

RULEBOOK

Market Rules for Operation of the Organized Gas Exchange Market of “Balkan Gas Hub” EAD



Chapter One GENERAL PRINCIPLES

Section I Company Overview

Art. 1.

(1) “Balkan Gas Hub” EAD, hereinafter referred to as “BGH” or “the Operator,” is the holder of a license for the organization of a natural gas exchange market, issued to the company in accordance with the procedure and conditions laid down in the Energy Act.

(2) In order to guarantee the settlement of payments under transactions concluded in the anonymous segments of the organized exchange market, and in compliance with Article 175, paragraph 3 of the Energy Act, BGH shall enter into a contract with an entity providing clearing services.

(1) “Balkan Gas Hub” EAD (BGH) is a sole shareholder joint stock company, registered on January 18, 2019. As of March 2021, 100% of its capital is owned by “Bulgartransgaz” EAD (BTG), a combined operator offering natural gas transmission and storage services.

(2) The trading platform provides a commercial environment for an organized gas exchange market for short term and long term bilateral and exchange based natural gas trading, reflecting the needs of the gas markets within “Balkan Gas Hub” EAD. The goal is to enhance the liquidity of the natural gas market in Bulgaria and the Southeast European region.

(3) As an EU Member State, Bulgaria applies the requirements of Commission Regulation (EU) No 312/2014 establishing a Network Code on Gas Balancing of Transmission Networks (NC BAL).

(4) On November 15, 2019, Trayport Limited (Trayport) and “Balkan Gas Hub” EAD signed an agreement for the implementation of Trayport’s Exchange Trading System (ETS) for the trading needs of “Balkan Gas Hub” EAD. Trayport’s ETS is a real time matching and trading system specifically designed to support commodity exchanges in providing an electronic

trading environment. ETS is widely used to organize physical and financial markets and provides exchanges with a unified solution for transparent price dissemination, client interest matching, and fair trading. Through ETS, exchanges can offer their trading clients direct market access via the Trayport Joule trading screen—Europe's leading electronic trading solution for energy markets including registration of transactions concluded non-anonymously.

(5) As of December 9, 2019, "Balkan Gas Hub" EAD introduced ETS for the needs of the gas release program governed by Art. 176a of the Energy Act, for which BGH provides the electronic environment for conducting auctions.

(6) As of January 2, 2020, "Balkan Gas Hub" EAD implemented ETS for short-term anonymous products (short-term standardized products under NC-BAL), long-term products (anonymous and non-anonymous), and the broker segment.

(7) In addition to the short-term standardized products under NC-BAL, the platform offers standardized bilateral long-term contracts for monthly, quarterly, and annual/five-year forward products in implementation of Art. 176 of the Energy Act, including non-anonymous contracts.

(8) According to Art. 176 of the Energy Act, transactions with products for a delivery period of less than or equal to one year are concluded on the organized gas exchange market.

(9) The gas-delivery contract period is the one for which there is a firmly agreed total quantity and agreed average daily delivery quantities on a daily basis, without delivery interruptions during the contract period (with flexibility provided by the contract), with a clearly defined unit price or a price adjustment mechanism enabling both parties to determine the price at any time during execution.

(10) Standardized purchase-sale contracts for natural gas for the Bulgarian market are available to market participants for both short-term and long-term products.

(11) In compliance with Art. 176 of the Energy Act, BGH also offers brokerage services for clients connected to the gas transmission network.

(12) The trading platform of "Balkan Gas Hub" EAD (TP of BGH) also allows the transmission system operator (TSO) to place its short-term balancing needs in accordance with Article 10(1) of NC-BAL. The TSO may trade on the BGH market as a trading participant (user of the TP).

(13) BGH ensures REMIT compliance by reporting to ACER the required information and applying monitoring measures to avoid insider trading and prevent attempts at market manipulation. BGH offers a Data Reporting Agreement on its website for wholesale energy product transactions executed on the organized BGH market, pursuant to Article 8(1a) of REMIT and Article 6 of the REMIT Implementing Regulation on market integrity and transparency regarding data reporting.

(14) As of July 1, 2025, BGH is introducing clearing contracts that meet the needs of Bulgarian market participants and best EU practices. These result from a transparent public procedure. On June 24, 2024, "Balkan Gas Hub" EAD signed an agreement with the Hungarian clearinghouse KELER CCP to implement clearing and settlement services on the BGH market.

(15) In this document, the Organized Gas Exchange Market of BGH and the BGH Market mean the same thing. In this document and the accompanying Trayport User Guides,

~~"instrument" and "product" mean the same thing. Instruments (products) are the subject of purchase-sale contracts. The words "short term" and "spot" are used interchangeably.~~

Section II

Organization of the BGH Market

Art. 2.

(1) BGH is the operator of a natural gas trading platform in accordance with the Bulgarian Energy Act. ~~BGH offers a trading segment for continuous spot products for the delivery of natural gas within the territory of the Republic of Bulgaria, a segment for long-term natural gas trading, as well as the possibility for the administration of bilateral contracts on a non-anonymous basis. BGH offers a segment for continuous spot product trading for natural gas delivery in Bulgaria, a segment for long-term natural gas trading, as well as the possibility for administering bilateral contracts on a non-anonymous basis.~~

(2) BGH ensures compliance with REMIT reporting requirements.

Art. 3.

(1) "Balkan Gas Hub" EAD is responsible for the functioning of the organized BGH market. "Balkan Gas Hub" EAD may delegate the performance of some operational tasks related to the operation of the organized market to third parties but remains fully accountable to the members for the operation of the organized market regardless of whether the task is outsourced or not.

(2) In emergencies, BGH has the right to issue appropriate orders or measures to ensure the proper execution of trading activity and settlement of concluded transactions. Such orders or decisions are binding on all BGH members.

Art. 4.

BGH members are approved by BGH based on their submitted membership applications, provided they meet the requirements specified in the Registration Form and Membership Agreement (Annexes 2 and 2A to these Rules).

Art. 5.

"Balkan Gas Hub" EAD, as the market operator of BGH, provided through the BGH Trading Platform, shall:

1. define the membership criteria for the BGH Market;
2. conclude Membership Agreements with applicants who meet BGH criteria, thereby making them BGH Members;
3. define the products tradable on the BGH;
4. establish requirements and procedures for product tradability;
5. provide an appropriate marketplace for buy and sell offers in accordance with market rules;
6. establish and publish reference prices for individual products;

7. forward transaction information to the TSO for physical delivery, particularly via trade notifications in accordance with Article 5(4) of NC BAL, and provide marginal buy/sell price information for imbalance fee determination;
8. through the Market Monitoring Unit, oversee BGH member behavior to ensure proper and reliable market functioning;
9. cooperate with BTG, other TSOs, and the Energy and Water Regulatory Commission (EWRC) to maintain market operations and prevent abuse and manipulation;
10. ~~offer BGH members data reporting agreements and reports data on their behalf in accordance with Article 8 of REMIT, Article 1(11)(b) insofar as it relates to paragraph 1a of the REMIT Amending Regulation, and Article 6 of the REMIT Implementing Regulation~~
~~offer data reporting agreements and report data on behalf of members pursuant to Article 8(1a) of REMIT and Article 6 of the REMIT Implementing Regulation.~~

Art. 6.

(1) The official language of the BGH Market Rules is Bulgarian. The English translation is for information only. In the event of any discrepancy between the English and Bulgarian versions of the BGH Market Rules or any other communication, the Bulgarian version shall prevail.

(2) BGH Market Communications are sent electronically or published on BGH's website. If a market communication is posted online, BGH members will be informed via email. Market communications are binding only if members have been duly informed via email.

(3) Trading platform members are entitled to one free access screen to the Trayport Exchange Trading System via Trayport Joule. Members are responsible for installing and maintaining the software, supporting hardware, and ensuring traders have sufficient English proficiency.

(4) After registration, all platform members must thoroughly familiarize themselves with the User Guide, which is published and updated in the respective section of www.balkangashub.bg following each software update.

Section III Legal and Regulatory Framework

Art. 7.

When participating in the BGH Market, BGH Members shall comply with all general principles and provisions set forth in these Market Rules and their annexes and/or other applicable legal instruments governing the functioning of the organized natural gas market. Conduct that does not comply with these general principles and provisions will result in consequences and sanctions under Art. 85(2).

Art. 8.

(1) The Membership Agreement is signed between BGH and the BGH Member. By signing the Membership Agreement, the Member agrees to comply with the BGH Market Rules at all times.

(2) The Membership Agreement is Annex 2 to these Market Rules. A Tariff Plan Selection Declaration is available on the "Balkan Gas Hub" EAD website, allowing members to choose a tariff plan and specify the number of additional trading screens (in the case of the Classic plan). When a new declaration is submitted for the purpose of changing the tariff plan, the

change shall take effect on the next business day after its receipt by "Balkan Gas Hub " EAD

All trades concluded before the amended tariff plan becomes effective are charged according to the previous plan, except when switching from the Classic to the Basic plan during a month for which the monthly fee has been paid. In such cases, the paid fee entitles the member to trade at the Classic plan rate for the current calendar month.

(3) In the event of a conflict between the Membership Agreement and the provisions of the current version of these Market Rules, the provisions of the Rules shall prevail.

(4) The Membership Agreement may not be transferred, in whole or in part, without BGH's prior written consent.

Art. 9.

(1) The rules governing the operation of the BGH trading platform are a set of rules regulating relationships between BGH Members and between BGH Members and BGH as the platform operator. BGH operates under the following documents and announcements to ensure the proper functioning of the BGH Market:

~~4. Rules for the operation of the natural gas trading platform, together with Annex 1 – Definitions, Annex 2 – Membership Agreement, and Annex 2A – Registration Form, which form an integral part of these Rules. Trading Platform Rules for the natural gas market; as well as:~~

~~○ Annex 1 – Definitions;~~

~~○ Annex 2 – Membership Agreement;~~

~~○ Annex 2A – Registration Form;~~

~~2.1.~~ BGH Market Communications, notices, and any other decisions made by BGH based on the general principles and provisions of these Market Rules. Market communications affecting the TSO's activities are submitted to the TSO for coordination before they come into effect.

(2) All annexes to this document are an integral part of the BGH Market Rules.

Art. 10.

(1) The standardized clearing contracts/products offered on the BGH market are described in detail in product specifications approved by resolution of a BGH management body. The product specifications shall also set out the conditions for the registration of non-anonymous (bilateral) transactions.

(2) The Short-Term (Spot) Segment is the segment in which standardized clearing short-term products, pursuant to NC BAL, are traded via screen trading with a delivery point at the VTP (title transfer) or through a designated entry physical point (locational, applicable only to transmission system operators). Upon request by transmission system operators, non-standard periods (for example, a temporal product) may be offered in combination with title transfer or locational products.

(3) The Long-Term Segment is the segment in which standardized clearing products are traded via screen trading on an anonymous basis for weekly, balance-of-month, monthly, quarterly, seasonal, and yearly periods.

(4) The "Bilateral Contract Administration" Segment is the segment in which concluded bilateral contracts are registered in the "Trayport Trades" module or via a screen-based

auction. For the purposes of this service, both parties to a bilateral contract must be members of the trading platform and must provide BGH with the following information:

1. The parties to the transaction;
2. The product, in accordance with the Product Specifications;
3. The price – where the price is determined by a formula or on the basis of indexation, the price provided must be as accurate as possible at the time the information is submitted, after which both clients shall inform BGH in writing of the final transaction price;
4. The point of transfer of title to the gas and the relevant evidence, licences, and authorisations for trading at this point, where applicable.

