

SEPEX Exchange Rules – Annex 1

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Election procedure for the Organized Market Committee
13/09/2016

Art. 1
Composition of the Organized Market Committee

(1) The Organized Market Committee shall consist of seven members.

The following categories are represented in the Organized Market Committee with the following number of seats:

1. Utility/ Production	3 seats
2. Trading Company	3 seats
3. TSO	1 seat

If needed, distribution of seats will be updated by SEEPEX before each election once members will have confirmed their category. In case that a company doesn't appoint a representative for Organized Market Committee then its seat will be filled by representatives of other SEEPEX members.

Each elected category should not hold more than half of elected Organized Market Committee seats.

(2) For all categories, the members of the Organized Market Committee are elected by the Exchange Members within the same category. They have full right of vote according to article 1.23 of SEEPEX Exchange Rules.

Art. 2
Election Committee

(1) The Election Committee shall be in charge of the preparation and execution of the election.

The Election Committee shall consist of one chairperson and two committee members chosen internally at SEEPEX.

SEEPEX will delegate one of its employees whose responsibility will be to monitor all Election Committee actions.

Art. 3
Right to Vote

- (1) Each Exchange Member is entitled to vote for the representative(s) in its category only.
- (2) Each Exchange Member will be invited to designate the person authorized to vote on behalf of the company.
- (3) For this purpose an electronic document will be sent to the authorized signature of each Exchange Member.

Art. 4
Selection of categories

- (1) Before the election, each Exchange Member will be invited to confirm its category within a period of two weeks.
- (2) After the expiration of the term, in case the declaration is not received by the Election Committee, the Election Committee shall determine the category in which the company may vote.
- (3) In case of dispute, the final decision on category belonging is made by the Election Committee.

Art. 5
Register of voters

- (1) After the procedure described at the article 4, the Election Committee determines the final register of voters with the list of the eligible voters per category.
- (2) The register of voters shall be published on the SEEPEX website and remain available until the expiry of the election period.

At the same time, the companies listed in the register of voters are informed by email of the assignment to their respective category.

Art.6
Eligibility to Stand for Election

- (1) Those persons who are entrusted with the management of the company's business according to law, the articles of association and who are authorised to represent such company are eligible to stand for election. Moreover, senior executives and expert employees of companies are also eligible to stand for election.
- (2) The person to be elected as the representative of a company must be reliable and command the required professional qualification for transactions on exchanges.

Art. 7
Candidacies

- (1) Four weeks before the opening date of the election period, the Election Committee shall inform all eligible voters of the number of representatives to be elected in each category and ask for candidacies.
- (2) Only one person can stand for the election on behalf of a company.
- (3) In case the Election Committee does not receive any valid candidacy for a category within a period of two weeks after the issuance of the request according to paragraph 1, the Election Committee shall look for and appoint candidates.
- (4) SEEPEX will inform all the relevant parties about the list of candidates per category shall be published on the SEEPEX website two weeks before the opening day of the election period.

Art. 8
Schedule of the Election

- (1) The Election Committee shall establish the schedule of the election procedure specifying the dates during which Exchange Members can exercise their right of vote.
- (2) The planning of the election procedure shall be published on SEEPEX website at least one month prior to the election period.

Art. 9
Election Procedure

- (1) The election shall be held by voting procedure.
- (2) The Election Committee shall send by email to each eligible voter an electronic document for the vote on the opening day of the election procedure.

The electronic document shall contain the name of all candidates in the respective category and the name of the company they stand for; it shall specify how many persons are to be elected as members of the Organized Market Committee in the respective category.

- (3) Each eligible voter has as much vote(s) as member(s) to be elected in its category. It can only vote once for one candidate.
- (4) The electronic documents must be returned to the election committee within two weeks as of its receipt.

Art. 10
Election Result

- (1) The election committee will be in charge of the count of votes and the attribution of the seats.
- (2) No quorum is needed for the election to be validated.
- (3) Seats are allocated to candidates per category according to the principle of proportional majority. Those candidates who have received the highest number of votes per category are elected. In case of voting tie, the elderly candidate shall be elected.

Art. 11
Declaration and Publication of the Election Result

- (1) A report shall be prepared regarding the election process. The report shall specify:
 1. the number of submitted votes;
 2. the number of votes for each candidate;
 3. the name of the candidates elected per category.
- (2) The report shall be published on the SEEPEX website at latest one week after the election.
- (3) The election committee shall announce the election result immediately after the elections on SEEPEX' website and inform the successful candidates by written.

Art. 12
Resignation of a Member

- (1) A member of the Organized Market Committee can lose his/her seat on the Organized Market Committee if:
 1. He/she quits the company on behalf of which he has been elected or
 2. The company on behalf of which he/she has been elected is no longer an Exchange Member of SEEPEX.
- (2) In case a member of the Organized Market Committee quits the company on behalf of which he/she has been elected or expresses the wish to abdicate his/her seat, the company shall designate another delegate before the next Organized Market Committee meeting.
- (3) In case the company on behalf of which he/she has been elected is no longer an Exchange Member of SEEPEX, the Organized Market Committee member shall be

replaced by a substitute designated in each category according to the ranking of their results in the elections.

In case there is no further candidate, the Organized Market Committee shall nominate a new member amongst candidates from the respective category.

- (4) In case companies represented at the Organized Market Committee merge, these companies shall decide which member will leave the Organized Market Committee. In case a corresponding decision is not communicated within a period of four weeks after the merger, the member who accounted for a lower number of votes in the election shall leave the Organized Market Committee. In such a case, article 12 (3) shall apply mutatis mutandis.

Art. 13

Duration of the Mandate

- (1) According to article 1.20 of SEEPEX Exchange Rules, the members of the Organized Market Committee are elected for a period of three years.
- (2) In deviation of article 1, if the Exchange Members are not any more represented adequately by the Organized Market Committee due to essential changes in the Exchange – i.e. close or addition of a new market or delivery area – the Organized Market Committee can decide to create new seats and to organize the nomination or election for these new seats or it can decide to hold a new general election upon a proposal by the management board of SEEPEX before the end of the mandate.
- (3) In this case, a new Organized Market Committee shall be elected within a period of one year under consideration of an adequate representation of the Exchange Members.
- (4) The mandate of the current Organized Market Committee members shall expire upon the first meeting of the newly elected Organized Market Committee members.

Art. 14

Chairmanship of the Organized Market Committee

- (1) In its first meeting after an election, the Organized Market Committee shall nominate a Chairman and two Deputies. If there are possibilities, Deputies should be from different categories, and if not then at least one of the Deputies has to be a member of another category than the Chairman of the Organized Market Committee.

Art.15

Other Concerned parties and Permanent Guests

- (1) During the Organized Market Committee mandate, SEEPEX can decide to attribute extra seats to candidates who have not been elected, for eventual rebalancing of geographic representation of the Organized Market Committee. These representatives have no right of vote.
- (2) During the Organized Market Committee mandate, SEEPEX can decide to invite to the Organized Market Committee several external representatives occasionally or as permanent guests. These representatives have no right of vote.

Art. 16
Entry into force

This Annex is part of the SEEPEX Exchange Rules as part of Market Rules and it enters into force as of 10 days after its publication on the SEEPEX website.