



EURONEXT BORSA ITALIANA OPTIQ[®] MIGRATION – FREQUENTLY ASKED QUESTIONS

28 FEBRUARY 2022 - VERSION 2.0

CONTENTS

GENERAL	4
▪ What is the rationale behind Euronext’s acquisition of Borsa Italiana?	4
▪ Will Borsa Italiana markets migrate onto Euronext’s Optiq® platform?	4
▪ What are the benefits of the migration for clients?	4
▪ What has been your experience in past exchange acquisitions?	4
▪ What is the proposed timeframe for the integration of Borsa Italiana?	4
▪ Could you elaborate on the potential synergies?	5
▪ What are the main contacts for technical questions on the migration?	5
TRADING	6
▪ What products or services do you expect to launch that will benefit Euronext members, post-migration?	6
▪ Could you describe some of the major benefits the clients will get by migrating to Optiq?	6
▪ Will there be any functional changes to the Optiq trading platform?	6
▪ What does that mean for me as a client?	6
▪ Will Sponsored Access be made available on Optiq? Will it be available on Day-one?	7
▪ Will BTS, the trading workstation used by Italian Markets, be maintained?	7
▪ How will static data be provided? Will it be through EFS files as it is currently for Euronext or via SFTP files as it is currently for Borsa Italiana?	7
▪ What does the discontinuation of double-sided quotes on Italian cash markets technically mean for legacy Euronext markets?	7
▪ Do you expect the format of TVTIC to change once it is provided in a dedicated field in Optiq?	7
▪ Cross and BTF functions will be replaced by Trade Confirmation Service. What does it imply for cross within bid offer? Will it be possible to have a similar function available also during Trading at Last?	7
▪ Will Borsa Italiana continue to develop the legacy platform before migration?	7
▪ Will Borsa Italiana markets be accessible via the Logical Accesses already in use for legacy Euronext markets?	8
▪ Will the market model of each asset class change together with the migration to Optiq?	8
▪ Will the Italian instruments be on dedicated partitions of the relevant Optiq segments or will they be on the same partitions as existing Euronext instruments?	8
▪ Will instrument groups change with the migration? Will there be a way to identify the Borsa Italiana instruments (e.g. MIC code)?	8
▪ Will there be changes to pricing and fees?	8
▪ What will the next milestones be for me as a client?	8
▪ What are the legal impacts for me as a client?	8
MARKET DATA	9

▪ Will there be any functional changes to the Optiq Market Data Gateway (MDG)?	9
▪ Will Borsa Italiana markets be disseminated via dedicated channels?	9
▪ What will the minimum bandwidth requirements be for Borsa Italiana markets?	9
▪ Will the current TCP market data service provided by Borsa Italiana still be provided after the migration?	9
▪ What will happen to existing GTP Market Data connection to Italian markets?	9
▪ When can we expect Market Data Gateway specifications supporting the migration to be released?	9
▪ Will there be any functional changes to my non-real time data products (historical data/corporate actions notices/reference data products)?	10
CONNECTIVITY	10
▪ Will I be allowed to use the same network connection I am currently using?	10
▪ Will it be possible to connect from Aruba IT3 DC to BITnet and from BITnet to Aruba, during the migration (i.e. while Borsa Italian markets will be partially in Aruba and partially in BITnet)?	10
▪ When will LSEG discontinue Borsa Italiana connectivity?	10
▪ What is the alternative to connect to Borsa Italiana once connectivity via LSEG is discontinued?	10
▪ Where can I find the list of Service Providers ?	11
POST-TRADE	11
▪ What will happen to the post-trade process (settlement and custody) for Milan, since Euronext also acquired CC&G and Monte Titoli? What will change?	11
▪ What will the target post-trade clearing set-up be?	11
▪ What will be the next milestones for me?	11
REGULATORY FRAMEWORK	12
▪ How will Milan be regulated and what regulatory roles will it have?	12
MIGRATION STRATEGY	12
▪ Will there be a transition period or will Italian Markets remain as they currently are until the very last day before the migration, and then connect to Aruba on the first day of the migration?	12
▪ How will I be able to connect to the different Euronext test environments during the migration?	12
▪ When will EUA be available for connectivity tests so I can anticipate before the opening of the functional testing period?	12
▪ How many dress rehearsals in production will be planned?	12
▪ Will Euronext update its technical documentation?	12
WHAT'S NEW?	13

GENERAL

What is the rationale behind Euronext's acquisition of Borsa Italiana?

The acquisition of Borsa Italiana signifies another key milestone in the delivery of Euronext's vision to build a consistent pan-European marketplace offering best-in-class capital markets services. The completion of the transaction further strengthens Euronext's position as the leading pan-European market infrastructure and the leading venue for capital markets in Europe.

Euronext intends to leverage its enhanced capabilities to further penetrate European capital markets and serve as the backbone of the Capital Markets Union in Europe, while at the same time supporting local economies. Local investors, market members and issuers of each Euronext market have access to a significant range of active institutional investors across Europe and worldwide. The transaction expands the Group's strategic prospects in a rapidly changing environment and is expected to translate into new opportunities for growth, geographical expansion, business diversification and product innovation.

An integration plan has been developed, across several workstreams, under the oversight of an Integration Management Office, including representatives of both the Borsa Italiana Group and Euronext.

Will Borsa Italiana markets migrate onto Euronext's Optiq® platform?

Yes, Borsa Italiana markets will migrate onto Optiq (Agrex market will be wound down alongside the migration of Borsa Italiana on Optiq®). However, MTS will remain on a separate technology stack.

What are the benefits of the migration for clients?