Upon request by clients, products other than those described in the Product Specifications may also be offered, subject to payment of the applicable fees for a non-standard product in terms of duration.

For the operation of the “Bilateral Contract Administration” Segment, BGH may cooperate with operators of platforms facilitating and supporting bilateral contract trading (OTC trading) by accepting the concluded bilateral contracts into its trading system for the purposes of administration, transmission of trade notifications to the TSO, and reporting under REMIT.

(5) The “Brokerage Services” Segment is the segment in which BGH offers products and services to final customers – natural gas consumers and final suppliers directly connected to the transmission system – who do not have access to transmission networks or to the VTP, but wish to purchase natural gas at exit points from registered BGH members for their own needs. In this case, the final customer/final supplier shall have the status of a non-trading user and shall not be subject to charges under the applicable price list. A non-trading user shall acquire the right to use BGH's brokerage services by signing a Brokerage Services Agreement, thereby obtaining special rights of access to a dedicated section of GHB's website. The following information must be provided by the BGH member with trading rights for transactions with final customers/final suppliers in order to register the transaction:

1. The parties to the transaction;
2. The product, in accordance with the Product Specifications;
3. The price – where the price is determined by a formula or on the basis of indexation, the price provided must be as accurate as possible at the time the information is submitted, after which both clients shall inform BGH in writing of the final transaction price;
4. The physical point of transfer of title to the gas.

(6) The parties to the transactions referred to in paragraphs 4 and 5 shall be liable in the event that:

1. They provide incorrect or incomplete data resulting in BGH reporting inaccurate data under REMIT;
2. They fail to provide, in due time, information necessary for the correct and complete reporting by BGH of data under REMIT, thereby preventing compliance with the reporting deadlines set out in Article 7 of the REMIT Implementing Regulation;

3. They make unauthorised changes intended to circumvent the law, including market manipulation, anti-competitive conduct, or other infringements of REMIT, the REMIT Implementing Regulation, and the legislation of the Republic of Bulgaria.

~~(1) Standardized cleared contracts/products offered on the BGH Market are detailed in Annex 3 (Short-Term Segment) and Annex 4 (Long-Term Segment). These annexes also describe the conditions for registering non-anonymous (bilateral) transactions.~~

~~(2) Short-Term (Spot Segment):~~

- ~~1. Cleared standardized short-term products according to NC-BAL, tradable on-screen with a title transfer point or at a designated physical entry point (locational, only for transmission system operators). Upon request from TSOs, non-standard periods (e.g., temporal products) may also be offered in combination with title transfer or locational products.~~

~~(3) Long-Term Segment:~~

- ~~1. Standardized cleared products traded on an anonymous basis for week, rest-of-month, monthly, quarterly, seasonal, and yearly delivery periods.~~

~~(4) "Bilateral Contracts Administration" Segment:~~

~~Used for bilateral contracts registered in Trayport's Deals module or concluded through auctions. Both parties to the bilateral contract must be platform members and provide BGH with:~~

- ~~• Parties to the deal;~~
- ~~• Product as per Product Specifications;~~
- ~~• Price — if price is calculated via formula or indexation, a close estimate must be submitted, and final prices must be reported in writing afterward;~~
- ~~• Title transfer point and any relevant licenses or permissions.~~

~~Other products may be offered upon client request after payment of a non-standard product fee.~~

~~BGH may cooperate with OTC platforms for the registration and reporting of bilateral trades, including REMIT reporting and notifications to the TSO.~~

~~(5) "Brokerage Services" Segment:~~

~~Products and services for end-users and suppliers directly connected to the transmission system who cannot access the network or the Virtual Trading Point (VTP). These users may purchase gas at exit points from registered BGH members for their own needs. In this case, they are considered non-trading users and are not subject to transaction or membership fees. A Brokerage Agreement must be signed, and special access to a member-only web section is provided.~~

~~Required transaction data includes:~~

- ~~• Parties to the transaction;~~
- ~~• Product per Product Specification;~~
- ~~• Price — if price is indexed or calculated by formula, best estimate must be provided initially, and final price submitted later;~~

- ~~Physical transfer point.~~

(6) ~~Responsibilities and compliance regarding the parties in par. (4) and par. (5):~~

~~Both parties are fully responsible if they:~~

- ~~1. Submit incorrect or incomplete data, leading to inaccurate REMIT reports;~~
- ~~2. Fail to submit details in time, preventing REMIT reporting within required deadlines;~~
 - ~~— Make unauthorized changes aimed at circumventing law, including market manipulation or anti-competitive conduct under REMIT;~~
 - ~~— The REMIT Implementing Regulation and Bulgarian national law.~~

Art. 11.

(1) Except in explicitly stated cases, such as the use of brokerage services, domestic production, or local products, transactions shall be concluded on an anonymous basis on the trading platform (TP) with a title transfer point (VTP) as the point of change of ownership. In this regard, TP members must have access to the gas transmission network of the relevant transmission system operator, the right to trade at the VTP, secured membership and trading rights with the clearing house, and must comply with the balancing regime and the natural gas trading rules established in the respective balancing zone and approved by the Energy and Water Regulatory Commission (EWRC).

(2) In cases where a member uses only the “Bilateral Contract Administration” segment, secured membership and trading rights with the clearing house shall not be required.

(3) BGH shall be responsible for administering the registered bilateral contracts, including the automatic submission of trade notifications to the TSO and reporting under REMIT, insofar as all data and additional information necessary for the complete, accurate, and timely reporting of data under REMIT have been provided fully, correctly, and on time to BGH by the relevant market participant.

(4) BGH reserves the right to offer the aforementioned products and/or other products at the request of clients or on its own initiative, following coordination with the TSO and, where applicable, with the clearing house, with such products being published in accordance with their descriptions in the “Products and Services” section of www.balkangashub.bg.

~~(1) Except in explicitly stated cases—such as brokerage services, local production, or local products—transactions are concluded anonymously on the Trading Platform (TP) at the Virtual Trading Point (VTP). Therefore, TP members must have access to the relevant gas transmission network, the right to trade at the VTP, valid membership and trading rights with the clearinghouse, and comply with balancing and gas trading rules approved by the Energy and Water Regulatory Commission (EWRC) for the balancing zone.~~

~~(2) When a member uses only the “Bilateral Contracts Administration” segment, membership and trading rights with the clearinghouse are not required.~~

~~(3) BGH is responsible for administering registered bilateral contracts, including automatic submission of transaction notifications to the TSO and REMIT reporting, provided all necessary details and additional information for complete, accurate, and timely REMIT reporting are fully and promptly submitted by the respective market participant.~~

~~(4) BGH reserves the right to offer the above products and/or others upon client request or its own initiative, with prior coordination with the TSO and, where applicable, with the~~

~~clearinghouse. Offered products are published in the "Products and Services" section of www.balkangashub.bg.~~

Art. 12.

~~Transactions (sales and purchases) for natural gas in the short-term segment or the long-term segment shall be binding on BGH market members with respect to the agreed period, price, and quantity of natural gas. Transactions for purchase and sale of natural gas in the short-term or long-term segment are legally binding for BGH market members based on the agreed delivery period, price, and gas volume.~~

Art. 13.

~~The standardized contracts applicable to the "Bilateral Contract Administration" segment, as published by BGH, shall be mandatorily used for non-anonymous transactions by BGH market members in cases where the two parties have not concluded a written agreement governing their relations in accordance with the minimum required criteria set out in the Natural Gas Trading Rules (NGTR) for each transaction concluded. Standardized contracts applicable to the "Bilateral Contracts Administration" segment, published by "Balkan Gas Hub" EAD, must be used for non-anonymous deals where no written contract exists between the two parties covering the minimum required criteria under the Gas Trading Rules (GTR) for each transaction.~~

Art. 14.

Standardized contracts are published in Bulgarian and English on the "Balkan Gas Hub" EAD website, under the "Products and Services" section.

Art. 15.

The Code of Conduct includes rules of market behavior to be followed by all BGH members. It forms an integral part of the BGH Market Rules and is presented in Chapter Five: Code of Conduct.

Art. 16.

~~(1) BGH may amend these Market Rules following approval by a governing body of BGH. Any amendment to the Market Rules is subject to approval by the Energy and Water Regulatory Commission (EWRC). After approval of the Rules by the Energy and Water Regulatory Commission (EWRC), BGH may amend, supplement, or revise these Market Rules upon approval by the governing body of BGH. Any amendment to the Rules is subject to approval by EWRC and enters into force only after its promulgation.~~

(2) The BGH Market Rules are binding on BGH, all BGH members, and their authorized traders. Updates are subject to approval by the EWRC under Art. 21, item 42 of the Energy Act.

(3) Amendments enter into force on the date of publication following EWRC approval.

Art. 17.

(1) BGH notifies members of changes to the Market Rules and annexes via email and market communications posted on the BGH website, including:

1. temporary suspension of membership and its revocation;

2. temporary suspension of certain product offerings and its revocation;
3. special conditions for Product Specifications;
4. special risk management conditions;
5. valid list of fees and charges, discounts, and terms applicable to market makers or liquidity providers;
6. contact info for operational support staff and support hours;
7. rules on unfair trading and administrative charges;
8. any other activity that may impact the market, including emergency situations, particularly those related to the operations of the clearing house and the clearing rules, any other market-affecting activity, including emergencies, especially involving clearinghouse operations.

(2) Except in well-justified emergencies, such changes will be communicated at least 7 calendar days prior to becoming effective. Members are considered to have accepted the changes upon entry into force. Members not accepting changes may unilaterally terminate their Membership Agreement within this period.

Art. 18.

Contractual relations between BGH and its members are governed by the Membership Agreement. By signing the agreement, members undertake to comply with the BGH Market Rules.

Art. 19.

If a BGH member fails to fulfill obligations under the Market Rules ~~or~~ and the BGH Clearing Rules, BGH may suspend the member's access to specific segments or terminate their Membership Agreement.

Art. 20.

Services provided to BGH members, along with member rights and obligations, are outlined in the BGH Market Rules.

Chapter Two

ADMISSION OF BGH MEMBERS AND ACCESS TO SERVICES

Section I

Membership Requirements in BGH

Art. 21.

(1) A BGH Member is a legal entity that signs a Membership Agreement with BGH, by which it is authorized to trade on the BGH Market.

(2) The TSO is a BGH Market member through a signed Membership Agreement with BGH in its capacity as a system operator.

(3) All other BGH members must be granted access to the gas transmission network by the TSO in accordance with the procedure and under the conditions set out in Article 10a of the Rules for Granting Access to Gas Transmission and/or Gas Distribution Networks and for Access to Natural Gas Storage Facilities, approved by the Energy and Water Regulatory Commission (EWRC), as well as hold a license for the activity 'trade in natural gas,' in the cases provided for in the Energy Act. All other BGH members must have successfully completed the access procedure pursuant to Art. 10a of the Rules for Access to the Transmission and/or Distribution Networks and Gas Storage Facilities, approved by EWRC, and must have obtained a license for "natural gas trading" under Art. 9, item 10a of the Energy Licensing Ordinance (effective from 01.10.2021), in cases provided for in the Energy Act.

(4) Another prerequisite for signing a Membership Agreement is having a valid Balancing Agreement with the TSO, fully complying with the Gas Balancing Rules and the Gas Trading Rules.

(5) The Clearing Rules, prepared jointly by BGH and the clearing house and approved by a governing body of BGH, also apply to BGH members. The Clearing Rules are published on the BGH website. As of 01.07.2025, with the introduction of the clearinghouse services, these Market Rules are supplemented by the Clearing Rules. The Clearing Rules are prepared jointly by BGH and the clearinghouse, approved by the governing body of BGH, and published on the company's website.

