecLink as set out in Rule F6. This suspension will run until the two following conditions are cumulatively met:

(a) The Open Season User pays ElecLink all overdue invoices and all interest for late payments; and

(b) The Open Season User readjusts its Credit Cover as necessary to the level required pursuant to Rules C3 - C4 to cover its unpaid commitments.

Provided that the above two conditions are met, the Open Season User is entitled to request ElecLink to end its suspension. ElecLink will formally end the suspension by notice to the Open Season User as described in B2.6.

C2.7.4 The Open Season User agrees that, at any time during the period of suspension as referred to in Rule C2.7.3, ElecLink may Resell the Open Season Units acquired by it and that are the subject of the Payment Incident. In this event the proceeds of the Resale shall not be returned to the Open Season User, and ElecLink shall not be liable for any direct or indirect loss or

liabilities which the Open Season User may suffer or incur as a result of a Resale under this Rule.

Taxes

C2.8 Taxes at the rate and to the extent applicable will be applied to all amounts invoiced under these Rules.

Rule C3: Payment Security

Continuing credit requirements for Open Season Users

C3.1.1 At all times after any Open Season Units have been allocated to an Open Season User and until the expiry of the Product Period for those Open Season Units and payment in full of all instalments of the total Unit Price of those Open Season Units in accordance with Rule C2, the Open Season Unit Holder shall ensure that it satisfies, and continues to satisfy, the Open Season Continuing Credit Requirement.

C3.1.2 Each Open Season Unit Holder shall:

(a) notify ElecLink in writing within ten (10) Business Days if the Open Season Unit Holder ceases to satisfy the Open Season Continuing Credit Requirement; and

(b) at least annually by no later than 31 May in each year, and at any other time promptly upon ElecLink's written request, provide evidence to ElecLink of its continued satisfaction of the Open Season Continuing Credit Requirement.

C3.1.3 An Open Season Unit Holder who satisfies the Open Season Continuing Credit Requirement on the basis of its or its Parent Company's Credit Rating will within ten (10) Business Days notify ElecLink of any deterioration in such Credit Rating and provide evidence of the revised Credit Rating.

C3.1.4 An Open Season Unit Holder who satisfies the Open Season Continuing Credit Requirement on the basis of its or its Parent Company's Tangible Net Worth will within ten (10) Business Days of any Material Adverse Change affecting it or its Parent Company (as the case may be) notify ElecLink of such Material Adverse Change and the effect of that Material Adverse Change on its or its Parent Company's Tangible Net Worth, such notice to set out the basis for the Open Season User’s calculation thereof.

C3.1.5 If an Open Season Unit Holder at any time (the "Relevant Time") ceases to satisfy the Open Season Continuing Credit Requirement for any reason (and regardless of whether it has notified ElecLink of such occurrence), the Open Season Unit Holder shall within thirty (30) days after the Relevant Time take such action as may be necessary to ensure that it does satisfy, and thereafter will continue to satisfy, the Open Season Continuing Credit Requirement. A failure to take such action within such time shall be a Termination Event of Default for the purposes of Rule F6.

Rule C4: Credit Cover for Open Season Unit Holders

C4.1 Except where an Open Season Unit Holder satisfies the Open Season Continuing Credit Requirement on the basis of a Letter of Credit, an Open Season Unit Holder shall provide and maintain Credit Cover in accordance with this Rule C4 in respect of any Open Season Units allocated to that Open Season User.

C4.2 The Credit Cover provided under Rule C4.1 must be provided by no later than one (1) month prior to the due date of the first instalment of the Unit Price for those Open Season Units and shall be maintained until the Unit Price for the full Product Period of those Open Season Units has been paid in full.

C4.3 Credit Cover provided by an Open Season Unit Holder must be in the form of:

(a) a Letter of Credit; and/or

(b) Cash Collateral in a Deposit Account charged in favour of ElecLink.

C4.4 If Credit Cover in respect of any Open Season Units is provided in the form of a Letter of Credit, the Letter of Credit must have a Validity Period extending until at least one (1) month after the last date on which the Open Season User is required to make a payment of an instalment for the Open Season Units.

C4.5 The minimum amount of Credit Cover to be provided under Rule C4.1 in respect of any Open Season Units shall be in euros and equal to one month's instalment of the Unit Price of those Open Season Units (as calculated in accordance with Rule C2).

Calls on Credit Cover

C4.6 ElecLink is entitled to call on the Credit Cover of an Open Season User in the event of a Payment Incident pursuant to Rule C2.7.

C4.7 If the Credit Cover of an Open Season User is called in accordance with Rule C4.6, the Open Season User shall restore the Credit Cover to at least the minimum amount required by Rule C4.5 within two (2) Business Days of the call.

Credit Cover renewal

C4.8 If the Credit Cover of an Open Season User, in the form of a Letter of Credit, is due to expire, the Open Season User shall renew the Credit Cover to at least the minimum amount required by Rule C4.5 and with a Validity Period no shorter than that specified in Rule C4.4, not less than thirty (30) Business Days before it is due to expire.

C4.9 Where an Open Season User wishes to renew its Letter of Credit, it shall use its reasonable endeavours to achieve this by providing a new Letter of Credit and not by an amendment to its existing Letter of Credit.

Credit Cover Incident

C4.10 Without prejudice to the other rights of ElecLink, if the Credit Cover is not renewed in accordance with Rule C4.8, or not restored in accordance with Rule C4.7, or a substitute Letter of Credit is not procured in accordance with Rule C4.13, ElecLink will register such circumstance as a credit cover incident (a “Credit Cover Incident”) and inform the Open Season User by formal notice.

C4.11 From the day of notice of a Credit Cover Incident, the rights of the Open Season User to participate in Auctions or in the Secondary Market and to Nominate Open Season Units may be suspended as set out in Rules F6.3.1(a) and F6.3.1(b). This suspension will run until the Open Season User restores its Credit Cover to the minimum amount required pursuant to Rule C4.5 and the Open Season User's eligibility is reinstated as described in Rule B2.3.

C4.12 The Open Season User agrees that, at any time during its suspension pursuant to Rule C4.11, ElecLink may Resell the Open Season Units that such Open Season User is prohibited from using during the period of such suspension in accordance with Rule F6.3.1. In this event the proceeds of the Resale shall not be returned to the Open Season User, and ElecLink shall not be liable for any direct or indirect loss or liabilities which the Open Season User may suffer or incur as a result of a resale under this Rule.

Bank's credit rating

C4.13 If the bank issuing an Open Season User's Letter of Credit ceases to have the credit rating set out in the definition of 'Letter of Credit', the Open Season User shall within five (5) Business Days procure the issue of a substitute Letter of Credit by a bank that has such a credit rating or shall deposit Cash Collateral in a Deposit Account.

C4.14 If the bank with which Cash Collateral is deposited ceases to have the credit rating referred to in the definition of 'Deposit Account', the Open Season User shall within five (5) Business Days deposit Cash Collateral in a Deposit Account with a bank that has such a credit rating or shall procure the issue of a Letter of Credit.

SECTION D: AUCTION RULES FOR OPEN SEASON UNITS

This Section D of the Rules sets out the Rules relating to the Auction processes.

Rule D1.1: Introduction

Scope

D1.1.1 This Section D sets out the Rules relating to the Auction process for Open Season Units.

D1.1.2 The Auction process for Open Season Units will be conducted as a simultaneous, multiple-round, ascending clock auction. The Auction process for Open Season Units is called simultaneous because all the Open Season Units in the Auction are offered for sale at the same time. The Auction process for Open Season Units is called ascending clock auction because the price of Open Season Units increases from one round to the next, starting at a given level and increasing gradually until the demand for each product of Open Season Units is not greater than the Target for the product.

D1.1.3 Section D is divided into twelve (12) Rules as follows:

(a) Rule D1.1: Introduction;

(b) Rule D1.2: Auction Overview;

(c) Rule D1.3: Overview of Bidding;

(d) Rule D1.4: Extensions or Time-Outs in the Auction;

(e) Rule D1.5: Bidding Rules for each Section;

(f) Rule D1.6: Failure to Submit a Bid;

(g) Rule D1.7: End of Auction;

(h) Rule D1.8: Open Season Contracted Revenue Target;

(i) Rule D1.9: Open Season Revenue Cap;

(j) Rule D1.10: Publication of Results;

(k) Rule D1.11: Cancellation, Suspension, Deferral; and

(l) Rule D1.12: Enduring Limits for Open Season Unit Holders.

Rule D1.2: Auction Overview

General

D1.2.1 This Rule D1.2 provides an overview of:

(a) the requirements preceding the commencement of the Auction; and

(b) the rules governing the simultaneous ascending clock auction for Open Season Units.

Detailed bidding rules for the Auction are provided in Rules D1.3 – D1.7.

D1.2.2 An Open Season User must satisfy the participation requirements provided for in Rule B2 before that Open Season User may submit a Bid in the Auction.

D1.2.3 A Bid in the Auction must be submitted in accordance with this Rule D1. Only a Bid confirmed by the Auction Manager will be valid.

D1.2.4 Each valid Bid will constitute an unconditional and irrevocable offer by the Open Season User to ElecLink to buy Open Season Units for the quantity specified in the Bid, at the price at which the Bid is submitted, and on the terms and conditions of these Rules, the relevant Auction Specification, and the ElecLink Open Season User Agreement.

Electronic operation of the Auction

D1.2.5 The Auction will be conducted electronically via the Open Season Auction Software.

D1.2.6 Open Season Users that have received an Eligibility Notice in accordance with Rule B2 will receive an Open Season User Guide outlining access to and use of the Open Season Auction Software. Prior to the Auction, ElecLink will offer eligible Open Season Users the opportunity to participate in a training session relating to the Open Season Auction Software. The training session will provide eligible Open Season Users the opportunity to:

(a) submit mock Bids over the course of several rounds; and

(b) ask questions to the Auction Manager regarding the Bid submission process.

Backup procedure

D1.2.7 If, during the Auction, an Open Season User encounters difficulties in accessing the Auction server or is unable to utilise the Open Season Auction Software, the Open Season User may submit a Bid using the backup procedure described in Rules D1.2.8 – D1.2.10.

D1.2.8 If it is not practicable for an Open Season User to submit its Bid electronically in accordance with Rule D1.2.5, the Open Season User may phone the Auction Manager and, upon providing authenticating information, the Auction Manager will access the Open Season Auction Software and enter the Bid on behalf of the Open Season User. Telephone conversations between the Auction Manager and Open Season Users will be recorded. By using the backup procedure provided in this Rule D1.2.8, the Open Season User consents to and irrevocably authorises the Auction Manager to enter the Bid on behalf of the Open Season User. Nothing contained or implied in this Rule D1.2.8 constitutes or is deemed to constitute ElecLink or the Auction Manager and an Open Season User, the partner, agent, fiduciary or legal representative of the other for any purpose whatsoever or create or be deemed to create any partnership, agency, fiduciary or legal relationship or trust whatsoever.

D1.2.9 The Open Season User must notify the Auction Manager promptly and allow the Auction Manager reasonably sufficient time to complete the submission of a Bid under the backup procedure provided in Rule D1.2.8 before the end of the relevant Round. Neither ElecLink nor the Auction Manager will be liable to the Open Season User for any and all liability, losses or claims resulting from an incorrect or late submission of a Bid by the Auction Manager on behalf of the Open Season User under the backup procedure.

D1.2.10 When participating in the backup procedure specified in Rules D1.2.7 - D1.2.9, the Open Season User must comply with the instructions provided in the Open Season User Guide.

What will be auctioned?

D1.2.11 Each Auction of Open Season Units will be divided into products as specified by ElecLink by designating, in respect of each product:

(a) the direction of Open Season Units in that product, designated by the point of origin ("FR" for the France to Great Britain direction, or "EN" for the Great Britain to France direction);

(b) the Initial Forecast Commercial Delivery Date for each product;

(c) the duration of the Product Period of the Open Season Units in each product, expressed in number of years (for example, "5" for a Product Period of 5 years, or "10" for a Product Period of 10 years);

(d) the applicable Unit Validity Times of Open Season Units in each product;

(e) any other terms applicable to that product; and

(f) the terms applicable to the Planned Outage Period(s).

Auction Specification

D1.2.12 At least thirty (30) Business Days before the day of the start of the Bidding Period of an Auction, the Auction Manager will publish the provisional Auction Specification for that Auction stating in particular:

(a) the products being auctioned;

(b) the provisional Target for each product;

(c) the direction of Open Season Units for each product;

(d) the provisional Initial Forecast Commercial Delivery Date for each product;

(e) the duration of the Product Period of Open Season Units for each product;

(f) the terms applicable to the Planned Outage Period(s) for the Product Period;

(g) the applicable Unit Validity Times of Open Season Units for each product;

(h) the Minimum Starting Price;

(i) the Maximum Starting Price;

(j) the Adjustment Coefficient;

(k) the Discount Rate;

(l) the Price Increment Formula for each product;

(m) the provisional dates and times of the Bidding Period for that Auction; and

(n) any other relevant information or terms applicable to the Open Season Units or the Auction.

D1.2.13 At least fifteen (15) Business Days before the day of the start of the provisional Bidding Period of an Auction, the Auction Manager will inform the Open Season Users that have received an Eligibility Notice in accordance with Rule B2 of the final Auction Specification for that Auction, stating in particular:

(a) the definitive Target for each product;

(b) the Starting Price for each product;

(c) the definitive Initial Forecast Commercial Delivery Date for each product;

(d) the definitive dates and times of the Bidding Period; and

(e) any other update of relevant information or terms applicable to the Open Season Units or the Auction.

For the avoidance of doubt, and pursuant to these Rules, the information specified in Rule D1.2.13 (a), (c), (d) and (e) may be different from the information contained in the provisional Auction Specification for the relevant Auction; the information contained in the final Auction Specification shall prevail.

Sections

D1.2.14 The Auction will be divided into two Sections, where a Section includes products with the same direction, Initial Forecast Commercial Delivery Date and Unit Validity Times, but of different Product Periods. Section “FR” refers to all products in the France to Great Britain direction and Section “EN” refers to all products in the Great Britain to France direction.

D1.2.15 Each Section shall comprise a maximum of two products.

Target for each product of Open Season Units

D1.2.16 The quantity of Open Season Units to be auctioned for each product in a given Section will be divided into Blocks across products of Open Season Units with different Product Periods in accordance with one of the following options:

(a) eighty (80) Blocks in the form of Open Season Units with a Product Period of five (5) years; or

(b) zero (0) to thirty (30) Blocks in the form of Open Season Units with a Product Period of three (3) years and fifty (50) to eighty (80) Blocks in the form of Open Season Units with a Product Period of five (5) years; or

(c) zero (0) to sixty (60) Blocks in the form of Open Season Units with a Product Period of ten (10) years and twenty (20) to eighty (80) Blocks in the form of Open Season Units with a Product Period of five (5) years.

D1.2.17 The quantity available for each product, measured in Blocks, is the Target for that product.

D1.2.18 The sum of the Targets for both products in a Section shall not exceed eighty (80) Blocks.

D1.2.19 After the commencement of the Bidding Period, the Auction Manager will not change the Target for each product except in the circumstances described in Rule D1.2.20.

D1.2.20 If, at the end of Round 1, demand for a product is less than the Target for that product, the Auction Manager may:

(a) reduce the Target for that product by a number of Blocks not greater than the volume lacking in demand; and

(b) make a corresponding increase in the Target for the other product in the same Section.

For the avoidance of doubt, if demand in Round 1 exceeds the Target for every product in a given Section, the Auction Manager may not change the Target for either of the products in that Section.

D1.2.21 The Auction Manager will notify the Open Season Users of any change to the Target for a product made in accordance with Rule D1.2.20 prior to the commencement of Round 2.

Product Periods of Open Season Units

D1.2.22 The duration of the Product Period of Open Season Units in each product:

(a) shall not be greater than ten (10) years; and

(b) shall not be shorter than three (3) years.

D1.2.23 The Product Period of Open Season Units shall not extend beyond the twentieth (20^{th}) year from the Operational Start Date.

Acquisition of Open Season Units

D1.2.24 Where the Auction Manager accepts a Bid by allocating to an Open Season User one or more Open Season Unit(s) in accordance with these Rules, then the Open Season User will acquire such Open Season Unit(s) for the Unit Price on the terms and conditions of these Rules, the relevant Auction Specification and the ElecLink Open Season User Agreement. The rights and obligations of Open Season Unit Holders are set out in these Rules and the ElecLink Open Season User Agreement.

D1.2.25 If a change in any currency of a country occurs, these Rules may be amended to the extent ElecLink (acting reasonably and after consultation with the Open Season User) determines that it is necessary to reflect the change. Such change includes, but is not limited to, any Participating Member State leaving the euro or the euro ceasing to be the lawful currency of the Member States participating in the European Monetary Union. Such amendments may include the redenomination of the currency of liabilities and obligations under these Rules.

Rule D1.3: Overview of Bidding

Auction format

D1.3.1 The Auction process for Open Season Units will be undertaken in Rounds. In each Round, the Auction Manager will state the Going Price (in €/MWh) for each product of Open Season Units.

D1.3.2 The Going Price is deemed to be exclusive of Taxes.

D1.3.3 In each Round, the Open Season User may submit Bids for both products in both Sections at the same time.

D1.3.4 In each Bid, the Open Season User must state, for each product, the number of Blocks it wishes to buy at the Going Price announced by the Auction Manager.

D1.3.5 Every Bid is a binding and irrevocable offer to purchase the product at the Going Price at which the Bid is made. By submitting a Bid, the Open Season User is declaring that it stands ready, willing and able to purchase the Blocks that it bid, or any subset of the quantity corresponding to these Blocks (in whole MW) that it may be allocated by the Auction Manager, at the Going Price for the product.

D1.3.6 If the total number of Blocks bid for a given product is greater than the Target for that product, in the forthcoming Round the Auction Manager will increase the price for that product by one Increment.

D1.3.7 In the subsequent Round, Open Season Users may submit Bids for both products in both Sections again.

D1.3.8 The Open Season User must not increase, from one Round to the next, the total number of Blocks it bids across both products in the same Section. In any given Round, the total number of Blocks bid by an Open Season User across both products in a given Section must not exceed the total number of Blocks that the Open Season User bid, in the preceding Round, across both products in the same Section.

D1.3.9 The Open Season User may (subject to the express provisions of these Rules) decrease, from one Round to the next, the number of Blocks it bids on a particular product by making a request to Withdraw Blocks in accordance with Rules D1.5.7 - D1.5.11 and Rule D1.5.16. If the Open Season User makes a request to Withdraw Blocks from one or both products in a given Section, then the number of Blocks that the Open Season User may bid, in subsequent Rounds, across both products in that Section will (subject to the express provisions of these Rules) be reduced accordingly. The Open Season User's request to Withdraw Blocks may be denied by the Auction Manager in accordance with Rules D1.5.18 - D1.5.23.

D1.3.10 The Open Season User may Switch Blocks from one product in a Section to the other product in the same Section by making a request to Switch Blocks in accordance with Rules D1.5.12 - D1.5.16. The Open Season User is not permitted to request a Switch from a product in Section FR to a product in Section EN or a Switch from a product in Section EN to a product in Section FR. The Open Season User's request to Switch Blocks may be denied by the Auction Manager in accordance with Rules D1.5.24 - D1.5.28.

D1.3.11 In any given Round, if the total number of Blocks bid on a given product does not exceed the Target for that product, the Going Price for that product will not increase in the forthcoming Round. However, as the Auction progresses and the Going Price for the other product in the same Section increases, Open Season Users may Switch Blocks from one product to the other and, as a result, cause the number of Blocks bid on that particular product to exceed the respective Target again. This will cause the Going Price for the product to increase again in subsequent Rounds.

D1.3.12 If the Open Season User has submitted a Bid for a product and the Going Price for that product does not increase in the forthcoming Round, then in the forthcoming Round the Open Season User may not:

(a) Withdraw Blocks from that product; or

(b) Switch Blocks from that product to the other product in the same Section.

D1.3.13 The Winning Bidders for each product will be determined in accordance with Rule D1.7 when bidding has closed for all products in a given Section.

D1.3.14 Except in the circumstances described in Rules D1.8 and D1.9, a Winning Bidder is awarded the full number of Blocks allocated to it by the Auction Manager pursuant to Rule D1.7.4.

Increments

D1.3.15 The Increment is specific to each product in the Auction. The Increment may be set as an absolute value or as a percentage of the Going Price for the product in the previous Round. The Increment for each product will be expressed in multiples of 0.5 Euro cents per MWh.

D1.3.16 In any given Round, the Auction Manager will set the Increment in accordance with the Price Increment Formula for the relevant product. The Price Increment Formula may take into consideration factors including, but not limited to, the level of Excess Demand for each product and the relative level of demand for products within the same Section or across different Sections.

Rounds

D1.3.17 No later than five (5) Business Days before the day of the commencement of the Bidding Period, the Auction Manager will provide to all Open Season Users that have received an Eligibility Notice in accordance with Rule B2 a timetable for the first day of the Auction specifying, in particular, the time at which Round 1 will start.

D1.3.18 Round 1 will start not earlier than 10:00 hours CET and not later than 16:00 hours CET on the day of the start of the Bidding Period.

D1.3.19 Each Round will be divided into three (3) phases:

(a) the Bidding Phase;

(b) the Calculating Phase; and

(c) the Reporting Phase.

D1.3.20 In the Bidding Phase, Open Season Users must submit their Bids for each product at the Going Prices announced by the Auction Manager.

D1.3.21 The Calculating Phase will commence immediately after the Bidding Phase. In the Calculating Phase, the Auction Manager will tabulate the results of the Bidding Phase and set the Going Price of each product for the forthcoming Round. During the Calculating Phase, Open Season Users cannot submit Bids and do not yet have access to the results of the Bidding Phase.

D1.3.22 The Reporting Phase commences immediately after the Calculating Phase. In the Reporting Phase, the Auction Manager will:

i. notify all participating Open Season Users of:

(a) the Going Price for each product in the forthcoming Round; and

(b) the Range of Total Excess Demand in each Section for the preceding Round.

ii. report privately to each participating Open Season User:

(a) the number of Blocks bid by the Open Season User for each product at the respective Going Price;

(b) the Open Season User's Eligibility for the next Round, calculated in accordance with Rule D1.5.6;

(c) whether the Open Season User's request(s) to Withdraw Blocks or Switch Blocks under Rules D1.5.7 – D1.5.16 have been accepted:

(i) if the Open Season User's request(s) to Withdraw Blocks or Switch Blocks have been accepted, the Auction Manager reports this to the Open Season User;

(ii) if some or all of the Open Season User's requests to Withdraw Blocks have been denied pursuant to Rules D1.5.18 - D1.5.23, the Auction Manager reports to the Open Season User the number of Withdrawn Blocks which have been retained and the respective Exit Price;

(iii) if some or all of the Open Season User's requests to Switch Blocks have been denied pursuant to Rules D1.5.24 - D1.5.28, the Auction Manager reports to the Open Season User the number of Switched Blocks which have been retained and the price at which such Switched Blocks have been retained;

(d) the number of Withdrawn Blocks (in relation to the Open Season User), which had been retained in a previous Round, that are now being released in accordance with Rules D1.5.21 - D1.5.23;

(e) the number of Switched Blocks (in relation to the Open Season User) which had been retained in a previous Round and which have been Outbid pursuant to Rules D1.5.26 - D1.5.28; and

(f) the Open Season User's Free Eligibility, calculated in accordance with Rule D1.5.27.

D1.3.23 The minimum duration of each phase will be as follows:

(a) Bidding Phase: minimum of ten (10) minutes;

(b) Calculating Phase: no minimum duration; and

(c) Reporting Phase: minimum of five (5) minutes.

D1.3.24 The three (3) phases (individually or collectively) are subject to no maximum duration, however:

(a) the duration of the Bidding Phase will typically last between ten (10) and twenty (20) minutes, unless one or more Open Season Users request an Extension in accordance with Rule D1.4;

(b) the combined duration of the Calculating Phase and the Reporting Phase will typically be less than thirty (30) minutes unless the Auction Manager requests a Time-Out in accordance with Rule D1.4.6.

D1.3.25 The Auction for Open Season Units does not have a pre-determined number of Rounds or a set time at which it ends. The bidding in each Section is separate and may end at different times.

The Auction ends when the bidding in both Sections has closed. If the Auction lasts more than one (1) Business Day, the Auction Manager will provide to all participating Open Season Users a timetable for the following bidding day in the evening of the previous Business Day.

Rule D1.4: Extensions or Time-Outs in the Auction

D1.4.1 Open Season Users or the Auction Manager may extend or Time-Out (as the case may be) the Auction in accordance with this Rule D1.4.

Request for Extension by the Open Season Users

D1.4.2 During the Bidding Phase, an Open Season User may extend the Auction by requesting an Extension. An Open Season User may request a maximum of two (2) Extensions during the Auction.

D1.4.3 Each Extension will last fifteen (15) minutes, unless specified otherwise by the Auction Manager and notified by the Auction Manager to the Open Season Users by message in the Open Season Auction Software prior to the start of the Bidding Phase.

D1.4.4 If an Open Season User requests an Extension, such a request extends the Bidding Phase of the Round for all Open Season Users and for both Sections.

D1.4.5 If there are multiple requests for an Extension during the Bidding Phase of any given Round, the Extensions will proceed concurrently and the Bidding Phase of the relevant Round will be extended by only fifteen (15) minutes or such other period of time as may be specified by the Auction Manager pursuant to Rule D1.4.3. For the avoidance of doubt, an Open Season User may request a maximum of two (2) Extensions during the Auction irrespective of whether there are multiple requests for an Extension during the Bidding Phase of the same Round or not.

Time-Out imposed by the Auction Manager

D1.4.6 The Auction Manager may impose a Time-Out at any time during a Round. A Time-Out will typically last no more than fifteen (15) minutes. However, the Auction Manager reserves the right to extend the duration of the Time-Out, if in the reasonable opinion of the Auction Manager this is necessary for the proper conduct of the Auction.

Rule D1.5: Bidding Rules for each Section

Overview

D1.5.1 This Rule D1.5 details (a) the possible Bids that an Open Season User is permitted to submit in the Auction for Open Season Units, and (b) the terms and conditions governing such Bids. This Rule D1.5 applies separately to each Section without limiting any other Rule or provision of the ElecLink Open Season User Agreement.

Round 1

D1.5.2 In the Bidding Phase of Round 1, the Open Season User must submit, for each product in each Section, a Bid identifying the number of Blocks being bid for at the Going Price for each product.

D1.5.3 In Round 1, the total number of Blocks an Open Season User may submit a Bid for across both products in a Section must not exceed the Open Season User's Initial Eligibility for that Section.

D1.5.4 The Auction Manager will refuse any Bid that does not comply with Rule D1.5.3.

Round 2 and subsequent Rounds

D1.5.5 In the Bidding Phase of Round 2 and of all subsequent Rounds, the Open Season User must submit, for each product in each Section, a Bid identifying the number of Blocks being bid for at the Going Price of each Round. The Open Season User may:

(a) bid the same number of Blocks for each product as in the preceding Round; or

(b) make a request to Withdraw Blocks or Switch Blocks in accordance with Rules D1.5.7 - D1.5.16.

D1.5.6 In Round 2 and in all subsequent Rounds, the total number of Blocks bid by the Open Season User, across all products in a given Section, must not exceed the Open Season User's Eligibility for that Section, calculated as follows:

(a) in Round 2, the Open Season User's Eligibility for a given Section is equal to the total number of Blocks bid by the Open Season User, in Round 1, across all products in that Section.

(b) in Round 3 and in all subsequent Rounds, the Open Season User's Eligibility equals the difference between:

i. The Eligibility of the Open Season User in the preceding Round; and

ii. The number of Blocks Withdrawn by the Open Season User in the preceding Round, calculated in accordance with Rules D1.5.7 - D1.5.11.

In Round 2 and in all subsequent Rounds, the Auction Manager will reject any Bid that does not comply with this Rule D1.5.6.

Withdrawals

D1.5.7 In Round 2 and in all subsequent Rounds, the Open Season User may request to Withdraw Blocks from a given product, only if the Going Price for that product has increased from the preceding Round.

D1.5.8 The Auction Manager shall accept the Open Season User's request to Withdraw Blocks from a given product except in the circumstances described in Rules D1.5.18 – D1.5.23.

D1.5.9 An Open Season User that requests to Withdraw Blocks must state an Exit Price for the Blocks to be Withdrawn. The Exit Price is the Open Season User's best and final offer for the number of Blocks which are to be Withdrawn. The Exit Price must be:

(a) the same for all Blocks to be Withdrawn that correspond to the same product;

(b) greater than or equal to the Going Price, in the preceding Round, of the product from which the Blocks are to be Withdrawn; and

(c) less than the Going Price of that same product in the Round in which the request to Withdraw the relevant Blocks is being made.

D1.5.10 An Open Season User that requests to Withdraw Blocks from more than one product is permitted to specify a different Exit Price for each product.

