



Trading Appendix 2.b

Intraday Market Regulations

CROATIAN POWER EXCHANGE Ltd.

INTRADAY MARKET REGULATIONS

1. INTRODUCTION

- 1.1.** Intraday Market is a market for continuous Trading in Products during Trading Hours where Transactions are matched automatically when concurring Orders are registered in the ETS. Transactions may be made up to 30 minutes prior to Delivery.
- 1.2.** These Intraday Market Regulations contain detailed provisions on Orders and Transactions in the Intraday Market and are part of the Trading Rules and each Membership Agreement which in Annex 1 stipulates that the Member participates on Intraday Market.
- 1.3.** The Products tradable in the Intraday Market and their applicable Trading Hours are listed in the Products Specifications.

2. ORDERING

2.1. Quoting

- 2.1.1. Orders may only be of the Order Types allowed by the Products Specifications, and must relate to a specific Product.
- 2.1.2. The Order Prices shall denote the price in Euro per MWh. For example, an Order quoting 22.60 means that the Order Price is Euro 22.60 per MWh.
- 2.1.3. The Order Volume denotes the maximum volume to be bought or sold in MWh.
- 2.1.4. An Order shall specify the following in order to be valid:
 - a. The Member making the Order;
 - b. Whether the Order is a Bid or an Offer;
 - c. The applicable Order Type;
 - d. The applicable Contract Code;
 - e. The applicable Energy Volume Limit (in MW);
 - f. The applicable Order Price Limit (in Euro/MWh); and
 - g. If applicable and/or desirable: Any additional information as mandated and/or allowed by (i) the Trading Rules (including the Market Conduct Rules) and/or (ii) the prevailing functionality of the ETS.
- 2.1.5. An Order shall be valid from the time of registration in accordance with this Section 2, subject to Section 6. of the Trading Rules – General Terms and until it is matched, cancelled or amended as specified in bellow Sections 2.3. or 3. or has expired as specified in the Order.

2.2. Ranking of Orders

- 2.2.1. Orders are ranked as follows:
 - a. Orders are ranked in order of Order Price.
 - b. Orders with the same Order Price are ranked based on which Order was registered first in ETS.
- 2.2.2. Block Orders that cannot be matched may be by-passed by lesser ranked Orders that can

be matched.

2.3. Registration of Orders and Matching

- 2.3.1. Orders shall be submitted to CROPEX through the ETS. Transactions are matched automatically as soon as concurring Orders are registered in ETS. Transactions resulting from Orders being matched in the ETS are automatically and mandatory registered for Settlement.
- 2.3.2. Amendments to or cancellations of an Order in the ETS becomes effective when registered in ETS, provided that the Order has not been matched in accordance with Section 2.3.1 by the time of registration of the amendment or cancellation.
- 2.3.3. In situations where ETS is not working properly or is not accessible to the Members, CROPEX may in its sole discretion approve that the Member may call in its Orders or submit them in alternative Order forms, as well as to submit changes to or cancellations of Orders as further set out in Section 6. of the Trading Rules - General Terms. For avoidance of any doubt, all restrictions on registration of Orders through TTS stipulated in Trading Rules – General Terms (necessity to confirm CROPEX’s confirmation of the Order, CROPEX’s right to delete the Order, binding time of the Order, Member’s liability for the Order and exclusion of CROPEX’s liability for registration of Orders) shall apply in this case, subject to restrictions in Section 3. below.
- 2.3.4. In the case of a general suspension of Trading, all Orders in ETS will automatically be inactivated. With the return to normal operations, Members will have to re-activate all orders from their inactive state. Orders which are not re-activated by the end of the relevant Trading Day will be removed.