(6) BGH EAD will not limit the number of registered members and may not refuse to sign a Membership Agreement if the above conditions are met and compliance has been successfully verified.

(7) To pass the compliance check, applicants must meet the following requirements:

1. Full compliance with these Market Rules, including platform access requirements;
2. All necessary permits and licenses to trade at Virtual Trading Points, interconnection points, and other system points (if required);
3. No legal restrictions preventing commercial activity, such as bankruptcy or liquidation;
4. Familiarity with all Trayport Joule rules and sufficient English proficiency to use the system.

(8) Upon written request, the applicant or member must submit supporting documents and/or information proving that membership conditions are fulfilled.

Art. 22.

(1) Trading on the BGH Market is conducted only by BGH members. Members may trade on their own account or on behalf of a third-party client.

(2) If a member trades on behalf of a third-party client:

1. The BGH Member bears full responsibility for such transactions;
2. BGH has no obligations toward third-party clients.

(3) The following entities may be BGH Members:

1. Natural gas traders;
2. The public supplier of natural gas;

3. The supplier of last resort (if applicable);
4. Natural gas production companies;
5. Transmission system operators (TSOs);
6. Distribution system operators (DSOs);
7. Operators of gas storage facilities;
8. LNG facility operators;
9. Combined operators;
10. End customers and final suppliers of natural gas;
11. Non-trading users – final customers of natural gas who lack access to transmission networks and the TTP, purchasing gas at exit points from registered BGH members, after signing a special agreement with BGH.

(4) Except for non-trading users, all BGH members have equal rights and obligations to BGH.

Art. 23.

(1) TSOs trade on the platform for balancing actions and security of supply purposes, by buying/selling gas as needed. This is not considered gas trading.

(2) ~~The TSO shall determine its own version of a long-term natural gas supply contract (monthly, quarterly, and annual), reflecting its specific role in the market, valid for the 'Administration of Bilateral Contracts' segment and for tenders for supply conducted by the TSO. The TSO determines its own long-term purchase-sale contract model (monthly, quarterly, or yearly), reflecting its market role. This applies to the "Bilateral Contracts Administration" segment and any procurement auctions conducted by the TSO.~~

Art. 24.

(1) A BGH member may propose to act as a Market Maker for one or more tradable products. BGH independently decides whether to enter into such an agreement.

(2) Market Makers undertake to post indicative buy and sell prices continuously or at designated times, as defined in the Market Maker Agreement. The agreement must specify at least:

1. Product types;
2. Sale/purchase obligations and minimum quantities;
3. Minimum tradable volumes in MWh/day;
4. Indicative bid/ask prices on a continuous or specific basis;
5. Minimum time duration for obligations.

(3) Depending on the agreement, Market Makers may receive fee discounts and other benefits in return for their commitment.

(4) BGH will regularly publish a list of Market Makers without disclosing commercial terms, unless the Market Maker consents.

Art. 25.

- (1) Any BGH member may propose to act as a Liquidity Provider to improve liquidity for specific products admitted for trading on BGH. BGH decides whether to sign such an agreement.
- (2) The Liquidity Provider Agreement will outline volume obligations and other liquidity-enhancing measures.
- (3) BGH may select Liquidity Providers from among members who meet predefined performance criteria.
- (4) BGH will publish a list of appointed Liquidity Providers, but not the commercial terms, unless consent is given.

Section II

Admission of Members and Non-Trading Users of BGH

Art. 26.

(1) Admission of a candidate as a BGH Member is based on the following criteria:

1. The candidate meets BGH's requirements regarding experience, reliability, reputation, and financial capacity;
2. The candidate has been granted access to the gas transmission network by the TSO in accordance with the procedure and under the conditions set out in Article 10a of the Rules for Granting Access to Gas Transmission and/or Gas Distribution Networks and for Access to Natural Gas Storage Facilities, approved by the Energy and Water Regulatory Commission (EWRC), holds a license for the activity 'trade in natural gas,' in the cases provided for in the Energy Act, and has fulfilled the registration requirement under Article 9 of REMIT (possession of an ACER code).~~The candidate has successfully completed the access procedure under Art. 10a of the Access Rules, and, where applicable, has also completed the licensing procedure for the activity "natural gas trading" under Art. 9, item 10a of the Energy Licensing Ordinance (in force from 01.10.2021), in accordance with Art. 39(1)(5) of the Energy Act, and has fulfilled the registration requirement under REMIT (has an ACER code);~~
3. The candidate has ensured proper settlement of transactions on the TP through a concluded Balancing Agreement with the TSO;
4. The candidate has designated individuals to act as Traders on its behalf and demonstrated they meet the technical requirements for access to the BGH trading system;

(2) Based on the above conditions and successful compliance checks (Chapter Two, Section I), BGH decides whether to admit the applicant as a BGH Member.

(3) To trade in the anonymous segments of the BGH Market, the candidate must have a valid and active agreement with a clearinghouse that performs clearing services on the BGH Market

Art. 27.

(1) BGH decides on the admission of members to the BGH Market in accordance with the Market Rules, including rejection of applications with incomplete documentation, based on a thorough review.

(2) Upon fulfillment of all admission requirements, BGH signs a Membership Agreement and notifies the new member in writing. Once confirmed, the member is entitled to trade on the BGH Market. The names of new members are published in the "Membership" section of BGH's website and existing members are notified via email.

(3) If BGH decides not to admit an applicant, it must provide justification for the decision.

Art. 28.

(1) Membership applications must include:

1. Duly signed Membership Agreement in two originals;
2. Completed Registration Form and Tariff Plan Selection Declaration.

(2) The following supporting documents must be attached:

1. Copy of the signed Balancing Agreement with the TSO, including any required guarantees;
 - a) Copy of agreement for use of TTP;
 - b) Copy of access and transmission agreement (if applicable), or equivalents offered by the TSO;
2. Certificate of current company status or an equivalent document under national law (issued no more than 30 calendar days prior to submission);
3. Notarized power of attorney if documents are signed by an authorized representative;
4. Copy of a valid natural gas trading license under the Energy Licensing Ordinance (effective from 01.10.2021);

4-5. Signed agreement with the designated clearinghouse (if the member wishes to access anonymous segments).

(3) BGH may at any time request a certificate from members showing absence or existence of bankruptcy claims, issued by the registration court or relevant national authority.

(4) Documents for membership must be submitted in Bulgarian for Bulgarian entities and in English for foreign entities. BGH may request additional documents or notarized Bulgarian translations of foreign documents at its discretion.

Art. 29.

(1) BGH Members must appoint at least one authorized representative—either an employee or an external acting on its behalf—who will serve as the primary contact for administrative matters under the Market Rules and Clearing Rules.

(2) Only these authorized representatives may request changes affecting them from BGH.

Art. 30.

(1) A non-trading user gains access to BGH brokerage services by signing a Brokerage Services Agreement, granting special access rights to a designated web section. Non-trading users do not access the trading screens but purchase quantities at the exit point to which they are connected, via registered BGH members.

(2) Brokerage services for non-trading users are not subject to membership or transaction fees under the applicable price list.

Formatted: Bulgarian

Section III

Technical Access to the Natural Gas Trading Platform of BGH

Art. 31.

(1) The technical requirements for connection to the BGH trading system are considered met if the BGH Member is equipped with IT infrastructure that complies with the recommended Trayport Joule specifications, namely:

- (a) Natural Gas Exchange Trading System (ETS) – Trayport Joule;
- (b) Operating System: Microsoft Windows 10 or higher;
- (c) Processor: 2GHz Intel Dual Core or better;
- (d) RAM: 4GB or more;
- (e) Microsoft .NET Framework 4.7.2 or higher (Web Installer).

(2) After signing the Membership Agreement, BGH assigns each trader (approved by the BGH Member) a Trayport Joule trading screen, username, and password for connection to the trading system. The Member may pay for additional screens, including “read-only” screens.

(3) BGH also provides access to a specialized section for members and non-trading users on the corporate website of “Balkan Gas Hub” and may introduce additional functionalities to expand the services offered—especially for the administration and management of long-term anonymous and non-anonymous transactions.

Section IV

Admission of Traders

Art. 32.

A Trader is a person authorized to trade on behalf of a specific BGH Member on the BGH Trading Platform, having successfully passed system testing. A Trader may be active and execute trades for a BGH Member at any time and across one or more Market Segments.

Art. 33.

(1) BGH Members trade on the TP through one or more traders under their control or acting on their behalf. Members must promptly notify BGH of any changes in their list of authorized traders or the assignment of a trader to a specific Market Segment. Traders are identified at BGH and are the only individuals authorized to submit, modify, or cancel orders.

(2) BGH Members are liable for the actions of anyone acting under their control or on their behalf—even if the person is not registered as a Trader. Members are also responsible for the actions of a Trader declared to BGH, regardless of whether the person is directly supervised, until access is revoked.

(3) Members must ensure that each Trader possesses all necessary skills and qualifications to trade on the TP. Each Trader must receive a copy of all BGH-issued documents, including these Market Rules and annexes, and confirm understanding of them, the BGH Market structure, environment, and use of the trading system.

Section V

Procedural Rules

Art. 34.

The terms of BGH membership, including validity and period of a Membership Agreement, are defined within that agreement.

Art. 35.

(1) After receiving trading rights, BGH Members must promptly inform BGH of any factual or legal changes that may affect compliance, particularly:

1. Changes in legal status, including:
 - a) changes affecting membership requirements;
 - b) termination or suspension of the Clearing Agreement (where applicable);
 - c) major changes to information submitted during the membership application;
2. Changes in technical or organizational condition impacting market access;
3. Legal or regulatory framework changes or court decisions affecting compliance with membership requirements or Market Rules.

(2) Any Member must notify BGH in writing of substantial changes occurring after initial admission. Failure to do so may result in immediate membership termination. If the lack of notice causes a financial or physical failure to perform a transaction, the Member is liable for any losses or damages.

Art. 36.

(1) A BGH Member may terminate its membership with one month's written notice to BGH. Termination becomes effective once BGH officially notifies the member of the termination of the Membership Agreement.

(2) BGH has the right to terminate the membership of a BGH Member if one or more of the following occurs:

1. A membership requirement is no longer fulfilled;
2. The member fails to perform deliveries, make payments, or settle other fees owed to Balkan Gas Hub EAD, the clearinghouse, or the TSO as per the Market Rules, Clearing Rules, or applicable contracts/agreements;
3. Other repeated violations of these Market Rules.

(3) Membership termination also terminates the rights of the Traders authorized under that membership to trade on the TP.

(4) Membership is also terminated if BGH is notified by the TSO about termination of the member's transmission agreement, balancing contract, or Title Transfer Point agreement—including cases where the member loses the right to submit trade notifications.

(5) The permissible transaction volume and the right to submit notifications to the TSO are determined by the TSO. If a trade exceeds those limits, it may be canceled and treated as market manipulation.

(6) BGH shall publish a market communication about the membership termination and promptly update the list of active members on the BGH website.

(7) If a BGH Member terminates or has its membership terminated by BGH or the clearinghouse, the member is still obligated to fulfill all responsibilities arising from transactions executed up to the termination date. This includes making payments, accepting or delivering natural gas until the end of the delivery period of the concluded trades, and canceling all pending orders on the TP.

(8) A member's obligations under the Membership Agreement only expire once all such post-termination requirements have been met. Both parties must inform BGH in writing once obligations are fulfilled.