D1.5.11 If the Open Season User requests to Withdraw Blocks from a product in a given Section, the Open Season User's Eligibility for that Section in the subsequent Rounds is decreased by the number of Blocks Withdrawn, whether or not some of all of these Blocks are retained in accordance with Rules D1.5.18 – D1.5.23. An Open Season User that requests to Withdraw Blocks forfeits the right to bid these Blocks again on any product in the same Section in the subsequent Rounds.

Switches

D1.5.12 In Round 2 and in all subsequent Rounds, an Open Season User may make a request to Switch Blocks pursuant to Rules D1.5.13 – D1.5.14.

D1.5.13 In Round 2 and in all subsequent Rounds, an Open Season User may make a request to Switch Blocks from product A to product B in the same Section, only if the Going Price for product A has increased from the preceding Round.

D1.5.14 An Open Season User is permitted to remove, through a Switch, one or more Blocks from product A and increase, by a corresponding amount, the number of Blocks bid on product B in the same Section, even if the Going Price for product B has not increased from the previous Round.

D1.5.15 The Auction Manager shall accept the Open Season User's request to Switch Blocks from product A to product B in the same Section except in the circumstances described in Rules D1.5.24 – D1.5.27.

Simultaneous Withdrawals and Switches

D1.5.16 In Round 2 and in all subsequent Rounds, an Open Season User may make both a request to Withdraw Blocks and a request to Switch Blocks in the same Round.

Filling the Target for each product

D1.5.17 In any given Round, the Auction Manager must achieve the Target for each product in the following order:

i. firstly, the Auction Manager utilises the Blocks bid at the Going Price of the relevant Round;

ii. secondly, if the total number of Blocks bid at the Going Price of the relevant Round is less than the Target for the product, the Auction Manager will deny, to the extent necessary, the Open Season Users' requests to Withdraw Blocks in accordance with Rules D1.5.18 – D1.5.23 and will utilise the relevant Withdrawn Blocks to achieve the Target; and

iii. thirdly, if the total number of Blocks specified in Rule D1.5.17 (i) – (ii) is less than the Target for the product, the Auction Manager will deny, to the extent necessary, the Open Season Users' requests to Switch Blocks in accordance with Rules D1.5.24 – D1.5.28 and will utilise the relevant Switched Blocks to achieve the Target.

Denied Withdrawals

D1.5.18 In any given Round, if the total number of Blocks bid on a particular product at the Going Price for the product is less than the Target for that product, the Auction Manager will deny some or all of the requests to Withdraw Blocks so as to achieve the Target for that product.

D1.5.19 If some or all of the requests to Withdraw Blocks are denied in accordance with Rule D1.5.18, the Auction Manager will retain the Withdrawn Blocks starting with those Blocks with the highest Exit Price first. The Withdrawn Blocks will be retained at the Exit Price stated by the Open Season User in accordance with Rule D1.5.9. For the avoidance of doubt, the Open Season User, whose Withdrawn Blocks are retained, must surrender the Eligibility corresponding to such Withdrawn Blocks, even if such Withdrawn Blocks are retained.

D1.5.20 If two or more Open Season Users have stated the same Exit Price and the Auction Manager must retain some but not all of the Withdrawn Blocks from such Open Season Users, the Auction Manager will determine, for each Withdrawn Block that must be retained at a time, the Open Season User whose Withdrawn Blocks will be retained using a random draw.

i. For the first Withdrawn Block that must be retained, the probability that an Open Season User is chosen is equal to:

(a) the number of Withdrawn Blocks that the Open Season User has bid at the Exit Price,

divided by

(b) the total number of Withdrawn Blocks with the same Exit Price.

ii. If further Withdrawn Blocks must be retained at the Exit Price, the probability that any one Open Season User is chosen is equal to:

(a) the number of Withdrawn Blocks that the Open Season User has bid at the Exit Price which have not yet been retained,

divided by

(b) the total number of Withdrawn Blocks with the same Exit Price which have not yet been retained.

iii. The Auction Manager repeats the procedure described in Rule D1.5.20 (ii) for every Withdrawn Block that must be retained.

D1.5.21 Withdrawn Blocks, which have been retained, will be released (and the Open Season User's request to Withdraw such Blocks will be accepted), if in a subsequent Round:

(a) new Blocks are bid on the same product at the Going Price; and

(b) such new Blocks can serve to achieve the Target for the product in place of the Withdrawn Blocks which have been retained.

D1.5.22 Withdrawn Blocks will be released, in accordance with Rule D1.5.21, starting with those Blocks with the lowest Exit Price first. Withdrawn Blocks subject to this Rule D1.5.22 will be irrevocably removed from the Auction.

D1.5.23 If Withdrawn Blocks from more than one Open Season User have been retained at the same Exit Price and only some of those Blocks can be released in accordance with Rule D1.5.21, the Auction Manager will determine the Open Season User whose retained Blocks will be released using a random draw.

i. For the first retained Block to be released, the probability that an Open Season User is chosen is equal to:

(a) the number of Withdrawn Blocks retained from that Open Season User at the Exit Price,

divided by

(b) the total number of Withdrawn Blocks retained at the same Exit Price.

ii. If further retained Blocks must be released, the probability that an Open Season User is chosen is equal to:

(a) the number of Withdrawn Blocks retained from that Open Season User at the Exit Price, which have not already been released,

divided by

(b) the total number of Withdrawn Blocks retained at the same Exit Price, which have not already been released.

iii. The Auction Manager repeats the procedure described in Rule D1.5.23 (ii) until the required number of retained Blocks has been released.

Denied Switches

D1.5.24 In any given Round, the Auction Manager will deny requests to Switch Blocks as necessary to achieve the Target for a product after all Withdrawn Blocks for that product, if any, have been retained in accordance with Rules D1.5.18 - D1.5.20. The Blocks relating to denied Switches will be retained at the Going Price of the product in the preceding Round.

D1.5.25 If two or more Open Season Users have requested to Switch Blocks from a given product and some but not all of the Switched Blocks must be retained in accordance with Rule D1.5.24, the Auction Manager will determine, for each Switched Block at a time, the Open Season User(s) whose Switched Block(s) will be retained using a random draw.

i. For the first Switched Block that must be retained, the probability that an Open Season User is chosen is equal to:

(a) the number of Blocks that the Open Season User has requested to Switch from the product,

divided by

(b) the total number of Blocks that all Open Season Users have requested to Switch from that product in the same Round.

ii. If further Switched Blocks must be retained, the probability that an Open Season User is chosen is equal to:

(a) the number of Blocks that the Open Season User has requested to Switch from the product, which have not already been retained,

divided by

(b) the total number of Blocks that all Open Season Users have requested to Switch from the product in the same Round and which have not already been retained.

iii. The Auction Manager will repeat the procedure described in Rule D1.5.25 (ii) until the Target for the product is achieved.

D1.5.26 A Switched Block which has been retained may be Outbid, if in a subsequent Round:

(a) new Blocks for the same product are bid at the Going Price for that product; and

(b) such new Blocks can serve to achieve the Target for that product in place of the Switched Blocks which have been retained.

D1.5.27 An Outbid Block relating to an Open Season User is subject to the following conditions:

i. if the Block was Outbid by another Open Season User, the relevant Outbid Block becomes Free Eligibility in the forthcoming round. A Block of Free Eligibility must be bid by the Open Season User in the Round in which it becomes available. Otherwise, the Open Season User's Eligibility for that Block will be lost. A Block of Free Eligibility can be bid on any product in the same Section. If the Open Season User does not bid the Block of Free Eligibility, the relevant Block is considered to be Withdrawn. When a Block of Free Eligibility is Withdrawn, the Open Season User is not allowed to state an Exit Price and the Block will not be retained by the Auction Manager in the circumstances described in Rules D1.5.18 – D1.5.20.

ii. if the Block was Outbid by the Open Season User itself, the relevant Outbid Block is deemed as a Block bid by the Open Season User at the Going Price for the product. For the avoidance of doubt, if an Open Season User had one or more Switched Blocks retained for a product and bids new Blocks on this same product at the Going Price, the Open Season User will be deemed to have bid all Blocks (both the new Blocks and the Switched Blocks which had been retained) at the Going Price. In such case, the Outbid Blocks become Blocks that are bid at the Going Price.

D1.5.28 If, for a given product, Switched Blocks from more than one Open Season User have been retained and not all of these Switched Blocks are Outbid, the Auction Manager will determine, for each Switched Block at a time, the Open Season User whose Switched Block(s) will be Outbid using a random draw.

i. For the first Switched Block to be Outbid, the probability that an Open Season User is chosen is equal to:

(a) the total number of Switched Blocks associated with the Open Season User which have been retained for the product,

divided by

(b) the total number of Switched Blocks, associated with all Open Season Users, which have been retained for the same product.

ii. For each subsequent Switched Block to be Outbid, the probability that an Open Season User is chosen is equal to:

(a) the total number of Switched Blocks, associated with the Open Season User which have been retained for the product, and which have not already been Outbid,

divided by

(b) the total number of Switched Blocks, associated with all Open Season Users, for the same product, which have not already been Outbid.

iii. The Auction Manager will repeat the procedure described in Rule D1.5.28 (ii) until the required number of Switched Blocks has been Outbid.

Rule D1.6: Failure to Submit a Bid

D1.6.1 An Open Season User with positive Eligibility must submit a Bid in every Round of the Auction, even if the Bid remains unchanged from the preceding Round or if the Going Price for the product has not increased from the preceding Round.

D1.6.2 If an Open Season User with positive Eligibility does not submit a Bid during the Bidding Phase of the Round and the Open Season User has Extensions remaining pursuant to Rule D1.4, the Open Season User is automatically granted an Extension by the Auction Manager.

D1.6.3 If the Open Season User:

(a) has already expended the Extensions permitted to it in accordance with Rule D1.4; or

(b) does not submit a Bid during the Extension granted to it by the Auction Manager in accordance with Rule D1.6.2,

the Open Season User is a Default Bidder.

D1.6.4 A Default Bidder will be assigned a Default Bid in accordance with the following:

i. In Round 1, the Default Bid will be zero (0) Block for each and every product;

ii. In Round 2 and in all subsequent Rounds:

(a) If the Default Bidder had some Blocks of Free Eligibility, these Blocks will be Withdrawn and removed from the Auction;

(b) If, in the preceding Round, the Default Bidder did not submit a Bid for any Blocks on a particular product and, in the Reporting Phase of that Round, did not have any denied Withdrawals or denied Switches for the relevant product, the Default Bid will be zero (0) Block for that product;

(c) If, in the preceding Round, the Default Bidder had submitted a Bid for one or more Blocks on a particular product at the Going Price and the price for that product increased from the preceding Round to the present Round, the Default Bidder is deemed to have submitted a request to Withdraw the relevant Blocks at the Default Exit Price. In the event that such Blocks must be retained pursuant to Rule D1.5.18 in order to achieve the Target for the product, the relevant

Blocks will be retained last and only after the application of the procedure described in Rule D1.5.20. In the event that Blocks from more than one Default Bidders must be retained, the Auction Manager will determine, for each Block at a time, the Default Bidder whose Block will be retained using a random draw.

i. For the first Block that must be retained, the probability that a Default Bidder is chosen is equal to:

(a) the number of Blocks associated with the Default Bidder for a given product;

divided by

(b) the total number of Blocks of all Default Bidders for the same product.

ii. If further Blocks must be retained, the probability that a Default Bidder is chosen is equal to:

(a) the number of Blocks associated with the Default Bidder for a given product, which have not yet been retained,

divided by

(b) the total number of Blocks associated with all Default Bidders for the same product, which have not yet been retained.

iii. The Auction Manager will repeat the procedure described in D1.6.4 (c) (ii) for each Block that must be retained from Default Bidders.

(d) If, in the preceding Round, the Default Bidder:

i. submitted a Bid for one or more Blocks on a given product at the Going Price of the preceding Round; and/or

ii. had Withdrawn Blocks retained; and/or

iii. had Switched Blocks retained;

and the price for the product did not increase from the preceding Round to the present Round, then:

(a) if there is Excess Demand for the product in the present Round so that the price for the product will increase in the next Round, the following apply:

i. all Blocks that the Default Bidder had previously bid at the Going Price of the preceding Round are bid again at the same price;

ii. all Withdrawn Blocks that had been previously retained are released and the Default Bidder is discharged from any remaining obligation that relates to the relevant Blocks; and

iii. all Switched Blocks that had previously been retained are Outbid and the Default Bidder is assigned Free Eligibility for the relevant Blocks.

(b) if there is no Excess Demand for the product in the present Round so that the price for the product will not increase in the next Round, the following apply:

i. all Blocks that the Default Bidder had previously bid at the Going Price of the preceding round are bid again at the same price;

ii. if any new Blocks are bid on the same product at the Going Price of the present Round, the Blocks associated with a Default Bidder's denied Switches are Outbid first (before the Blocks associated with the denied Switches of Non-Default Bidders). If there is more than one Default Bidder and not all of the Blocks associated with the denied Switches from such Default Bidders can be Outbid, then for each Switched Block that must be Outbid, the Auction Manager will determine the Default Bidder whose Switched Block will be Outbid using a random draw, in a procedure analogous to that used for Blocks associated with the denied Switches of Non-Default Bidders;

iii. if any new Blocks are bid on the same product at the Going Price of the present Round, and if all Blocks associated with the denied Switches from both Default Bidders and Non-Default Bidders are Outbid, then any Withdrawn Blocks that have been retained from Default Bidders will be released first and, in any case, before the Withdrawn Blocks of Non-Default Bidders. If there is more than one Default Bidder with retained Withdrawn Blocks and only some of the retained Withdrawn Blocks can be released, then the Auction Manager will determine at random, for each retained Withdrawn Block at a time, the Default Bidder whose retained Withdrawn Block be will released in a procedure analogous to that used for the retained Withdrawn Blocks of Non-Default Bidders.

Rule D1.7: End of Auction

D1.7.1 The Auction closes at the same time for both products in the same Section.

D1.7.2 The Auction for both products in the same Section closes in the Reporting Phase of the first Round in which Total Excess Demand for a Section is less than or equal to zero (0) ("Final Round").

Winning Bidders

D1.7.3 When the Auction for both products in the same Section closes, Blocks are allocated to the Winning Bidders. The Winning Bidders for each product are determined in accordance with the following:

(a) if, in the Final Round, the number of Blocks bid at the Going Price of the Final Round is equal to the Target for the product, the Winning Bidders are the Open Season Users that submitted valid Bids for the product at the Going Price of the Final Round;

(b) if, in the Final Round, the number of Blocks bid at the Going Price of the Final Round is less than the Target for the product, then:

i. if Withdrawn Blocks have been retained in order to achieve the Target for the product, but no Switched Blocks have been retained, then the Winning Bidders are the Open Season Users that submitted valid Bids for the product at the Going Price of the Final Round and the Open Season Users that had Withdrawn Blocks retained.

ii. If Switched Blocks must be retained in order to achieve the Target for the product, the Winning Bidders are the Open Season Users that submitted valid Bids for the product at the Going Price of the Final Round, the Open Season Users that had Withdrawn Blocks retained (if any) and the Open Season Users that had Switched Blocks retained.

D1.7.4 Except in the circumstances described in Rules D1.8 and D1.9, each Winning Bidder will be allocated, for each product, a quantity of Open Season Units corresponding (in MW) to the sum of:

(a) the number of Blocks that the Winning Bidder bid for the product at the Going Price of the Final Round; and

(b) the number of Blocks corresponding to the Winning Bidder's denied Withdrawals, if any, for that product in the Final Round; and

(c) the number of Blocks corresponding to the Winning Bidder's denied Switches, if any, for that product in the Final Round.

D1.7.5 Open Season Users acknowledge and accept that their Bids may be partially accepted according to the methodology described in Rules D1.8 and D1.9.

Auction Price

D1.7.6 The Winning Bidders for a given product pay the Auction Price (in €/MWh) for that product, calculated in accordance with the following rule:

(a) if the total number of Blocks bid on the product at the Going Price of the Final Round is equal to the Target for that product, then the Auction Price for that product is the Going Price of the Final Round; or

(b) if the total number of Blocks bid on the product at the Going Price of the Final Round is less than the Target for that product, then:

i. if Withdrawn Blocks have been retained in order to achieve the Target for the product, but no Switched Blocks have been retained, then the Auction Price for the product is the Exit Price of the last Withdrawn Block that has been retained, i.e. the lowest Exit Price associated with a Withdrawn Block that has been retained;

ii. if Switched Blocks have been retained in order to achieve the Target for the product, then the Auction Price for that product is the price at which the Switched Blocks which were retained were last freely bid, i.e. the Going Price of the Round preceding the Round in which the relevant request to Switch was denied.

Capacity Agreement Confirmation

D1.7.7 As soon as practicable after the Auction closes, ElecLink will provide each Winning Bidder written confirmation (the "Capacity Agreement Confirmation") setting out for each product:

(a) the quantity (in MW) of Open Season Units allocated to it in accordance with Rules D1.7 – D1.9; and

(b) the Auction Price.

Each Winning Bidder shall sign the Capacity Agreement Confirmation and send it immediately to ElecLink in duplicate. ElecLink will return to each Winning Bidder concerned one copy of the Capacity Agreement Confirmation executed by ElecLink.

Rule D1.8: Open Season Contracted Revenue Target

D1.8.1 At the close of the Auction, ElecLink will calculate the Total Contracted Revenues from the Auction of Open Season Units.

D1.8.2 If the Total Contracted Revenues are greater than or equal to the Open Season Contracted Revenue Target, ElecLink will allocate Open Season Units to Winning Bidders in accordance with the terms and conditions of these Rules and the ElecLink Open Season User Agreements.

D1.8.3 If the Total Contracted Revenues are less than the Open Season Contracted Revenue Target, ElecLink reserves the right not to allocate Open Season Units to Winning Bidders, in which case ElecLink shall have no liability or obligation whatsoever to any Open Season User arising from the Auction or in relation to the products or Open Season Units which were the subject of the Auction. ElecLink will notify the Winning Bidders as soon as practicable regarding any decision by ElecLink not to allocate Open Season Units and, in any case, by no later than one (1) Business Day after the last day of the Financial Close Period.

D1.8.4 After the close of the Auction, the Auction Manager will inform all Open Season Users if the Total Contracted Revenues from the Auction of Open Season Units are greater than or equal to the Open Season Contracted Revenue Target.

D1.8.5 The Open Season Contracted Revenue Target will not be disclosed either prior to, during or after the Auction for Open Season Units and ElecLink's determination of whether the Total Contracted Revenues are greater than, equal to or less than the Open Season Contracted Revenue Target shall be final and binding on the Open Season Users.

Rule D1.9: Open Season Revenue Cap

D1.9.1 In accordance with the Exemption Decision, the present value of the Open Season Revenues shall not exceed an amount determined in advance of the Auction by ElecLink in accordance with the Exemption Decision (the "Open Season Revenue Cap"). The Open Season Revenue Cap will not be disclosed either prior to, during or after the Auction of Open Season Units and ElecLink's determination of whether the Open Season Revenues exceed the Open Season Revenue Cap shall be final and binding on the Open Season Users.

D1.9.2 If, at the close of the Auction, the present value of the Open Season Revenues exceeds the Open Season Revenue Cap, the quantity of Open Season Units (in MW) allocated to Winning Bidders will be reduced in accordance with Rule D1.9.3 until such point that the present value of the Revised Open Season Revenues does not exceed the Open Season Revenue Cap. The Auction Price for the products in the relevant Auction will not be changed.

D1.9.3 If it is necessary to reduce the quantity (in MW) allocated to Winning Bidders in accordance with Rule D1.9.2, the Auction Manager will apply the following procedure:

(a) for each product in each Section, Winning Bidders that were allocated a quantity greater than ten (10) MW will be ranked using a random draw;

(b) starting with the product with the shortest Product Period in Section EN, a quantity of one (1) MW will be deducted from the quantity allocated to the highest ranked Winning Bidder followed by the next ranked Winning Bidder. Following the iterative process described in this Rule D1.9.3(b) the relevant quantity will be deducted until one of the following conditions is met:

i. the present value of the Revised Open Season Revenues does not exceed the Open Season Revenue Cap; or

ii. a quantity of one (1) MW has been deducted from the quantity allocated to all Winning Bidders for that product.

(c) if, after the application of the procedure described in Rule D1.9.3(b), the present value of the Revised Open Season Revenues still exceeds the Open Season Revenue Cap, the same procedure will be repeated for the remaining products in the following order:

i. first, the product with the longest Product Period in Section EN;

ii. second the product with the shortest Product Period in Section FR; and

iii. third, the product with the longest Product Period in Section FR.

(d) if, after the application of the procedure described in Rule D1.9.3 (c), the present value of the Revised Open Season Revenues still exceeds the Open Season Revenue Cap, the Auction Manager will repeat the procedure described in Rule D1.9.3 (b) - (c) for each product in each Section until the present value of the Revised Open Season Revenues no longer exceeds the Open Season Revenue Cap;

(e) if, after the application of the procedure described in Rule D1.9.3 (a) - (d), the quantity allocated to a Winning Bidder is reduced to ten (10) MW, such Winning Bidder will be excluded from the ranking and will not be subject to any further deductions except in the circumstances described in Rule D1.9.3 (f) below;

(f) if, after the application of the procedure described in Rule D1.9.3 (a) - (e), the quantity allocated to all Winning Bidders for all products has been reduced to ten (10) MW and further deductions are necessary, the Auction Manager will apply the procedure described in Rule D1.9.3 (g);

(g) for each product in each Section, all Winning Bidders will be ranked again using a random draw. The Auction Manager will repeat the procedure described in Rule D1.9.3 (b) - (d) for each product in each Section until the present value of the Revised Open Season Revenues no longer exceeds the Open Season Revenue Cap.

Rule D1.10: Publication of Results

D1.10.1 ElecLink will publish the results of the Auction as soon as practicable and within two (2) Business Days after the day the Auction closed.

D1.10.2 In accordance with the Exemption Decision, the results will state:

(a) the names of the Winning Bidders;

(b) for each product allocated through the Auction:

i. the total quantity (in MW) allocated;

ii. the breakdown of the allocated quantity (in MW) across Winning Bidders on an anonymised basis;

iii. the Product Period; and

iv. the Auction Price.

Rule D1.11: Cancellation, Suspension, Deferral

D1.11.1 The Auction Manager may be forced to cancel, suspend or defer an Auction of Open Season Units for reasons of Force Majeure or in the unlikely event of unavailability of the Open Season Auction Software or technical difficulties before or during the course of the Auction itself.

D1.11.2 The Auction Manager will notify eligible Open Season Users as soon as practicable of any cancellation, suspension or deferral of the relevant Auction as well as of the reasons for cancelling, suspending or deferring the Auction.

D1.11.3 The Auction Manager may defer the dates or times of an Auction for Open Season Units by notifying eligible Open Season Users of the revised date or time of such Auction. In this event, the Bidding Period will open and close at the revised time as notified by the Auction Manager. Only Bids submitted during the revised Bidding Period and confirmed by the Auction Manager will be valid.

D1.11.4 If an Auction of Open Season Units is deferred pursuant to Rule D1.11.3, the Auction Manager may notify that the Maximum Starting Price and the Minimum Starting Price for the products in the Auction must be revised. In this event, the Auction Manager will request Open Season Users to revise their indicative offers on the basis of the revised Maximum Starting Price and the revised Minimum Starting Price and the Open Season Users shall promptly comply with such request.

Rule D1.12: Enduring Limits for Open Season Unit Holders

D1.12.1 If, at any time after the award of contracts to Open Season Users in accordance with these Rules and the terms and conditions of the ElecLink Open Season User Agreements, an Open Season Unit Holder and its Relating Undertaking(s) obtain a Market Share of more than 40% in France and/or in Great Britain, then the Open Season Unit Holder must notify ElecLink, by email or fax and accompanied by a phone call, immediately and in any case not later than ten (10) Business Days after the date on which the Open Season Unit Holder's Market Share exceeded 40% (a "Market Share Notice").

D1.12.2 The Market Share Notice must:

(a) state the Market Share of the Open Season Unit Holder and its Related Undertaking(s) in France and in Great Britain;

(b) state the total number of Open Season Units held by the Open Season Unit Holder; and

(c) subject to Rule D1.12.3 specify the process and the timetable for the sale of such number of Open Season Units (the "Excess Units") as will result, by no later than the completion of the next forthcoming Long-Term Auction, in the total number of Open Season Units held by the Open Season Unit Holder being no greater than 200 MW in the direction of import to the market in which the Open Season Unit Holder and its Related Undertaking(s) hold a Market Share of more than 40%.

D1.12.3 The Open Season Unit Holder must offer for Resale the Excess Units in the next forthcoming Long-Term Auction or ensure the Capacity Transfer of the Excess Units before the completion of the next forthcoming Long-Term Auction, in accordance with the Market Share Notice and the process described in Rule E4 (Secondary Market).

D1.12.4 To the extent that the Open Season Unit Holder does not sell the Excess Unit(s) in accordance with the Market Share Notice, it will lose the right to use such Excess Unit(s). In the event that two or more Open Season Units Holders, falling within the scope of this Rule D1.12, are Related Undertakings, each Open Season Unit Holder will lose a portion of its Open Season Units (rounded up to the nearest MW), calculated as follows:

(a) number of Open Season Units held by the Open Season Unit Holder divided by the cumulative number of Open Season Units held by all Open Season Unit Holders who are Related Undertakings,

multiplied by

(b) the number of Excess Units.

D1.12.5 Subject to Rule E7, Excess Units resulting from the process described in Rule D1.12.4 are then subject to the following:

(a) these Excess Unit(s) will be unavailable for subsequent use by the Open Season Unit Holder;

(b) the Open Season Unit Holder’s rights and obligations in relation to its other Open Season Units, whether Unused Units or not Unused Units, will not be affected; and

(c) the Open Season Unit Holder must still pay ElecLink for its Excess Unit(s), except where such Open Season Excess Units were acquired in a Capacity Transfer in accordance to Rule E4.4.10(b).

D1.12.6 ElecLink will make the Excess Unit(s) available in the appropriate Long-Term Auction or Daily Auction if in ElecLink's reasonable opinion the Open Season Unit Holder has not complied with Rules D1.12.2 and D1.12.3.

D1.12.7 The proceeds of the sale of the Excess Units specified in Rules D1.12.4 – D1.12.6 will be paid by ElecLink to the Open Season Unit Holder at the Auction Price of such Long-Term Auction or Daily Auction.

D1.12.8 If at any time, the Open Season Unit Holder fails to satisfy the requirements in Rule D1.12.1, Rule D1.12.2 and Rule D1.12.3, or the Open Season Unit Holder’s actions or omissions result in ElecLink being unable to make the Excess Units available in the appropriate Long-Term Auction or Daily Auction as specified in Rule D1.12.6, the Open Season Unit Holder is liable for and must indemnify ElecLink against any and all liability, claims, payments, costs and expenses (arising directly or indirectly from such failure, action or omission), including but not limited to any penalty imposed by the French Regulator and/or the GB Regulator in accordance with the Exemption Decision and all or any powers in connection therewith.

D1.12.9 If ElecLink has reasonable cause to suspect that an Open Season User or Open Season Unit Holder and its Related Undertaking(s) have a Market Share of more than 40%, the Open Season User or the Open Season Unit Holder must promptly respond, to ElecLink's reasonable satisfaction, to any requests by ElecLink for the provision of information in relation to such Market Share.

SECTION E: CAPACITY USAGE RULES

Rule E1: Introduction

Scope

E1.1 This Section E of the Rules sets out terms for use of Open Season Interconnector Capacity.

Structure

E1.2 Section E is divided into seven (7) Rules as follows:

(a) Rule E1: Introduction;

(b) Rule E2: Rights Documents;

(c) Rule E3: Mid-Interconnector Nominations;

(d) Rule E4: Secondary Market;

(e) Rule E5: Use-it-or-Sell-It;

(f) Rule E6: Outages; and

(g) Rule E7: Curtailment and Curtailment Reconciliation.

Rule E2: Rights Documents

Introduction

E2.1 Each Open Season Unit entitles the Open Season User that acquires it (whether at an Auction or in the Secondary Market) to use Open Season Interconnector Capacity by issuing a Mid-Interconnector Nomination in accordance with Rule E3, for an Energy Transmission of 1MW at Mid-Interconnector but only:

(a) in the direction specified for that category of Open Season Unit; and

(b) in Settlement Periods during the Unit Validity Times of that Open Season Unit,

and subject to and on the terms and conditions of these Rules including any Curtailment and as specified in the relevant Auction Specification.

E2.2 ElecLink will make available via the CMS, at its sole discretion, the Open Season Users' summary of acquired Open Season Units for any given Contract Day.

Rights Documents

E2.3.1 The Rights Document of an Open Season Unit Holder for a Contract Day in a direction is a schedule showing, the total number of MW of Open Season Interconnector Capacity the Open Season Unit Holder is entitled to Nominate during each hour of that Contract Day in that direction determined in accordance with these Rules. Each Open Season User will for a Contract Day and in each direction be notified of its Rights Documents.

E2.3.2 ElecLink will notify each Open Season User of its Rights Document for the Contract Day "D" before the Nomination Gate Closure for that Contract Day at the times specified in Schedule 4.

