

EPEX SPOT Exchange Rules

Annex 1- Election Procedure for the Exchange Council

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§ 1 Composition of the Exchange Council

The Exchange Council shall consist of twenty-eight members. The following categories are represented in the Exchange Council, with the following number of seats:

1. Bank and financial services provider / clearing member	1 seat
2. Utility / aggregator	12 seats
3. Local supplier / consumer	3 seats
4. Trading company	9 seats
5. Transmission System Operator (TSO)	3 seats

If needed, EPEX SPOT SE will update the distribution of seats before each election, once members have confirmed their category. For each category, the members of the Exchange Council are elected by the Exchange Members of the same category. The Exchange Members have full voting rights as stipulated in the EPEX SPOT Exchange Rules.

§ 2 Election Committee

The Election Committee shall be in charge of the preparation and running of the elections. The Election Committee shall consist of one chairperson and two committee members, which shall be chosen internally at EPEX SPOT SE.

§ 3 Right to vote

Each Exchange Member is entitled to vote for the representative(s) of its category only. Each Exchange Member will be invited to designate the person authorized to vote on behalf of a company. For this purpose, an electronic document will be sent to the authorized signatory of each Exchange Member.

§ 4 Selection of categories

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

§ 5 Register of voters

Following the procedure described in Paragraph 2, the Election Committee determines the final register of voters, with the list of eligible voters per category. The register of voters shall

be published on EPEX SPOT 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 in writing of the category they have been respectively assigned to.

§ 6 Eligibility to stand for election

Those persons entrusted with the management of a company's business according to law and the articles of association of said company – and 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. The person to be elected as representative of a company must be reliable and have the required professional qualifications for exchange trading.

§ 7 Candidacies

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 invite applications. Only one person may stand for the election on behalf of a company. In case the Election Committee does not receive any valid candidacy for a category within a period of two weeks after the call for applications according to Paragraph 1, the Election Committee shall look for and appoint candidates. The list of candidates per category shall be published on EPEX SPOT website two weeks before the opening day of the election period.

§ 8 Election schedule

The Election Committee shall set the schedule of the election procedure, specifying the period during which Exchange Members may exercise their right to vote. The planning of the election procedure shall be published on EPEX SPOT website at least one month prior to the election period.

§ 9 Election procedure

The election shall be held by electronic vote. The Election Committee shall send by email an electronic voting document to each eligible voter, on the opening day of the election procedure. The electronic voting document shall contain the name of all candidates for each category and the name of the company they represent. It shall specify how many persons are to be elected as members of the Exchange Council in each category. Each eligible voter has as many vote(s) as there are member(s) to be elected in its category. It can only vote once for one candidate. The electronic voting document must be returned to the Election Committee within two weeks after its receipt.

§ 10 Election result

The Election Committee will be in charge of counting the votes and allocating the seats. No quorum is required for the election to be valid. 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 the event of a tied vote, the elderly candidate shall be elected.

§ 11 Declaration and publication of the election result

A report on the election process shall be prepared. The report shall specify:

1. the number of cast votes;
2. the number of votes cast for each candidate;
3. the name of the candidates elected per category.

The report shall be published on EPEX SPOT website, at the latest one week after the election. The Election Committee shall announce the election result on EPEX SPOT website, immediately after the elections, and inform in writing the successful candidates.

§ 12 Resignation of a member

An elected member of the Exchange Council may lose its seat at the Exchange Council if:

1. the elected member leaves the company on behalf of which it has been elected;
or
2. the company on behalf of which the member has been elected is no longer an Exchange Member of EPEX SPOT.
3. the elected member doesn't attend at least three of the four yearly meetings.

In case a member of the Exchange Council leaves the company on behalf of which it has been elected or expresses the wish to resign its seat, the company shall designate another representative before the next meeting of the Exchange Council. In case the company on behalf of which a member of the Exchange Council has been elected is no longer an Exchange Member of EPEX SPOT, the person shall be replaced by a substitute designated amongst the candidates of each category according to their ranking in the election results. If there is no further candidates, the Exchange Council shall nominate a new member amongst the Exchange Members from the category of the corresponding company. In case companies represented at the Exchange Council merge, these companies shall decide which member will leave the Exchange Council. If such decision is not communicated within a period of four weeks after the merger, the member who received the lowest number of votes in the election shall leave the Exchange Council. In such a case, Paragraph 12 shall apply *mutatis mutandis*. A member of the Exchange Council must attend at least three of the four meetings that take place in a year, otherwise EPEX SPOT may decide to replace this member's seat by a substitute in the concerned category.

§ 13 Duration of the mandate

According to Paragraph 18 of EPEX SPOT Exchange Rules, the members of the Exchange Council are elected for a period of three years. If the Exchange Members are no longer represented adequately by the Exchange Council due to substantial changes in the Exchange, i.e. the removal of an existing market or delivery area or the addition of a new one, the Exchange Council may decide to create new seats and to organize the nomination or election for these new seats. Alternatively, the Exchange Council may also decide, upon a proposal by the management board of EPEX SPOT SE, to hold a new general election before the end of the mandate. In this case, a new Exchange Council shall be elected within a period of one year, by respecting an adequate representation of the Exchange Members. The mandate of the Exchange Council's members who are in office at that time shall expire upon the first meeting of the newly elected Exchange Council's members.

§ 14 Chairperson of the Exchange Council

At the first meeting after an election, the Exchange Council shall nominate a Chairperson and up to three Deputies. At least one of the Deputies has to be a member of a category other than the one of the Chairperson of the Exchange Council.

§ 15 Other stakeholders and permanent guests

At the first meeting after the election, the Exchange Council may nominate two other stakeholders, chosen amongst academics or other experts. The Exchange Council may also decide to nominate two members of EEX Exchange Council as other stakeholders in EPEX SPOT Exchange Council, provided that those members are eligible as EPEX SPOT Exchange Council members. The other stakeholders have no right to vote. During the Exchange Council's mandate, EPEX SPOT SE may decide to allocate two extra seats to candidates who have not been elected, for a possible rebalancing of geographic representation within the Exchange Council. These representatives have no right to vote. During the Exchange Council's mandate, EPEX SPOT SE may decide to invite several external representatives, occasionally or as permanent guests, to the Exchange Council. These representatives have no right to vote.

§ 16 Entry into force

This annex is part of EPEX SPOT Rules and Regulations and shall enter into force ten days after its publication on EPEX SPOT website.