(9) In the event of a clearing member default, the applicable clearinghouse rules apply.

Art. 37.

(1) BGH may temporarily suspend a Membership Agreement if the member violates the Market Rules. In such cases, BGH will provide justification for its decision. If BGH determines that a membership condition is no longer met, it may order suspension of membership. Suspension may also occur if the member:

1. Fails to fulfill delivery, payment, or guarantee, margin obligations toward the clearinghouse;
2. Commits serious violations of the Market Rules and/or Clearing Rules or other regulatory documents;
3. Is subject to regulatory action due to legal violations;
4. Is reported by the respective TSO of the termination of the transmission contracts and/or the natural gas purchase and sale contract for balancing purposes and/or the contract for the use of the VTP, until the notification to BGH by the TSO regarding the reinstatement of the validity of the respective contracts;
5. Is reported by the TSO for terminated contracts or loss of trade notification rights (e.g., due to insufficient collateral under the balancing agreement);
6. Is reported by the clearinghouse for contract termination, default, or other breaches.

(2) During suspension, all the member's Traders lose their trading rights. All offers are canceled, and no new ones may be entered.

(3) BGH will publish a market communication to all members regarding the suspension. At its discretion, BGH may choose not to publish such notice if the issue is purely technical and can be quickly resolved.

Art. 38.

(1) A BGH Member may be excluded from trading and have their membership temporarily suspended for a serious breach—including those mentioned in Art. 36. A serious breach includes any failure by the member to fulfill material obligations under these Rules, the Membership Agreement, or any contract resulting from them.

(2) In such cases, all of the member's offers are automatically canceled on the TP. BGH is not liable to other members for the consequences of offer cancellation.

(3) When a member's trading rights are terminated, BGH informs all members via market communication.

Section VI

Payment Terms for Applicable Fees

Art. 39.

(1) The applicable fees are defined according to a price list approved by the Board of Directors of BGH and are published on the BGH website.

(2) The initial registration fee, the first monthly fee, and any fees for additional screens (in case of choosing the Classic plan) must be paid by the 10th of the respective calendar month, except for Membership Agreements concluded after the 10th of the month. In such cases, the registration fee, additional screen fees (if applicable), and the full monthly fee must be paid within 3 working days of signing the Membership Agreement. Services are activated upon receipt of payment confirmation.

(3) Monthly fees and additional screen fees (under the Classic plan) must be paid by the 10th day of the calendar month in which trading occurs, except for Membership Agreements signed after the 10th. In these cases, a full monthly fee is payable within 3 working days of signing. If the Membership Agreement is terminated during the trading month, the entire month is still charged. The Participant Price and Discount Notice may define different payment conditions than those above.

(4) Transaction fees are determined and invoiced monthly. BGH issues the corresponding invoices within 5 working days after the end of the trading month. Payment is due by the 10th day of the following month.

Art. 40.

(1) Invoices are sent via email. Fees are collected by BGH. All amounts are in Bulgarian leva (BGN)/euro and may be paid into a BGN or EUR account as published on the BGH website. Fees may be revised by Balkan Gas Hub EAD, and the price list will be updated. BGH will notify all members of the updated price list by publishing it on the website and issuing a market message. The effective date of such changes will be the first day of the following calendar month, and the change must be communicated at least 7 calendar days in advance.

(2) After the payment deadline has passed, BGH will charge interest on overdue payments at the base interest rate (BIR) plus 10%.

Chapter Three PRODUCTS AND SEGMENTS

Section I Tradable Products

Art. 41.

(1) The tradable products are those defined by the trading system Trayport Joule capabilities, as well as others determined by BGH (Bulgarian Gas Hub) software solutions. Standardized products are described in the Product Specifications and product descriptions published in the "Products and Services" section on the website www.balkangashub.bg.

(2) BGH has the right to decide which products may be admitted or suspended from trading. Five working days prior to the admission or suspension of the respective product, a market notice is sent and published. Only products published in the "Products and Services" section on the website www.balkangashub.bg are traded. The Product Specifications are approved by the Board of Directors of BGH.

(3) Balkan Gas Hub (BGH) defines the specifications of each traded product, as set out in the Product Specifications and Product Descriptions published in the 'Products and Services' section of BGH's website – www.balkangashub.bg. BGH determines the specifications of each traded product, presented in the Product Specifications and product descriptions published in the "Products and Services" section on the website www.balkangashub.bg.

(4) BGH may cancel trading in products or suspend trading on the trading platform (TP) if it considers that the correct trading on the BGH Market is threatened and/or if such action appears necessary for another reasonable and substantial reason. BGH may also suspend trading (entirely on the TP or regarding individual products) if it considers this necessary for technical reasons. In case of cancellation of trading of individual products or temporary suspension of trading on BGH, BGH issues a Market Notice to immediately inform the members of BGH.

(5) If trading on BGH is entirely or partially suspended, no new offers can be entered for temporarily suspended products, and all existing offers are automatically canceled. BGH may, at its discretion, issue different instructions for each individual case in the event of a temporary suspension.

(6) The market rules of BGH may include products that are not available for trading until all necessary conditions (technical, regulatory, and other applicable) are ensured. All members of BGH will be informed by market notice about changes in the offered products (newly added product, withdrawal/suspension/modification of a product, etc.) without explicit coordination with TSO (Transmission System Operator), when these products fall outside the short-term standardized products defined in Regulation 2014/312.

Section II

Market Zone

Art. 42.

(1) On the BGH market, contracts for natural gas with mandatory physical delivery in the Bulgarian gas transmission system and its associated facilities and entry/exit points shall be concluded.

(2) The market zone of BGH may also include delivery of products in the networks of other active TSOs on the territory of Bulgaria and beyond, upon signing the respective Interconnection Agreements when market conditions allow.

Section III

Market Segments

Art. 43. (1) One market segment consists of tradable products, market zones, market procedures, and applicable deadlines for the segment.

(2) At the time of entry into force of these market rules, the following market segments are introduced on the BGH market:

1. Segment for offering spot products of BGH (Short-term segment) – tradable products and product specifications for this market segment are described in the Product Specification - Short-term segment in the "Products and Services" section on the website www.balkangashub.bg;

2. Segment for offering long-term products of BGH (Long-term segment) – tradable products, on both anonymous and non-anonymous basis, for this market segment are described in [the Product Specification - Long-term segment](#) in the "Products and Services" section on the website www.balkangashub.bg;
3. Segment for offering brokerage services – through this segment, clients connected to gas transmission networks but not registered members of the TP may purchase short-term and long-term products described in [the Product Specifications](#) through members of BGH registered on the platform, with delivery point at the exit point of the gas transmission networks.

Section IV

Offer Management in Case of Technical Malfunctions

Art. 44.

(1) In case of a temporary technical issue related to access to and/or use of the BGH TP, members of BGH will be informed by market notice regarding the technical problem and expected timelines for service restoration.

(2) In case of technical problems in a trading system of a BGH member, the affected member immediately informs BGH by e-mail and/or phone.

(3) In case of technical malfunctions, BGH or relevant authorized third parties are obliged to take appropriate measures necessary to preserve or restore correct trading/service. For this purpose, BGH or the respective third party may:

1. temporarily exclude individual members of BGH or all members from trading;
2. temporarily suspend trading, and/or
3. delete offers from individual or all members of BGH.

(4) Actions taken by BGH or third parties to implement such measures are binding for all members of BGH.

(5) BGH has the right to temporarily interrupt access to the BGH trading system for its market segments for one or all members of BGH if BGH considers this necessary for technical reasons. The respective members are promptly informed about the suspension of access to the BGH trading system and the end of the interruption in an appropriate manner.

Section V

Physical Settlement and Quantity Modification by Trade Notification

Art. 45.

(1) After confirmation of each [short-term](#) trade, automatic trade notifications are sent by BGH to the IT system of BTG (Bulgarian Trading Gas). The quantities in the submitted notifications are allocated in the clients' balancing portfolio for the product period in the BTG IT system. As soon as the same two counterparties trade again, a new additional trade notification is sent to BTG. Trade notifications comply with the minimum requirements according to Article 5, paragraph 4 of NC BAL and are submitted for all clients reflecting the real status of accepted and transferred quantities resulting from trades for the respective gas day/period. [Regarding trades in the long-term anonymous segment, BGH submits to BTG a net position for all trades \(nomination\), which is also allocated in the clients' balancing portfolio.](#)

(2) Marginal selling and buying prices are calculated and published by BGH and/or BTG. The actually transferred quantities at the VTT (Virtual Trading Point) for concluded trades in the anonymous segment are not changed.

(3) In case the parties to long-term trades in the "Administration of Bilateral Contracts" segment and the "Brokerage Service" segment wish to change the daily quantity for transfer at VTT for already concluded trades in the long-term segment due to contract imbalance between them, they submit information on the changed quantity using a specialized tool via the BGH website. The correction must be a multiple of the minimum tradable daily volume for each product (1 MWh/d) or zero for the respective gas day.

(4) Changes of quantities for the current gas day are allowed up to 24:00 of that day, as well as for each subsequent day of the long-term contract. The change is initiated by one of the two counterparties and is confirmed or rejected by the other. More than one confirmed change can be initiated for a given gas day. Each initiated change and received rejection or confirmation is notified to the e-mail addresses provided by the two counterparties with a copy to admin@balkangashub.bg.

(5) The minimum quantity that can be requested for change is 0 MWh/d. The maximum quantity that can be requested for change under a long-term contract is no more than three times the average daily quantity.

(6) The sum of all changed quantities under long-term contracts in the "Administration of Bilateral Contracts" segment and the "Brokerage Service" segment cannot exceed the contract size. Regardless of all submitted trades, the transaction fee is paid in full according to the contract size as per the Product Specification.

Section VI Price Formation

Art. 46.

(1) The reference price shall be published for all products, with the reference price for the spot segment calculated only upon fulfillment of the following conditions: VWAP – subject to a minimum of 3 trades and 300 MWh.

(2) The VWAP of tradable spot products for a given gas day, traded anonymously, shall constitute an exchange index named as follows: VTP Bulgaria Spot Index (BGHSPOT).

(3) Settlement prices for trades in the long-term anonymous segment shall be calculated in accordance with the "Methodology for Determining the Settlement Price on the Balkan Gas Hub Long-Term Market", approved by the governing body of BGH and published on the BGH website.

(4) BGH shall publish exchange indices for the long-term segment, named as follows: VTP Bulgaria Monthly Index (BGHFM), VTP Bulgaria Quarterly Index, VTP Bulgaria Seasonal Index, VTP Bulgaria Yearly Index.

(5) BGH reserves the right to develop additional indices depending on the introduction of new products within its product range.

~~(1) The reference price will be published for all products, with the reference price for the spot segment calculated only upon fulfillment of the following conditions: VWAP – provided a minimum of 3 trades and 300 MWh are met;~~

~~(2) The VWAP of tradable spot products for a given gas day, traded anonymously, represents an exchange index named as follows: VTP Bulgaria Spot index (BGHSPOT).~~

~~(3) Settlement prices for trades in the long-term anonymous segment are calculated according to the "Methodology for Determining the Settlement Price on the Long-Term Market of BGH," approved by the Board of Directors of BGH and published on the BGH website.~~

~~(4) BGH publishes exchange indices for the long-term segment named as follows: VTP Bulgaria Monthly index (BGHFM), VTP Bulgaria Quarterly index, VTP Bulgaria Seasonal index, VTP Bulgaria Yearly index.~~

~~(5) BGH has the right to develop additional indices depending on the offering of new products within its product range.~~

Art. 47.

