

To the participants
of the GET Baltic Gas Exchange

18-06-2020 No. 2006-02

CIRCULAR ON ADDITIONAL TRADING LIMITS APPLICABLE ON GET BALTIC GAS EXCHANGE

UAB GET Baltic (hereinafter – GET Baltic) as the central counterparty is always striving to meet the highest standards of clearing services and guarantee timely settlement of transactions, by providing security benefits for its customers. Taking into account the best practice of the European clearing houses, as well as maintaining high standards of transparency and ensuring a level playing field for market participants, in accordance with decision made by the Board of GET Baltic (hereinafter – the Board) on 17 June 2020, GET Baltic informs gas exchange participants (hereinafter – Participants) that:

1. Acceptance of new requests on granting an additional trading limit, that is not subject to the submission of any collateral or prepayment, as indicated in the Paragraph 119 of the Regulation of Trading on the Natural Gas Exchange (hereinafter – Regulation) shall be suspended from 1 July 2020. Respectively new applications will not be considered by the Board. Foreseen exemptions are stipulated in the paragraph no. 2 below.
2. By the decision of the Board, additional trading limits may continue to be applied only to:
 - 2.1. Participants who have entered or intends to enter into Market Maker Agreement with GET Baltic in accordance with the terms and conditions stipulated in the Regulation as an incentive to ensure market liquidity by periodically submitting gas purchase and sale orders on the regional Baltic-Finnish Gas Exchange.
 - 2.2. All gas transmission system operators (hereinafter – TSOs) of the Baltic States and Finland, taking into account that TSOs regularly participate in the activity of the gas exchange in accordance with the Network Code on Gas Balancing of Transmission Networks and have an obligation to perform balancing actions on the gas exchange by promoting liquidity. In addition, the activities of TSOs are regulated, they operate in a non-competitive environment and the additional costs incurred balancing gas transmission network includes in the tariffs applied by TSOs.
3. Participants who have a valid additional trading limit in accordance with paragraph 119 of the Regulation please be noted that granted additional trading limit validity period is set till 6 August 2020 (inclusive). To ensure the possibility continuously purchase gas on the gas exchange operated by GET Baltic after the expiration date of additional trading limit, we suggest using one of the collateral measures provided in paragraphs 102 and 104 of the Regulation beforehand, i.e. to make an advanced payment or to provide a bank guarantee until 6 August 2020.

Please be reminded that GET Baltic has an approved acceptable contract performance guarantee template which can be downloaded from GET Baltic website: <https://www.getbaltic.com/wp-content/uploads/2020/05/Contract-Performance-Guarante-Template.pdf>

If you have any questions, please contact us by phone: +370 636 64354 or by email ieva.cigane@getbaltic.com.

Chief Executive Officer

Giedrė Kurmė