Rule E3: Mid-Interconnector Nominations

Principles applicable to Mid-Interconnector Nominations

E3.1 For each hour in a Contract Day for which a Rights Document has been published by ElecLink, each Open Season Unit Holder may Nominate to ElecLink an Energy Transmission at Mid-Interconnector up to but not exceeding the Open Season User's Rights Document in the relevant direction in that hour ("Mid-Interconnector Nomination").

E3.2 Mid-Interconnector Nominations shall be submitted on the Nomination Platform in compliance with the Nominations Rules.

Potential limitation to the operation of the Interconnector

E3.3 Each Open Season User acknowledges that, without prejudice to the rights of Open Season Users under this Rule E3, Open Season Unit Holders do not have a right to control Energy Transmissions over the Interconnector and the actual level of Energy Transmissions over the Interconnector at any time is determined by ElecLink having regard to a range of factors including other Mid-Interconnector Nominations, operational requirements and use of the Interconnector by NESO and/or RTE as Transmission System Operators (including any limitation due to emergency or reasons of operational system security or under other arrangements such as the provision of emergency support and balancing services). Nothing in these Rules restricts ElecLink from Transmitting electricity over the Interconnector at any time in either direction.

Restrictions on use

E3.4 An Open Season User will not be entitled to use any Open Season Interconnector Capacity other than at the times, in the manner and to the extent provided for under these Rules.

Rule E4: Secondary Market

Introduction

E4.1 The Secondary Market means the mechanisms of Resale of the Open Season Interconnector Capacity by an Open Season Unit Holder, as specified under Rule E4.3, and of Capacity Transfer of Open Season Interconnector Capacity between Open Season Unit Holders, as specified under Rule E4.4. These mechanisms enable an Open Season User to acquire or surrender Open Season Units which have previously been Auctioned by ElecLink.

Electronic operation of the Secondary Market

E4.2.1 The Secondary Market for Capacity Transfers in respect of Open Season Interconnector Capacity is described in Rule E4.2.7 – E4.2.8.

E4.2.2 Resale Requests and Capacity Transfer Notices will comply with the format specified from time to time by ElecLink.

E4.2.3 ElecLink will acknowledge receipt of the Resale Requests to Open Season Users by a message indicating whether the Resale Requests have been correctly registered. This message of acknowledgment will be sent manually if the CMS fails. Only Resale Requests confirmed as correctly registered will be valid.

E4.2.4 If the CMS fails and, in the reasonable opinion of ElecLink, it is not practicable to operate the Secondary Market electronically, ElecLink may use a backup procedure by email and/or fax, as specified from time to time, in order to conduct the Secondary Market and to allocate the Open Season Units resulting from the Secondary Market.

E4.2.5 If the backup procedure described in Rule E4.2.4 cannot, in the reasonable opinion of ElecLink, be implemented as necessary to enable the Secondary Market to be operated, the Secondary Market will be deferred.

E4.2.6 If deferral of the Secondary Market is not considered by ElecLink as being possible, the Secondary Market will be cancelled and all Resale Requests already submitted will automatically be cancelled.

Secondary Market for Capacity Transfers in respect of Open Season Interconnector Capacity

E4.2.7 An Open Season Unit Holder may make a written Capacity Transfer Notice to ElecLink in accordance with Rule E4.2.8 and Rules E4.4.1 – E4.4.12.

E4.2.8 A Capacity Transfer of an Open Season Unit Holder's rights described in Rule E4.2.7 is subject to the following:

(a) the Open Season Unit Holder must execute and send the Capacity Transfer Notice to ElecLink by email or fax accompanied by a phone call to ElecLink;

(b) ElecLink will acknowledge the receipt of the Capacity Transfer Notice;

(c) ElecLink will send the Capacity Transfer Notice to the Open Season User to whom the Open Season Units are being Transferred;

(d) the Open Season User to whom the Open Season Units are being Transferred must also execute the Capacity Transfer Notice and send the completed Capacity Transfer Notice to ElecLink by email or fax accompanied by a phone call to ElecLink;

(e) subject to the conditions set out in these Rules for a Capacity Transfer being satisfied (including the conditions in Rule E4.4.1), ElecLink will execute and send the Capacity Transfer Notice to both the Open Season Unit Holder requesting the Capacity Transfer and the Open Season User to whom the Open Season Units are being Transferred.

Resale

Resale Requests

E4.3.1 An Open Season Unit Holder may make a Resale Request for a forthcoming Long-Term Auction in accordance with this Rule E4.3.

Conditions

E4.3.2 A Resale of an Open Season Unit by an Open Season Unit Holder is permitted under these Rules only if the following conditions are satisfied:

(a) the Open Season Unit Holder must specify at which forthcoming Long-Term Auction it intends to Resell Open Season Units;

(b) the Resale Request must be for Resale of Open Season Units with a Product Period that wholly includes the Product Period of the Units being offered in the relevant forthcoming Long-Term Auction;

(c) all Open Season Units which are the subject of the Resale Request must have been allocated from one Auction;

(d) the Unit Validity Times of the relevant forthcoming Long-Term Auction are also Unit Validity Times of the Auction in which they were previously allocated;

(e) the Resale Request must be for the same number of Open Season Units across all Unit Validity Times within the Product Period of the Units being offered in the relevant forthcoming Long-Term Auction; and

(f) only one Resale Request may be registered per Open Season Unit Holder in respect of a forthcoming Long-Term Auction for Open Season Units acquired in a certain previous Auction.

E4.3.3 Each Resale Request must state the number and category of the Open Season Units requested to be Resold. This must be a whole number of Open Season Units and must not exceed the number of Open Season Units in that category in all applicable Unit Validity Times held by the Open Season Unit Holder making the Resale Request (taking into account any Capacity Transfer of Open Season Interconnector Capacity under Rule E4.4 and Curtailment under Rule E7).

E4.3.4 A Resale Request can be made or modified in respect of a forthcoming Long-Term Auction within the applicable times specified under Schedule 4.

Resale Request

E4.3.5 A Resale Request submitted by an Open Season Unit Holder to ElecLink must:

(a) identify the Open Season Unit Holder making the Resale;

(b) identify the Long-Term Auction in which the Open Season Units are requested to be Resold;

(c) state the Product Period of the Open Season Units which are requested to be Resold; and

(d) state the number of the Open Season Units being requested to be Resold.

E4.3.6 An Open Season Unit Holder making a Resale Request must promptly respond to ElecLink's satisfaction to any request by ElecLink for clarification of such Resale Request.

E4.3.7 ElecLink will acknowledge receipt of Resale Requests pursuant to Rule E4.2.3. ElecLink may reject any Resale Request that is invalid or that purports to Resell capacity in circumstances not permitted by this Rule E4.3 or if the Open Season Unit Holder has failed to respond satisfactorily to a request under Rule E4.3.6.

Conditions of withdrawal

E4.3.8 An Open Season Unit Holder may modify its Resale Request within the relevant period as detailed under Schedule 4.

Effect of Resale Request

E4.3.9 Where one Resale Request is made for a forthcoming Long-Term Auction, ElecLink will include the total associated Open Season Units ("Resale Units") from such Resale Request in the forthcoming Auction Specification, but only to the extent that Interconnector Capacity is available.

E4.3.10 The price at which Resale Units are sold is the Marginal Price of the Long-Term Auction specified in the Resale Request.

Nature of relationship

E4.3.11.1 Resale Units are made available in Long-Term Auctions (to the extent that Interconnector Capability is available), and are allocated by ElecLink in accordance with the ElecLink Long-Term Allocations Rules, as principal and not as agent of the Open Season Unit Holder making the Resale Request. No rights or obligations arise or exist in connection with allocation of Resale Units as between the Open Season Unit Holder making the Resale Request and the entity to whom the Resale Units are allocated.

E4.3.11.2 ElecLink will not charge a transaction fee for allocated Resale Units.

Obligations of ElecLink

E4.3.12 ElecLink's obligations in respect of a Resale Request to the Open Season Unit Holder making the Resale Request are only those expressly set out in this Rule E4.3. For the avoidance of doubt, ElecLink is under no obligation, express or implied, to ensure that demand in any Long-Term Auction is such that Resale Units will be allocated in that Long-Term Auction.

Effect of allocation of Resale Units

E4.3.13 Rules E4.3.14 to E4.3.17 apply if Resale Units are allocated to entities in a Long-Term Auction. In those Rules, "Relevant Open Season Unit Holder" means, in relation to a Long-Term Auction, an Open Season Unit Holder who made a Resale Request in respect of that Long-Term Auction.

Payment

E4.3.14 Subject to Rules E4.3.16 and E4.3.18 each Relevant Open Season Unit Holder will be entitled to a payment calculated as follows:

A = (B * C)

where:

A is the amount of the payment;

B is the Marginal Price (in euros per megawatt-hour) of the Long-Term Auction in which the Resale was made;

C is (in megawatt-hours) the product of (a) the number of MW specified in the Relevant Open Season Unit Holder's Resale Request to the extent allowed by ElecLink under Rule E4.3.9 and (b) the applicable aggregate hours of the Unit Validity Times within the Product Period of the Long-Term Auction in which the Resale was made.

Effect on Open Season Unit Holder's rights and obligations resulting from a Resale

E4.3.15 Each Relevant Open Season Unit Holder will lose its entitlement to use corresponding Open Season Interconnector Capacity for the Resale Period stated in its Resale Request and accordingly its rights will be reduced except in the circumstances specified in Rule E4.3.16. In all other respects, Relevant Open Season Unit Holders' rights and obligations relating to Open Season Units will not be affected. For example, they are still required to pay the full Unit Price for all Open Season Units acquired in Auctions (whether or not subsequently Resold).

Cancellation of a Long-Term Auction including Open Season Units resulting from a Resale

E4.3.16 In the case where a Long-Term Auction in which Open Season Units have been requested to be Resold is cancelled, any associated Resale Request(s) is/are cancelled and the corresponding Open Season Units are returned to the Relevant Open Season Unit Holder.

Invoicing and payment resulting from a Resale

E4.3.17 Resale invoicing and payments are made pursuant to Rule C2.

E4.3.18 For the proportion of Resale Units specified in the Resale Request that have not been allocated in the relevant Long-Term Auction, the following will apply:

(a) the Open Season Unit Holder will not be entitled to a payment for the proportion of Resale Units specified in the Resale Request that have not been allocated in such Long-Term Auction:

(b) those Resale Unit(s) will be unavailable for subsequent use by the Open Season Unit Holder;

(c) the Open Season Unit Holder will still pay ElecLink for those Resale Unit(s), subject to Rule E4.4.10;

(d) ElecLink will make those Resale Unit(s) available in subsequent Long-Term Auctions; and

(e) the proceeds of the sale in the subsequent Long-Term Auctions of those Resale Unit(s) will not be paid by ElecLink to the Open Season Unit Holder.

Capacity Transfer

Conditions

E4.4.1 A Capacity Transfer of an Open Season Unit Holder's rights to use Open Season Units is permitted under these Rules only if the following conditions are satisfied:

(a) the Open Season Unit Holder gives ElecLink a notice of the Capacity Transfer ("Capacity Transfer Notice") that complies with Rule E4;

(b) Open Season Units are being subject to Capacity Transfer for whole hours and for at least one hour of one Contract Day;

(c) the Capacity Transfer is made to an existing Open Season User who has not been suspended in any way pursuant to Rule F6.3.1;

(d) the duration of the Capacity Transfer ("Capacity Transfer Period") is one or more consecutive Contract Days of the specified Day Type, and is within the Product Period of the Open Season Units being subject to Capacity Transfer;

(e) at least one (1) Open Season Unit is being subject to Capacity Transfer and the number of Open Season Units being subject to Capacity Transfer is a whole number;

(f) the MW profile being subject to Capacity Transfer is the same for each Contract Day associated with the Capacity Transfer;

(g) the Open Season Unit Holder has at least as many Open Season Units as the number it wishes to Capacity Transfer in each Hour of each associated Contract Day (taking into account any reduction(s) due to previous Capacity Transfer(s), Resale(s) or Curtailment(s));

(h) at the time it gives the Capacity Transfer Notice, the Open Season Unit Holder is not in default under these Rules and its rights to use Open Season Interconnector Capacity and participate in Auctions have not been suspended;

(i) the Unit Validity Times of the relevant Open Season Units are not affected by any Curtailment;

(j) the Capacity Transfer would not result in an Open Season User and its Related Undertakings holding, at any time, more than:

i. 400 MW of Interconnector Capacity in either direction; or

ii. 200 MW of Interconnector Capacity in the direction of import to the market in which the Open Season User and its Related Undertakings hold a Market Share of more than 40%.

(k) in addition, the Open Season User to whom the Open Season Units are being Transferred must:

i. be a party to an ElecLink Open Season User Agreement;

ii. confirm in the Capacity Transfer Notice whether it wishes to assume the obligations of the Open Season Unit Holder making the Capacity Transfer;

iii. demonstrate that it meets the Open Season Auction Credit Requirement corresponding to:

(A) the cumulative number of Open Season Units it would possess if the Capacity Transfer were confirmed; and

(B) the Product Period of such Open Season Units; and

iv. declare if its Market Share, at the time the Capacity Transfer Notice is submitted to ElecLink, is greater than 40% in France or Great Britain.

E4.4.2 An Open Season Unit Holder may give more than one Capacity Transfer Notice covering the same period of time, subject to each notice complying with this Rule. Any Capacity Transfer covering more than one (1) calendar month must be notified in separate Capacity Transfer Notices, one for each affected month.

E4.4.3 The Capacity Transfer does not modify the period of time or any other categorisation upon which the Capacity Transferred Open Season Units were initially acquired.

Timing

E4.4.4 Following the publication of the final results of an Auction, an Open Season Unit Holder may give a Capacity Transfer Notice in relation to Open Season Interconnector Capacity acquired in such Auction to ElecLink in accordance with the relevant timings specified in Schedule 4.

Capacity Transfer Notice

E4.4.5 The Capacity Transfer Notice submitted by the Open Season Unit Holder making the Capacity Transfer must:

(a) identify the Open Season Unit Holder making the Capacity Transfer;

(b) identify the Open Season User to whom the Open Season Units are being Transferred;

(c) state the Capacity Transfer Period;

(d) state the Day Types for which the Capacity Transfer is to apply;

(e) specify the hours of the Contract Days in which the Capacity Transfer is to be made;

(f) state the number and category (including the hour periods) of the Open Season Units which are the subject of the Capacity Transfer Notice; and

(g) specify whether the Open Season Unit Holder wishes to novate its obligations under the ElecLink Open Season User Agreement relating to the Open Season Units to be Transferred to the Open Season User to whom the Open Season Units are being Transferred.

E4.4.6 An Open Season Unit Holder giving a Capacity Transfer Notice and the Open Season User to whom the Open Season Units are being Transferred must promptly respond to ElecLink's satisfaction to any request by ElecLink for clarification of the Capacity Transfer Notice.

E4.4.7 ElecLink will acknowledge receipt of Capacity Transfer Notices pursuant to Rule E4.4.9. ElecLink may reject any Capacity Transfer Notice that is invalid or that purports to make a Capacity Transfer in circumstances not permitted by this Rule E4 or if the Open Season Unit Holder has failed to respond satisfactorily to a request under Rule E4.4.6 in relation to that Capacity Transfer Notice.

E4.4.8 A Capacity Transfer Notice cannot be withdrawn without the consent of ElecLink and the Open Season User to whom that Capacity Transfer has been made.

Capacity Transfer Confirmation / acknowledgment

E4.4.9.1 Both Open Season Users who are party to a Capacity Transfer will be informed by ElecLink whether the Capacity Transfer Notice is registered.

E4.4.9.2 A Capacity Transfer Notice is valid only when confirmed by the Open Season User to whom the Capacity Transfer was made, during the period of time specified in Schedule 4. Both Open Season Users who are party to the Capacity Transfer will be informed by ElecLink of its successful registration.

E4.4.9.3 Where the Open Season User to whom the Capacity Transfer was made does not confirm the Capacity Transfer Notice during the relevant period of time, the Capacity Transfer Notice is not valid and the Open Season User who had sought to make the Capacity Transfer remains the Open Season Unit Holder of the Open Season Units. Both Open Season Users who had been party to the attempted Capacity Transfer will be informed by ElecLink of the failure of completion of the Capacity Transfer.

Effect of Capacity Transfer

E4.4.10 If a Capacity Transfer Notice for Open Season Interconnector Capacity is confirmed in accordance with this Rule E4.4, then for the duration of the Capacity Transfer Period:

(a) if the Open Season User to whom the Open Season Units are being Transferred:

i. does not meet the Open Season Auction Credit Requirement in accordance with Rule E4.4.1(k); or

ii. has not confirmed in accordance with Rule E4.4.1(k) that it wishes to assume the obligations of the Open Season Unit Holder making the Capacity Transfer,

the Open Season User to whom the Open Season Units are being Transferred is treated as the Open Season Unit Holder of those Open Season Units for the purpose

of Rules A2.1, E2, E3, E4, E5 (excluding E5.2.2(c)), E6, E7, Schedule 4 the Capacity Transfer Period, Day Types and hours specified in the Capacity Transfer Notice in accordance with Rule E4.4.5. The original Open Season Unit Holder, although obliged to pay for the capacity that has been the subject of a Capacity Transfer, loses its entitlement to use such Open Season Interconnector Capacity. In all other respects, the original Open Season Unit Holder's rights and obligations relating to its Open Season Units being Transferred will not be affected, except in the case of Curtailment Reconciliation pursuant to Rule E7. For example, the original Open Season Unit Holder is still required to pay the full Unit Price for all Open Season Units acquired in the Auction (whether or not subsequently Resold).

(b) if the Open Season User to whom the Open Season Units are being Transferred:

i. meets the Open Season Auction Credit Requirement in accordance with Rule E4.4.1(k); and

ii. has confirmed in accordance with Rule E4.4.1(k) that it wishes to assume the obligations of the Open Season Unit Holder making the Capacity Transfer,

the Open Season User to whom the Open Season Units are being Transferred will be treated as the Open Season Unit Holder of those Open Season Units for the purpose of these Rules for the Capacity Transfer Period, Day Types and hours specified in the Capacity Transfer Notice in accordance with Rule E4.4.5. The original Open Season Unit Holder loses its entitlement to use such Open Season Interconnector Capacity.

E4.4.11 ElecLink may, by giving notice to both the Open Season Unit Holder who made a Capacity Transfer and the Open Season User to whom it was Capacity Transferred, terminate any Capacity Transfer confirmed under Rule E4.4.10(a) with immediate effect upon:

(a) termination of the ElecLink Open Season User Agreement of the Open Season User to whom the Open Season Units were Capacity Transferred; or

(b) if a notice of suspension under Rule F6.3.1 is given to the Open Season User to whom the Open Season Units were Capacity Transferred.

E4.4.12 ElecLink will not charge a transaction fee for allocated Capacity Transfers.

Rule E5: Use-It-or-Sell-It

Introduction

E5.1 These provisions under this Rule E5 detail the means by which capacity unused by an Open Season Unit Holder can be made available in the relevant Daily Auction in accordance with the ElecLink Long-Term Allocation Rules.

Use-It-or-Sell-It applying on Open Season Nominations

E5.2.1 To the extent that any Open Season Unit Holder does not Nominate any Open Season Unit(s) associated with its Open Season Rights Document for any hour of a Contract Day ("Unused Units"), it will lose the right to use such Open Season Unit(s) in accordance with this Rule E5.2 and the ElecLink Long-Term Allocation Rules.

E5.2.2 Subject to Rules E4 and E7, Unused Units are then subject to the following:

(a) Unused Unit(s) will be unavailable for subsequent use by the Open Season Unit Holder;

(b) the Open Season Unit Holder's rights and obligations in relation to its other Open Season Units, whether Unused or not Unused, will not be affected;

(c) the Open Season Unit Holder will still pay ElecLink for its Unused Unit(s), except where such Unused Units were acquired in a Capacity Transfer pursuant to Rule E4.4.10(a);

(d) ElecLink will make Unused Unit(s) available in the applicable Daily Auction for the same Contract Day; and

(e) the proceeds of the sale of Unused Units will be paid by ElecLink to the Open Season Unit Holder of the Unused Units in accordance with Articles 44 and 47 of the ElecLink Long-Term Allocation Rules.

Rule E6: Outages

Introduction

E6.1 ElecLink will give Open Season Users information about Outages in accordance with this Rule E6.

Annual indicative Outage schedule

E6.2 Between the first of September and the first of December in each year ElecLink will publish an indicative schedule of Planned Outages for the forthcoming year. The schedule will specify the expected start and end dates of each Planned Outage Period and the expected Interconnector Capability during each Outage.

Updates

E6.3 ElecLink will update the information given under Rule E6.2 as soon as practicable after any changes are known.

Changes

E6.4.1 ElecLink will use reasonable endeavours to ensure that the information provided under this Rule E6 is accurate and that Planned Outages take place as indicated by the information.

E6.4.2 Notwithstanding Rule E6.4.1, each Open Season User acknowledges that circumstances may arise that require ElecLink to take Planned Outages at times other than those planned in accordance with Rules E6.2 and E6.3 and therefore ElecLink remains free to plan and execute any Planned Outages that it considers necessary.

E6.4.3 Without prejudice to Rule F7, ElecLink is not liable for any or all claims, payments, costs and expenses arising out of any differences between the information provided under this Rule E6 and actual Outages (other than credits calculated under Rule E7), whether the claim arises in contract or on any other basis, except to the extent that liability cannot be excluded by law save as provided in Rule E6.4.4.

E6.4.4 In the case of Open Season Rights Document:

(a) ElecLink will not be liable for any or all claims, liabilities, payments, costs and expenses resulting from the reduction of the Open Season Unit Holder's Open Season Units as detailed within the Rights Documents during any Planned Outage Period or due to a change in any Planned Outage Period pursuant to Rule E6.4.2 and any such reduction in the Open Season Unit Holder’s Rights Document will not constitute a Curtailment for the purpose of Rule E7; and

(b) The Open Season Unit Holder is not required to pay the Unit Price for the Open Season Units which are unavailable as a result of a Planned Outage or a change in the Planned Outage Period pursuant to Rule E6.4.2.

Unexpected availability

E6.5 If Open Season Interconnector Capacity becomes available as a result of early return to service after an Outage or rescheduling of a Planned Outage, ElecLink will return the corresponding Open Season Units to the Open Season Unit Holder.

Forced Outages and Trips

E6.6 ElecLink will notify Open Season Users of any Forced Outages or Trips as soon as practicable after the Forced Outage is arranged or the Trip occurs. Following this initial notice, ElecLink will as soon as practicable give Open Season Users information about the Forced Outage or the Trip including where possible the expected Interconnector Capability and its expected duration. These details will be given for information purposes only and they are not binding on ElecLink and Rules E6.4.3 and E6.4.4 will apply.

Rule E7: Curtailment and Curtailment Reconciliation

Curtailment

E7.1.1 ElecLink will Curtail Open Season Interconnector Capacity secured by all Open Season Unit Holders, and if necessary their Mid-Interconnector Nominations, in accordance with the ElecLink Long-Term Allocation Rules. The Curtailment shall be applied to Open Season Units and long-term Units on a pro rata basis, regardless of the time of allocation.

E7.1.2 Each Open Season Unit Holder whose Open Season Units are Curtailed by ElecLink in accordance with the ElecLink Long-Term Allocation Rules will lose its entitlement to use Open Season Interconnector Capacity to the extent of that Curtailment.

Curtailment reconciliation

E7.2.1 When Curtailment occurs according to Article E7.1.1, Open Season Unit Holders will be compensated in accordance with Chapter 9 (Curtailment) of the ElecLink Long-Term Allocation Rules.

E7.2.2 Any Curtailed capacity or Curtailed MIN of an Open Season Unit Holder will be shown by ElecLink as a credit on the relevant invoice(s), in accordance with this Rule E7.

E7.2.3 For the avoidance of doubt, whilst the relevant invoice will show as payable by the Open Season Unit Holder all Open Season Units acquired in the Auctions and the Open Season Unit Holder will pay the total amount shown on such invoice, any Curtailed Open Season Units will be shown as a credit on the relevant invoice.

E7.2.4 If there is a Curtailment of Open Season Units notified for Resale by an Open Season Unit Holder to ElecLink (but not already Resold), the corresponding notifications for Resale are cancelled in their entirety, without credit from ElecLink and the corresponding Open Season Units are retained by the Open Season Unit Holder. These Open Season Units are then subject to Curtailment in accordance with Rule E7.

E7.2.5 If there is a Curtailment of Open Season Units notified for Capacity Transfer by an Open Season Unit Holder to ElecLink:

i. if the Capacity Transfer has been confirmed by both ElecLink and the party to whom the Capacity Transfer was made before the Curtailment, the Open Season Units are Curtailed and a credit is made to such Party in accordance with Rule E7;

ii. if the Capacity Transfer has not been confirmed by both ElecLink and the party to whom the Capacity Transfer was made before the Curtailment, the Capacity Transfer is cancelled in its entirety by ElecLink, the corresponding Open Season Units are returned to the party which submitted the associated Capacity Transfer Notice and no credit is due to the party which had not confirmed the Capacity Transfer. These Open Season Units are then subject to Curtailment in accordance to Rule E7.

SECTION F: GENERAL CONDITIONS

Rule F1: Introduction

Scope

F1.1 This Section F of the Rules sets out the general conditions applicable to the arrangements established by these Rules.

Structure

F1.2 Section F is divided into ten (10) Rules as follows:

(a) Rule F1: Introduction;

(b) Rule F2: Notices and other communications;

(c) Rule F3: Confidentiality;

(d) Rule F4: Assignment and subcontracting;

(e) Rule F5: Force Majeure;

(f) Rule F6: Termination and suspension;

(g) Rule F7: Liability;

(h) Rule F8: Dispute resolution;

(i) Rule F9: Rights under Funding Arrangements in relation to the ElecLink Open Season User Agreements; and

(j) Rule F10: Miscellaneous.

Rule F2: Notices and Other Communications

Language

F2.1 Any notice or other communication to be given under or in connection with these Rules or an ElecLink Open Season User Agreement shall be in English.

Contact details

F2.2 Save as otherwise expressly provided in these Rules, all notices or other communications between ElecLink and each Open Season User shall be sent to the address or facsimile number or email address and marked for the attention of the addressee's representative as set out in the Open Season User's ElecLink Open Season User Agreement or as notified by the addressee from time to time.

Method and time of delivery

F2.3.1 Save as otherwise expressly provided in these Rules, all notices or other communications shall be in writing and shall be given by letter delivered by hand against receipt, sent by prepaid post (airmail if overseas) and using a recorded delivery service (registered post, *letter* RAR or equivalent) or sent by facsimile or email and shall be deemed to have been received:

(a) in the case of delivery by hand, when delivered against receipt; or

(b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or

(c) in the case of facsimile, on acknowledgement of receipt by the addressee's facsimile receiving equipment; or

(d) in the case of email, when delivered to the other Party but only if a delivery receipt is requested and obtained by the Party sending the e-mail and a printed copy of the transmission and of the delivery receipt is retained by that Party.

F2.3.2 If a notice or other communication would otherwise be deemed to have been received outside normal business hours (being 08:30hrs to 17:00hrs (local time) on a Business Day) under this Rule F2.3, it is deemed to have been received at the opening of business on the next Business Day.

Rule F3: Confidentiality

Obligation of confidentiality

F3.1 Subject to Rule F3.2 (exceptions), ElecLink and each Open Season User who is a Recipient must, in relation to the Confidential Information of a Disclosing Party, preserve the confidentiality of each item of Confidential Information of the Disclosing Party and must not directly or indirectly reveal, report, publish, disclose or transfer any item of Confidential Information of the Disclosing Party and must not use any item of Confidential Information of the Disclosing Party other than for the purpose for which it was disclosed.