(1) Marginal buy and sell prices applicable for the purpose of determining imbalance fees by the TSO. The marginal prices for the respective gas day are calculated as a combination of all products at the two virtual trading points:

1. National gas transmission network;
2. Gas transmission network for transit transport.

(2) Two limit prices are always calculated:

1. Natural gas price for balancing in case of a positive imbalance P_{NGB}^P ;
2. Natural gas price for balancing in case of a negative imbalance P_{NGB}^N .

(3) Marginal prices are calculated for all trades in all intangible VTP products relating to a single gas day. This means the limit price may initially be set by the DA/WE/WE product and can be updated over time with trades on intraday products (WD) and products within the next hour (NH, if any), until the final marginal prices are established.

(4) Marginal prices are calculated according to the procedure and conditions of the Methodology for Determining the Imbalance Fee and Neutrality Fee and published by TSOs that have selected BGH as their trading platform in accordance with Regulation (EU) 312/2014.

Section VII

Cancellation of Trades. Physical Execution of Concluded Trades

Art. 48.

(1) BGH may cancel a short-term or long-term trade if non-compliance with these Rules is established or in cases of market manipulation or other violations, as well as upon information from the respective TSO that due to fault of one of the members the trades are unfeasible and/or members have lost the right to submit trade notifications to the TSO. BGH may also cancel a trade in case of an obvious error (incorrect offer entry).

(2) A counterparty to a long-term transaction has the right to request the cancellation of a trade no later than **17:50 on the day the trade is concluded** in the event of a clear error (incorrect entry), by submitting a cancellation request to the following email address: **admin@balkangashub.bg**. If the trade is determined by BGH to meet the conditions for cancellation due to an execution error, it shall be cancelled **with the consent of the other counterparty**, who will be immediately informed. In such cases, **both parties shall be liable for the trade cancellation fee**.

Formatted: Font: Bold, Complex Script Font: Bold

(2) A counterparty to a long-term transaction has the right to request the cancellation of a trade **within 60 minutes of its conclusion** in the event of a clear error (incorrect entry). If the trade is determined by BGH to meet the conditions for cancellation due to an execution error, it shall be cancelled **without the consent of the other counterparty**, who will be immediately informed. In this case, **the counterparties shall not be liable for any trade cancellation fee**.

(3) A trade shall be cancelled **following confirmation by both parties, approval by BGH, and approval by the clearing house**. Upon confirmation by the trading parties, the trade shall be **deleted from the trading system**, and BGH shall **notify the clearing house to reverse the position**.

~~The counterparty to a long-term trade has the right to request cancellation of a trade no later than 17:50 on the day the trade was concluded in case of an obvious error (incorrect entry) by sending a cancellation request to the following email address: admin@balkangashub.bg. If BGH determines that the trade meets the conditions for cancellation due to an error during conclusion, it will be canceled with the consent of the other counterparty, who will be immediately informed. In such case, both parties are subject to a cancellation fee.~~

~~(3) Cancellation requires confirmation from both parties to the trade and approval from BGH and the clearing house. After confirmation:~~

- ~~— a) The trade is deleted from the trading system;~~
- ~~— b) BGH sends a notification to the clearing house to reverse the position.~~

~~(4) According to the Code of Conduct and principles of fair trading, the following cases are considered errors:~~

~~The entered price relates to another product traded on BGH;~~

~~The digits of the price are reversed relative to the market price;~~

~~The digits of the price are reversed relative to the market price for the respective product.~~

~~(5) Requests for cancellation may only be submitted on BGH business days between 10:00 and 17:50.~~

Art. 49.

Quantities in submitted trade/nomination notifications are allocated in the clients' daily balancing portfolio for the product period within the IT system of TSOs.

Section VIII

Financial Services and Credit Risk Management Mechanisms

Art. 50.

The management of **credit risk, clearing, and settlement** of trades concluded on the anonymous segments of the BGH market is carried out by the **clearing house** in its capacity as a **licensed central counterparty** within the meaning of Article 2(1) of **Regulation (EU) No 648/2012** of the European Parliament and of the Council of 4 July 2012 on **OTC derivatives, central counterparties, and trade repositories**. Management of credit risk, clearing, and settlement of trades concluded on the anonymous market segments of BGH is carried out by a clearing house acting as a licensed central counterparty under Article 2, point 1 of Regulation (EU) No 648/2012.

Art. 51.

(1) Credit risk management through introduction of a clearing house is in effect from 1.7.2025.

(2) BGH publishes Clearing Rules on its website.

(3) The Clearing Rules contain all applicable clauses for trading clearing products, including necessary clearing service agreements that members of the Trading Platform conclude with the trading platform operator and the clearing house.

Chapter Four
GENERAL CONDITIONS FOR SERVICES

Section I
Market Activity

Art. 52.

(1) BGH and each member of BGH accept that the other party may engage one or more service providers or subcontractors of their choice to fulfill the provisions of the BGH Market Rules.

(2) In all cases, the party engaging a subcontractor or service provider remains responsible for fulfilling its obligations and complying with the BGH Market Rules, particularly clauses governing confidentiality and liability.

(3) A BGH member engaging a service provider or subcontractor agrees to include provisions in contracts binding the service provider or subcontractor to comply at all times with the Market Rules where applicable to their activities related to BGH.

Section II
Use of Technical Systems

Art. 53.

(1) A BGH member agrees to maintain hardware and software environments meeting the technical specifications required for the operation of Trayport Joule. Upon initial registration, BGH provides these requirements to the member.

(2) The BGH member must ensure that characteristics of its hardware and software environment do not disrupt or interfere with BGH or Trayport systems.

(3) If a member's use of services disrupts the operation of BGH's trading system, BGH will contact the member to cease such disturbances. If disturbances cannot be ceased within a reasonable time or threaten BGH's trading system, BGH reserves the right to suspend the

member's access to the trading platform. In all cases, the member agrees to take all necessary steps to comply with technical specifications.

Art. 54.

(1) A BGH member agrees to use services offered by BGH and its technical system only insofar as this complies with the BGH Market Rules and applicable legal and regulatory frameworks. BGH members may not provide BGH services to unauthorized third parties in any form.

(2) The BGH member agrees to comply with legal, regulatory, administrative, and contractual provisions of applicable national or foreign legislation or international law related to the use of services offered by BGH.

Art. 55.

(1) BGH and the BGH member agree to comply with physical and logical security measures designed to protect the integrity of each other's systems. Each party retains full control, directly or indirectly, over planning and implementing its policy on administering permissions for logical network access.

(2) Specifically regarding system access, each party assumes personal responsibility for organizing internal logical and physical security measures, including limiting access to premises housing its equipment to protect access codes from unauthorized third parties.

(3) BGH EAD and BGH members implement procedures and instructions for data and file backup.

(4) In case of malfunction in the Trading System potentially affecting a BGH member, BGH informs the respective member about the nature and probable duration of the malfunction.

Art. 56.

(1) BGH and BGH members are responsible for maintaining the systems they use, with all information transferred between the two systems via the Internet.

(2) Both parties accept responsibility for their choice of IT service providers and IT systems, particularly relevant Internet access providers. Therefore, neither party may claim against the other regarding consequences of actions or failures of such providers.

(3) BGH and BGH members are not liable to each other for data transmission failures or degradation in data quality occurring between the moment data is sent by the member and the time it is received by BGH, and vice versa.

(4) BGH and BGH members are responsible for taking appropriate measures to protect their own data, software, and hardware from unauthorized third-party access, computer viruses, or other damage caused by unauthorized system breaches. If one party discovers unauthorized access, it notifies the other to investigate and find suitable solutions.

Art. 57.

(1) BGH guarantees it holds all rights and licenses required for the use of trading and offer transmission systems.

(2) BGH and all BGH members retain intellectual property rights over documents, data, and information of any kind exchanged between the parties under this agreement.

(3) The BGH member guarantees it holds licenses, ownership rights, and license agreements for all configurations, firmware, and software required for trading.

(4) If software applications used by a BGH member to access BGH require a license or equivalent right, relevant provisions apply per the BGH Market Rules or are provided by BGH and must be adhered to.

(5) The BGH member undertakes to respect intellectual property rights of BGH and any third parties providing system or software applications necessary for BGH access. The member takes all reasonable measures with its employees and third parties to protect these rights, especially refraining from modifying copyright or proprietary notices in materials provided by BGH. The member may neither remove nor alter references to copyrights, trademarks, trade names, or other intellectual property indications.

Section III Use of Market Data

Art. 58.

Authorized BGH members have access to trading data as described in the Trayport Joule user manual and via a specialized section of the BGH website, as well as aggregated market data published on the BGH website.

Art. 59.

BGH is the sole owner of market data derived from transactions on the BGH market (including, but not limited to, reference spot prices of BGH). In particular, among other rights, BGH may use trading volumes generated by a BGH member for statistical purposes. Such statistical data may be published in aggregate form. In such cases, BGH agrees to ensure members' anonymity. If a BGH member uses an external service provider in connection with its activities, it commits to include this provision in contractual relations with that service provider.

Art. 60.

(1) The BGH member uses market data solely for trading on BGH and for its own needs.
(2) If a third party, not a BGH member, intends to incorporate BGH market data in any way into products or services traded on an energy exchange or equivalent, it must conclude a specific agreement with BGH regarding the use of market data.

Art. 61.

(1) Each party authorizes the other to cite its corporate or trade name or to display its logo or trademark as a commercial reference.

(2) BGH agrees not to disclose information regarding the individual activity of a BGH member on the market nor distribute such information to third parties, except companies or institutions directly related to fulfilling obligations and responsibilities arising from the Market Rules (e.g., TSO, clearing institutions, supervisory and regulatory authorities), provided dissemination results from the application of the BGH Market Rules or other applicable legislation. In such cases, all information is to be treated as strictly confidential and used solely for the initial purpose it was provided.

Art. 62. BGH makes every effort to ensure strict protection of all personal and confidential data and to comply with the applicable provisions and the EU Data Protection Regulation (EU

2016/679). BGH processes and stores personal data within the scope and solely in connection with the fulfillment of its contractual obligations related to the BGH Market. These Market Rules and all signed agreements thereto constitute the legal basis for data processing. BGH is authorized to store, process, and transfer any information and data of clients or third parties only for the proper functioning of the BGH market.

Section IV Liability and Jurisdiction

Art. 63.

BGH and the BGH member are liable for direct economic damages caused by the other party:

1. in case of negligence, intentional non-performance, or fraud by either party, where the damages arise directly from non-fulfillment of an obligation assigned to the party under the Market Rules and Membership Agreement;
2. in other circumstances explicitly provided for in the BGH Market Rules.

Art. 64.

No party shall hold the other liable for compensation for damages resulting from:

1. force majeure circumstances, where force majeure is an unforeseen or unavoidable event of an extraordinary nature occurring after the contract conclusion outside the will of the parties, which is causally linked to non-performance or delay in performance;
2. service failures used by the other party, due to circumstances beyond its control, specifically due to lack, refusal, or interruption of telecommunication networks or due to obstacles or restrictions imposed by telecommunication operators or other service providers;
3. inaccuracy, partial or complete absence, or incomplete technical information or data from third parties, not due to limitations in the systems and actions of the parties;
4. deterioration of computerized data quality during internet transmission, not due to defects in computer hardware or software or internet speed used by the BGH member and BGH.

Art. 65.

