



**To the participants of the  
GET Baltic Natural Gas Exchange  
and to whom it may concern**

**No 1710-02 of 10<sup>th</sup> October 2017**

**CIRCULAR ON THE REGULATORY QUALIFICATION OF PRODUCTS TRADED ON THE GET BALTIC EXCHANGE AND THE STATUS OF A TRADING PLATFORM ACCORDING TO MIFID II**

UAB GET Baltic (hereinafter – GET Baltic), who is operating in accordance with the licence of the natural gas market operator and is engaged in the business of a natural gas exchange, hereby is informing gas market participants and customers that GET Baltic has received clearance from the competent Supervision Service of the Bank of Lithuania (hereinafter – National Bank (Lithuanian Financial Market Surveillance Authority)) on the application of *Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU* (hereinafter – MiFID II). MiFID II shall enter into force from 3<sup>rd</sup> of January 2018. According to the Guidance received from the National Bank, all products traded on the GET Baltic Natural Gas Exchange and the trading place will not fall within the scope of MiFID II.

GET Baltic Natural Gas Exchange only offers wholesale energy products with physical delivery which fall within the exclusive scope of regulation provided for by *Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (REMIT)*.

According to the formal Guidance received from the National Bank of Lithuania, responsible for compliance with MiFID II requirements, the National Bank acknowledges that wholesale energy products traded on the GET Baltic Natural Gas Exchange are qualified for the exemption provided for in Annex I Part C (6) of MiFID II Directive.

The National Bank has equally given Guidance of the regulatory qualification of the GET Baltic trading platform. As stated in this Guidance GET Baltic does not fall within the scope of MiFID II regulation and will not be under no obligation to apply for a license to become an organized trading facility (OTF). According to the Guidance, GET Baltic is not a multilateral trading facility (MTF), nor a regulated market, but is qualified as physical gas trading platform operator for the Baltic States.

If you have any questions, please do not hesitate to contact us by phone +370 5 236 0000 or e-mail [info@getbaltic.com](mailto:info@getbaltic.com).

Acting Chief Executive Officer



Gintaras Buzkys