Exceptions

F3.2 Notwithstanding Rule F3.1, a Recipient may disclose Confidential Information of a Disclosing Party:

(a) to the extent expressly permitted or contemplated by the Rules;

(b) with the prior written consent of the Disclosing Party;

(c) to any person who is one of the directors, officers, employees, agents, advisers (including financial advisers and legal advisers) or insurers of the Recipient and who needs to know the Confidential Information in connection with these Rules;

(d) as may be directed or ordered under or required in order to comply with any Applicable Law;

(e) as may be required to comply with the requirements of the GB Grid Code, the RTE Grid Code, the Balancing and Settlement Code, or the RTE Settlement Arrangements;

(f) as may be required by:

(i) a court, or administrative tribunal having jurisdiction over the Recipient, or

(ii) an arbitrator or expert in the course of proceedings before it to which the Recipient is a party; or

(g) in order to obtain clearances or consents from a Competent Authority or if requested by or required to be disclosed under any applicable powers of a Competent Authority;

and in addition ElecLink may disclose Confidential Information of an Open Season User:

(h) to any Affiliate of ElecLink that needs to know the Confidential Information as may be required in order for ElecLink to achieve Financial Close (and/or in connection with securing re-financing facilities at any relevant time) or to comply with these Rules, provided that the scope of the Confidential Information permitted to be disclosed to an Affiliate of ElecLink shall be limited to:

(A) for each product of Open Season Units to be auctioned in an Auction:

(i) the number of Open Season Users that have received an Eligibility Notice in accordance with Rule B2.4.1;

(ii) the non-binding and indicative offers, received by ElecLink in accordance with Rule B2.1.1, on an anonymous basis;

(iii) the number of Open Season Users that have met the Open Season Auction Credit Requirement on the basis of their or their Parent Company's Credit Rating and/or Tangible Net Worth and the Credit Rating and/or Tangible Net Worth of such Open Season Users, or such Open Season Users' Parent Companies as applicable, on an anonymous basis;

(iv) the number of Open Season Users that have met the Open Season Auction Credit Requirement on the basis of a Letter of Credit and the amount covered by each such Letter of Credit on an anonymous basis; and

(v) the number of Open Season Users with a Market Share of more than 40% in either France or Great Britain;

(B) for each product of Open Season Units which has been auctioned in an Auction:

(i) the identities of the Winning Bidders;

(ii) the relevant Unit Price;

(iii) the number of Blocks allocated to each Winning Bidder on an anonymous basis; and

(iv) the Credit Rating and/or Tangible Net Worth and/or amount of Letter of Credit as applicable of each Winning Bidder on an anonymous basis;

(i) to any Funders or Funders' Agent who need to know the Confidential Information as may be required in order for ElecLink to achieve Financial Close (and/or in connection with securing re-financing facilities at any relevant time) or comply with these Rules, provided that the scope of the Confidential Information permitted to be disclosed to any Funders or Funders' Agent shall be limited to:

(A) for each product of Open Season Units which has been auctioned in an Auction:

(i) the identities of the Winning Bidders;

(ii) the relevant Unit Price;

(iii) the number of Blocks allocated to each Winning Bidder on an anonymous basis; and

(iv) the Credit Rating and/or Tangible Net Worth and/or amount of Letter of Credit as applicable of each Winning Bidder on an anonymous basis;

(j) (without prejudice to the generality of paragraph (g) of this Rule F3.2) in order to comply with the terms and conditions of the Exemption Decision as the same may be amended from time to time, including:

(i) the obligation to make public the results of the Auction(s);

(ii) the obligation to respect the transparency requirements set out in Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and/or any applicable national legislation; and

(iii) the obligation to provide information to Competent Authorities; or

(k) to the extent required by the rules of any security commission or stock exchange.

F3.3 Notwithstanding Rule F3.1, a Recipient may use or reveal, report, publish or disclose any Confidential Information which:

(a) at the time of disclosure to the Recipient is in, or subsequently comes (otherwise than as a result of a breach by the Recipient of this Rule F3) into, the public domain; or

(b) at the time of disclosure to the Recipient is already in its possession and not subject to any obligation of confidentiality.

Survival

F3.4 The obligations of confidentiality in this Rule F3 shall continue for a period of 5 years after termination of the Open Season User's ElecLink Open Season User Agreement.

Rule F4: Assignment and Subcontracting

Operator assignment

F4.1.1 ElecLink may assign its rights and novate its obligations under ElecLink Open Season User Agreement and these Rules to any entity which is to succeed it as operator of the Interconnector and provider of the services sold to Open Season Users under these Rules.

F4.1.2 ElecLink may assign by way of security all or any of its rights under the ElecLink Open Season User Agreements in favour of any Funders or any Funders' Agent, and on the enforcement of any security referred to in this Rule F4.1.2 any administrator, administrative receiver or other receiver of ElecLink or its Affiliate or of its relevant assets or any person having the benefit of such security may further assign all or any of such rights to any other person.

F4.1.3 Upon receipt of a written notice of assignment as referred to in Rule F4.1.2, each Open Season User agrees to sign and deliver to ElecLink and to the assignee named in that notice a form of acknowledgement and undertaking in the form set out in Schedule 8.

F4.1.4 These Rules shall be binding upon and enure for the benefit of the assigns and successors in title of ElecLink.

F4.1.5 Each Open Season User will do all things reasonably requested of it by ElecLink to assist with an assignment and/or novation as permitted by this Rule F4.1.

Open Season User assignment

F4.2 Subject to Rule E4 and Rule F4.3, an Open Season User may not assign, novate or otherwise transfer or grant any interest in or over, or create any trust in respect of, any of its rights or obligations under its ElecLink Open Season User Agreement or these Rules without the prior written consent of ElecLink.

Capacity Subcontracting Arrangement

F4.3 Nothing in Rule F4.2 prevents an Open Season User from entering into a Capacity Subcontracting Arrangement. Entry into a Capacity Subcontracting Arrangement by an Open Season User does not relieve the Open Season User of any obligation or liability under its ElecLink Open Season User Agreement or these Rules and is subject to the indemnity in Rule F7.4.

Rule F5: Force Majeure

Definition of Force Majeure

F5.1 Force Majeure means, in relation to ElecLink or an Open Season User, any unforeseeable event or any situation which is beyond the reasonable control of that person, and not due to a fault of such person, which cannot be reasonably avoided or overcome, and which makes it impossible for such person to fulfil temporarily or permanently its obligations (other than the obligations referred to in Rule F5.3(a) and (b)) under an ElecLink Open Season User Agreement and/or these Rules.

Notification and limitation of the consequences of Force Majeure

F5.2.1 The Party which invokes Force Majeure shall promptly send to the other a notification describing the nature of the Force Majeure and (so far as it can be determined) its expected duration and must continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure.

F5.2.2 The Party invoking the Force Majeure shall make every reasonable effort to limit the consequences of the Force Majeure.

F5.2.3 A Party to an ElecLink Open Season User Agreement shall give notice to the other Party when it ceases to be affected by the Force Majeure.

Suspension of the obligations

F5.3 The obligations of a Party subject to Force Majeure, with the exception of:

(a) the confidentiality provisions contained within Rule F3; and

(b) any payment obligations of such Party under an ElecLink Open Season User Agreement and/or these Rules,

shall be suspended from the beginning of the Force Majeure.

Limits of suspension of performance

F5.4 Suspension under Rule F5.3 is subject to the following:

(a) suspension of performance will be of no greater scope and of no longer duration than is required by the Force Majeure;

(b) the suspension of performance applies only for so long as the Party relying on Rule F5.3 is (where it is possible to do so) using reasonable efforts to remedy or mitigate their inability to perform.

Other consequences of Force Majeure

F5.5.1 In the event of Force Majeure:

(i) the person invoking Force Majeure shall not be in breach of the affected ElecLink Open Season User Agreement or these Rules and shall be under no liability to any other Party for any failure to perform or delay in performing the affected obligations during the period of and as a result of the Force Majeure;

(ii) the acquired Open Season Units which have been entirely paid and become subject to Force Majeure are reimbursed for the duration of the Force Majeure; and

(iii) where the Open Season Unit Holder is the Party claiming the Force Majeure event, ElecLink may, for its own benefit, reallocate the Open Season Unit Holder's Open Season Units to the subsequent Daily Auction and for the duration of the Force Majeure event.

F5.5.2 If Force Majeure affects the ability of ElecLink to perform its obligations to more than one Open Season User under their respective ElecLink Open Season User Agreements, but ElecLink continues to be able to perform those obligations in part, ElecLink may determine the manner and extent of partial performance of those obligations under each affected ElecLink Open Season User Agreement but shall act fairly and in good faith in allocating such performance between the affected ElecLink Open Season User Agreements.

Termination

F5.6 If suspension under Rule F5.3 claimed and relied on by the affected person continues for a continuous period of six (6) months then ElecLink or the affected Open Season User may, by notice to the other given at any time while the suspension continues beyond that period but not thereafter, terminate the Open Season User's ElecLink Open Season User Agreement. Termination takes effect ten (10) Business Days after the notice is given or on any later date specified in the notice. An Open Season Unit Holder whose ElecLink Open Season User Agreement is terminated under this Rule F5.6 is under no obligation to pay remaining instalments of the Unit Price and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.

Rule F6: Termination and Suspension

Introduction

F6.1.1 An Open Season User may cease to be an Open Season User only in accordance with Rule F6.2 (termination by mutual consent), Rule F5 (termination for Force Majeure) or Rule F6.4 (termination by ElecLink).

F6.1.2 An Open Season User's rights may be suspended under Rule F6.3.

F6.1.3 This Rule F6 is without prejudice to other remedies available to ElecLink under these Rules or under the law.

Termination by mutual consent

F6.2.1 Subject to Rule F6.2.2, an Open Season User and ElecLink may agree at any time to terminate the ElecLink Open Season User Agreement to which the Open Season User is a party. Termination takes effect at the time and on the terms agreed by the Open Season User and ElecLink.

F6.2.2 ElecLink and an Open Season User shall only agree to the termination of an Open Season User Agreement with the prior written consent of any Funders' Agent to which the benefit of the Open Season User Agreement has been assigned.

Suspension by ElecLink

F6.3.1 If any of the events in Rule F6.3.2 (each a "Suspension Event of Default") occurs in relation to an Open Season User, ElecLink may by notice to the Open Season User:

(a) suspend temporarily the Open Season User's rights to participate in Auctions and/or the Secondary Market until the Open Season User has remedied the Suspension Event of Default specified in the notice; and/or

(b) suspend temporarily the Open Season User's rights to use Open Season Interconnector Capacity (and reduce its Rights Document to zero) until the Open Season User has remedied the Suspension Event of Default specified in the notice,

and, consequently, the Open Season User will no longer be entitled to Nominate, Resell or enter into a Capacity Transfer in respect of the Open Season Units it has acquired and such Open Season Units will not be taken into account in relation to the "Use It Or Sell It" provisions within these Rules. For the avoidance of doubt, the Open Season Units which the Open Season Unit Holder is prohibited from using as a result of suspension may be offered by ElecLink in subsequent auctions and ElecLink shall not return the corresponding proceeds to the Open Season Unit Holder.

F6.3.2 The Suspension Events of Default referred to in Rule F6.3.1 are the following:

(a) subject to Rule C2.7.3, if an Open Season User fails to pay any amount properly due and owing to ElecLink pursuant to these Rules;

(b) the occurrence in relation to an Open Season User of a Credit Cover Incident or a Payment Incident;

(c) if the Open Season User ceases to satisfy the Open Season Continuing Credit Requirement and fails to comply with Rule C3;

(d) if ElecLink is satisfied on reasonable grounds that the Open Season User no longer satisfies one or more of the Eligibility Conditions;

(e) if ElecLink has required an Open Season User, based on reasonable grounds and prior to the application of Rule F6.4.2 (d), to remedy its breach of these Rules or its breach of its ElecLink Open Season User Agreement (other than a failure to pay);

(f) if the Open Season User has taken any action which damages or adversely affects (or which may damage or adversely affect) the performance of, or which prejudices (or may prejudice) the security of the CMS, the CMS's hosting system, the Open Season Auction Software or the Open Season Auction Software's hosting system, including any attack or attempted attack on the CMS such as, but not limited to, by way of denial of service, spam, virus, brute forcing or a Trojan horse;

(g) if the Open Season User's rights referred to in Section H3.2.2(c) of the Balancing and Settlement Code are suspended under Section H3.2.1 of that Code;

(h) if the Open Season User becomes a Dormant CUSC Party (as defined in CUSC); or

(i) if any request is made under CUSC for NESO or RTE to cease or procure the cessation of the transport of power across the Interconnector by or on behalf of the Open Season User.

F6.3.3 A notice under Rule F6.3.1 takes effect from the time it is given or any later time specified in it. ElecLink may withdraw a notice under Rules F6.3.1(a) or F6.3.1(b) at any time. Having given a notice under Rule F6.3.1, ElecLink may give a further or other notice at any time in respect of the same or a different Suspension Event of Default.

F6.3.4 Once the Open Season User has remedied the Suspension Event of Default specified in the notice sent by ElecLink, ElecLink will as soon as reasonably practicable give notice (a "Reinstatement Notice") reinstating the Open Season User's rights which have been suspended under Rule F6.3.1 with effect from the first Business Day after the date of the Reinstatement Notice.

Termination by ElecLink

F6.4.1 If any of the events in Rule F6.4.2 (each a "Termination Event of Default") occurs in relation to an Open Season User, ElecLink may by notice to the Open Season User terminate any ElecLink Open Season User Agreement to which the Open Season User is a party, including the Open Season User's rights to use Open Season Interconnector Capacity. A notice under this Rule F6.4.1 takes effect from the time it is given or any later time specified in it.

For the avoidance of doubt, as from the time at which the notice referred to at F6.4.1 takes effect, the Open Season User will no longer be entitled to participate in an Auction or in the Secondary Market, or Nominate, or Resell, or Capacity Transfer the Open Season Units it has acquired and such Open Season Units will not be taken into account in relation to the "Use It Or Sell It" provisions within these Rules.

For the avoidance of doubt, the Open Season Units which the Open Season Unit Holder is prohibited from using as a result of termination may be offered by ElecLink in subsequent auctions or in the Secondary Market and ElecLink shall not return the corresponding proceeds to the Open Season Unit Holder.

F6.4.2 The Termination Events of Default referred to in Rule F6.4.1 are the following:

(a) if an Open Season User fails to pay in full any amount properly due and owing to ElecLink pursuant to these Rules and ElecLink gives the Open Season User notice requiring such failure to be remedied within ten (10) Business Days from the date of that notice (or within any longer period specified in the notice) and such failure continues unremedied after such period;

(b) if a Credit Cover Incident occurs in relation to an Open Season User and ElecLink gives the Open Season User notice requiring such Credit Cover Incident to be remedied within ten (10) Business Days from the date of that notice (or within any longer period specified in the notice) and such failure continues unremedied after such period, or if the Open Season User ceases to satisfy the Open Season Continuing Credit Requirement and fails to comply with Rule C3.1.5;

(c) if an Open Season User undergoes or is subject to an Insolvency Event;

(d) if an Open Season User:

(i) commits a material breach of these Rules or an ElecLink Open Season User Agreement (other than a failure to pay) which cannot be remedied; or

(ii) commits a breach of these Rules or an ElecLink Open Season User Agreement (other than a failure to pay) which is capable of remedy and ElecLink gives the Open Season User notice requiring such breach to be remedied within ten (10) Business Days from the date of that notice (or within any longer period specified in the notice) and such breach continues unremedied after such period;

(e) if an Open Season User persistently breaches these Rules or an ElecLink Open Season User Agreement, whether or not the breach is capable of remedy;

(f) if the Open Season User commits a breach of any of the provisions of the RTE Grid Code or NESO Grid Code applicable to it and such breach has or can reasonably be expected to have an adverse effect on the operation of the Interconnector or the arrangements contemplated by these Rules and (if capable of remedy) the breach has not been remedied within ten (10) Business Days of a notice from ElecLink requiring remedy;

(g) if a Competent Authority (i) determines that the Open Season User has committed a breach of Rules B2.8.1-B2.8.4 or a fraudulent act and (ii) requests ElecLink to terminate the ElecLink Open Season User Agreement to which such Open Season User is a Party or (iii) agrees that ElecLink has reasonable grounds to believe that the Open Season User has committed a breach of Rules B2.8.1-B2.8.4 or a fraudulent act in participating in Auctions, Secondary Market or in Nominating on ElecLink; or

(h) (in the case of an Open Season User which is an Open Season Unit Holder) the Open Season User fails to comply with Rule C3.1.5.

Payments

F6.6.1 If ElecLink gives a notice to an Open Season User under Rule F6.3.1 and/or Rule F6.4.1, then respectively such notice of suspension or termination does not relieve the Open Season User from its payment obligations pursuant to Rule C2, including its payment obligations in relation

to the Open Season Units for which the Open Season User loses the right of use pursuant to Rule F6.3.

F6.6.2 Where ElecLink gives a notice to an Open Season User pursuant to Rule F6.4.2 (c), the Open Season User shall be obliged to fulfil its payment obligations, including its payment obligations in relation to the Open Season Units for which the Open Season User loses the right of use pursuant to Rule F6.3. Nevertheless, for the sole application of this Rule F6.4.2 (c) and notwithstanding Rule F6.4.1, the Open Season User's debt shall be reduced by the amounts of the Open Season Units initially acquired by him and finally re-auctioned by ElecLink.

Preservation of rights

F6.7.1 Termination of an ElecLink Open Season User Agreement does not affect any rights and liabilities under or in connection with the ElecLink Open Season User Agreement and these Rules which arose prior to that termination. Accordingly, any Open Season User whose ElecLink Open Season User Agreement is terminated will remain liable, subject to and in accordance with the Rules, in respect of all such rights and liabilities.

F6.7.2 This Rule F6 is without prejudice to any other rights or remedies available to ElecLink under these Rules or by law, including any right to claim damages in respect of any breach of the Rules or the ElecLink Open Season User Agreement which existed at or before the date of termination.

Rule F7: Liability

Liability for breach

F7.1 Subject to Rule F7.2.1, Rule F7.2.2, Rule F7.4, Rule F7.5.3 and Rule F7.5.4, ElecLink and each Open Season User agrees and acknowledges that neither ElecLink nor an Open Season User nor any of their respective officers, employees or agents shall be liable to any other of them for loss arising from any breach of these Rules other than for loss directly resulting from such breach and which at the date of these Rules was foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of:

(a) loss of or physical damage to the property of ElecLink or the Open Season User (as the case may be), or their respective officers, employees or agents; or

(b) the liability of ElecLink or the Open Season User (as the case may be) to any other Open Season User for loss in respect of loss of or physical damage to the property of that other Open Season User.

Death and personal injury and fraud

F7.2.1 Nothing in these Rules excludes or limits the liability of ElecLink or an Open Season User for death or personal injury resulting from that person's negligence or the negligence of any of its officers, employees or agents and ElecLink and each Open Season User shall indemnify and keep indemnified the other and their respective officers, employees or agents, from and against all such and any loss or liability (including legal costs) which the person having the benefit of the indemnity may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the person giving the indemnity or any of its officers, employees or agents.

F7.2.2 Nothing in these Rules excludes or limits the liability of ElecLink or an Open Season User for fraud or fraudulent misrepresentation.

Excluded losses

F7.3 Subject to Rule F7.2.1, 7.2.2, Rule F7.4, Rule F7.5.3 and Rule F7.5.4, neither ElecLink nor any Open Season User nor any of their respective officers, employees or agents shall in any circumstances whatsoever be liable to any other of them for:

(a) any loss of profit; or

(b) any loss of revenue; or

(c) any loss of use; or

(d) any loss of contract; or

(e) any loss of goodwill; or

(f) any indirect loss; or

(g) any consequential loss; or

(h) any loss resulting from the liability of ElecLink or an Open Season User (as the case may be) to any other person (including another Open Season User) howsoever and whensoever arising save as provided in rules F7.1(a) and F7.2.

Indemnity

F7.4 An Open Season User shall indemnify and keep indemnified ElecLink and its officers, employees and agents from and against any and all loss or liability (including legal costs) which any of them may suffer or incur by reason of any claim by any third party ("claimant") on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with any Capacity Subcontracting Arrangement to which that Open Season User is a party.

General

F7.5.1 Each of the provisions of this Rule F7 shall survive termination of any ElecLink Open Season User Agreement.

F7.5.2 ElecLink and each Open Season User acknowledges and agrees that it holds the benefit of Rules F7.1, F7.2, F7.3 and F7.4 above for itself and as trustee and agent for its officers, employees and agents.

F7.5.3 For the avoidance of doubt, nothing in this Rule F7 prevents or restricts either ElecLink or an Open Season User from enforcing any obligation (including suing for a debt) owed to it under or pursuant to these Rules.

F7.5.4 For the avoidance of doubt, nothing in this Rule F7 shall operate so as to exclude or limit any indemnity provided by any Open Season User under Rules B2.2.3 and/or D1.12.8.

Rule F8: Dispute Resolution

Application

F8.1 Any disagreement, difference of opinion or other dispute between ElecLink and an Open Season User under or in relation to these Rules and/or an ElecLink Open Season User Agreement (including any non-contractual obligations arising out of or in connection with them) ("Dispute") must be resolved in accordance with this Rule F8.

Debt Proceedings

F8.2.1 ElecLink or an Open Season User may bring proceedings ("Debt Proceedings") against the other for any amount owing under or in connection with these Rules and unpaid for more than twenty (20) Business Days after the date the monies were due.

F8.2.2 Any Debt Proceedings shall be subject to the exclusive jurisdiction of the English courts, provided that any Debt Proceedings brought by ElecLink or an Open Season User may be brought in any court having jurisdiction to hear such claim. Each Open Season User hereby consents for the purposes of such proceedings to submit to the jurisdiction of any court having jurisdiction to hear such claim. Each Open Season User irrevocably waives any objection which it may have now or hereafter to the laying of a venue of such proceedings in any court in accordance with Rule F8.2.1 and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any such proceedings brought in any such court may be enforced in the courts of any other jurisdiction.

Prescribed procedure

F8.3 Where there is a Dispute (other than Debt Proceedings) ElecLink and Open Season Users shall first seek amicable settlement through mutual consultation pursuant to Rule F8.4.

Amicable resolution

F8.4 If there is any Dispute (other than in respect of any claim for any amount owing and unpaid under or in connection with these Rules), a senior representative of each of ElecLink and the Open Season User with authority to resolve the Dispute must meet within twenty (20) Business Days of a request to meet and seek to resolve the Dispute. If the representatives are unable to resolve the Dispute within twenty (20) Business Days of the meeting (or such longer time as may be agreed) then the Dispute (other than a Debt Proceeding) must be determined by arbitration in accordance with Rule F8.5. This Rule F8.4 does not prevent the commencement of proceedings under Rule F8.2.1.

Arbitration

F8.5.1 Subject to Rule F8.4, where a Dispute is to be referred to arbitration under this Rule F8, either ElecLink or the Open Season User may give notice to the other stating the nature of the Dispute and referring the Dispute to arbitration. Arbitration under this Rule F8.5 shall be conducted in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC). The arbitration shall be conducted before three (3) arbitrators. The claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each Party shall then nominate the chairman of the arbitral tribunal within three (3) business days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each Party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in Geneva and the language of the arbitration proceedings shall be English. The arbitrators shall decide in law

and not as *amiables compositeurs*. The arbitration will be a first hearing and the arbitrators shall hear arguments and evidence.

F8.5.2 Arbitration awards under this Rule F8.5 shall be final and binding on ElecLink and the relevant Open Season User as from the date that they are made. Each of ElecLink and the Open Season User must carry out any award of an arbitrator relating to any Dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.

Other issues

F8.6.1 Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Rule F8 ElecLink and the Open Season User shall continue to perform their respective obligations under these Rules and the Open Season User's ElecLink Open Season User Agreement.

F8.6.2 This Rule F8 survives termination of the Open Season User's ElecLink Open Season User Agreement.

Rule F9: Rights under Funding Arrangements in relation to the ElecLink Open Season User Agreements

Application of this Rule

F9.1 This Rule F9 applies only to the ElecLink Open Season User Agreements.

Cure Period for an Operator Default

F9.2 If an Open Season User intends:

(a) to terminate or suspend, or claim or purport to terminate or suspend, its ElecLink Open Season User Agreement or the performance of its obligations under its ElecLink Open Season User Agreement; or

(b) to commence any court or arbitration proceedings to enforce any claim against ElecLink under its ElecLink Open Season User Agreement; or

(c) to commence any proceedings for the winding up or dissolution of ElecLink or for the opening of any other insolvency proceedings in respect of ElecLink,

in any such case as a result of any Operator Default, it shall first give to the Funders' Agent and to ElecLink prior written notice of at least three (3) months (in the case of an Operator Payment Default) or at least six (6) months (in the case of an Other Operator Default) (a "Cure Period Notice") of the Open Season User's intention to take the action referred to in paragraphs (a)-(c) above. The Cure Period Notice shall specify (i) the action which the Open Season User intends to take ("Enforcement Action") and (ii) reasonable details of the Operator Default on which the Open Season User relies and (iii) whether the Operator Default is an Operator Payment Default or an Other Operator Default.

F9.3 In the case of an Other Operator Default only, the Cure Period shall be extended:

(a) for a period of three (3) months after the expiry of the period of notice given by the Open Season User in the Cure Period Notice, if the Funders' Agent is promptly taking and diligently pursuing all reasonable steps to cure the Other Operator Default, and reasonably expects to cure that Other Operator Default within such extended period and notifies the relevant Open Season User of those steps; or

(b) until the Step-out Date if a Step-in Period commences before the expiry of the period of notice given by the Open Season User in the Cure Period Notice.

F9.4 Subject to Rule F9.5, during the Cure Period an Open Season User shall not take the Enforcement Action specified in the Cure Period Notice.

F9.5 During the Cure Period, the Funders' Agent shall have the option to remedy or procure the remedy of the Operator Default, and if it does so the rights of the Open Season User to take any action described in Rule F9.2(a)-(c) in respect of that Operator Default shall cease.

F9.6 If the Funders' Agent decides during the Cure Period not to remedy the Operator Default pursuant to Rule F9.4, it shall promptly notify the Open Season User and ElecLink of that decision and on the giving of that notice the Cure Period shall terminate and the Open Season User may proceed with that Enforcement Action.

Step-in Rights

F9.7 The Funders' Agent shall be entitled to give a Step-in Notice to all or any of the Open Season Users at any time during a Funding Breach Period (and the certificate of the Funders' Agent that a Funding Breach Period is subsisting shall be conclusive and binding as between the Funders' Agent and the Open Season Users).

F9.8 A Step-in Notice shall:

(a) specify the Step-In Date, which shall be not less than five (5) Business Days after the date of the Step-in Notice; and

(b) specify the identity of the Step-In Operator, who shall be a person who has demonstrated compliance with all legal and regulatory obligations for participating in the operation of an electricity interconnector and has:

(i) the legal capacity, power and corporate authority;

(ii) all necessary regulatory approvals;

(ii) the requisite technical knowledge, ability, skills and experience; and

(iv) the requisite financial standing and resources,

to operate the Interconnector and all associated functions (including the holding of Auctions) and to perform and discharge the obligations and liabilities of ElecLink during the Step-In Period; and

(c) be counter-signed by the nominated Step-in Operator to confirm its acceptance of its appointment as Step-in Operator on the terms and conditions of the ElecLink Open Season User Agreements including its acceptance of its obligations and duties under this Rule F9.

F9.9 During the Step-in Period:

(a) the Step-In Operator shall assume jointly and severally with ElecLink all of the rights, obligations and liabilities of ElecLink under the ElecLink Open Season User Agreements and which arise during the Step-In Period;

(b) performance in favour of the Step-In Operator by the Open Season Users of their obligations under the ElecLink Open Season User Agreements shall be a good discharge of those obligations owed to ElecLink;

(c) any instructions, demands, directions, approvals, consents, notices or other actions of the Step-in Operator shall prevail over any conflicting instructions, demands, directions, approvals, consents, notices or other actions of ElecLink; and

(d) the rights of each Open Season User under its ElecLink Open Season User Agreement shall continue in full force and effect, including (but subject always to Rules F9.2 – F9.5) the right to take Enforcement Action in respect of any breach or default of any obligation or liability owed to the Open Season User and whether occurring before or during the Step-in Period.

F9.10 The Step-In Operator shall be entitled to give a Step-out Notice to the Open Season Users at any time during a Step-in Period, specifying the Step-out Date, which shall be not less than five (5) Business Days after the date of the Step-out Notice.

F9.11 At the end of a Step-in Period the Step-in Operator shall be released from all obligations and liabilities to the Open Season Users arising after the Step-in Period but shall continue to be liable for the obligations and liabilities assumed by it during the Step-in Period and for any failure fully to discharge those obligations and liabilities during the Step-in Period.

Novation

F9.12 The Funders' Agent shall be entitled to give a Novation Notice to the Open Season Users at any time during a Funding Breach Period (and the certificate of the Funders' Agent that a Funding Breach Period is subsisting shall be conclusive and binding as between the Funders' Agent and the Open Season Users).

F9.13 A Novation Notice shall:

(a) specify the Novation Date, which shall be not less than five (5) Business Days after the date of the Novation Notice; and

(b) specify the identity of the Substitute Operator, who shall be a person who has demonstrated compliance with all legal and regulatory obligations for participating in the operation of an electricity interconnector and has:

(i) the legal capacity, power and corporate authority;

(ii) all necessary regulatory approvals;

(ii) the requisite technical knowledge, ability, skills and experience; and

(iv) the requisite financial standing and resources,

to operate the Interconnector and all associated functions (including the holding of Auctions) and to perform and discharge the obligations and liabilities of ElecLink during the remainder of the term of the ElecLink Open Season User Agreements; and

(c) be counter-signed by the nominated Substitute Operator to confirm its acceptance of the novation of the ElecLink Open Season User Agreements on the terms of this Rule F9.

F9.14 With effect from 00.01 hours on the Novation Date:

(a) all ElecLink's present and future rights and obligations under the ElecLink Open Season User Agreements shall be transferred to the Substitute Operator, the Substitute Operator shall enjoy all the rights and benefits of ElecLink under the ElecLink Open Season User Agreements, and all references to ElecLink in the ElecLink Open Season User Agreements shall be read and construed as references to the Substitute Operator;

(b) the Substitute Operator agrees to perform each ElecLink Open Season User Agreement and be bound by its terms and assume all of ElecLink's present and future obligations and liabilities in every way as if it were the original party to it in place of ElecLink;

(c) each Open Season User agrees to perform its ElecLink Open Season User Agreement and be bound by its terms in every way as if the Substitute Operator were the original party to it in place of the ElecLink; and

(d) ElecLink and each Open Season User release each other from all present and future obligations to the other under the ElecLink Open Season User Agreements.