The BGH member is responsible for improper use of services offered by BGH under the Membership Agreement, particularly in cases of:

1. non-compliance with the provisions of the Rules and BGH regulations and their annexes;
2. direct or indirect discrediting of the image or reputation of BGH, the platform, or a BGH member;
3. fictitious transactions, market manipulation, violations of Bulgarian and/or EU antitrust legislation that breach the principles and rules of the respective market.

Art. 66.

(1) BGH assumes liability only for damages arising from the use of BGH trading systems if and to the extent they result from gross negligence or intentional acts committed by its bodies or employees, which must be proven by an independent party. Beyond this, BGH is liable only for the proper functioning of the system used for trading, in accordance with the BGH market rules.

(2) BGH is in no way liable for damages resulting from:

1. the inability or difficulty of the BGH member to access BGH trading systems due to hardware or equipment access, for which the BGH member or a third party is responsible;
2. indirect damages such as commercial damages, loss of business, trade disruptions of any kind, loss of profit due, among others, to lack of communication or offer processing, understanding that any legal proceedings brought against a BGH member by a third party constitute indirect damage and therefore do not entitle to compensation; the parties expressly agree that the BGH member shall indemnify BGH against any actions, claims, or legal proceedings initiated by a third party, holding BGH harmless regarding any court decision against it and any compensation payable, regardless of the basis and nature of such action or claim;
3. objection to a transaction made by the BGH member when such objection is raised after the cancellation period;
4. in case of force majeure events affecting supply, these events shall be considered force majeure under these Rules.

(3) Regardless of circumstances, the parties expressly agree that BGH's total compensation shall not exceed fifty thousand euros (€50,000) annually for all events combined for all BGH members. BGH members expressly guarantee not to seek additional compensation beyond their respective proportional share.

Art. 67.

All disputes arising from or in connection with the validity, interpretation, execution, non-performance, or termination of the Rules and signed agreements shall be settled through a non-binding negotiation procedure between the two parties. If no agreement is reached within 30 calendar days after one party has informed the other party of the dispute, that party may refer the matter to the Arbitration Court at the Bulgarian Chamber of Commerce and Industry. The place of jurisdiction is Sofia, Bulgaria, and the language is Bulgarian unless the parties agree otherwise in advance.

Section V Miscellaneous

Art. 68.

(1) The BGH member confirms that it has taken into account:

1. all legal regulatory acts, legally required licenses, as well as applicable EU regulations and network codes related to its activity;
2. the contractual documents;
3. all other documents and/or communications sent by BGH, regardless of the method.

(2) Applicants and BGH members provide the guarantees and declarations stipulated in the Membership Agreement at the time of application and renew them during their membership.

(3) The BGH member agrees to share any information with BGH and to provide BGH with any document that could help BGH identify potential violations of the BGH Market Rules that could harm the functioning of trading and market activity.

Art. 69.

(1) All information and data obtained in the course of using the platform as a member or through the performance of signed agreements are strictly confidential, and neither party shall disclose them to third parties without prior knowledge and written consent of the other party. In particular, each party agrees to keep confidential trade secrets related to business, trade policy, industrial strategy, management or organizational plans, computer applications, concepts, ideas, know-how and techniques, as well as any information or documents of financial, economic, technical, commercial, or social nature.

(2) Each party has the right to disclose:

1. to its service providers or subcontractors: information received from the other party strictly necessary for the provision of their services, provided they have a similar clause in their contracts;
 2. to competent authorities: information that these authorities may request pursuant to applicable laws, regulations, or BGH rules and provisions.
- (3) The provisions of this article remain in effect, including after termination of the Membership Agreement, for a period of five years.

Section VI

Introduction of Restrictive Regime / Temporary Restriction of Natural Gas Supply

Art. 70.

(1) In case the introduction of a restrictive regime/temporary restriction of natural gas supply is declared, the provisions of the Energy Act and subordinate normative framework, as well as the provisions of Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 on measures to safeguard security of gas supply and repealing Regulation (EU) No 994/2010, shall apply.

(2) In such cases, the activity of BGH may be suspended and/or limited, including with regard to trading/supply at specific physical points and/or VTP.

(3) The settlement of commercial relations in these cases shall be carried out according to the procedures described in the Energy Act and subordinate normative framework, as well as the provisions of Regulation (EU) 2017/1938.

Chapter Five
CODE OF CONDUCT

Section I
Preamble

Art. 71.

(1) These Rules of Conduct apply both to BGH and to the members of BGH. The present BGH Code of Conduct is based on the fundamental principle of joint responsibility of BGH and its members for establishing a fair and transparent natural gas market, founded on the responsibility borne by each company.

(2) These rules aim to support regional natural gas trade through additional provisions, taking into account the market's need for a unified and internationally harmonized control system. These rules aim to strengthen the trust that the market and the public have in the organized BGH market, its pricing mechanisms, and the reference nature of BGH market prices.

Section II Scope of Application

Art. 72.

The BGH Code of Conduct applies to "Balkan Gas Hub" EAD as well as to all BGH members and traders authorized to trade on the BGH market, and it is mandatory for all participating parties.

Art. 73.

(1) The BGH Code of Conduct is an integral part of the BGH Market Rules.

(2) The BGH Code of Conduct does not exempt BGH members from the obligation to comply with provisions in other documents constituting the BGH Market Rules and regulations and the signed agreements.

Section III Definitions

Art. 74.

For the purposes of this Code of Conduct, the following definitions apply:

(1) "Inside Information" means information accurate in nature that has not been made publicly available, directly or indirectly relating to one or more wholesale energy products, and which, if made public, would likely have a significant effect on the prices of those wholesale energy products. Trading on inside information is considered unfair market manipulation, giving an advantage to specific parties. This undermines the general trust of investors in the market's integrity and may delay economic growth.

(2) "Market Manipulation" means:

1. executing any transaction or issuing any trading order in wholesale energy products that:
 - a) gives or may give false or misleading signals regarding the supply, demand, or price of wholesale energy products;
 - b) fixes or attempts to fix, through actions of one or more persons acting together, the price of one or more wholesale energy products at an artificial level, unless the person executing the transaction or issuing the trading order proves that the reasons for doing so are legitimate and that the transaction or trading order complies with accepted market practices of the relevant wholesale energy market; or

- c) uses or attempts to use fictitious means or any other form of deception or fraud, which gives or may give false or misleading signals regarding the supply, demand, or price of wholesale energy products;
or
- 2. disseminating information via media, including the Internet or any other means, which gives or may give false or misleading signals regarding the supply, demand, or price of wholesale energy products, including spreading rumors and false or misleading news, where the disseminating person knew or should have known that the information was false or misleading.

(3) When information is disseminated for journalistic purposes or artistic expression, such dissemination shall be assessed taking into account rules on freedom of the press and freedom of expression in other media, except if:

- 1. the persons concerned derive directly or indirectly benefits or profits from the dissemination of such information; or
- 2. the disclosure or dissemination is made with the intent to mislead the market regarding the supply, demand, or price of wholesale energy products.

Section IV

Rules of Conduct in Trading on the BGH Trading Platform (TP)

Art. 75.

(1) When trading on the BGH TP by submitting offers on their own behalf or on behalf of third parties, and for their own account or that of third parties, BGH members are obliged to:

- 1. comply with the general principles of market integrity, honesty, and good conduct;
- 2. comply with the rules and instructions of all competent supervisory authorities along with the BGH Market Rules.

(2) All offers presented to the BGH market must have appropriate economic justification. BGH has the right to examine the existence of such justification by requesting explanations or supporting documents, contracts, and financial statements from the beneficiary of such offers.

Art. 76.

(1) Any involvement or attempt to engage in market manipulation by contract is prohibited.

(2) This prohibition includes but is not limited to:

- 1. any false or misleading behavior;
- 2. any form of conspiracy or secret cooperation between BGH members or with third parties;
- 3. any behavior aimed at price positioning.

(3) BGH members commit to fairness towards BGH and other members. They conclude deals on BGH markets in accordance with usual commercial practices and the principles and ethics of professional market traders.

Art. 77.

BGH members are prohibited from:

1. submitting offers without proper economic justification;
2. making offers without intention to execute;
3. giving false or misleading signals about the supply, demand, or price of natural gas contracts with physical delivery;
4. using fictitious devices or any other form of deception or stratagem likely to give false or misleading signals regarding the supply, demand, or price of wholesale physical natural gas contracts;
5. disseminating false or misleading market information through media, including the Internet, or by any other means.

Art. 78.

BGH members are prohibited from pre-arranging trades by submitting buy and sell offers simultaneously for the same price and quantity in the anonymous segments of the BGH trading system, making arrangements for sale or purchase of wholesale natural gas contracts with physical delivery where there is no change in benefits or market risk, as well as making arrangements where the transfer of benefits or market risk occurs only between parties acting in concert or in secret cooperation.

Art. 79.

BGH members are prohibited from:

1. setting the price of one or more physical natural gas delivery contracts at an unnatural level, unless the person who concluded the transaction or issued the trading offer proves by factual evidence that the reasons are legitimate and that the transaction or offer complies with accepted market practices for the respective wholesale energy markets;
2. artificially creating a price level unjustified by market supply and demand forces, including actual production, transmission capacity availability, and demand.

Art. 80.

BGH members or their authorized traders who possess inside information related to concluded contracts are prohibited from:

1. using inside information by acquiring or distributing, or attempting to acquire or distribute, directly or indirectly, concluded contracts to which such information relates for their own account or for a third party;
2. disclosing inside information to another person, except if done in the normal course of their work, profession, or duties;
3. recommending or inducing another person, based on inside information, to acquire or distribute data on contracts for physical natural gas traded on BGH to which such information relates.

Art. 81.

BGH members support and follow all current and newly introduced market transparency measures, thereby assisting BGH in further developing secure, non-discriminatory, and transparent trading on the organized BGH market.

Art. 82.

The BGH member guarantees that authorized traders are sufficiently qualified and obliged to comply with BGH Market Rules, including this BGH Code of Conduct.

Section V

Behavior of BGH Members and Authorized Traders towards Third-Party Clients

Art. 83.

(1) The provisions of this section apply to BGH members and their respective authorized traders who execute orders of third-party clients directly or indirectly on the BGH market.

(2) BGH members are obliged to provide their services related to BGH trading with the necessary professional care and good faith in the interests of their clients at all times, and to strive to avoid conflicts of interest. Should conflicts of interest arise, they must be adequately resolved according to principles of good conduct and professionalism.

(3) All information provided by a BGH member to its third-party clients must be truthful, unambiguous, and not misleading or manipulative.

(4) As a rule, any order input from third-party clients must fully serve the interests of the client and must have the same outcome as if the individual offer were submitted directly to the BGH market for execution.

(5) Members acting as intermediaries on behalf of third-party clients are obliged to acquaint these clients with the Market Rules and inform BGH of any known violations by their third-party clients regarding non-compliance with the market rules.

(6) In accordance with commitments made to BGH, when authorized to act as intermediaries on behalf of third-party clients, BGH members must have appropriate procedures and controls to ensure compliance with market rules by their third-party clients.

(7) The member acting as intermediary for a third-party client must inform BGH as soon as possible in case of any market rules violation by any of its third-party clients or immediately upon learning of any activity by such client contrary to market rules.

(8) The BGH member acting as intermediary for a third-party client must ensure it has adequate control means and procedures allowing it to identify any activity by its third-party client contrary to market rules.

Art. 84.

When executing orders of third-party clients, BGH members are responsible for:

1. executing third-party client offers immediately on the BGH market, specifically without priority over other third-party client offers or the members' own interests;
2. executing or forwarding such third-party client offers in accordance with the sequence in which they were received;
3. preserving the interests of all third-party clients when combining third-party client offers;

4. preventing any abuse of information related to outstanding orders of third-party clients.

