NYISO MINIMUM PARTICIPATION CRITERIA
RISK MANAGEMENT VERIFICATION TEMPLATE

Instructions: Submit this completed template and a copy of the Customer's current governing risk management policies and procedures to credit_department@nyiso.com or by mail to *New York Independent System Operator, Inc., 10 Krey Boulevard, Rensselaer, NY 12144, Attn: Credit Department.* Your completed risk management verification template should provide NYISO clear guidance as to where in the Customer's risk management policies and procedures the risk management standards and practices set forth in Section 26.1.3.2 of the Attachment K of the NYISO Market Services Tariff are satisfied.

Applicant/Customer Name: *Enter name here*
Date: *Enter date here*

1. If Customer has previously submitted its risk management policies and procedures for verification by the NYISO, have the policies and procedures changed materially since the previous submission?
   ☐ Yes
   ☐ No
   ☐ N/A

   If no, please sign and return this form. If yes, please describe the material changes.

   If applicable, use this space to describe the material changes and map where in the policies and procedures the material changes are located.

2. Customer's risk management framework is documented in a risk policy addressing market, credit and liquidity risks that have been approved by the Customer's risk management function, which includes appropriate corporate persons or bodies that are independent of the Customer's trading functions, such as a risk management committee, a designated risk officer, a Customer's board of directors or board committee, or, if applicable, a board of directors or board committee of a Customer's parent company.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

3. Customer maintains an organizational structure with clearly defined roles and responsibilities that segregate trading functions from risk management functions (*e.g.,* segregation of front, middle, and back office functions) to as high a level as practical.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

4. Customer has established delegations of authority specifying the transactions into which traders are allowed to enter.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

5. Customer ensures that its traders have adequate training and/or experience relative to their delegations of authority in the systems and markets in which they transact.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

6. As appropriate, risk limits are in place to control risk exposures.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

7. Reporting is in place to ensure that risks are adequately communicated throughout the organization.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

8. Processes are in place for qualified independent review of trading activities.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

9. As appropriate, there is periodic valuation or mark-to-market of risk positions.

   Use this space to map where the policies and procedures that satisfy the above standard are located.

10. If the risk management policies and procedures submitted with this template are not in the Customer's name but instead are the policies and procedures of an affiliate or agent, please describe how the policies are applicable to the Customer, the relationship between the Customer and that affiliate or agent and have that affiliate or agent execute the attached Agent or Affiliate Certification.

    If applicable, use this space to describe how the policies are applicable to the Customer and the relationship between the Customer and that affiliate or agent.

Submitted with this risk management verification template, where applicable, is a true and correct copy of the Customer's risk management policies and procedures and any amendments thereto as in effect on the date of this submission. The undersigned, a duly authorized representative of the above named customer/applicant, hereby certifies that the statements and information contained in this template are true and correct to the best of his/her knowledge and belief.

Signature   _____
            Must be signed by an authorized signatory of Customer

Print name: _____

Title: _____

Email: _____

Phone: _____

Certification of Insert Name of Agent/Affiliate

Insert Name of Customer's Participation in NYISO-Administered Markets

I, the undersigned, hereby certify that I am an authorized signatory of Insert Name of Agent/Affiliate and further certify as follows:

1. The risk management policies and procedures of Insert Name of Agent/Affiliate apply to all scheduling and bidding in the NYISO-administered markets by Insert Name of Customer.

2. Any and all actions taken by Insert Name of Agent/Affiliate on behalf of Insert Name of Customer in the NYISO-administered markets are performed in accordance with Insert Name of Agent/Affiliate's risk management policies and procedures.

IN WITNESS WHEREOF, I have hereunto signed my name as of the Insert Day day of Insert Month, 20   .

_____
(Signature)

Name: Print/Type Name

Title: Print/Type Title