Notices to the Funders' Agent

F9.15 Any notice to the Funders' Agent under this Rule F9 shall be given to the Funders' Agent at such address as the Funders' Agent may notify to the Open Season Users and to ElecLink from time to time.

Rule F10: Miscellaneous

Governing law

F10.1 These Rules shall be governed by and construed in all respects in accordance with English Law.

Language

F10.2 These Rules will be produced both in English and French. For the avoidance of doubt, in the event of inconsistency between the English and French versions, the English language version shall prevail.

Intellectual Property

F10.3 No Open Season User shall acquire any right, title, licence or interest in or to any Intellectual Property used by ElecLink in connection with these Rules or used by or belonging to ElecLink in connection with the Interconnector or its use or operation.

Relationship and nature of rights

F10.4.1 The relationship of ElecLink and Open Season Users is that of service provider and service user respectively. Except as expressly provided in these Rules, nothing contained or implied in these Rules constitutes or is deemed to constitute ElecLink or an Open Season User, the partner, agent or legal representative of the other for any purpose whatsoever or create or be deemed to create any partnership, agency or trust whatsoever.

F10.4.2 The rights granted to Open Season Users under these Rules are physical transmission rights of electrical energy. The Auctions and Secondary Market are in respect of capacity only and the Open Season Users can invoke no other right than capacity made available to them in accordance with the provisions of these Rules.

No third party rights

F10.5.1 Except as expressly provided to the contrary in Rule F10.5.2, ElecLink and each Open Season User each acknowledges and agrees that a person who is not a party to the ElecLink Open Season User Agreement between them (including any other Open Season User) has no rights to enforce these Rules or the ElecLink Open Season User Agreement as between ElecLink and that Open Season User.

F10.5.2 The Funders' Agent, any Step-in Operator and any Substitute Operator shall be entitled pursuant to the Contracts (Rights of Third Parties) Act 1999 to, and to enforce, the rights and benefits given to those parties under Rule F9.

Waiver

F10.6.1 No omission to exercise or delay in exercising any right, power or remedy provided by law or under these Rules shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under these Rules.

F10.6.2 Any waiver of any right, power or remedy under these Rules must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Variation

F10.7.1 No variation to these Rules or an ElecLink Open Season User Agreement shall be effective unless made in accordance with Rule A4.

F10.7.2 In addition, no variation of Rule F9 shall be effective unless the Funders' Agent has consented in writing to such variation. The Parties acknowledge that the Funders' Agent relies on the provisions of Rule F9.

No advice

F10.8 The Open Season User acknowledges that neither ElecLink nor any person acting on behalf of or associated with ElecLink makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these Rules, the ElecLink Open Season User Agreements or the Disclosed Information or otherwise in relation to or in connection with these Rules, the ElecLink Open Season User Agreements and the Disclosed Information or any transaction or arrangement contemplated by these Rules, the ElecLink Open Season User Agreements and the Disclosed Information except as specifically provided in these Rules or the ElecLink Open Season User Agreement. Nothing in this Rule F10.8, however, limits or excludes any liability for fraud, including fraudulent misrepresentation.

Entire agreement

F10.9 These Rules and the ElecLink Open Season User Agreement contain or expressly refer to the entire agreement between ElecLink and each Open Season User with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersede all previous agreements and understandings between ElecLink and each Open Season User with respect thereto and each of them acknowledges and confirms that it does not enter into these Rules or the ElecLink Open Season User Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these Rules or the ElecLink Open Season User Agreement.

Remedies exclusive

F10.10 Except as otherwise expressly provided, the rights and remedies provided by these Rules and the ElecLink Open Season User Agreement to ElecLink and each Open Season User are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies express or implied and provided by law or statute in respect of the subject matter of these Rules and the ElecLink Open Season User Agreement. Accordingly, each of ElecLink and each Open Season User hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these Rules and the ElecLink Open Season User Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Severance of terms

F10.11.1 If any provision of these Rules or an ElecLink Open Season User Agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration or by order of any Competent Authority, such invalidity, unenforceability or illegality shall not prejudice or affect either the remaining provisions of these Rules and the ElecLink Open Season User Agreement, which shall continue in full force and effect notwithstanding such

invalidity, unenforceability or illegality, or the validity, enforceability or legality of such provision under the laws of any other jurisdiction.

F10.11.2 If any provision would otherwise be invalid, unenforceable or illegal under Rule F10.11 but would cease to be invalid, unenforceable or illegal if some part of it were deleted, the relevant part shall be deemed to be deleted.

SCHEDULE 1: DEFINITIONS AND INTERPRETATION

Part I: Definitions

In these Rules, capitalised words and phrases have the meanings given to them below unless the context requires otherwise.

"**Accord de Participation**"	means an Accord de Participation signed by an Open Season User and RTE by which an Open Season User agrees to abide by the *Règles d'Accés au Réseau Public de Transport Français pour des Importations et des Exportations*;
"**Accord de participation en qualité de Responsable d'Equilibre**"	means an agreement between RTE and another party under which that party agrees to be responsible for payment of charges associated with imbalances between scheduled and actual generation output and demand from the RTE Transmission System;
"**Affiliate** "	means (a) any shareholder of ElecLink, (b) any parent company or subsidiary company of ElecLink, (c) any other subsidiary company of a holding company of ElecLink and (d) any other person who directly or indirectly controls, or is directly or indirectly controlled by, or is under direct or indirect common control with, ElecLink; and a person will be deemed to control another person if such person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of such other person, whether through the ownership of voting securities, by contract or otherwise. For the avoidance of doubt, an Affiliate of ElecLink includes any of ElecLink's shareholders, subsidiaries or holding companies or any other subsidiary of holding companies from time to time;
"Adjustment Coefficient"	means such number, being greater than zero (0) and less than or equal to one (1), as designated by ElecLink prior to the relevant Auction in accordance with Rule D1.2.12;
"Allocation Rules"	means the ElecLink Long-Term Allocation Rules, the ElecLink Day Ahead Allocation Rules and/or the ElecLink Intraday Allocation Rules (as the case may be);
"**Amendment Notice**"	means the notification and any associated documents issued by ElecLink pursuant to Rule A4, provided to the Open Season Users and which notify Open Season Users of ElecLink's amendment(s) to the Open Season Rules;
"**Applicable Law**"	means any statute, statutory instrument, licence (including ElecLink's Interconnector Licence), law (whether English or French) or decree (*décret*) or order in council or directive, or any code including the GB Grid Code, the RTE Grid Code and the Balancing and Settlement Code, or any request, requirement, instruction, direction or rule of any Competent Authority but only, where not having the force of law, if compliance with the Applicable Law is in accordance with the general practice of persons to whom the Applicable Law is addressed;
"**Applicant**"	has the meaning given to it in Rule B3.1;

"**Application Form**"	means the form designated by ElecLink as such for the purposes of these Rules from time to time and included in the Application Pack;
"**Application Pack**"	means the package of information and other documents designated by ElecLink as such for the purposes of these Rules from time to time;
"**Assets**"	in relation to an Open Season User or its Parent Company has the meaning given to that term by the International Financial Reporting Standards (IFRS) or (if an Open Season User's or its Parent Company's audited statutory accounts are not prepared in accordance with IFRS) by UK GAAP or such other national generally accepted accounting standards as may be approved by ElecLink for this purpose from time to time and in accordance with which the Open Season User's or (as the case may be) its Parent Company's audited statutory accounts are prepared;
"**Auction**"	means any auction of Open Season Units under these Rules;
"Auction Manager"	means ElecLink or a third party appointed by ElecLink to operate the Auction(s);
"**Auction Price**"	means the value of the Marginal Price of an Auction, and which is payable by all Open Season Unit Holders resulting from such Auction;
"**Auction Specification**"	means, the specification for the Auction published by ElecLink, as described in Rule D1.2;
"**Balancing and Settlement Code" or "BSC"**	means the code of that name established under the NGESO Transmission Licence;
"**Bid**"	means an Open Season User's offer to buy Open Season Units in an Auction, and made in accordance with these Rules;
"**Bidding Period**"	means, in relation to an Auction, the time during which Bids may validly be submitted in that Auction in accordance with these Rules;
"Block"	means, in relation to a product of Open Season Units, a quantity of ten (10) MW;
"BM Unit"	means an Open Season User's Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code;
"**Business Day**"	means a week-day on which banks in London are open for domestic business and for dealings in sterling and euro deposits;
"**Business Rules**"	means the rules for day to day use of Interconnector Capacity in Schedule 4;

"Capacity Agreement Confirmation"	has the meaning given to it in Rule D1.7.7;
"**Capacity Subcontracting Arrangement**"	means any arrangement between an Open Season Unit Holder and another person under which the Open Season Unit Holder allows the person, either directly or indirectly, to use the Open Season Interconnector Capacity of the Open Season Unit Holder;
"**Capacity Management System**" or "**CMS**"	means the IT system(s) or system(s) used for conducting Auctions and other associated Interconnector Capacity activities;
"**Capacity Transfer**"	means the mechanism by which an Open Season Unit Holder passes over Open Season Units to another Open Season User in accordance with Rule E4.4, and "Transfer Capacity", "Transferred", "Transferee" shall have corresponding meanings;
"**Capacity Transfer Notice**"	has the meaning given to it in Rule E4.4.1(a);
"**Capacity Transfer Period**"	has the meaning given to it in Rule E4.4.1(d);
"**Cash Collateral**"	means in relation to any Open Season User: (a) cash (in euros) paid by or on behalf of that Open Season User into a dedicated Deposit Account, and (b) all moneys from time to time credited to and for the time being standing to the credit of that account and all interest from time to time paid or payable thereon or with respect thereto, over which account, moneys and interest ElecLink has a first fixed charge (in such form as ElecLink may from time to time require) as security for the performance of that Open Season User's payment obligations under its ElecLink Open Season User Agreement and the Rules;
"CET"	means central European time;
"**Competent Authority**"	means the Secretary of State (as defined in the Governing Act), the GB Regulator, the French Regulator and any local, national or supra-national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom or France;
"**Confidential Information**"	means any item of information, regardless of its form, disclosed by ElecLink or an Open Season User to the other under or in connection with these Rules, other than any item of information which: (a) was, at the time of the disclosure, within the public domain; (b) not being within the public domain at the time of disclosure, enters the public domain otherwise than as a result of a breach of a confidentiality obligation owed in relation to that item of information of which the Recipient is aware; or

(c) was already known to the Recipient or was independently (of the Disclosing Party) acquired or developed by the Recipient without being in breach of its obligations under the Rules;

"Contract Day"	in relation to a Contract Day D, means a period of 24 hours commencing at 00:00 hours on day D;
"Contracted Revenues"	means, in relation to a product in an Auction of Open Season Units, the product of (a) the quantity (in MWh) allocated to Winning Bidders in accordance with Rule D1.7.4, and (b) the Auction Price (in €/MWh) for that product;
"Credit Cover"	means security for payment of amounts owed under these Rules provided under Rule C4;
"Credit Cover Incident"	has the meaning given in Rule C4.10;
"Credit Rating"	means, in relation to an entity, a rating for its long-term unsecured and non credit-enhanced debt obligations by Standard & Poor's Rating Services or by Moody's Investors Service or at ElecLink's sole discretion a comparable rating from an internationally recognised credit rating agency;
"Cure Period"	means, in relation to an Operator Default, the period of notice given under a Cure Period Notice, subject to Rule F9.3 and Rule F9.6;
"Cure Period Notice"	has the meaning given in Rule F9.2;
"Curtail"	means to reduce Open Season Unit Holders' Open Season Interconnector Capacity and MINs in accordance with Rule E7 and "Curtailed", "Curtailment" have corresponding meanings;
"CUSC"	means the Connection and Use of System Code established under the NESO Transmission Licence;
"Daily Auction"	means any auction of daily Units, which are Units with a Product Period equal to one (1) Contract Day. Such an auction is described in the ElecLink Day Ahead Allocation Rules;
"Daily Offered Capacity"	means capacity offered by ElecLink in a Daily Auction;
"Day Type"	means any of Business Days, non-Business Day or all days as the case may be, in the context of a Capacity Transfer Notice;
"Debt Proceedings"	has the meaning given to it in Rule F8.2.1;
"Default Bid"	has the meaning given to it in Rule D1.6;
"Default Bidder"	has the meaning given to it in Rule D1.6.3;
"Default Exit Price"	means, in relation to a Default Bid for a given product of Open Season Units in any given Round, the price of that product in the preceding Round;

"**Deposit Account**"	means a deposit account at a bank that satisfies the criteria outlined in the definition of Letter of Credit where: (a) the account is in ElecLink's name and the Open Season User's name jointly; (b) interest on the amount deposited in the account accrues for the benefit of the Open Season User, after deduction for any tax or bank charges; (c) ElecLink and the Open Season User have irrevocably instructed the bank to make a payment against the sole signature of ElecLink; (d) the bank has agreed that the amounts deposited in the account must not be set off or otherwise applied by the bank in respect of any indebtedness of the Open Season User or other person; and (e) amounts (other than interest) standing to the credit of the account will not be paid to the Open Season User without the prior written agreement of ElecLink;
"**Discount Rate**"	means such percentage rate, being greater than or equal to 0% and less than or equal to 5%, as designated by ElecLink prior to the relevant Auction in accordance with Rule D1.2.12;
"**Disclosed Information**"	means all information and data provided by or on behalf of ElecLink to Open Season Users and Applicants in connection with the Rules including the Application Pack and the Open Season User Guide;
"**Disclosing Party**"	means, in relation to an item of Confidential Information, the person that disclosed the item;
"**Dispute**"	has the meaning given to it in Rule F8;
"ElecLink"	means ElecLink Limited, a company incorporated in England and Wales with registration number 07595420;
"ElecLink Day Ahead Allocation Rules"	means the ElecLink Day Ahead Allocation Rules as detailed in Part 2 of these ElecLink Access Rules;
"ElecLink Interconnector"	means the Interconnector owned and operated by ElecLink;
"**ElecLink Interconnector Circuits**"	means the switching bays, cables, converter stations and other plant and apparatus owned by ElecLink connecting the NESO Transmission System to the RTE Transmission System as such switching bays, cables, converter stations and other plant, apparatus and meters are replaced, modified, developed or added to from time to time;
"**ElecLink Interconnector Licence**"	means the electricity interconnector licence granted to ElecLink under section 6(1)(e) of the Electricity Act 1989;

"**ElecLink Intraday Allocation Rules**"	means the ElecLink Intraday Allocation Rules as detailed in Part 1 of these ElecLink Access Rules;
"**ElecLink Long-Term Allocation Rules**"	means the ElecLink Long-Term Allocation Rules as detailed in Part 3 of these ElecLink Access Rules;
"**ElecLink Open Season User Agreement**"	means an agreement between ElecLink and an Open Season User in or substantially in the form set out in Schedule 2;
"ElecLink User Agreement"	means any agreement between ElecLink (or any entity acting on behalf of ElecLink) and a user covering the participation of that user in Long-Term, Daily and Intraday Auctions of Interconnector Capacity;
"Eligibility"	has the meaning given to it in Rule D1.5.6;
"**Eligibility Conditions**"	means the conditions set out in Rules B2.1 – B2.3;
"**Eligibility Notice**"	has the meaning given to it in Rule B2.4;
"**Energy Account**"	means in relation to an Open Season User: (a) the Open Season User's Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code; and (b) the account established under an Accord de participation en qualité de *Responsable d'Equilibre* linked to that Open Season User for the purposes of the RTE Settlement Arrangements to which the Open Season User's programmes are submitted, both as specified by the Open Season User in its Standing Data;
"**Energy Transmission**"	means the transmission of electricity across the Interconnector and "Transmitting" has a corresponding meaning;
"**Enforcement Action**"	has the meaning given in Rule F9.2;
"€", "EUR" and "euro"	denote the single currency of the Participating Member States;
"Euro Foreign Exchange Reference Rate"	means the euro foreign exchange reference rates published by the European Central Bank;
"European Central Bank"	means the European Central Bank;
"**Excess Units**"	has the meaning given to it in Rule D1.12;
"**Exchange Rate**"	means, in relation to a Contract Day, the Pound Sterling:Euro exchange rate for that Contract Day determined by ElecLink and

	published on CMS, being a rate equal to the Euro Foreign Exchange Reference Rate;
"Excess Demand"	means, in relation to a particular product of Open Season Units in a given Round, the greater of: (a) the total number of Blocks bid for that product minus the Target for that product; and (b) zero (0);
"**Exemption Decision**"	means the decision, by the Commission de régulation de l'énergie of France ("CRE") and Office of Gas and Electricity Markets of Great Britain ("Ofgem") to exempt ElecLink under Article 17 of the Electricity Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003;
"Exit Price"	means, in relation to a product of Open Season Units, a best and final binding offer (in €/MWh) for the number of Blocks that are to be Withdrawn;
"Extension"	means, in relation to a Round in an Auction of Open Season Units, extending the duration of the Bidding Phase of the Round for all Open Season Users and for both Sections at the request of an Open Season User;
"First Qualification Period"	means, in relation to an Auction, the period of time, as specified by ElecLink from time to time and published on ElecLink's website, within which a person wishing to participate in the relevant Auction must provide to ElecLink and the Auction Manager all of the documents and information required to meet the participation requirements provided in Rule B2.1.1, including but not limited to all information and documents required by the Application Form and the Application Pack;
"Final Round"	means the first Round in which Total Excess Demand for a Section is zero (0);
"Financial Close"	has the meaning given to it in Schedule 2 (Form of ElecLink Open Season User Agreement);
"Financial Close Period"	has the meaning given to it in Schedule 2 (Form of ElecLink Open Season User Agreement);
"**Force Majeure**"	has the meaning given to it in Rule F5.1;
"**Forced Outage**"	means any Outage of which notice was given after the publication of the Auction Specification for the Daily or Intraday Auctions for the Contract Day on which the Outage occurs;
"Free Eligibility"	has the meaning given to it in Rule D1.5.27;

"**French Electricity Law**"	means Law no. 2000-108 of 10 February 2000 as amended from time to time and relating to the modernisation and development of public electricity services (*Loi no 2000-108 du 10 février 2000 relative à la modernisation et au développement du service public de l'électricité*);
"**French Regulator**"	means the *Commission de régulation de l'énergie* established under the French Electricity Law;
"**Funders**"	means the bank(s) and/or other financial institutions or lenders from time to time providing the Funding Arrangements to ElecLink;
"**Funders' Agent**"	means any security trustee, security agent, intercreditor agent or facility agent (including their successors in that capacity) appointed by the Funders from time to time and in whose favour Eleclink may at any relevant time have assigned by way of security the ElecLink Open Season User Agreements and whose identity and address for the service of notices has been notified by ElecLink or the Funders to the Open Season Users;
"**Funding Arrangements**"	means the arrangements from time to time entered into by ElecLink or Affiliate of ElecLink with any bank(s) and/or other financial institution(s) or lenders for the borrowing of money by and/or the provision of other financial facilities to ElecLink for the principal purpose of funding the design and/or construction and/or other project costs and/or operation of the Interconnector and/or any re-financing of any such borrowing or financial facilities;
"**Funding Breach Period**"	means any period during which the Funders and/or the Funders' Agent are entitled to exercise their rights of enforcement under the terms of the Funding Arrangements consequent upon either a breach by ElecLink of its obligations to the Funders and/or to the Funders' Agent under the terms of the Funding Arrangements or the occurrence of an Insolvency Event in relation to ElecLink;
"GB Grid Code"	means the document referred to as the Grid Code in the NESO Transmission Licence;
"**GB Regulator**"	means the Gas and Electricity Markets Authority, as established under the Governing Act;
"Going Price"	means, in relation to a product of Open Season Units in any given Round, the price announced by the Auction Manager for that product in that Round;
"**Governing Act**"	means the Electricity Act 1989 as amended and supplemented by the Utilities Act 2000;
"Increment"	means the amount by which the price of a particular product increases from one Round of the Auction to the next Round of the Auction;
"Initial Eligibility"	means, in relation to a Section, the lesser of:

(a) the sum of the Open Season User's indicative offers (in Blocks) across both products in that Section at the Minimum Starting Price in accordance with Rule B2.1; and

(b) the number of Blocks that the Open Season User is permitted to bid for in accordance with Rule B2.2; and

(c) the number of Blocks that the Open Season User is permitted to bid for in accordance with the Open Season Auction Credit Requirement;

"Initial Forecast Commercial Delivery Date" means, in relation to a product of Open Season Units, the date specified by ElecLink in the relevant Auction Specification;

"**Insolvency Event**" means in relation to any Party, any of the following events:

(a) an order of a competent court is made or a resolution is passed for its insolvent winding up or dissolution;

(b) a receiver of the whole or any material part of its assets or undertaking is appointed (whether under contract or by a court) or a decision for the opening of insolvency proceedings has been made by a competent court;

(c) an administration order is made or a voluntary arrangement is proposed or a decision is made to appoint a mediator or to approve a voluntary arrangement with creditors;

(d) anything analogous to, or having a substantially similar effect to, any of the circumstances specified in paragraphs (a) to (c) above occurs in relation to the Open Season User in any jurisdiction;

"**Intangible Assets**" in relation to an Open Season User or its Parent Company has the meaning given to that term by the International Financial Reporting Standards (IFRS) or (if an Open Season User's or its Parent Company's audited statutory accounts are not prepared in accordance with IFRS) by UK GAAP or such other national generally accepted accounting standards as may be approved by ElecLink for this purpose from time to time and in accordance with which the Open Season User's or (as the case may be) its Parent Company's audited statutory accounts are prepared;

"**Intellectual Property**" means patents, trademarks, design rights, copyright, database rights, know-how (whether registrable or otherwise), information including these Rules (whether patented or not), applications for any of the foregoing, and other similar rights or obligations, whether registrable or not, in any country (including the United Kingdom and France);

"**Interconnector**" means the interconnection of the NESO Transmission System with the RTE Transmission System by the ElecLink Interconnector Circuits;

"**Interconnector Capability**"	means the capability (in MW, at Mid-Interconnector) of the Interconnector to Transmit electrical energy between England and France via the ElecLink Interconnector Circuits taking into account the effects of any event or circumstance affecting such capability at any relevant time, including events or circumstances on the NESO Transmission System or the RTE Transmission System or disconnection or de-energisation of the Interconnector from either of those transmission systems;
"**Interconnector Capacity**"	means the right of use of the Interconnector made available by ElecLink, to facilitate the Transmission of energy by users between Great Britain and France, to the extent that Interconnector Capability permits and as provided for in these Rules and the Allocation Rules;
"**Intraday Auction**"	means any auction of intraday Units, which are Units with a Product Period shorter than one (1) Contract Day;
"**Letter of Credit**"	means an irrevocable stand by letter of credit: (a) in such form as ElecLink may reasonably approve from time to time; (b) issued for the account of the Open Season User in favour of ElecLink; (c) issued by any United Kingdom clearing bank or banks or any other bank or banks which has (have) a Credit Rating of not less than A or such other bank as ElecLink may in its sole discretion approve; (d) allowing for partial drawings and providing for payment to ElecLink forthwith on demand and in Euros; and (e) available for payment at a branch of the issuing bank, provided that the branch so specified shall be located within the boundaries of the mainland of Great Britain;
"Long-Term Auction"	means any auction of long-term Units, which are Units with Product Periods greater than one (1) Contract Day and less than or equal to one (1) year, and associated Interconnector Capacity activities;
"**Marginal Price**"	means the lowest winning Bid received by ElecLink in an Auction;
"Market Manipulation"	has the meaning given in Article 2 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency and/or any applicable national legislation;
"Market Share"	in relation to an Open Season User means the market share of the Open Season User and all its Related Undertakings with reference to its generation interests in France and/or Great Britain;

"Market Share Declaration Template" means the template set out in Schedule 9 of the ElecLink Open Season Rules;

"Market Share Notice" has the meaning given in Rule D1.12.1;

"Material Adverse Change" means, in relation to an Open Season User or a Parent Company, any event, condition, circumstance or change which materially and adversely affects, or which could reasonably be expected to materially and adversely affect:

(a) the business, operations, performance, assets, liabilities, condition (financial or otherwise), financial result or prospects of that Open Season User or Parent Company; or

(b) the ability of that Open Season User to perform its obligations under its ElecLink Open Season User Agreement or of that Parent Company to perform its obligations under its Parent Company Guarantee; or

(c) the validity or enforceability of or the rights or remedies of ElecLink under that Open Season User's ElecLink Open Season User Agreement or that Parent Company's Parent Company Guarantee;

"Maximum Potential Credit Exposure" means:

(a) in relation to any Open Season User and for the purposes of the Open Season Auction Credit Requirement, the product of:

(i) the Adjustment Coefficient; and

(ii) the net present value, discounted at an annual rate equal to the Discount Rate, of the maximum potential commitment throughout the applicable Product Period associated with the Open Season User's Bid ("NPV(Max Potential Commitment)"), calculated as follows:

$$NPV_{(Max\,Potential\ Commitment)} = \sum_{t=i}^{N} \frac{(Bid\ Capacity_t * Hours_t * Bid\ Price_t)}{(1+DR)^{(t-Base\ Year)}}$$

where:

t denotes a calendar year included (wholly or partially) within the Product Period of the Open Season Units for which the Open Season User submits a Bid in the relevant Auction;

i means the calendar year t in which the Product Period of the relevant Open Season Units starts;

N means the calendar year t in which the Product Period of the relevant Open Season Units ends;

Base Year means the calendar year t in which the Product Period of the relevant Open Season Units starts;

DR means the Discount Rate;

Bid Capacity$_t$ means the capacity (in MW) in year t for which the Open Season User submits a Bid in the relevant Auction;

Hours$_t$ means the product of (a) the number of days in year t which fall within the Product Period of the relevant Open Season Units and (b) 24;

Bid Price$_t$ means the price (in EUR/MWh) in year t at which the Open Season User submits a Bid for the Bid Capacity$_t$ in the relevant Auction;

[Explanatory Note: Schedule 7 contains a worked example of this formula, which is by way of illustration only and is not to be used for the purposes of construction of these Rules.]