Section VI

Instructions, Information, and Sanctions

Art. 85.

(1) Members and traders of BGH, authorized to trade on the BGH market, are obliged to comply with the instructions and rules from the respective supervisory authorities, as well as from BGH itself, and in particular from the "Market Surveillance" unit of BGH.

(2) If members or traders of BGH, authorized to trade on the BGH market, violate existing provisions or fail to comply with instructions, they may be temporarily suspended from the BGH market in accordance with the more detailed provisions set out in the Market Rules, or they may be denied access to trade with client orders.

Art. 86.

(1) The "Market Surveillance" unit of BGH has the right to request information and submission of documents from any BGH member and to conduct inspections as necessary for fulfilling its tasks.

(2) The respective "Market Surveillance" unit may request information from anyone, including submission of documents and handing over copies, summoning and interviewing persons, in case there are indications confirming the suspicion that provisions or instructions applicable to trading on the BGH market have been violated or other complaints exist which could affect the proper conduct of trading on the BGH market or the settlement of BGH transactions.

Art. 87.

(1) In cases where members and users of BGH, authorized to trade on the BGH market, violate existing rules, fail to comply with BGH instructions, or disregard a request for information from the "Market Surveillance" unit of BGH, they may be denied access to trade on the BGH market and/or with client orders.

(2) This provision does not exclude sanctions based on other regulations.

Section VII

Market Surveillance

Art. 88.

The "Market Surveillance" unit ensures the fulfillment of obligations arising from Art. 15 of REMIT. BGH establishes an independent "Market Surveillance" unit as part of its operational staff.

Art. 89.

Members of the "Market Surveillance" unit are independent in decision-making and in the manner in which they organize and perform their duties. In particular, they may reject orders from BGH at their discretion if such orders affect their tasks as members of "Market Surveillance" in accordance with predefined rules and algorithms.

Art. 90.

(1) The “Market Surveillance” unit monitors proper trading on the BGH market and correct settlement of deals, conducting posteriori checks (based on known facts or past events) that BGH members act in accordance with the rules and regulations of the BGH market. BGH members are obliged to provide data to the “Market Surveillance” unit of BGH upon its request concerning information about the settlement of deals concluded by them on the BGH market. The recipient must treat these data as strictly confidential and is obliged to maintain confidentiality.

(2) The “Market Surveillance” unit systematically and comprehensively analyzes and evaluates data regarding trading on the BGH market and the settlement of transactions and conducts all necessary investigations within its competence.

(3) If the “Market Surveillance” unit establishes facts justifying the conclusion that there are violations of BGH rules and regulations or applicable provisions of Bulgarian or European legislation, or BGH orders, or other irregularities that may disrupt the proper conduct of trading on BGH or settlement of traded transactions, it immediately notifies the Bulgarian regulatory authority – directly or via the ACER Notification Platform – as well as the BGH Executive Director and, if necessary, initiates termination of membership.

Art. 91.

(1) To fulfill its duties, the “Market Surveillance” unit may conduct special investigations and, if necessary, may require from BGH members and their traders:

1. provision of additional information and documents;
2. conducting inspections;
3. disclosure of the economic beneficiary of the transactions.

(2) The Market Surveillance unit does not impose sanctions, but notifies the Managing Director of BGH, the Energy and Water Regulatory Commission (EWRC), and ACER of any suspected REMIT violations. ~~The Market Surveillance unit does not impose sanctions, but notifies the Managing Director of BGH, the Energy and Water Regulatory Commission (EWRC), and ACER of any suspected REMIT violations..~~

Art. 92.

The “Market Surveillance” unit of BGH reports regularly or upon request to the BGH Executive Director and, if necessary, to the BGH Board of Directors.

Art. 93.

(1) BGH cooperates with the national regulatory authority (EWRC) to ensure regulated, efficient, and transparent trading.

(2) If BGH has a well-founded suspicion that a trading order or transaction, including its cancellation or modification, whether submitted on BGH's trading platform or outside of it, may constitute a breach of Articles 3, 4, or 5 of REMIT, BGH shall notify ACER and the EWRC in a timely manner, but no later than four weeks from the date on which BGH became aware of the actions of the relevant market participant. ~~As an entity that organizes wholesale energy product transactions professionally, in accordance with Art. 15 of REMIT, upon reasonable grounds to suspect that a trading order or transaction, including its cancellation or amendment, whether submitted to the BGH Trading Platform or outside it, may violate Articles 3, 4, or 5 of REMIT, BGH notifies ACER and the respective national regulatory~~

~~authority without undue delay, but no later than four weeks from the day BGH became aware of the suspicious event.~~

(3) The "Market Surveillance" unit may transmit data related to the execution of transactions to the regulatory authority as the body responsible for monitoring natural gas trading in Bulgaria and which has the right to request and receive data from the unit, to the extent necessary to ensure the proper conduct of trading and settlement of transactions. Representatives of the regulatory authority may also use the information solely for the purpose for which it was provided.

Chapter Six

REPORTING UNDER REMIT

Art. 94.

~~In order to ensure compliance with the provisions of Article 8 of REMIT, Article 1(11)(b) as amended in paragraph 1a of the REMIT Amendment Regulation, and Article 6 of the REMIT Implementing Regulation, BGH — on behalf of the participants of the BGH market — reports wholesale energy trading data, including trading orders, to ACER. To ensure compliance with the provisions of Art. 8(1a) of REMIT and Art. 6 of the REMIT Implementing Regulation, BGH carries out reporting of wholesale energy trading transaction data, data related to the order register, including trading orders, for deals entered, concluded, or executed on the BGH Trading Platform, thus fulfilling on behalf of the BGH market participants their reporting obligations under paragraph 1 of Art. 8 of REMIT.~~

Art. 95.

~~(1) Upon request by a BGH member, BGH provides reporting services to ACER for data on bilateral natural gas transactions concluded by the member outside the BGH trading platform.~~

~~(2) BGH — on behalf of the participants of the BGH market — reports data to ACER pursuant to a reporting services agreement. The agreement is published on the BGH website together with a price list for the use of the services.~~

~~(3) BGH reports data to ACER under REMIT through a "Registered Reporting Mechanism" within the meaning of Article 1(3)(j) as referred to in point 16 of the REMIT Amendment Regulation, which mechanism is licensed by ACER.~~

~~(4) Upon request by a BGH member, BGH provides reporting services to ACER for bilateral natural gas sales transactions concluded by the respective member outside the BGH Trading Platform.~~

~~(2) Reporting of data by BGH to ACER on behalf of BGH market participants is carried out based on a reporting services agreement. The agreement is published on the BGH website, along with a price list for using the services.~~

~~(3) Reporting of data to ACER under REMIT is performed through a "Registered Reporting Mechanism," within the meaning of Art. 2(16) of REMIT, duly authorized pursuant to Art. 9a of REMIT.~~

~~These rules, pursuant to Art. 21, para. 1, item 42 of the Energy Act, are approved by the Energy and Water Regulatory Commission by decision under Protocol No. ..., and come into force after their publication in the "State Gazette."~~

Final Provision

These rules, pursuant to Article 21(1)(42) of the **Energy Act**, have been approved by the **Energy and Water Regulatory Commission** by decision under **Protocol No. 215 of 23 July 2025, item 5**, and shall enter into force on the date of their publication in the **State Gazette**.

Chairman: Plamen Mladenovski

Appendix 1: Definitions

1. "ACER" means the Agency of the European Union for Cooperation of Energy Regulators.
2. "VTP" or "Virtual Trading Point" means a notional point where market participants can trade natural gas within the respective market area.
3. "Gas day" means a period of twenty-four (24) hours, starting at 7:00 local time on the respective day. The current gas day is denoted as D. The previous gas day is denoted as D-1.
4. "Balancing contract" means a contract for the purchase and sale of natural gas for balancing purposes, concluded by a network user/trader with the TSO for the daily settlement of their daily imbalances.
5. "Contract(s)" means contracts for the purchase or sale of natural gas or products traded on the TP, as defined in the Market Rules and Market Notices (if applicable).
6. "Liquidity provider" means a person who has concluded an agreement with the gas exchange market operator to bid and offer natural gas in order to provide liquidity to the gas exchange market.
7. "Applicants" means legal entities in the process of applying for membership in BGH to be admitted as members.
8. "KEVR" means the Energy and Water Regulatory Commission in Bulgaria, an independent public administrative body with various functions, including licensing and oversight of companies in the electricity, natural gas, and water supply sectors.
9. "**Clearing House**" means a **central counterparty** within the meaning of Article 2(1) of Regulation (EU) No 648/2012, responsible for **guaranteeing transactions**

concluded on the organized market of BGH. The clearing house is designated in the BGH Clearing Rules. "Clearing house" means the central counterparty for transactions concluded on "Balkan Gas Hub" EAD (BGH), responsible for their settlement and collateralization. The clearing house is designated in the BGH Clearing Rules. "Central Counterparty (CCP)" is as defined in Article 2, point 1 of Regulation (EU) No 648/2012.

10. Financial settlement means the execution of payments for transactions concluded on the cleared segments of "Balkan Gas Hub" EAD (BGH) and processed by the clearing house.
11. "Counterparty" means the counterparty/party to a transaction on the TP (as buyer or seller).
12. "SSP" or "Short-term Standardized Product" means a continuously traded short-term standardized product traded on the TP.
13. "Local point" or "LP" means a physical interconnection point in the network where local products are traded.
14. "Market maker" or "Market participant" means a person who has concluded an agreement with the gas exchange market operator to bid and offer quantities of natural gas to provide liquidity to the gas exchange market and to form price signals.
15. "OMP," "organized market," or "Organized Trading Venue (OTV)" means an energy exchange, energy broker, capacity trading platform, or any other system or mechanism where multiple third-party interests to buy and sell wholesale energy products interact in a manner that may result in a transaction. Organized market" or "OM" means:
an energy exchange, energy broker, capacity platform, or any other system or mechanism where multiple third-party interests to buy and sell wholesale energy products interact in a manner that may result in a transaction.
16. "TSO" or "Transmission System Operator" means a transmission system operator as defined in Article 2, point 18 of Directive (EU) 2024/1788. "TSO" or "Transmission System Operator" means a transmission system operator within the meaning of Article 2(18) of Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets in renewable gas, natural gas, and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC (Directive (EU) 2024/1788).
17. "DSO" or "Distribution System Operator" means a distribution system operator as defined in Article 2, point 20 of Directive (EU) 2024/1788. "DSO" or "Distribution System Operator" means a gas distribution system operator within the meaning of Article 2(20) of Directive (EU) 2024/1788.
18. "Offer" means an electronic document by which a member presents the price and quantity for which they intend to conclude a contract.
19. "BGH market" or "Organized gas exchange market of BGH" means the entirety of all organized market segments operated and administered by the gas exchange market operator, including the segment for trading short-term standardized products according to Regulation (EU) No 312/2014, on which transactions with natural gas and gas derivatives are concluded.