3. TRADING ERRORS

- 3.1.** Members who wish to cancel a Transaction as a result of a Trading Error must notify a request for cancellation to the TTS as soon as possible and no later than five (5) minutes after Contract Time for the relevant Transaction.
- 3.2.** No claim of a Trading Error can be invoked in relation to a Transaction and any claims for a Trading Error shall be void:
 - a. if the claim is made later than the deadline set out in Section 3.1.; or
 - b. if the claim is made later than sixty (60) minutes prior to Gate closure for the applicable Product.
- 3.3.** Upon receipt of a cancellation request in accordance with Section 3.1., the following procedures shall apply:
 - a. CROPEX will on a best effort basis and at its sole discretion determine a reasonable market reference price for the relevant Products at Contract Time of the relevant Transaction. The market reference price shall be determined based on information available to CROPEX, including
 - (i) the transaction price of the previous transaction for the relevant product;
 - (ii) the Orders registered in the ETS;
 - (iii) volatility;
 - (iv) the price in Transactions concluded close to Contract Time of the relevant Transaction.
 - (v) if there is limited trading information available in the ETS; any other market information that CROPEX considers relevant to determine a fair market reference price for the relevant product.

- b. From the market reference price determined by CROPEX in accordance with letter (a.) above, CROPEX will add Deviation Margins of +/- 50% (fifty per cent) to the market reference price.
- c. If the price in the relevant Transaction is outside of the Deviation Margins, the relevant Transaction will be cancelled by CROPEX.

3.4. CROPEX reserves the right, even if the condition in Section 3. are met, to reject a request for cancellation if for technical or operational reasons CROPEX is not able to effectively cancel the transaction.

3.5. CROPEX may, if it is of the opinion that a price of a Transaction is inside the Deviation Margin, initiate a consultation process with the parties involved. Section 3.3. applies accordingly to such proceedings.

3.6. The parties to the relevant Transaction will remain anonymous to each other during discussions as set out in this Section 3.

3.7. Upon successful cancellation CROPEX will notify Members participating in Intraday Market through market message in the ETS that the transaction has been cancelled.

3.8. CROPEX may in its sole discretion, but shall have no obligation to, contact Members by telephone or e-mail and offer that the Member may submit and/or correct an Order should CROPEX have reason to believe that an Order submitted by the Member is erroneous, or that the Member erroneously has failed to submit an Order. CROPEX shall under no circumstances be liable for errors made by Members in submission of Orders, regardless of whether CROPEX decided to or had a chance to react as provided in this Section 3.8.

3.9. A Cancellation fee, specified in Fee Schedule list, will be charged for any cancellation requests made to CROPEX, regardless of whether the request leads to the cancellation of a Transaction or not.

4. SUSPENSION OF TRADING

4.1. CROPEX may suspend Trading in ETS and TTS if CROPEX deems necessary, including if there are technical errors or maintenance in ETS or disturbances in the electricity systems.

4.2. CROPEX shall to the extent possible inform Members of suspensions.

4.3. All Orders in ETS will automatically be inactivated before ETS is reopened, but will remain stored in the ETS to the extent this is technically possible applying commercially reasonable efforts.

5. MARKET INFORMATION

5.1. CROPEX shall continuously throughout every Trading Day supply Members with information of all Orders and Transactions registered in ETS on an anonymous basis. Such Transaction Information will be made available through ETS and such other information facilities as CROPEX in its sole discretion decides, and consideration for such information is included in the fees set in Fee Schedule.

5.2. The Transaction Information shall include information on prices and volumes of Orders and Transactions, the ranking of Orders, the time at which a Transaction was concluded and any cancellations or amendments of Transactions.

6. NOMINATIONS

- 6.1.** Members are obliged to include all purchase and sale volumes on Intraday Market inside their daily physical nominations according to the applicable Croatian energy legislation.
- 6.2.** CROPEX is not liable for any costs or expenses connected with Member's physical nominations, and Members will do anything in their power to exculpate CROPEX of any responsibility if any of the claims arising from obligations regarding physical nominations regarding the Transaction entered into by the respective Members are directed against CROPEX, and will reimburse CROPEX for any and all expenses which may arise for CROPEX regarding physical nominations.

Zagreb, 18.12.2016

Director
Silvio Brkić