(b) in relation to any Open Season Unit Holder and for the purposes of the Open Season Continuing Credit Requirement, at any given time in a Reference Year the product of:

(i) the Adjustment Coefficient; and

(ii) the net present value, discounted at an annual rate equal to the Discount Rate, of the total outstanding commitment of an Open Season Unit Holder in relation to the total number of Open Season Units held by the Open Season Unit Holder and for the remainder of the applicable Product Period ("NPV(Total Outstanding Commitment)"), calculated as follows:

$$NPV_{(Total\ Outstanding\ Commitment)} = \sum_{t=i}^{N} \frac{(Number\ of\ Units_t * Hours_t\ * Unit\ Price_t)}{(1+DR)^{(t-Reference\ Year)}}$$

where:

t denotes a calendar year included (wholly or partially) within the Product Period of the Open Season Units allocated to the Open Season Unit Holder;

i means the calendar year t in which the Product Period of the Open Season Units allocated to the Open Season Unit Holder starts;

N means the calendar year t in which the Product Period of the Open Season Units allocated to the Open Season Unit Holder ends;

Reference Year means the calendar year t in which the Open Season Unit Holder's compliance with the Open Season Continuing Credit Requirement is being assessed;

DR means the Discount Rate;

Number of $Units_t$ means the total number of Open Season Units (in MW) allocated to the Open Season Unit Holder for year t;

$Hours_t$ means the product of (a) the total number of days remaining in year t as at the time the Open Season Unit Holder's compliance with the Open Season Continuing Credit Requirement is being assessed, and (b) 24;

Unit $Price_t$ means the price (in EUR/MWh) at which the Open Season Units were allocated to the Open Season Unit Holder;

[Explanatory Note: Schedule 7 contains a worked example of this formula, which is by way of illustration only and is not to be used for the purposes of construction of these Rules]

"Maximum Starting Price" means, in relation to a product of Open Season Units, the price (in €/MWh) designated as such by ElecLink in advance of the relevant Auction in accordance with Rule D1.2.12;

"Mid-Interconnector" means the point on the Interconnector on which the losses between this point and either end of the Interconnector (Sellindge in England and Peuplingues in France) are symmetrical;

"Mid-Interconnector Day Ahead Market Spread" means, in relation to a Contract Day and a specific hour and direction, the difference of the power exchange prices (in €/MWh) on the British and French day ahead markets on such power exchanges as may be chosen by ElecLink in its absolute discretion from time to time (i) as adjusted at Mid-Interconnector by application of the loss factor (as published on ElecLink's website) for such Contract Day and specific hour and (ii) as calculated by ElecLink using the Exchange Rate and (iii) as published by ElecLink on the CMS;

and for the avoidance of doubt the Mid-Interconnector Day Ahead Market Spread for the direction France to England for a Contract Day and a specific hour is:

Price GB * (1 – loss factor) – Price FR * (1 + loss factor) where:

(i) Price GB is the chosen power exchange price (in €/MWh) on the British day ahead market for such Contract Day and specific hour;

(ii) Price FR is the power exchange price (in €/MWh) on the French day ahead market for such Contract Day and specific hour;

and vice versa for the direction England to France:

Price FR * (1 – loss factor) – Price GB * (1 + loss factor)

"Mid-Interconnector Nomination" or "MIN" has the meaning given to it in Rule E3.1;

"Minimum Starting Price" means, in relation to a product of Open Season Units, the price (in €/MWh) designated as such by ElecLink in advance of the relevant Auction in accordance with Rule D1.2.12;

"**NESO Transmission Licence**" means the licence granted by the Secretary of State to NGESO under Section 6(1)(b) of the Governing Act permitting, inter alia, the transmission of electricity in England and Wales, as amended from time to time;

"**NESO Transmission System**" means the system comprising electric lines operated by NGESO for the transmission of electricity as defined in the GB Grid Code;

"**NESO**" means National Energy System Operator Limited, a company incorporated in England and Wales with company number 11014226 or any successor;

"**Nominate**" means, in relation to an Open Season User, the action to submit a MIN to the Nomination Platform, and "Nomination" shall have corresponding meaning;

"**Nomination Gate Closure**" means, in relation to a Settlement Period, the last time at which Nominations can be made in relation to that Settlement Period (as specified in Schedule 4);

"Nomination Platform" means the relevant system used by Open Season Users to Nominate Mid-Interconnector Nominations as designated from time to time by ElecLink;

“Nomination Rules” means the nominations rules, applicable to ElecLink, in respect of physical transmission rights as detailed in Part 5 of these ElecLink Access Rules;

“Non-Default Bidder” means an Open Season User who is not a Default Bidder;

"**Novation Date**" means the date specified as such in a Novation Notice;

"**Novation Notice**" means a notice given in accordance with Rules F9.12 and F9.13;

"Open Season" means processes relating to Auctions with Product Periods greater than one (1) year and less than or equal to ten (10) years, and associated Open Season Interconnector Capacity activities;

"Open Season Auction Credit Requirement" means, in relation to an Open Season User and any Bid by that Open Season User in an Auction for a particular number of Open Season Units in a particular direction with a particular Product Period, that any one (at the Open Season User's option) of the following conditions (a) – (e) is satisfied:

(a) the Open Season User has a Credit Rating not lower than shown in Table 1 in Schedule 6 for that number of Open Season Units and that Product Period; or

(b) the Open Season User has a Tangible Net Worth not lower than shown in Table 1 in Schedule 6 for that number of Open Season Units and that Product Period; or

(c) a Parent Company of that Open Season User has a Credit Rating not lower than shown in Table 1 in Schedule 6 for that number of Open Season Units and that Product Period and that Parent Company has executed, and the Open Season User has delivered to ElecLink, a Parent Company Guarantee; or

(d) a Parent Company of that Open Season User has a Tangible Net Worth not lower than shown in Table 1 in Schedule 6 for that number of Open Season Units and that Product Period and that Parent Company has executed, and the Open Season User has delivered to ElecLink, a Parent Company Guarantee; or

(e) the Open Season User has delivered to ElecLink a Letter of Credit which:

(i) has an Expiry Date no earlier than one month following the due date for payment (in accordance with Rule C2) of the last instalment of the Unit Price for those Open Season Units and that Product Period, on the assumption that all those Open Season Units for that Product Period will be allocated to the Open Season User in that Auction; and

(ii) is for a maximum amount, in Euros, of not less than the Maximum Potential Credit Exposure in relation to that number of Open Season Units and that Product Period;

"Open Season Auction Software" means the web-based secure auctioning platform for the operation of the Auction as designated from time to time by ElecLink and the Auction Manager;

"Open Season Continuing Credit Requirement" means, at any time and in relation to an Open Season Unit Holder and the total number of Open Season Units of a particular original Product Period which have been allocated to that Open Season Unit Holder at that time, that any one (at the Open Season Unit Holder's option) of the following conditions (a) – (e) is satisfied:

(a) the Open Season Unit Holder has at that time a Credit Rating not lower than shown in Table 2 in Schedule 6 for that total number of Open Season Units and that original Product Period; or

(b) the Open Season Unit Holder has a Tangible Net Worth not lower than shown in Table 2 in Schedule 6 for that total number of Open Season Units and that original Product Period; or

(c) a Parent Company of that Open Season Unit Holder has a Credit Rating not lower than shown in Table 2 in Schedule 6 for that total number of Open Season Units and that original Product Period and that Parent Company has executed, and the Open Season Unit Holder has delivered to ElecLink, a Parent Company Guarantee; or

(d) a Parent Company of that Open Season Unit Holder has a Tangible Net Worth not lower than shown in Table 2 in Schedule 6 for that total number of Open Season Units and that original Product Period and that Parent Company has executed, and the Open Season Unit Holder has delivered to ElecLink, a Parent Company Guarantee; or

(e) the Open Season Unit Holder has delivered to ElecLink a Letter of Credit which:

(i) has an Expiry Date no earlier than one month following the due date for payment (in accordance with Rule C2) of the last instalment of the Unit Price for those Open Season Units and that Product Period; and

(ii) is for a maximum amount, in Euros, of not less than the Maximum Potential Credit Exposure as at that time in relation to that total number of Open Season Units and that original Product Period;

"Open Season Contracted Revenue Target"	means the minimum level of contracted revenues from the sale of Open Season Units required by ElecLink to achieve Financial Close;
"Open Season Revenues"	means, in relation to an Auction of Open Season Units, the sum of: (a) realized and Total Contracted Revenues from the sale of Open Season Units prior to the relevant Auction; and (b) Total Contracted Revenues from the relevant Auction of Open Season Units.
"Open Season Revenue Cap"	has the meaning given to it in Rule D1.9;
"Open Season Unit"	means a Unit with a Product Period greater than one (1) year and less than or equal to ten (10) years, as specified in the relevant Auction Specification;
"Open Season Unit Holder"	means an Open Season User who has been allocated Open Season Units under these Rules, any of which at the relevant time have not yet reached the end of their Product Period and, for the purposes of the Rules specified in Rule E4.4.10, Open Season Users to whom a Capacity Transfer is made;
"Open Season User"	means any person, other than ElecLink, who for the time being is a party to an ElecLink Open Season User Agreement;
"Open Season User Guide"	means the guide to the auction rules for Open Season Units published by ElecLink or the Auction Manager prior to the relevant Auction;
"Open Season User Systems"	means, in relation to an Open Season User, the hardware, software and other systems needed by the Open Season User to exercise its rights and perform its obligations under these Rules, including communicating electronically with ElecLink, participating in Auctions and using Interconnector Capacity;
"Operational Start Date"	means the date on which commissioning of the Interconnector is completed and certified as such by NESO and RTE and ElecLink can commence commercial operations;
"Operator Default"	means any breach or default by ElecLink (and/or, as the case may be, any Step-in Operator) of its obligations and liabilities to an Open Season User under an ElecLink Open Season User Agreement;
"Operator Payment Default"	means an Operator Default which relates only to the non-payment of money due and owing;
"Other Operator Default"	means any Operator Default other than an Operator Payment Default;

"**Outage**"	means any reduction of Interconnector Capability in either direction and includes Forced Outages and Trips;
"Outbid"	has the meaning given to it in Rule D1.5.26;
"Outbid Block"	means a Block which has been Outbid;
"**Parent Company**"	in relation to an Open Season User or an Open Season Unit Holder means a "parent undertaking" of that Open Season User or an Open Season Unit Holder, as such term is defined in section 1162 of the Companies Act 2006 of the United Kingdom;
"**Parent Company Guarantee**"	means a performance guarantee in such form as ElecLink may approve from time to time and issued in favour of ElecLink by a Parent Company of an Open Season User;
"Participating Member States"	means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union;
"Parties"	means ElecLink and the Open Season Users and **"Party"** means either one of them as the context requires;
"Payment Incident"	has the meaning given in Rule C2.7.1;
"Planned Outage"	means an Outage which is planned in advance by ElecLink;
"**Planned Outage Period**"	means a period of time during a Product Period where the Interconnector Capability is less than the Interconnector Capability at other times during the Product Period as a consequence of a Planned Outage;
"Price Increment Formula"	means, in relation to a product of Open Season Units, the formula, as designated by ElecLink in accordance with Rule D1.2.12, used by the Auction Manager in determining the Increment for the relevant product in each Round of the Auction;
"**Product Period**"	means the period of time for which Units are made available in an auction (including any Auction, Long-Term Auction, Daily Auction and/or Intraday Auction, as the case may be), beginning on the first Contract Day of that period and ending at the end of the last Contract Day of that period;
"Range of Total Excess Demand"	means, for a given Section in a given Round, unless specified otherwise by the Auction Manager in the relevant Auction Specification: (i) 0 – 40, if Total Excess Demand for the Section is between zero (0) and forty (40) Blocks; (ii) 41 – 60, if Total Excess Demand for the Section is between forty one (41) and sixty (60) Blocks; (iii) 61 – 80, if Total Excess Demand for the Section is between sixty one (61) and eighty (80) Blocks;

(iv) 81 – 100, if Total Excess Demand for the Section is between eighty one (81) and one hundred (100) Blocks;

(v) 101 – 110, if Total Excess Demand for the Section is between one hundred and one (101) and one hundred and ten (110) Blocks;

(vi) 111 – 120, if Total Excess Demand for the Section is between one hundred and eleven (111) and one hundred and twenty (120) Blocks;

(vii) 121 – 125, if Total Excess Demand for the Section is between one hundred and twenty one (121) and one hundred and twenty five (125) Blocks;

(viii) and so forth in incremental ranges of five (5) Blocks each thereafter;

"**Recipient**"	means, in relation to an item of Confidential Information, the person to whom it is disclosed;
"**Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations**"	means the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations* established by RTE in the version published on RTE's web site from time to time defining the conditions to access the RTE Transmission System for exports and imports;
"Regulated Units"	means Units that exist on regulated interconnectors on the border between Great Britain and France;
"Reinstatement Notice"	has the meaning given to it in Rule B2.5;
"Related Undertaking"	has the meaning given in paragraph 22 of Article 2 of the Directive 2009/72/EC concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC and/or any applicable national legislation;
"**Relevant Open Season Unit Holder**"	has the meaning given to it in Rule E4.3.13;
"**Resale**"	means the offering of Open Season Units in a Long-Term Auction by ElecLink on behalf of an Open Season Unit Holder, and the resulting reallocation of those Open Season Units to another entity in accordance with Rule E4.3, and "Resell" and "Resold" shall have corresponding meanings;
"**Resale Period**"	means the period of time specified as such by an Open Season User in a Resale Request;
"**Resale Request**"	means a written notice from an Open Season Unit Holder to ElecLink requesting ElecLink to Resell the Open Season Unit Holder's Open Season Units during the Resale Period;

"**Resale Unit**"	has the meaning given to it in Rule E4.3.9;
"**Resold Unit Quantity**"	means (in megawatt-hours) the product of the (a) number of Open Season Units Resold by the Open Season User at a specific Long-Term Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Long-Term Auction;
"Revised Open Season Revenues"	means, in relation to an Auction of Open Season Units, the sum of: (a) realized and Total Contracted Revenues from the sale of Open Season Units prior to the relevant Auction, and (b) Total Contracted Revenues from the Auction of Open Season Units as revised after the application of the procedure described in Rule D1.9.3;
"Rights Document"	has the meaning given to it in Rule E2.3.1;
"Round"	means a round of the simultaneous ascending clock Auction for Open Season Units;
"**RTE**"	means RTE Réseau de transport d'électricité;
"**RTE Grid Code**"	means the rules, including technical rules, establishing the minimum technical design and operation requirements for connection to the RTE Transmission System established or to be established under Article 18 of the French Electricity Law;
"**RTE Settlement Arrangements**"	means the arrangements established or to be established under or in accordance with Article L.321-15 of the French Energy Code including operational planning, system services and payments to and from users of the RTE Transmission System. As at the date of this agreement, the RTE Settlement Arrangements include *Accords de participation en qualité de Responsable d'Equilibre*;
"**RTE Transmission System**"	means the system of electric lines operated by RTE under concession for the transmission of electricity, as defined in the French Electricity Law, the Cahier des Charges de Concession as defined in the amendment dated 10 April 1995 of the concession rules dated 27 November 1958 or as subsequently amended by law;
"**Rules**"	means these ElecLink Open Season Rules, including the Schedules, as amended from time to time;
"Second Qualification Period"	means, in relation to an Auction, the period of five (5) Business Days, starting on the sixth (6^{th}) Business Day (or such other time as ElecLink may specify prior to the relevant Auction) after the end of the First Qualification Period, within which a person wishing to participate in the relevant Auction must provide to ElecLink any additional or outstanding information reasonably required by ElecLink in connection with that person's eligibility in accordance with these Rules and otherwise in connection with that person's participation in the relevant Auction;

"**Secondary Market**"	means Resale and Capacity Transfer of Interconnector Capacity, as described in Rule E4;
"Section"	has the meaning given to it in Rule D1.2.14;
"**Settlement Period**"	means each half-hour period coinciding with Settlement Periods as defined in the Balancing and Settlement Code;
"**Standard Training**"	means a set of on-line exercises designed by ElecLink to enable Open Season Users to become sufficiently familiar with the CMS and to be undertaken on the test platform of the CMS with remote support from ElecLink and in conjunction with a user guide and other relevant documentation;
"**Standing Data**"	means, in relation to an Open Season User, the data and other information to be given by the Open Season User to ElecLink described in Schedule 3;
"Starting Price"	means, in relation to a product of Open Season Units, the price (in €/MWh) in the first Round of the Auction. The Starting Price will be designated by ElecLink in accordance with Rule D1.2.13 and: (a) shall not be greater than the Maximum Starting Price; and (b) shall not be less than the Minimum Starting Price;
"**Step-in Date**"	means the date specified as such in a Step-in Notice;
"**Step-in Notice**"	means a notice given in accordance with Rules F9.7 and F9.8;
"**Step-in Operator**"	means a person specified as such in a Step-In Notice and satisfying the criteria set out in Rule F9.8(b);
"**Step-in Period**"	means the period commencing at 00.00 hours on the Step-In Date and ending at 23.59 hours on the Step-Out Date;
"**Step-out Date**"	means the earlier of (a) the date specified as such in a Step-out Notice or (b) the Novation Date;
"**Substitute Operator**"	means a person specified as such in a Novation Notice and satisfying the criteria set out in Rule F9.13(b);
"**Suspension Event of Default**"	has the meaning given to it in Rule F6.3.2;
"Switch"	means, in relation to an Open Season User in any given Round, to request to reduce the Bid for one product by one or more Blocks and increase the Bid for the other product in the same Section by an equivalent number of Blocks so that the total number of Blocks bid across all products in the Section remains unchanged;
"Switched Block"	means a Block which is the subject of a request to Switch;

"**Tangible Net Worth**"	in relation to an Open Season User or its Parent Company means that Open Season User's, or its Parent Company's, total Assets minus its Liabilities minus its Intangible Assets;
"Target"	means, in relation to a product of Open Season Units, the quantity (in MW) auctioned for this product measured in Blocks;
"**Taxes**"	means all forms of taxation and statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and of any jurisdiction and any penalty, fine, surcharge, interest, charges or costs payable in connection with any Taxes;
"**Termination Event of Default**"	has the meaning given to it in Rule F6.4.2;
"Time-Out"	means, in relation to a Round in an Auction of Open Season Units, extending the duration of the Round at the imposition of the Auction Manager;
"Total Contracted Revenues"	means, in relation to an Auction of Open Season Units, the sum of Contracted Revenues across all products in both Sections;
"Total Excess Demand"	means, for a given Section in a given Round, the sum over all products in that Section of: (a) Free Eligibilities; and (b) the sum of the Excess Demands;
"**Transmission System Operator**"	means each of NGESO in its capacity as operator of the NGESO Transmission System and RTE in its capacity as operator of the RTE Transmission System;
"**Trip**"	means any unforeseen event which results in an Outage;
"**Unit**"	means the right to a Rights Document of 1MW (subject to Curtailment) in a particular direction and during the Product Period of the Unit, subject to and on the terms and conditions of these Rules and/or the Allocation Rules;
"**Unit Price**"	means, for an Open Season Unit, the Auction Price (in euros per megawatt hour) resulting from the Auction at which the Open Season Unit was allocated to the Open Season User;
"**Unit Quantity**"	means, in megawatt-hours, the product of (a) the number of Open Season Units allocated to the Open Season User at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Open Season Units;
"**Unit Resale Price**"	means, for an Open Season Unit, the auction price (in euros per megawatt hour) resulting from the Long-Term Auction at which the Open Season Unit was Resold by the Open Season User, as set out in Rule E4.3.10;

"**Unit Validity Times**"	means the specific hours within the Product Period for which the Open Season Units have been offered in the applicable Auction excluding any Planned Outage Period;
"**Unused Units**"	has the meaning given to it respectively in Rule E5.2.1, and is referred to, in the CMS, as "Not-Nominated capacity";
"**Use-It-or-Sell-It**" ("**UIOSI**")	has the meaning given to it in Rule E5;
"**Use of System Interconnector Agreement**"	means an agreement (including a Framework Agreement as defined in CUSC) between NGESO and an Open Season User in the form agreed by NGESO setting out the terms on which the Open Season User may use the NGESO Transmission System in relation to Energy Transmission;
"**Validity Period**"	in relation to a Letter of Credit, means the period from the first date for presentation of payment until the last date for presentation of payment as specified in the Letter of Credit;
"Winning Bidder(s)"	means, in relation to a product of Open Season Units, the Open Season User(s) determined in accordance with Rule D1.7;
"Withdraw"	means to request a reduction in the number of Blocks bid on a given product in a given Section and "Withdrawn" and "Withdrawal" have corresponding meanings; and
"Withdrawn Block"	means a Block which is the subject of a request to Withdraw.

Part II: Interpretation

In these Rules (including its Schedules) unless the context requires otherwise:

(a) the singular indicates the plural and vice versa;

(b) references to one gender include all other genders;

(c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the Rules;

(d) the word "including" and its variations are to be construed without limitation;

(e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

(f) any reference to a "Rule" is a reference to a rule contained in the relevant Section, any reference in a Schedule to a "paragraph" is a reference to a paragraph contained in that Schedule and any reference to a "Schedule" is a reference to a Schedule to the Rules. Rules are identified by reference to the relevant Section and Rule number. For example Rule D4 refers to Rule 4 in Section D;

(g) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

(h) any reference to a day, month or year is to be construed as a reference to a calendar day, month or year as the case may be;

(i) a reference to time is a reference to CET time unless (otherwise specified);

(j) the symbol * requires multiplication to be effected;

(k) where ElecLink is required to publish any information under these Rules, it may do so by making the information or data available on its website or via the CMS;

(l) an obligation to use reasonable endeavours shall be construed as an *obligation de moyens*; and

(m) in the English version of these Rules, words in French in italics are to be interpreted in accordance with their meaning in French and in the French version of these Rules, words in English in italics are to be interpreted in accordance with their meaning in English.

SCHEDULE 2: FORM OF ELECLINK OPEN SEASON USER AGREEMENT

THIS **ELECLINK OPEN SEASON USER AGREEMENT** is made on the day of 20

BETWEEN:

(1) **ELECLINK LIMITED** a company registered in England and Wales with company number 07595420 whose registered office is at 4 Kingdom Street, W2 6BD, United Kingdom ("**ElecLink**"); and

(2) **THE OPEN SEASON USER** named in Item 1 of the Schedule to this Agreement whose registration number and registered office are set out in Item 1 of the Schedule ("**Open Season User**").

RECITALS:

(A) ElecLink intends to construct (or has constructed) the Interconnector and wishes to make available multi-year capacity in the Interconnector through one or more Auctions of Open Season Units in advance of, or after, the commencement of operation of the Interconnector.

(B) ElecLink is or will be the operator of the Interconnector and has established the ElecLink Open Season Rules governing the relationship between ElecLink and the Open Season Users and more particularly setting out the arrangements for selling rights to use the Interconnector (including Open Season Units) and the terms of use.

(C) The Open Season User wishes to be party to this Agreement to enable it to bid for, acquire and use rights to Open Season Units in the Interconnector under the terms of the ElecLink Open Season Rules.

(D) The Parties are entering into this Agreement for the purposes of giving effect to and binding themselves to the ElecLink Open Season Rules in relation to the Open Season User's acquisition and use of rights to use Open Season Units in the Interconnector.

NOW IT IS HEREBY AGREED as follows:

1. Definitions and interpretation

1.1 In this Agreement including the recitals, capitalised words and phrases have the meanings given to them below except where the context requires otherwise:

"**Agreement**" means this ElecLink Open Season User Agreement;

"**Commercial Delivery Date**" means the date on which ElecLink declares the Interconnector to be operational, following completion of the design, construction, testing and commissioning of the Interconnector (including a period at ElecLink's discretion during which units may be made available on a daily or intra-day basis prior to being made available to the Open Season User under this Agreement) and all Rights and Agreements having been obtained and being in full force and effect, and available for use by the Open Season User in accordance with the Open Season User's entitlement to Open Season Units;

"**ElecLink Open Season Rules**" means the rules of that name established by ElecLink providing for the sale and use of rights to use the Interconnector as amended from time to time, the current

version of which is as published on ElecLink's website at the date of this Agreement and has been made available to the Open Season Users;

"Financial Close" means the occurrence of both of the following:

(i) the receipt by ElecLink from the Funders of confirmation of the satisfaction or unconditional waiver of all of the conditions precedent to the Funding Arrangements; and

(ii) the passing of a resolution of the board of directors of ElecLink approving a final investment decision for the construction of the Interconnector;

"**Financial Close Period**" has the meaning given in Clause 2.1(a);

"**Final Forecast Commercial Delivery Date**" has the meaning given in Clause 3.5;

"**Force Majeure**" has the meaning given in the ElecLink Open Season Rules;

"**Funders**" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Funders' Agent**" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Funding Arrangements**" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Grace Period**" means the period commencing at 24.00 hours on the Final Forecast Commercial Delivery Date and ending at 00.00 hours on the date falling twelve (12) months after the Final Forecast Commercial Delivery Date;

"Initial Forecast Commercial Delivery Date" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Interconnector**" means the 1,000MW DC interconnector running or to run through the Channel Tunnel between Sellindge in England and Peuplingues in France (and includes any switching bays, cables, converter stations and other plant and apparatus owned by ElecLink connecting the NESO Transmission System to the RTE Transmission System as such switching bays, cables, converter stations and other plant, apparatus and meters are replaced, modified, developed or added to from time to time);

"**NESO Transmission System**" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Parties**" means ElecLink and the Open Season User and "**Party**" means either one of them as the context requires;

"**Permitted Delay**" means any period or periods of delay in obtaining or entering into the Rights and Agreements and/or in the design, construction, testing, commissioning or connection of the Interconnector, or in commencing the commercial operation of the Interconnector, which is due to Force Majeure;

"**Product Period**" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Rights and Agreements**" means all those rights, licences, permissions, permits, consents, approvals, certificates and agreements which may be necessary for the construction and lawful operation and use of the Interconnector;

"**RTE Transmission System**" has the meaning given to that term in Part I of Schedule 1 to the ElecLink Open Season Rules;

"**Unit Price**" has the meaning given in the ElecLink Open Season Rules; and

"**Open Season Users**" has the meaning given in the ElecLink Open Season Rules.

1.2 The rules of interpretation in Part II of Schedule 1 to the ElecLink Open Season Rules apply to this Agreement.

2. Condition precedent

2.1 Where this Agreement is made prior to Financial Close:

(a) the rights and obligations of the Parties under this Agreement and the ElecLink Open Season Rules, including any rights or obligations arising from any Auction conducted prior to Financial Close, are in all respects conditional upon and subject to Financial Close occurring within 21 days after the conclusion of such Open Season Auction (provided that ElecLink may at its discretion, by notice in writing to the Open Season User prior to expiry of such 21 day period, extend such 21 day period by a further period of up to seven (7) days) (or such longer period as the Parties may agree in writing) (the "**Financial Close Period**"); and

(b) if for any reason whatsoever Financial Close does not occur within the Financial Close Period, this Agreement shall automatically terminate without any obligation or liability of either Party to the other; and

(c) ElecLink shall promptly give to the Open Season User notice in writing of the occurrence (or non-occurrence within the Financial Close Period) of Financial Close.

3. Provisions applicable prior to the Commercial Delivery Date

3.1 During the period from Financial Close and continuing through to the Commercial Delivery Date, ElecLink shall use reasonable endeavours, and subject to any Permitted Delay, to:

(a) obtain and enter into the Rights and Agreements (to the extent not already obtained or entered into);

(b) lawfully design, construct, test, commission, and commence commercial operation of the Interconnector, or cause the same to occur; and

(c) provide to the Open Season User from time to time non-binding good faith updates on relevant milestones achieved by ElecLink during the design-build phase as credible and relevant information becomes available (but not less frequently than one update every six months).

3.2 The Product Period for all Open Season Units allocated to the Open Season User in any Auction which is concluded prior to the Commercial Delivery Date shall commence on the Commercial Delivery Date.

3.3 As at the date of this Agreement, and subject to Financial Close and any Permitted Delay, the Commercial Delivery Date is forecast to occur on a day falling within a period of six (6) months which will commence on the Initial Forecast Commercial Delivery Date (the "**Six Month Window Period**"). For the avoidance of doubt, the Commercial Delivery Date shall not occur prior to the Initial Forecast Commercial Delivery Date, irrespective of whether ElecLink has commissioned the Interconnector or caused the same to occur.

3.4 By no later than six (6) months prior to the commencement of the Six Month Window Period, ElecLink shall use its reasonable endeavours to identify, and notify to the Open Season User, a three month period falling within the Six Month Window Period (the "**Three Month Window Period**") during which the Commercial Delivery Date is, at the time of such notice, and taking account of any Permitted Delay arising prior to such notice, forecast to occur; provided that if for any reason ElecLink does not give such notice, the Three Month Window Period shall be deemed to be the final 90 days of the Six Month Window Period (as extended by any period of Permitted Delay).

3.5 By no later than three (3) months prior to the commencement of the Three Month Window Period, ElecLink shall use its reasonable endeavours to identify, and notify to the Open Season User, a day falling within the Three Month Window Period (the "**Final Forecast Commercial Delivery Date**") during which the Commercial Delivery Date is, at the time of such notice, and taking account of any Permitted Delay arising prior to such notice, forecast to occur; provided that if for any reason ElecLink does not give such notice, the Final Forecast Commercial Delivery Date shall be deemed to be the last day of the Three Month Window Period (as extended by any period of Permitted Delay).

3.6 The commencement of the Six Month Window Period and/or the commencement of the Three Month Window Period and/or (as the case may be) the Final Forecast Commercial Delivery Date shall be extended by a period equal to any period of Permitted Delay.

3.7 If the Commercial Delivery Date is later than the Final Forecast Commercial Delivery Date (as extended in accordance with clause 3.6, if applicable), and provided no Suspension Event of Default or Termination Event of Default (as defined in the ElecLink Open Season Rules) has occurred and is continuing as at the Commercial Delivery Date, then the Unit Price of each Open Season Unit allocated to the Open Season User in any Auction concluded prior to the Commercial Delivery Date (a "**Relevant Open Season Unit**") shall be reduced for each hour of the full Product Period of that Relevant Open Season Unit as follows:

$$UP_D = UP - \frac{\sum_{i=1}^{N} RP_i}{H_{PP}}$$

where:

(a) UP_D is the discounted Unit Price payable by the Open Season User for that Relevant Open Season Unit pursuant to this Clause 3.7;

(b) *UP* is the Unit Price payable by the Open Season User for that Relevant Open Season Unit pursuant to the applicable Auction;

(c) *i* denotes the hour(s) included in the period from 24:00 hours on the Final Forecast Commercial Delivery Date until 00.00 hours on the Commercial Delivery Date;

(d) *N* is the last hour included in the period from 24:00 hours on the Final Forecast Commercial Delivery Date until 00.00 hours on the Commercial Delivery Date;

(e) *RPi* is:

(i) for a Relevant Open Season Unit in the direction from France to Great Britain, the greater of:

(1) zero (0); or

(2) the lesser of:

(A) the value (expressed in EUR/MWh) of, (aa) the Mid-Interconnector Day-Ahead Market Spread in the direction France to Great Britain in hour *i,* minus (bb) *UP*; and

(B) 10 EUR/MWh; and

(ii) for a Relevant Open Season Unit in the direction from Great Britain to France, zero (0); and

(f) H_{PP} is the number of hours in the Product Period of that Relevant Open Season Unit.

For the avoidance of doubt, if $UP - \frac{\sum_{i=1}^{N} RP_i}{H_{PP}}$ results in a negative number, then UP_D will equal zero.

If this Clause 3.7 applies, then all references in the ElecLink Open Season Rules to the Unit Price shall, in relation to the Relevant Open Season Units, be deemed to refer to the Unit Price as so discounted (UP_D).