20. "Market participant" means a company present on the BGH market as a buyer or seller (or both), concluding transactions for natural gas on a market basis on the BGH market.
21. "Market data" means data obtained from transactions on the BGH market, including but not limited to volumes, reference prices of traded products on the BGH market, and price indices published by BGH in aggregate form, preserving the anonymity of participants in the transactions.
22. "BGH Market Rules" or "Rules for operation of the BGH gas trading platform" means the rules under which BGH provides services to members and according to which members trade on the trading platform, and which the parties agree to comply with.
23. "Balancing rules" means the Balancing Rules of the natural gas market adopted by KEVR.
24. "Trading rules" means the Rules for trading natural gas adopted by KEVR.
25. "Access rules" means the rules of KEVR for providing access to transmission and/or distribution gas networks and access to natural gas storage facilities.
26. "TP" or "Trading Platform" within the meaning of Regulation (EU) No 312/2014 is an electronic platform maintained and managed by a trading platform operator, through which market participants can post and accept, including amend and withdraw, offers to buy and sell natural gas to meet short-term fluctuations in supply and demand for natural gas, under the conditions applicable on the TP, and on which the TSO trades for balancing purposes.
27. "Transactions with intangible products" are transactions for transferring ownership of gas between two balancing portfolios of a Virtual Trading Point.
28. "BGH trading system" means the set of IT solutions, including the exchange trading system (ETS) of Trayport, application programming interfaces (API) to it, and other software products and solutions necessary for conducting the trading activities of "Balkan Gas Hub" EAD and its members on the Organized gas exchange market of BGH.
29. "Membership agreement" means the agreement between BGH and members regulating access to the TP, including the requirements and procedures for contract trading.
30. "Contract term" for gas supply means the period for which there are firm contracted average daily quantities for delivery on a daily basis, without interruption of deliveries during the contract period (with the possibility to modify the average daily quantity according to the flexibility set out in the contract), for which deliveries the unit price or the mechanism for its calculation is clearly and firmly determined in a manner allowing both parties to determine it at any time during its execution without requiring additional negotiations or clarifications between them.
31. "Standardized contract" or "Standard contract" means a contract relating to a wholesale energy product admitted for trading on an organized market, regardless of whether the transaction is actually executed on that market.
32. "Trader" means a person designated by a member to trade on the TP on their behalf and/or acting under their direction on the member's account (proprietary trades) or on behalf of the member on a third party's account.

33. "Trading data" means individualized data of each participant in transactions on the BGH market, which are not publicly disclosed and contain commercially sensitive information regarding quantities and prices for each product traded on the BGH market.
34. "Members" are legal entities that have applied and been approved by BGH to trade on the TP of BGH.
35. "ARIS" means the REMIT information system of ACER.
36. "NC BAL" or "Regulation (EU) No 312/2014" means Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks.
37. ~~"REMIT" means Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency, which is an EU regulation amended by Regulation (EU) 2024/1106 of the European Parliament and of the Council of 11 April 2024 amending Regulations (EU) No 1227/2011 and (EU) 2019/942 in connection with improving the protection of the Union against market manipulation in wholesale energy trading~~"REMIT" means Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency, as amended by Regulation (EU) 2024/1106 of the European Parliament and of the Council of 11 April 2024, amending Regulations (EU) No 1227/2011 and (EU) 2019/942 in connection with enhancing the Union's protection against market manipulation in wholesale energy trading.
38. "REMIT IR" or "REMIT Implementing Regulation" means Commission Implementing Regulation (EU) No 1348/2014 of 17 December 2014 implementing Article 8(2) and (6) of Regulation (EU) No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency.
39. VWAP – Volume Weighted Average Price for the respective product.

Appendix 2: Membership Agreement

MEMBERSHIP AGREEMENT FOR THE TRADING PLATFORM OF "BALKAN GAS HUB" – EAD

Today....., between:

"Balkan Gas Hub" EAD, with registered office and management address: Bulgaria, Sofia, postal code 1756, Student district, Darvenitsa residential area, St. Kliment Ohridski Blvd., near

block 19, Kintex Business Building, registered in the Commercial Register at the Registry Agency of the Republic of Bulgaria with UIC 205478458, VAT number BG205478458, duly represented by Petya Ivanova – Executive Director (hereinafter briefly referred to as "BGH"), and

_____, company, established under the legislation of _____, with registered office and management address _____, registered in the commercial register of _____ under number _____, VAT number _____, duly represented by _____, hereinafter referred to as _____ the "Applicant," hereinafter collectively referred to as the "Parties,"

Having _____ regard _____ that:

- "Balkan Gas Hub" EAD is an operator of a natural gas trading platform according to Decision № 209/ 29.11.2019 of the Energy and Water Regulatory Commission and holds license № L-532-11 dated 25.03.2021 for organizing a gas exchange market;
- The Applicant wishes to obtain membership rights at BGH, granting access to the BGH trading platform (short-term segment and long-term segment) and to participate in their own name and/or on behalf of third parties, as defined in the Rules of Operation of the Trading Platform of "Balkan Gas Hub" EAD and its annexes ("Market Rules");
- This Membership Agreement of BGH ("Membership Agreement") enters into force from the date of signing by both Parties,

The Parties agree as follows:

1. Subject of the Agreement

- 1.1. The Applicant wishes to be granted access to the BGH market, short-term segment and long-term segment, and to participate in their own name and/or on behalf of third parties, as defined in the Rules of Operation of the organized exchange market of "Balkan Gas Hub" – EAD, and its annexes, and BGH agrees to provide the Applicant access to the offered segments in accordance with the terms of this Membership Agreement and the Market Rules.
- 1.2. The Parties enter into this Membership Agreement and undertake to perform their obligations faithfully and precisely – _____ as a member of BGH and BGH as the Operator of the _____ natural gas trading platform.
- 1.3. By signing this Agreement, the Applicant is admitted and registered as a member of the BGH _____ trading platform.
- 1.4. For matters not regulated by this Agreement and the Rules of Operation of the Trading Platform of "Balkan Gas Hub" EAD, the applicable European and national legislation and subordinate normative acts shall apply.

2. Declarations

- 2.1. "Balkan Gas Hub" EAD declares that it has entered into an agreement with Trayport Limited (Trayport) for the application of Trayport's Exchange Trading System (ETS) for the trading needs of "Balkan Gas Hub" EAD.
- 2.2. The operator of the natural gas trading platform declares that it performs this activity in accordance with the Energy Act and Regulation (EU) № 312/2014 of the Commission establishing a Network Code on Gas Balancing of Transmission Networks.
- 2.3. The Applicant for membership guarantees the accuracy and truthfulness of the documents and information provided to BGH upon application for admission to membership on the natural gas _____ trading platform.
- 2.4. By signing this Agreement, the Applicant explicitly declares that:
 - a) the registration form is correctly and duly completed and signed by an authorized

representative;

b) the presented documents are up to date and issued by a competent authority in accordance with the laws of the jurisdiction where the Applicant is established;

c) it is duly established and exists according to the applicable laws in the jurisdiction of establishment;

d) it is not subject to any administrative, arbitration, or judicial procedure which could lead to significant deterioration of its business activities or financial condition, loss of assets and/or negatively affect the validity or proper execution of the Participation Agreement, the Market Rules, and applicable legislation;

e) it undertakes to consider and comply with all notifications from BGH regarding the functioning of the natural gas trading platform, as well as published or received messages in case of emergencies or technical or other issues;

f) it has competent personnel possessing the skills and qualifications necessary to perform trading activities under the Market Rules of BGH;

g) it meets the technical requirements specified by BGH;

h) it undertakes to immediately inform BGH of any changes related to the above guarantees and declarations.

3. Rights and Obligations of the Parties

The Parties undertake to strictly comply with their obligations under this Agreement, the Market Rules, and applicable legislation.

4.

Fees

4.1. The membership fee for the natural gas trading platform, transaction fees, and all other applicable fees shall be determined according to the price list approved by the BGH Board of Directors and published on the BGH website.

4.2. Fees under Art. 4.1 shall be paid in the manner determined in the Market Rules, to the bank account specified by "Balkan Gas Hub" EAD, based on a duly issued invoice.

Bank details of "Balkan Gas Hub" EAD:

Bulgarian-American Credit Bank AD

SWIFT (BIC): BGUSBGSF

IBAN: BG63BGUS91601006916800 (account in BGN)

Sofia 1000, Slavyanska St. 2

Bulgarian-American Credit Bank AD

SWIFT (BIC): BGUSBGSF

IBAN: BG45BGUS91601406916800 (account in EUR)

Sofia 1000, Slavyanska St. 2

4.3. The Applicant for membership declares that they undertake to periodically monitor any changes in fees and to pay them timely.

4.4. If the Applicant fails to pay the due fees within the established deadline, BGH shall charge interest for late payments at the BNB base interest rate plus 10%.

4.5. If the Applicant fails to pay the amount due under this Agreement within 10 days from the due date, the Operator has the right to terminate their membership on the natural gas trading platform.

5.

Liability

In case of non-performance or violation by the Applicant of any of the agreed provisions or the Market Rules, BGH reserves the right to impose sanctions up to the amount of the due membership fee and/or other fees, including but not limited to unilaterally terminating the Membership Agreement.

6. Confidentiality
The Parties agree not to disclose to third parties any information obtained as a result of this Agreement, except in cases provided for by applicable regulations and national legislation.

7. Termination
This Agreement may be terminated:
7.1. by one month's written notice by the member;
7.2. unilaterally by the Operator in the case of Art. 4.5 and Art. 5.

8. Miscellaneous
8.1. For issues not settled by this Agreement and the Market Rules, the provisions of the applicable Bulgarian legislation shall apply, and if no agreement is reached through negotiations, the aggrieved party may refer the dispute to the Arbitration Court at the Bulgarian Chamber of Commerce and Industry in Sofia.
8.2. By signing this Membership Agreement, the Applicant confirms full understanding and acceptance of all terms of this Agreement and the Market Rules.
8.3. This Agreement is drawn up in two identical copies in Bulgarian (for Bulgarian companies) and two identical copies in English (for foreign companies).

For [APPLICANT'S NAME]
By: [Name of authorized person]
Position: [Position of authorized person]
Date: [Enter date] For "Balkan Gas Hub" EAD
By: [Name of authorized person]
Position: [Position of authorized person]
Date: [Enter date]

[Annex 2A: Registration Form](#)

REGISTRATION FORM

This form is an integral part of the application documents for BGH Membership and has to be filled out by the Applicant completely. Please note that all fields marked with an asterisk (*) are **mandatory**.

Company details	
Company name (legal entity) *	
Company ID Number*	
VAT ID*	
Energy Identification Code (EIC)*	
ACER Code*	
Address of registration (Country, city, street, PB)*	
Website	
Main Contact Person (Name, phone, email, address)*	

Operational and Commercial Data (If applicable)	
Dispatching (24/7) (Name, phone, email, address)	
Trading/Front Office (Address/ Contact Details)	
Authorized Trader(s)* (Name(s), Contact Details)	

Bank information	
Name of bank*	
Address (Country, city, street, PB)*	
IBAN*	
BIC/SWIFT Code*	
Contact person (phone, email, address)	

Mandatory supplementary documents:

- ✓ signed Membership Agreement in 2 originals;
- ✓ copy of a concluded Balancing Agreement with the TSO; and
 - copy of a concluded Contract for VTP use;
 - copy of a concluded Contract for access and transport;
- ✓ certificate providing the current legal status of the Applicant or equivalent document in line with the national legislation of the country of its registration (issued no earlier than 30 calendar days before the date of submission of the application for admission to BGH Membership);
- ✓ notarized power of attorney if the application for membership is signed by an authorized representative;
- ✓ financial statements of the company for the last 2 fiscal years.

BGH reserves the right to request additional documentation and evidence at its own discretion.

Note: Please make sure that your registration form is complete and complies with the specifications. Incomplete or non-complying registration forms will not be processed.

By signing this registration form, we consent that Balkan Gas Hub EAD shall administer and process all personal data provided by us in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

The BGH Registration Form was completed:

on: _____

by: _____

(Name and signature)