3.8 If the Commercial Delivery Date has not occurred within six (6) months after the Final Forecast Commercial Delivery Date, the Open Season User may at any time thereafter give not less than six (6) months' notice in writing to ElecLink and to the Funders' Agent of its intention to terminate this Agreement at the end of such notice period (the "**Notice of Intention Period**").

3.9 If the Open Season User has given notice as provided in Clause 3.8 and if the Commercial Delivery Date has not occurred by the end of the Grace Period, the Open Season User may, after expiry of the Notice of Intention Period, then terminate this Agreement with immediate effect by further notice in writing to ElecLink and to the Funders' Agent; provided that, if the Commercial Delivery Date occurs after the end of the Grace Period but before the Open Season User gives notice of termination under this Clause 3.9, the Open Season User's right of termination under this Clause 3.9 shall cease and no longer apply.

3.10 For the avoidance of doubt, but subject to the express provisions of this Clause 3, the provisions of Rules F5 (*Force Majeure*) and F7 (*Liability*) of the ElecLink Open Season Rules apply to this Agreement and to the obligations and liabilities of the Parties under this Agreement, and in addition:

(a) the Parties acknowledge (and waive any right to claim or assert otherwise) that it would be impracticable to determine the extent of any loss, damage and/or expenditure that either Party would suffer in the event of any delay in the occurrence of the Commercial Delivery Date, or in the event of the non-occurrence of the Commercial Delivery Date, and that the provisions of this Clause 3 provide a fair and reasonable allocation of risk between the Parties and fair and reasonable rights and remedies for the Open Season User and represent a genuine pre-estimate by the Parties of such loss, damage and/or expenditure;

(b) the Open Season User agrees that:

(i) the rights and remedies expressly provided for in this Clause 3 shall be the only rights and remedies of the Open Season User arising from or in connection with a delay in the occurrence of the Commercial Delivery Date, or from or in connection with the non-occurrence of the Commercial Delivery Date, however such delay or non-occurrence may occur or arise, including as a result of any wilful default, recklessness or negligence of ElecLink or of any contractor, agent, officer or Affiliate of ElecLink (as defined in the ElecLink Open Season Rules); and

(ii) all (if any) other rights and remedies (whether arising under statute or in law, equity, contract or tort or otherwise) are hereby excluded; and

(iii) the Open Season User waives and releases all (if any) other rights and remedies (whether arising under statute or in law, equity, contract or tort or otherwise).

3.11 Clause 3.10 does not (and shall not operate so as to) limit or exclude any liability for fraud (including fraudulent misrepresentation) or for personal injury or death caused by negligence.

4. ElecLink Open Season Rules

4.1 Subject to Clauses 2 and 3 of this Agreement, with effect from the date of execution of this Agreement by both Parties:

(a) the ElecLink Open Season Rules are hereby given effect between and made binding upon each Party; and

(b) each Party undertakes to the other Party to comply with and perform its obligations in accordance with and subject to the ElecLink Open Season Rules.

5. Warranties

5.1 The Open Season User warrants to ElecLink at the time of entering into this Agreement that:

(a) the information and data provided by the Open Season User to ElecLink in its Application Form (as defined in the ElecLink Open Season Rules) is true, accurate and complete in all respects;

(b) the Open Season User will not by entering into this Agreement or acquiring rights under the ElecLink Open Season Rules infringe any anti-trust or competition legislation or any undertaking or other obligation arising under any antitrust or competition legislation;

(c) in the case of an Open Season User that is not a natural person, it is duly incorporated and validly existing under the laws of its country of incorporation;

(d) the Open Season User has full power and authority to enter into and perform this Agreement and to acquire and exercise rights and perform its obligations under the ElecLink Open Season Rules and all necessary action has been taken on its part to authorise entry into and performance of this Agreement and its obligations under the ElecLink Open Season Rules;

(e) this Agreement and the Open Season User's obligations under the ElecLink Open Season Rules constitute its legal, valid and binding obligations, enforceable against it in accordance with the terms of this Agreement and the ElecLink Open Season Rules;

(f) the Open Season User has taken the steps necessary to ensure that it has access to all the relevant documentation issued by ElecLink including but not limited to the ElecLink Open Season Rules; and

(g) the Open Season User is not insolvent and it has no knowledge of any possible insolvency proceedings that may be brought against it in the immediate future.

5.2 If any of the above ceases to be true with regard to the Open Season User at any time prior to termination of this Agreement, the Open Season User shall promptly notify ElecLink of that fact and shall provide full details.

6. Notices

6.1 All notices and other communications between the Parties under or in connection with this Agreement and the ElecLink Open Season Rules must be given in accordance with the ElecLink Open Season Rules.

6.2 The address and contact details for ElecLink are set out in Item 3 of the Schedule to this Agreement. The address and contact details for the Open Season User are set out in Item 2 of the Schedule to this Agreement.

6.3 The address and contact details of a Party can be amended from time to time by notice from that Party to the other Party.

7. **Termination**

This Agreement may be terminated only:

(a) in accordance with Clauses 2.1(b) or 3.9 of this Agreement; or

(b) as provided for in the ElecLink Open Season Rules.

8. General

8.1 This Agreement and the ElecLink Open Season Rules are governed by and construed in accordance with English law.

8.2 This Agreement and the ElecLink Open Season Rules must be read and construed as one document. References in the ElecLink Open Season Rules to the ElecLink Open Season User Agreement must be read and construed as references to the ElecLink Open Season Rules and this Agreement.

8.3 If any provision of this Agreement or the ElecLink Open Season Rules is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration under the ElecLink Open Season Rules or by order of any Competent Authority (as defined in the ElecLink Open Season Rules), such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of the ElecLink Open Season Rules and this Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality.

SIGNED by the Parties as an Agreement.

SIGNED by and on behalf of ***[insert Open Season User entity name]*** by its duly authorised representative in the presence of:

.....
Signature of witness

.....
Full name of witness

.....
Signature of authorised representative

.....
Full name of authorised representative

.....
Title of authorised representative

SIGNED by and on behalf of ***ElecLink Limited*** by its duly authorised representative in the presence of:

.....
Signature of witness

.....
Full name of witness

.....
Signature of authorised representative

.....
Full name of authorised representative

.....
Title of authorised representative

The Schedule

Item 1: The Open Season User

Name:	*[Insert]*
Registered number	*[Insert]*
Registered address:	*[Insert]*

Item 2: Notices to the Open Season User

Address for notices:	*[Insert]*
Fax	*[Insert]*
Telephone:	*[Insert]*
Attention:	*[Insert]*

Item 3: Notices to ElecLink

Address for notices:	*[Insert]*
Fax	*[Insert]*
Telephone:	*[Insert]*
Attention:	*[Insert]*

SCHEDULE 3: STANDING DATA

This Schedule 3 lists the Standing Data to be provided by each Open Season User. Rule B3 requires Open Season Users to keep their Standing Data up to date.

1. Name.

2. Company registration number.

3. Registered address.

4. Address for correspondence.

5. Telephone number.

6. Facsimile number.

7. Commercial contact person and their contact details.

8. Operational contact person and their contact details. (CMS Main Contact).

9. Invoicing contact person and their contact details.

10. Identification of the Open Season User's Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code.

11. Identification of the *Accord de Participation* of the Open Season User with RTE.

12. Energy Identification Code (EIC).

13. E-mail address for operational communications.

14. Value Added Tax (VAT) registration number.

SCHEDULE 4: BUSINESS RULES FOR USE OF OPEN SEASON INTERCONNECTOR CAPACITY

1. Introduction

1.1 This Schedule 4 describes the business process and timings of the following activities:

(a) calculation and notification by ElecLink of the Settlement Period values of the Rights Documents for each Open Season User in each direction for each Contract Day;

(b) notification by each Open Season User of Resales and Capacity Transfers; and

(c) submission by each Open Season User of Mid-Interconnector Nominations in each direction for each Contract Day.

1.2 Notwithstanding Rule A4.7, timings given in this Schedule 4 are nominal timings, which may be subject to change from time to time and under exceptional circumstances. In this case, Open Season Users would be informed of new timings to follow in due time.

1.3 Times are given in CET.

1.4 Open Season Users should note that in addition to these Business Rules, in using the Interconnector they must comply with the GB Grid Code, the Open Season User's Accord de Participation with RTE and any other applicable legislation or rules in Great Britain or France.

2. Energy Accounts

2.1 Each Open Season User must identify its Production and Consumption Interconnector BM Units under the BSC and the Accord de Participation under the RTE Settlement Arrangements in its Standing Data.

2.2 Each Open Season User may notify an Energy Transmission against one of each of the types of Energy Account referred to above in any one Settlement Period.

3. Open Season business process

3.1 Dates of Auctions are published in advance by ElecLink.

3.2 An Auction opens and closes at the times specified by ElecLink. During this period of time, Open Season Users can submit Bids to ElecLink, in accordance with Rule D1.

3.3 Once the Auction is closed, at the time specified by ElecLink, Open Season Units are allocated, pursuant to Rule D1.7 and the terms of the ElecLink Open Season User Agreement.

3.4 Capacity Transfer Notices and Resale Requests of Open Season Units initially allocated in any previous Auction can be submitted to ElecLink, in accordance with Rule E4, up to 30 minutes before the final specification of a Long-Term Auction. Any Capacity Transfer of Open Season Units must be confirmed by the Open Season User to whom the Capacity Transfer was made and by ElecLink within 3 hours of the Capacity Transfer Notice being received by ElecLink, and no later than 30 minutes before the final specification of the relevant Long-Term Auction.

3.5 Any Open Season Unit for the Contract Day D can be subject to a Capacity Transfer Notice until 15:30 on the day D-2.

3.6 ElecLink will notify each Open Season Unit Holder of its Open Season Rights Document for Contract Day D in each direction, pursuant to Rule E2, at 16:15 on the day D-2.

3.7 Open Season Unit Holders can submit Mid-Interconnector Nominations of Open Season Units for the Contract Day D, from opening of the gate for Open Season Mid-Interconnector Nominations at 16:30 on the day D-2 until Open Season Mid-Interconnector Nominations gate-closure at 09:30 on day D-1, in accordance with Rule E3 (or at any other time specified in advance by ElecLink).

SCHEDULE 5: LIST OF OPEN SEASON PRODUCTS

1. List of Open Season products

1.1 On, or (subject to paragraph 1.3 below) at any time after, the date of entry into force of these Rules, the following products may be offered under Auctions:

(a) 3-year products;

(b) 5-year products; and

(c) 10-year products.

1.2 Subject to Rule A4, ElecLink may offer other Open Season products if in its reasonable opinion the current Open Season products are not sufficient. ElecLink will give Open Season Users reasonable notice of such other Open Season products and the timings of when such products may be offered.

1.3 Paragraphs 1.1 and 1.2 are subject to the proviso that no Open Season product shall be offered with a Product Period extending beyond the 20th anniversary of the commencement of operation of the Interconnector.

SCHEDULE 6: CREDIT RATINGS AND TANGIBLE NET WORTH REQUIREMENTS

Table 1 – Open Season Auction Credit Requirement

Volume per direction (MW)	Credit metric	Product Period	
		1 to 5 years	6 to 10 years
1 to 20	*Credit Rating (Standard & Poor's/Moody's)*	BBB- / Baa3	BBB / Baa2
	Tangible Net Worth	€30 million	€100 million
21 to 50	*Credit Rating (Standard & Poor's/Moody's)*	BBB- / Baa3	BBB / Baa2
	Tangible Net Worth	€50 million	€250 million
51 to 150	*Credit Rating (Standard & Poor's/Moody's)*	BBB / Baa2	BBB+ / Baa1
	Tangible Net Worth	€250 million	€500 million
151 to 300	*Credit Rating (Standard & Poor's/Moody's)*	BBB+ / Baa1	A- / A3
	Tangible Net Worth	€500 million	€1,000 million
301 to 400	*Credit Rating (Standard & Poor's/Moody's)*	A-/ A3	A / A2
	Tangible Net Worth	€1,000 million	€2,000 million

Table 2 – Open Season Continuing Credit Requirement

Volume (MW)	Credit metric	Original Product Period	
		1 to 5 years	6 to 10 years
1 to 20	*Credit Rating (Standard & Poor's/Moody's)*	BB/Ba2	BB+/Ba1
	Tangible Net Worth	€15 million	€75 million
21 to 50	*Credit Rating (Standard & Poor's/Moody's)*	BB/Ba2	BB+/Ba1
	Tangible Net Worth	€30 million	€125 million
51 to 150	*Credit Rating (Standard & Poor's/Moody's)*	BB+/Ba1	BBB-/Baa3
	Tangible Net Worth	€125 million	€250 million
151 to 300	*Credit Rating (Standard & Poor's/Moody's)*	BBB-/Baa3	BBB/Baa2
	Tangible Net Worth	€250 million	€750 million
301 to 400	*Credit Rating*	BBB/Baa2	BBB+/Baa1

	(Standard & Poor's/Moody's)	
Tangible Net Worth	€750 million	€1,500 million

SCHEDULE 7: EXAMPLE OF THE OPEN SEASON AUCTION CREDIT REQUIREMENT

Note – the worked examples in this Schedule are by way of illustration only and are not to be used for the purposes of construction of these Rules.

1. Worked example of Open Season Auction Credit Requirement

Assuming a Discount Rate of 5% and an Adjustment Coefficient of 1, the Maximum Potential Credit Exposure associated with a Bid for (a) 10 MW, (b) a Product Period of 5 years starting on 1 January 2018 and ending on 31 December 2022, and (c) a Bid Price of 1 EUR/MWh, is equal to EUR 398,443 as shown in the tables below.

Assumptions	
Bid Capacity$_t$ (MW)	10
Bid Price$_t$ (€/MWh)	1
Discount Rate (%)	5%
Adjustment Coefficient	1
Base Year	2018

Maximum Potential Credit Exposure					
Year $_t$	2018	2019	2020	2021	2022
Bid Capacity$_t$ (MW)	10	10	10	10	10
Hours$_t$	8,760	8,760	8,784	8,760	8,760
Bid Price$_t$ (€/MWh)	1.0	1.0	1.0	1.0	1.0
$\frac{(Bid\ Capacity_t * Hours_t * Bid\ Price_t)}{(1+DR)^{(t-Base\ Year)}}$	87,600	83,429	79,673	75,672	72,069
$\sum_{t=i}^{N} \frac{(Bid\ Capacity_t * Hours_t * Bid\ Price_t)}{(1+DR)^{(t-Base\ Year)}}$	398,443				
Adjustment Coefficient	1				
Maximum Potential Credit Exposure (€)	398,443				

2. Worked example of Open Season Continuing Credit Requirement

Assuming a Discount Rate of 5% and an Adjustment Coefficient of 1, the Maximum Potential Credit Exposure on 1 January 2020 of an Open Season Unit Holder who has been allocated 10 MW for a Product Period of 5 years starting on 1 January 2018 and ending on 31 December 2022 at a Unit Price of 1 EUR/MWh, is equal to EUR 250,724 as shown in the tables below.

Assumptions	
Number of Units$_t$ (MW)	10
Unit Price$_t$ (€/MWh)	1
Discount Rate (%)	5%
Adjustment Coefficient	1
Reference Year	2020

Maximum Potential Credit Exposure					
Year $_t$	2018	2019	2020	2021	2022
Number of Units$_t$ (MW)	10	10	10	10	10
Hours$_t$	0	0	8,784	8,760	8,760
Unit Price$_t$ (€/MWh)	1.0	1.0	1.0	1.0	1.0
$\frac{\left(Number\ of\ Units_t * Hours_t * Unit\ Price_t\right)}{(1+DR)^{(t-Reference\ Year)}}$	0	0	87,840	83,429	79,456
$\sum_{t=i}^{N} \frac{\left(Number\ of\ Units_t * Hours_t * Unit\ Price_t\right)}{(1+DR)^{(t-Reference\ Year)}}$	250,724				
Adjustment Coefficient	1				
Maximum Potential Credit Exposure (€)	250,724				

SCHEDULE 8: LETTER OF ACKNOWLEDGEMENT AND UNDERTAKING IN RELATION TO ASSIGNMENT OF THE ELECLINK OPEN SEASON USER AGREEMENT

To: (1) [*Name and address of Funders' Agent*]

(2) ElecLink Limited
[*address*]

[*date*]

Dear Sirs

ElecLink Open Season User Agreement dated [●] between ElecLink Limited and [*name of Open Season User*]

We acknowledge receipt from ElecLink Limited ("**ElecLink**") of the notice of assignment dated [*date*] ("**Notice of Assignment**") of the ElecLink Open Season User Agreement dated [*date*] and made between ElecLink and ourselves (the "**Open Season User Agreement**").

We note that ElecLink has assigned to you by way of security its right, title and interest in the Open Season User Agreement and in all amounts of any kind payable by us to ElecLink under the Open Season User Agreement as security for certain liabilities and obligations of ElecLink to you.

In accordance with the Notice of Assignment and the instructions given to us by ElecLink, which (as we confirm and agree with you) cannot be revoked or varied without your consent, and in consideration of valuable consideration, receipt of which we acknowledge:

(a) we note and acknowledge that until such time as you give us notice to the contrary we may continue to deal with ElecLink for all purposes in relation to the Open Season User Agreement, and in particular (but without limitation): (i) we may continue to make payment to ElecLink of all sums due from us to ElecLink and (ii) we may continue to serve notices and send other communications under the Open Season User Agreement to ElecLink at the address and contact details specified in the Open Season User Agreement; however, we acknowledge that, upon and from the receipt by us of such notice from you, you may exercise all rights and powers of ElecLink under the Open Season User Agreement, including the right to receive payment of sums due from us under the Open Season User Agreement and the right to receive notices and other communications under the Open Season User Agreement;

(b) we undertake with you to comply with our obligations under Rule F9.2 of the ElecLink Open Season Rules (which are incorporated into the Open Season User Agreement); and

(c) we undertake with you not to agree to any termination of the Open Season User Agreement pursuant to Rule F6 of the ElecLink Open Season Rules without your prior written consent.

This acknowledgement and undertaking is governed by English law and we irrevocably submit to the jurisdiction of the courts of England in relation to any claim by you against us arising out of or in connection with this letter of acknowledgement and undertaking, but without prejudice to our right to require any claim or dispute under the Open Season User Agreement to be determined in accordance with Rule F8 of the ElecLink Open Season Rules which are incorporated into the Open Season User Agreement.

Yours faithfully

.....

[*Open Season User*]
(Authorised signatory)

[PRINT ON COMPANY LETTERHEAD]

SCHEDULE 9: MARKET SHARE DECLARATION TEMPLATE

To:	ElecLink Limited [*Address*]
From:	[*Name of Open Season User*] (the "Open Season User")
Date:	[*Date*]

The Open Season User named herein above wishes to participate in the Open Season Auction(s) and/or the Secondary Market for Open Season Interconnector Capacity conducted by ElecLink under the ElecLink Open Season Rules.

I, in the capacity of [*position of the person signing the declaration*] of the Open Season User HEREBY CERTIFY as at the date of this declaration that, having made due and careful enquiry and to the best of my knowledge, information and belief:

i. the Market Share of the Open Season User and all of its Related Undertakings in France [exceeds/does not exceed] (delete as applicable) 40%;

ii. the Market Share of the Open Season User and all of its Related Undertakings in Great Britain [exceeds/does not exceed] (delete as applicable) 40%; and

iii. the Open Season User's Bid(s) in the Open Season Auction(s) will comply with Rule B2.2.2 in the ElecLink Open Season Rules.

I am duly authorised to submit this declaration for and on behalf of the Open Season User and enclose evidence of my authority to do so for and on behalf of the Open Season User.

Capitalised terms in this declaration have the meanings given to them in Part 1 of Schedule 1 of the ElecLink Open Season Rules.

Yours sincerely,

……

Signature of authorised representative

……

Full name of authorised representative

……

Title of authorised representative

Part 5

Eleclink Nomination Rules

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TITLE 1
General provisions

Article 1
Subject-matter and scope

The rules set out the terms for use of capacity allocated under the ElecLink Access Rules. This includes open season, long-term, daily and intraday capacity.

Article 2
Definitions and interpretation

1. Capitalised terms used in these ElecLink Nomination Rules ("**Nomination Rules**") shall have the meaning given to them in the applicable Allocation Rules as the case may be.

Accord de Participation	means an Accord de Participation signed by a Registered Participant and Réseau de Transport d'Electricité (RTE) by which a Registered Participant agrees to abide by the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations*.
Allocation Platform	means the entity(ies) appointed and commissioned by ElecLink to act as an Allocation Platform on its behalf and on its own name for the attribution of open season, long-term, daily and/or intraday Interconnector capacity through auctions.
Allocation Rules	means the ElecLink Open Season Rules, the ElecLink Long-Term Allocation Rules, the ElecLink Day Ahead Allocation Rules and/or the ElecLink Intraday Allocations Rules, as the case may be.
Amendment Notice	means the notification and any associated documents issued by ElecLink pursuant to Article 11, provided to the Registered Participants and which notify Registered Participants of ElecLink's amendment(s) to the Nomination Rules.
Auction Reference Guide	means the document entitled the 'Auction Reference Guide', published on Eleclink's website, alongside the Access Rules.
Balancing and Settlement Code	means the code of that name established under the licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989 permitting, inter alia, the transmission of electricity in England and Wales.
Business Rules	means the rules for day to day use of Interconnector capacity as set out in the Annex to these Nomination Rules.
Contract Day	means, in relation to a Contract Day D, a period of twenty-four (24) hours commencing at 00:00 hours on day D.

Connection and Use of System Code	means the code of that name established under the licence granted by the Secretary of State to NESO under Section 6(1)(b) of the Electricity Act 1989 permitting, inter alia, the transmission of electricity in England and Wales.
Deemed Metered Volumes	for each Settlement Period, the Deemed Metered Volume of each PTR Holder for a direction is equal to the maximum between 0 and the net of the long-term and where applicable daily and intraday Mid-Interconnector Nominations (as amended by any curtailment) of that PTR Holder for that Settlement Period integrated over the Settlement Period.
ElecLink	means ElecLink Limited, a company registered in England and Wales with registration number 07595420.
ElecLink Day Ahead Allocation Rules	means the ElecLink Day Ahead Allocation Rules as detailed in Part 2 of these ElecLink Access Rules.
ElecLink Interconnector Licence	means the electricity interconnector licence granted to ElecLink under Section 6(1)(e) of the Electricity Act 1989.
ElecLink Intraday Allocation Rules	means the ElecLink Intraday Allocation Rules as detailed in Part 1 of these ElecLink Access Rules.
ElecLink Long-Term Allocation Rules	means the ElecLink Long-Term Allocation Rules as detailed in Part 3 of these ElecLink Access Rules.
ElecLink Open Season Rules	means the ElecLink Open Season Rules as detailed in Part 4 of these ElecLink Access Rules.
Energy Transmission	means the transmission of electricity across the Interconnector.
Exemption Decision	means the decision, by the Commission de regulation de l'énergie of France and Office of Gas and Electricity Markets of Great Britain, to exempt ElecLink under Article 17 of the Electricity Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003.
Firmness Deadline	means the point in time after which Interconnector capacity becomes firm. This Firmness Deadline is 09:00 a.m. on the first day preceding the delivery day.
Force Majeure	means any unforeseeable or unusual event or situation beyond the reasonable control of a Registered Participant or ElecLink, and not due to a fault of the Registered Participant or ElecLink, which cannot be avoided or overcome with

	reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the Registered Participant or ElecLink, which has actually happened and is objectively verifiable, and which makes it impossible for the Registered Participant or ElecLink to fulfil, temporarily or permanently, its obligations.
Information System Rules	means the rules related to the technical use of the Nomination Platform as referred to in the Nomination Participation Agreement and published on the website of ElecLink.
Interconnector	means the ElecLink interconnector, a 1 000 MW high-voltage direct current electricity interconnector between France and Great Britain which passes through the Channel Tunnel.
Loss Factor	shall have the meaning given to it in the Annex.
Market Time Unit or MTU	means the Market Time Unit that is set on the Allocation and/or Nomination Platform.
Mid-Interconnector	means the point on the Interconnector on which the losses between this point and either end of the Interconnector (Sellindge in England and Peuplingues in France) are symmetrical.
Mid-Interconnector Nomination	shall have the meaning given to that term in Article 5(4).
National Regulatory Authorities	means the Commision de régulation de l'énergie in France and the Office of Gas and Electricity Markets in Great Britain (GB).
NESO	means National Energy System Operator Limited, a company incorporated in England and Wales with company number 11014226 or any successor.
Nominate	means, in relation to a PTR Holder, the action to submit a Mid-Interconnector Nomination to the Nomination Platform, and "Nomination", "Nominated" shall have corresponding meaning.
Nomination Gate	means the relevant time period in which a PTR Holder is able to Nominate its PTRs, timings of which are defined within Article 6 of these Nomination Rules.
Nomination Participation Agreement	means the binding agreement, between a market participant and ElecLink, which incorporates the Nomination Rules, the Information System Rules and all other aspects of the Nomination Platform.
Nomination Platform	means the relevant system (established by ElecLink) used by PTR Holders to Nominate PTRs on the Interconnector.

Operational Security Limits	means the acceptable operating boundaries for secure grid operation such as thermal limits, voltage limits, short-circuit current limits, frequency and dynamic stability limits.
Pre-Nomination	means, in relation to a PTR Holder, the action to submit a Mid-Interconnector Nomination to the Nomination Platform before the opening of a specific Nomination Gate, and “Pre-Nominations” , “Pre-Nominated” shall have corresponding meaning. A Pre-Nomination becomes a Nomination once the relevant Nomination Gate is open.
PTR	means a physical transmission right which is a right entitling the PTR Holder to physically transfer a certain volume of electricity in a certain period time on the Interconnector in a specific direction.
PTR Holder	means a Registered Participant which has been allocated explicit long-term, day ahead and/or intraday PTRs under the relevant Allocation Rules.
Registered Participant	means a market participant which has entered into a Nomination Participation Agreement.
Rights Document	means a document issued to a Registered Participant under the relevant Allocation Rules containing the information of the maximum amount of allocated PTRs that can be Nominated by a Registered Participant on the Interconnector per day, per MTU and per direction, taking into account the volume of rights initially acquired, and any possible curtailments which occurred before the issuance of the Rights Document.
RTE Settlement Arrangements	means the arrangements established or to be established under or in accordance with Article L. 321-15 of the French Energy Code including operational planning, system services and payments to and from users of the transmission system of Réseau de Transport d’Electricité.
Settlement Period	means the time unit for which a balance responsible party imbalance is calculated, in each respective imbalance area.
Use of System Interconnector Agreement	means an agreement between NESO and a PTR Holder in the form agreed by NESO setting out the terms on which the PTR Holder may use the GB transmission system in relation to Energy Transmission.
Working Day	means a day other than a Saturday or Sunday on which banks are open for domestic business in England.

2. Interpretation

In these Nomination Rules (including its Annex) unless the context requires otherwise:

(a) the singular indicates the plural and vice versa;

(b) references to one gender include all other genders;

(c) the headings and examples are inserted for convenience only and do not affect the interpretation of these Nomination Rules;

(d) the word “including” and its variations are to be construed without limitation;

(e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

(f) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

(g) any reference to an “Article” is a reference to an article contained in the Nomination Rules and any reference to an "Annex" is a reference to an annex to the Nomination Rules;

(h) any reference to time is a reference to CET/CEST time unless otherwise specified; and

(i) where the Nomination Platform or ElecLink is required to publish any information under these Nomination Rules, it may do so by making the information or data available on the Nomination Platform or ElecLink website.

TITLE 2
Nomination Rules

Article 3
Entitlement of a PTR Holder to Nominate electricity exchange schedules

In order to Nominate PTRs on the Interconnector, a PTR Holder must have a signed and completed Nomination Participation Agreement along with evidence of the following:

(a) its accession to a Use of System Interconnector Agreement with NESO and the Framework Agreement defined in and established under the Connection and Use of System Code;

(b) its accession to the Framework Agreement as defined in the Balancing and Settlement Code together with full details of the Production and Consumption Interconnector BM Units registered to the PTR Holder under the Balancing and Settlement Code; and

(c) its entry into an Accord de Participation with Réseau de Transport d'Electricité ("**RTE**").

Article 4
Minimum technical requirements to Nominate

PTR Holders must comply at all times with the Information System Rules as published by ElecLink on its website.

Article 5
Description of the Nomination process

1. PTR Holders are entitled to Nominate PTRs acquired pursuant to the relevant Allocation Rules. Such Nominations shall be issued at Mid-Interconnector and on a per direction and per Market Time Unit (MTU) basis. The Nominations are subject to the terms and conditions of these Nomination Rules and as specified in the relevant Allocation Rules (including curtailment).

2. PTR Holders must comply with the Business Rules applicable to the Interconnector as set out in the Annex and all Nominations shall be subject to such Business Rules. In the event of any conflict between the Business Rules and the main body of these Nomination Rules, the Business Rules shall prevail.

3. PTR Holder will only be entitled to Nominate explicit long-term, day ahead and/or intraday PTRs allocated under the relevant Allocation Rules for the Interconnector to the extent provided for under these Nomination Rules.

4. For each MTU in a Contract Day for which a Rights Document has been issued by the Allocation Platform, each PTR Holder may Nominate the PTR to the Nomination Platform at Mid-Interconnector up to but not exceeding the amount set out in the Rights Document in the relevant direction for that MTU ("**Mid-Interconnector Nomination**").

5. For the avoidance of doubt, the Nomination Platform will reject a Nomination in its entirety for the Contract Day where the corresponding Mid-Interconnector Nomination(s) in one or more MTU's exceed(s) the PTR Holder's rights set out in the applicable Rights Document(s).

6. The Mid-Interconnector Nomination for each MTU in the Contract Day must be expressed in whole MW, with a single value, greater than or equal to zero, for each MTU.

7. Mid-Interconnector Nominations shall not be subject to any modification by the PTR Holder after the relevant Nomination Gate.

8. In the absence of a Nomination by a PTR Holder in a direction, the corresponding Mid-Interconnector Nominations are assumed to be equal to zero.

Article 6
Nomination timings

1. PTR Holders must submit Mid-Interconnector Nominations in accordance with the Business Rules. PTR Holders must Nominate their Mid-Interconnector Nomination no later than the relevant Nomination Gate for all relevant MTU's as referred in the corresponding Rights Document. The timescales for submitting Nominations are contained in the Annex. Modifications may be made to this Annex by ElecLink to reflect changes in either the French or British electricity markets and/or changes to ElecLink operational practices by giving at least ten (10) Working Days' notice to Registered Participants.

2. Under exceptional circumstances Registered Participants will be informed of new timings where these situations arise at the earliest opportunity.

Article 7
Format of Nomination and communication

1. Each PTR Holder must notify its Nominations electronically to the Nomination Platform. The Nomination Platform supports at least two ways of communication of Nominations:

   (a) Web form interface;

   (b) Web services communication.

2. Nominations shall be submitted in the formats specified by ElecLink in the Information System Rules and pursuant to any other technical recommendations provided via the Nomination Platform to the Registered Participants.

3. Subject to Article 5(5) and provided that the format of Nomination is compliant with Article 7(1) and Article 7(2), the Nomination Platform will acknowledge receipt of each Mid-Interconnector Nomination to the relevant PTR Holder by a message indicating that the Nomination has been correctly registered.

4. Only Nominations confirmed via the Nomination Platform (or by ElecLink pursuant to Article 7(5)) as correctly registered shall be valid.

5. In the event of a problem of communication between a PTR Holder and the Nomination Platform, the PTR Holder may contact the single point of contact of ElecLink to request, in respect of Nominations periods for which Nomination Gate closure has not occurred, the possibility to send applicable Mid-Interconnector Nominations by email or fax to ElecLink.

Article 8
Default and Pre-Nominations

1. Activation of Default Nominations and Pre-Nominations:

   (a) Default Nominations can be activated by a PTR Holder per Timescale for long-term, day ahead and/or intraday Nominations. Where a Default Nomination is activated, a pre-defined amount of Mid-Interconnector Nominations for the relevant Timescale will be automatically generated at the value set out in the relevant Nominations

Document(s) for each MTU of that Contract Day.

(b) Pre-Nominations can be activated by a PTR Holder per individual Nomination Gate for long-term, day ahead and/or intraday Nominations. Where a Pre-Nomination is activated, a pre-defined amount of Mid-Interconnector Nominations for the relevant Nomination gate will be automatically generated at the value set out in the relevant Nominations Documents(s) for each MTU of the Contract Day.

(c) The registered Default and Pre-Nomination is considered as a schedule of Mid-Interconnector Nomination submitted by a PTR Holder for the relevant Timescale at the opening of the Nomination Gate (or each relevant Nomination Gate in the case of Intraday) for Nomination. This Mid-Interconnector Nomination is considered as valid once confirmed as such by the Nomination Platform (or by ElecLink in accordance with Article 7(5)).

(d) A PTR Holder may modify the Mid-Interconnector Nomination resulting from the default Nomination and Pre-Nomination within the Nomination Gate in accordance with the normal Nomination process.

(e) A PTR Holder may deactivate its default Nomination and Pre-Nomination on the Nomination Platform at any time. Where such deactivation is received by the Nomination Platform during a relevant Nomination Gate(s), any existing valid Mid-Interconnector Nomination resulting from a Default and Pre-Nomination remains unchanged.

(f) A PTR Holder may enter Pre-Nominations before the opening of the relevant Nomination Gate up to the value of the allocated PTR set out for each MTU of that Contract Day. The registered Pre-Nomination is considered submitted by the PTR Holder for the relevant MTU of that Contract Day at the opening of the relevant Nomination Gate. Once the gate is open, the registered Pre-Nomination becomes a Nomination.

(g) In the situation where a PTR Holder has submitted both a default Nomination and a Pre-Nomination, the Pre-Nomination(s) shall be considered prioritised and will overwrite any defined default Nominations.

TITLE 3
Miscellaneous

Article 9
Effective date and application

The Nomination Rules described in this document shall enter into force in accordance with the applicable national regulatory regimes. The date on which the Nomination Rules shall become operational shall be published by ElecLink on its website at least one month in advance.

Article 10
Additional Nomination information

1. Cancellation of a Nomination Gate:

(a) Should the Nomination Platform cancel a long-term Nomination Gate, the Nomination Platform shall inform all affected PTR Holders as soon as practicable of such

cancellation and in any event before the Nomination Gate closure. All affected PTRs shall be considered as non-Nominated by the Nomination Platform and the PTR Holders shall therefore be entitled to receive remuneration for the non-Nomination of such PTRs in accordance with Article 47 of the ElecLink Long-Term Allocation Rules. For the avoidance of doubt, the remuneration described in this Article 10 shall be included in the calculation of the monthly compensation cap pursuant to Article 59(2) of the ElecLink Long-Term Allocation Rules. With respect to ElecLink's obligation to remunerate any individual PTR Holder, ElecLink shall be deemed to have satisfied such obligation in full by procuring payment of the applicable remuneration by the Allocation Platform to such individual PTR Holder in accordance with the provisions of the ElecLink Long-Term Allocation Rules.

(b) Should the Nomination Platform cancel a daily Nomination Gate, the PTR Holder's capacity rights set out in the Rights Document will be compensated at the price of the units corresponding to such rights.

(c) Should the Nomination Platform cancel an intraday Nomination Gate, the PTR Holder's capacity rights set out in the Rights Document will be compensated at the price of the units corresponding to such rights. For the avoidance of doubt, where the capacity right can be Nominated during several Nomination Gates, such compensation shall only be considered if the last Nomination Gate where that capacity right could have been Nominated is cancelled.

(d) Notwithstanding the above paragraph (c) of this Article 10(1), where the cancellation of an intraday Nomination Gate is due to a national time change notified to the Registered Participants three (3) days in advance by the Nomination Platform, the PTR Holder's capacity rights will not be compensated.

2. Treatment of Nominations following curtailment:

(a) In case of curtailment due to Force Majeure or to ensure that operation remains within Operational Security Limits ahead of the long-term Nomination Gate closure, the Nominations will be updated and the following will apply:

i. Where a PTR Holder has already issued a Nomination above its updated Rights Document, the Nomination Platform will automatically reduce the Nomination in line with the updated Rights Document and inform the PTR Holder of such reduction.

ii. Where a PTR Holder has not issued a Nomination above its updated Rights Document, then the original Nomination will be retained.

iii. Where a PTR Holder has not issued a Nomination and in the case of re-Nomination is greater than the updated Rights Document, then the rule in Article 5(5) shall apply.

(b) In case of curtailment due to Force Majeure or to ensure that operation remains within Operational Security Limits between the long-term Nomination Gate closure and the Firmness deadline, the Nominations submitted by the PTR Holders may be curtailed in accordance with the procedures described in the ElecLink Long-Term Allocation Rules.

(c) In case of curtailment due to an emergency situation or Force Majeure ahead of the daily Nomination Gate closure, the Nominations will be updated and the following will apply:

i. Where a PTR Holder has already issued a Nomination above the curtailed position, the Nomination Platform will automatically reduce the Nomination in

line with the curtailed position and inform the PTR Holder of such reduction.

ii. Where a PTR Holder has not issued a Nomination above the curtailed position, then the original Nomination will be retained.

iii. Where a PTR Holder has not issued a Nomination and in the case of Nomination after curtailment, then the normal Nomination process shall apply.

(d) In case of curtailment due to an emergency situation or Force Majeure ahead of the intraday Nomination Gate closure, the Nominations will be updated and the following will apply:

i. Where a PTR Holder has already issued a Nomination above the curtailed position, the Nomination Platform will automatically reduce the Nomination in line with the curtailed position and inform the PTR Holder of such reduction.

ii. Where a PTR Holder has not issued a Nomination above the curtailed position, then the original Nomination will be retained.

iii. Where a PTR Holder has not issued a Nomination and in the case of Nomination after curtailment, then the normal Nomination process shall apply.

(e) In case of curtailment due to an emergency situation or Force Majeure after the daily or intraday Nomination Gate closure, the Nominations submitted by the PTR Holders may be curtailed in accordance with the procedure described in the ElecLink Day Ahead Allocation Rules and/or the ElecLink Intraday Allocation Rules, as the case may be.

3. Deemed Metered Volumes:

(a) When a PTR Holder submits a valid Mid-Interconnector Nomination, then the Nomination Platform will ensure that a corresponding Deemed Metered Volume, adjusted for losses on the Interconnector and for any reductions in Mid-Interconnector Nominations as a result of curtailment pursuant to the relevant Allocation Rules, is allocated to the relevant PTR Holder using the allocation rules set out in the Business Rules.

Article 11
Rules approval and amendment

1. The Nominations Rules are approved by the National Regulatory Authorities.

2. Any amendment to the present Nomination Rules shall be approved by the National Regulatory Authorities. The amendment process shall be carried out in accordance with the ElecLink Interconnector Licence.

3. Any amendment to the Nomination Rules will apply automatically to the Nomination Participation Agreement in force between ElecLink and each Registered Participant, without the need for the Registered Participant to sign any acknowledgement or acceptance of the amendment or the Amendment Notice or the amended Nomination Rules.

Article 12
Liability

1. ElecLink and each Registered Participant are solely and individually responsible for the

fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the Nomination Rules and the Nomination Participation Agreement.

2. Subject to any other provisions of the Nomination Rules, ElecLink and each Registered Participant shall only be liable for damages caused by:

   (a) fraud, gross negligence or wilful misconduct; or

   (b) death or personal injury arising from that person's negligence or the negligence of its employees, agents or subcontractors. ElecLink and each Registered Participant shall indemnify and keep indemnified the other and its respective employees, agents or subcontractors, from and against all such and any loss or liability (including legal costs) which the person having the benefit of the indemnity may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the person giving the indemnity or any of its employees, agents or subcontractors.

3. Subject to paragraphs 2, 4 and 9 of Article 12, neither ElecLink nor a Registered Participant nor any of their respective employees, agents or subcontractors shall in any circumstances whatsoever be liable to any other of them for:

   (a) any loss of profits; or

   (b) any loss of revenue; or

   (c) any loss of use; or

   (d) any loss of contract; or

   (e) any loss of goodwill; or

   (f) any indirect loss; or

   (g) any consequential loss; or

   (h) any loss resulting from the liability of ElecLink or a Registered Participant (as the case may be) to any other person (including another Registered Participant) howsoever and whensoever arising save as provided under paragraph 2 of this Article.

4. A Registered Participant shall indemnify and keep indemnified ElecLink and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a damage that it has caused, which (i) any of them may suffer or (ii) incur by reason of any claim by any third party on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with the Nomination Rules and the PTR Holder's use of the Nomination Platform.

5. ElecLink and each Registered Participant acknowledges and agrees that it holds the benefit of paragraphs 1, 2, 3 and 4 of this Article 12 for itself and as trustee and agent for its officers, employees and agents.

6. The PTR Holder shall be solely responsible for its participation in Nominations including but not limited to the following cases:

   (a) the timely submission of Nominations by the PTR Holder;

   (b) technical failure of the information system on the side of the PTR Holder preventing the communication via the channels foreseen in accordance with the Nomination Rules.

7. Registered Participants shall not be entitled to compensation for breach of the Nomination Rules other than the remuneration described in Article 10(1) of the Nomination Rules and for damages relating to those causes set out in paragraph 2 above.

8. In addition to paragraph 4 of this Article 12, the Registered Participant shall be liable to ElecLink with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on ElecLink for incorrect tax treatment due to wrong or incomplete information provided by the Registered Participant.

9. For the avoidance of doubt, nothing in this Article 12 prevents or restricts either ElecLink or a Registered Participant from enforcing any obligation (including suing for a debt) owed to it under or pursuant to these Nomination Rules.

10. ElecLink may, when reasonably required, establish communication protocols and standards that Participants must adhere to in order to safeguard the security and integrity of communications. This applies to interactions between the Nomination Platform and Participant systems. ElecLink assumes no responsibility and is not liable for the security of outbound communications between the Nomination Platform and Participants' systems (e.g., via webhooks). Participants are responsible for implementing appropriate security practices whether via contractual obligations, internal security policies, or other enforcement mechanisms.

11. This Article 12 survives the termination of the Registered Participant's Nomination Participation Agreement.

Article 13
Dispute resolution

1. Without prejudice to paragraphs 6 and 7 of this Article 13, where there is a difference of opinion or other dispute under or in relation to these Nomination Rules and/or a Nomination Participation Agreement (including any non-contractual obligations arising out of or in connection with them), ElecLink and the Registered Participant ("**Disputing Parties**") shall first seek amicable settlement through mutual consultation pursuant to paragraph 2 below. For this purpose, the party raising the dispute shall send a notification to the other party indicating:

   (a) the existence of a Nomination Participation Agreement between the Disputing Parties;

   (b) the reason for the dispute; and

   (c) a proposal for a future meeting, physical or not, with a view to settle the dispute amicably.

2. The Disputing Parties shall meet within twenty (20) Working Days after the matter has been referred to them and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) Working Days from the date of the aforementioned notification, either party may refer the matter to the senior management of the Disputing Parties to resolve the dispute pursuant to paragraph 3.

3. A senior representative of each of ElecLink and the Registered Participant with authority to resolve the dispute shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) Working Days of the meeting or such longer time as may be agreed in writing by the Disputing Parties, then the dispute shall be determined by arbitration in accordance with paragraph 4.

4. Where a dispute is to be referred to arbitration under paragraph 3, either ElecLink or the Registered Participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one

(1) arbitrator to be nominated upon agreement of the Disputing Parties unless a party requests the appointment of three (3) arbitrators. In case of one (1) arbitrator, the Disputing Parties shall agree on the nomination of the arbitrator within two (2) months after the notice was given by the party referring the dispute to arbitration. If no agreement can be found, the arbitrator shall be appointed by the ICC Court. In case of three (3) arbitrators the claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each party shall then nominate the chairman of the arbitral tribunal within three (3) Working Days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in ElecLink's premises or such other premises as may be notified in writing by ElecLink to the other party (unless otherwise defined in the Nomination Participation Agreement) and in accordance with the governing law of these Nomination Rules while the language of the arbitration proceedings shall be English. The arbitrators shall decide in law and not as *amiables compositeurs*[4]. The arbitration will be a first hearing and the arbitrators shall hear arguments and evidence. The emergency arbitrator provisions according to the Rules of Arbitration of the Chamber of Commerce shall not apply but the interim or injunctive relief measures under the governing law shall apply.

5. Arbitration awards shall be final and binding on the Disputing Parties as from the date that they are made. Each of ElecLink and the Registered Participant shall carry out any award of an arbitration relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.

6. Notwithstanding paragraphs 3 and 4 of this Article 13, the Disputing Parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arisen under or in connection with the Nomination Rules and/or a Nomination Participation Agreement (including any non-contractual obligations arising out of or in connection with them).

7. The Disputing Parties agree that proceedings referred to in paragraph 6 may be brought in any competent court to hear such claim. The Registered Participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any such proceedings brought in any such court may be enforced in the courts of any other jurisdiction.

8. Notwithstanding any reference to amicable settlement or arbitration under this Article 13, the Disputing Parties shall continue to perform their respective obligations under the Nomination Rules and the Registered Participant's Nomination Participation Agreement.

9. This Article 13 survives the termination of the Registered Participant's Nomination Participation Agreement.

Article 14
Force Majeure

1. ElecLink or a Registered Participant, which invokes Force Majeure, shall promptly send to the other party a notification describing the nature of the Force Majeure and (so far as it can be determined) its expected duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The party invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.

[4] In the English version of these Nomination Rules, words in French in italics are to be interpreted in accordance with their meaning in French.

2. The affected obligations, duties and rights of a party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions in accordance with Article 16.

3. Suspension under paragraph 2 above is subject to the following:

   (a) suspension will be of no greater scope and of no longer duration than is required by the Force Majeure; and

   (b) the suspension applies only for so long as the party invoking Force Majeure is using reasonable efforts to remedy or mitigate its inability to perform.

4. The consequences of a Force Majeure event are that the party invoking Force Majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations under the Nomination Rules during the Force Majeure and when such non-performance or partial performance is due directly to Force Majeure.

5. The party affected by the Force Majeure shall give notice to the other party when it ceases to be affected by the Force Majeure.

6. If the Force Majeure continues for a period longer than six (6) months, ElecLink or the affected Registered Participant may, by written notice to the other given at any time while the Force Majeure continues beyond that period, unilaterally terminate the Nomination Participation Agreement. The termination shall take effect ten (10) Working Days after the notice is given or any later date specified in the notice.

Article 15
Notices

1. Unless otherwise expressly provided in the Nomination Rules, all notices or other communications under or in connection with the Nomination Rules and/or the Nomination Participation Agreement shall be in English and in writing between ElecLink and each Registered Participant and shall be sent to the email address and if not possible, by registered letter and marked for the attention of the other party's representative as set out in the applicable Nomination Participation Agreement or as notified in writing by the addressee from time to time.

2. All notices or other communications under or in connection with the Nomination Rules and/or the Nomination Participation Agreement shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:

   (a) the conclusion of the Nomination Participation Agreement; and

   (b) the suspension or termination of the Nomination Participation Agreement.

3. All notices or other communications under or in connection with the Nomination Rules and/or the Nomination Participation Agreement shall be deemed to have been received:

   (a) in the case of delivery by hand, when delivered against receipt; or

   (b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or

   (c) in case of facsimile, on acknowledgement of receipt by the addressee's facsimile receiving equipment; or

   (d) in the case of email, when delivered to the other party but only if an acknowledgement of

receipt is requested and obtained by the party sending the e-mail.

4. If a notice or other communication has been received outside normal working hours on a Working Day, it is deemed to have been received at the opening of business on the next Working Day.

Article 16
Confidentiality

1. The Nomination Participation Agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.

2. ElecLink and each Registered Participant who is a recipient of confidential information in relation to these Nomination Rules shall preserve the confidentiality of each item of such confidential information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.

3. Notwithstanding paragraph 2 of this Article 16, ElecLink or a Registered Participant who is a recipient of confidential information may disclose confidential information of the disclosing party to a third party with the other party's prior consent expressed in writing and subject to the condition that the receiving party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in the Nomination Rules directly enforceable by the other party.

4. Notwithstanding paragraph 2 of this Article 16, ElecLink or a Registered Participant who is a recipient of confidential information may disclose confidential information of a disclosing party:

   (a) to the extent expressly permitted or contemplated by the Nomination Rules;

   (b) to any person who is one of the directors, officers, employees, agents, advisers (including financial advisers and legal advisers) or insurers of the recipient and who needs to know the confidential information in connection with the Nomination Rules;

   (c) as may be directed or ordered under or required in order to comply with any applicable national legislation or any other relevant national regulatory, legislative or administrative acts such as grid codes;

   (d) as may be required by a competent regulatory authority, court or administrative tribunal having jurisdiction over the recipient or an arbitrator or expert in the course of proceedings before it to which the recipient is a party;

   (e) as may be required by ElecLink (or through agents or advisers) for the proper fulfilment of its mission and obligations in accordance with applicable laws, the Exemption Decision and these Nomination Rules;

   (f) as far as required in order to obtain clearances or consents from a competent authority or if requested by or required to be disclosed under any applicable powers of a competent authority (including the National Regulatory Authorities); or

   (g) to the extent required by the rules of any security commission or stock exchange.

5. Moreover, the obligations arising from Article 16 shall not apply:

   (a) if the party which receives the information can prove that at the time of disclosure, such information was already publicly available (otherwise than as a result of a breach by the recipient of Article 16);

(b) if the recipient can prove that, at the time of disclosure, the information was already in its possession and not subject to any obligation of confidentiality;

(c) if the receiving party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;

(d) to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market participant can be deduced; or

(e) to information whose publication is explicitly provided for by the present Nomination Rules.

6. The obligations of confidentiality in this Article 16 shall remain valid for a period of five (5) years after termination of a Registered Participant's Nomination Participation Agreement.

Article 17
Assignment and subcontracting

1. ElecLink may assign, novate or otherwise transfer any of its rights or obligations under a Nomination Participation Agreement and/or the Nomination Rules to another party. ElecLink shall notify an affected Registered Participant of the change by sending an email with acknowledgment of receipt as soon as possible and in any event at least ten (10) Working Days before the date on which the change takes effect.

2. A Registered Participant may not assign, novate or otherwise transfer or grant any interest in or over, or create any trust in respect of, any of its rights or obligations under its Nomination Participation Agreement(s) and/or the Nomination Rules without the prior written consent of ElecLink.

3. Nothing in this Article 17 shall prevent ElecLink from entering into a subcontracting agreement in relation to the Nomination Rules.

4. Each Registered Participant will do all things reasonably requested of it by ElecLink to assist with an assignment, novation or transfer as permitted by Article 17(1).

Article 18
Intellectual property

1. No party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other party in connection with the Nomination Rules and/or a Nomination Participation Agreement.

2. The signature of a Nomination Participation Agreement and the exchange of confidential information do not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one party to the other under the terms of the Nomination Rules.

Article 19
Relationship of the parties

1. The relationship of ElecLink and the Registered Participant via the Nomination Participation Agreement is that of service provider and service user respectively. Except as expressly provided in the Nomination Rules, nothing contained or implied in the Nomination Rules constitutes or is deemed to constitute ElecLink or a Registered Participant, the partner, agent or legal representative of the other for any purpose whatsoever or to create or be deemed to create

any partnership, agency or trust between ElecLink and a Registered Participant whatsoever.

2. The Registered Participant acknowledges that neither ElecLink nor any person acting on behalf of or associated with ElecLink makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of the Nomination Rules, the Nomination Participation Agreements or the disclosed information or otherwise in relation to or in connection with the Nomination Rules, the Nomination Participation Agreements and the disclosed information or any transaction or arrangement contemplated by the Nomination Rules, the Nomination Participation Agreements and the disclosed information except as specifically provided in these Nomination Rules or a Nomination Participation Agreement.

Article 20
No third-party rights

ElecLink and each Registered Participant acknowledges and agrees that a person who is not a party to the Nomination Participation Agreement between them, including any other market participant, has no rights to enforce the Nomination Rules and/or the Nomination Participation Agreement as between ElecLink and the Registered Participant.

Article 21
Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under the Nomination Rules and the Nomination Participation Agreement shall impair or constitute a waiver of such right, power or remedy or any other right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under the Nomination Rules and the Nomination Participation Agreement.

2. Any waiver of any right, power or remedy under the Nomination Rules and the Nomination Participation Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 22
Remedies exclusive

Except as otherwise expressly provided, the rights and remedies provided by the Nomination Rules and the Nomination Participation Agreement to ElecLink and each Registered Participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of the Nomination Rules and the Nomination Participation Agreement. Accordingly, each of ElecLink and each Registered Participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in the Nomination Rules and the Nomination Participation Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 23
Governing law and language

1. The Nomination Rules shall be governed by and construed in all respects in accordance with English Law.

2. The Nomination Rules will be produced both in English and French. For the avoidance of doubt, in the event of inconsistency between the English and French versions, the English language version shall prevail.

Article 24
Entire Agreement

These Nomination Rules and the Nomination Participation Agreement contain or expressly refer to the entire agreement between ElecLink and each Registered Participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersede all previous agreements and understandings between ElecLink and each Registered Participant with respect thereto and each of them acknowledges and confirms that it does not enter into these Nomination Rules or the Nomination Participation Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these Nomination Rules or the Nomination Participation Agreement.

Article 25
Severance of terms

1. If any provision of these Nomination Rules or a Nomination Participation Agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration or by order of any competent authority, such invalidity, unenforceability or illegality shall not prejudice or affect either the remaining provisions of these Nomination Rules or the Nomination Participation Agreement, which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality, or the validity, enforceability or legality of such provision under the laws of any other jurisdiction.

2. If any provision would otherwise be invalid, unenforceable or illegal under Article 25(1) but would cease to be invalid, unenforceable or illegal if some part of it were deleted, the relevant part shall be deemed to be deleted.

Annex
Business Rules for the Interconnector

Long-term business process

PTR Holders can submit long-term (which includes open season for the purpose of these Nomination Rules) Mid-Interconnector Nominations of long-term units for the Contract Day D, from opening of the gate for long-term Mid-Interconnector Nominations at 13:15 CET/CEST on the day D-2 until long-term Mid-Interconnector Nominations gate-closure at 09:00 CET/CEST on day D-1. Pre-Nominations can be entered into the Nomination Platform before this time but will only be considered Nominations upon the opening of the long-term Mid-Interconnector Nominations gate, in accordance with these Nomination Rules.

Day ahead business process

PTR Holders can submit daily Mid-Interconnector Nominations of daily units for the Contract Day D, from opening of the gate for daily Mid-Interconnector Nominations at 12:05 on the day D-1 until daily Mid-Interconnector Nominations gate-closure at 14:00 on day D-1. Pre-Nominations can be entered into the Nomination Platform before this time but will only be considered Nominations upon the opening of the daily Mid-Interconnector Nominations gate, in accordance with these Nomination Rules.

Intraday business process and Nomination Gate Timings

PTR Holders can submit intraday Mid-Interconnector Nominations of intraday units for the period from 00:00 to 24:00 of the Contract Day D, from the opening of the respective Nomination Gate until the intraday Mid-Interconnector Nominations gate-closure. Pre-Nominations can be entered into the Nomination Platform before Nomination gate timings but will only be considered Nominations upon the opening of the respective Nomination Gate, in accordance with these Nomination Rules.

There will be a minimum of twenty-four (24) and a maximum of ninety-six (96) Nomination Gates in a Contract Day. The full details for each Intraday Auction shall include details such as the gate opening and closure times for each Nomination Gate; the Product Period to which each Nomination Gate is applicable; and any Nomination Gate which constitutes a UIOLI Deadline. These details will be published in the Auction Reference Guide.

In any calendar year, there shall be no more than three (3) amendments to the number of Nomination Gates in a Contract Day or the number of Intraday Auctions in a Contract Day.

Deemed Metered Volume allocation

1. Introduction

(a) When a PTR Holder submits a valid Mid-Interconnector Nomination, then the Nomination Platform will ensure that a corresponding Deemed Metered Volume,

adjusted for losses on the Interconnector and for any reductions in Mid-Interconnector Nominations as a result of curtailment, is allocated to the relevant PTR Holders using the Deemed Metered Volume allocation rules set out in this Annex.

2. Losses

(a) The physical flow on the Interconnector is subject to losses. The Nomination Platform will apply a Loss Factor ("**LF**") to calculate each PTR Holder's share of the losses in accordance with paragraph 3 of this Annex. The Loss Factor is calculated on half of the Interconnector between Mid-Interconnector and either end of the Interconnector and is symmetrical between Mid-Interconnector and either end of the Interconnector.

(b) The Loss Factor to be applied is published by ElecLink on its website. If there is a requirement to change the Loss Factor at any time, then PTR Holders shall be notified at least five (5) Working Days before the change is to take effect.

3. Adjustment for losses

(a) For the purposes of the Balancing and Settlement Code, the Nomination Platform will send to the Settlement Administration Agent (as defined in that Code) a program called BM Unit Metered Volume ("**BMUMV**") expressed in MWh at the Great Britain connection point in half-hourly points and calculated by this formula:

i. for a BM Unit in the direction from France to Great Britain:

BMUMV = (1-LF) * DMV[5]; and

ii. for a BM Unit in the direction from Great Britain to France:

BMUMV = (1+LF) * DMV.

(b) For the purpose of the RTE Settlement Arrangements and for an export from France to Great Britain, the Nomination Platform will send to RTE (in its capacity as transmission system operator) a program expressed in MW at the France connection point in half-hourly points and calculated by this formula:

(1+LF) * DMV.

(c) For the purpose of the RTE Settlement Arrangements and for an import from Great Britain to France, the Nomination Platform will send to RTE a program expressed in MW at the France connection point in half-hourly points and calculated by this formula:

(1-LF) * DMV.

In the above paragraphs, "DMV" means the Deemed Metered Volume calculated for that PTR Holder for that Settlement Period.

[5] The symbol * requires multiplication to be effected.