Euronext is confident that the Borsa Italiana markets migration onto Optiq will increase Borsa Italiana's member base (leveraging Euronext's member base that is not currently connected to Borsa Italiana markets) and expand the service and product offerings currently on offer to Borsa Italiana's clients (leveraging existing Euronext value-added services which would be of interest to Borsa Italiana's clients).

We aim to foster investors' activity and volumes on Borsa Italiana markets. Ultimately, this will sustain Borsa Italiana's market share and secure the viability of its markets.


What has been your experience in past exchange acquisitions?

Euronext Dublin and Oslo have performed very well since their integration in 2019 and 2020 respectively, and the integrations ran smoothly. The Dublin and Oslo management teams were successfully integrated into Euronext governance framework, and the Central Bank of Ireland and Norwegian Financial Supervisory Authority joined the Euronext College of Regulators.

Euronext Dublin migrated to Optiq in February 2019, allowing Irish capital markets participants to access the largest single pool of liquidity in Europe with strong tangible benefits for market participants.

What is the proposed timeframe for the integration of Borsa Italiana?

The completion of the transaction took place on 29 April 2021 and we are working on the integration process and associated timelines. Euronext teams and Borsa Italiana teams



went through an extensive period of discovery sessions and presentations to work on the integration. Further announcements will be made in due course.

Subject to regulatory approval, the anticipated timeline for the migration is split in three (3) phases and is outlined below:

- Phase 1 – Q1 2023: Milan Equity (incl. MIV market) and ETF markets
- Phase 2 – Q2 2023: Milan Warrants & Certificates (SeDeX), Fixed Income and EuroTLX
- Phase 3 – end Q2 2023: Milan Financial and Commodity Derivatives Markets

An Optiq upgrade for Euronext's legacy clients will start end of 2022.

Could you elaborate on the potential synergies?

The Euronext ambition for the next three years was announced to the market in November 2021 as part of the 'Growth for Impact 2024' company strategic plan. This includes the group synergies.

For further information, please refer to [Investor Day 2021 | euronext.com](#).

What are the main contacts for technical questions on the migration?

The Client Support teams can be reached out via mail or phone using:

- **Optiq Migration Support team:** Optiqmigration@euronext.com
- **Euronext Support team:** +33 1 8514 8585 (then press 4)
- **Euronext Borsa Italiana Support team:** +39 02 4541 1399

For further information about the Borsa Italiana Optiq Migration, you can also contact your Sales Representative.

Pending general Optiq documentation which will be made available on the Euronext customer portals, we invite you to refer to current documentation on how Optiq works (documentation will be updated in due course with expected changes) and latest information sharing:

- [Borsa Italiana Optiq migration | Connect \(euronext.com\)](#)
- [Borsa Italiana Optiq migration | Borsa Italiana website](#)
- Borsa Italiana Optiq Migration Guide to New Trading System: **to be available by end of Q1 2022**
- Strategic Plan Presentation | [2021 Investor Day presentation](#)
- Derivatives Markets | [How the market works](#)
- Cash Markets | [Optiq Kinematics Specifications](#)
- Connectivity to the markets | [Optiq OEG connectivity - Specifications](#)
- [Webinar on the 9th of February on functional changes](#)

TRADING

What products or services do you expect to launch that will benefit Euronext members, post-migration?

Euronext is investigating the possibilities of launching new products and services. However, we do not plan on launching them on Day-one of the migration to Optiq. Completing the migration is the number one priority for the Euronext Group.

Could you describe some of the major benefits the clients will get by migrating to Optiq?

Although Millennium IT and SOLA have been satisfactory and resilient to date, the migration to Optiq will provide member firms, ISVs / ASPs and Data vendors with a state-of-the-art platform.

Being a last-generation trading platform, Optiq will offer improved latency (below 100 microseconds and with reduced jitter), scalable capacity, and access to multiple asset classes through the same trading protocols (native SBE and FIX 5.0). Coupled with the integration of our data centres, Optiq will also offer additional opportunities to extend trading activity to legacy Euronext markets, upon client choice, to maintain different protocols for different markets or asset classes.

In a nutshell, the migration to Optiq will offer additional opportunities for participants to optimise their trading strategies and to grow their business, with limited investments, across new asset classes and geographies.

In addition, Optiq offers the necessary flexibility to be configured in a way that will guarantee service continuity for the existing trading services offered by Borsa Italiana, including specific trading models such as the Trading After Hours, the Market for Investment Vehicles, as well as direct distribution and takeover bids (non-exhaustive list).

Will there be any functional changes to the Optiq trading platform?

Yes, the Borsa Italiana Migration onto Optiq® will result in functional changes to the Optiq trading platform.

The key goal of the Optiq migration project is to take the best from the current experience of Borsa Italiana and Euronext, maintaining key local specificities with strong market value and harmonising across markets elsewhere.

Several core Optiq functionalities **will be adopted** by Borsa Italiana, in some cases with **upgrades** from the successful experience from MIT Exchange or SOLA.


A few Borsa Italiana functionalities **will be decommissioned** due to **limited usage** by participants, or to favour **harmonisation** across all Euronext markets.

Finally, some existing functionalities of the Italian markets **will be introduced** into Optiq.

Functional changes are detailed in the Guide to New Trading System (available in March 2022) and external specifications will be produced in due course.

What does that mean for me as a client?

Trading member firms, Clearing member firms, ISVs/ ASPs and Data vendors – legacy and new - will be invited to set up, test and validate their connection to Euronext



systems for the migration, as well as prepare all their set-ups to trade on Euronext systems.

Trading member firms, Clearing member firms, ISVs/ ASPs and Data vendors will also be invited to define and set up their arrangements with third parties such as CCPs and Network providers.

Will Sponsored Access be made available on Optiq? Will it be available on Day-one?

Yes, a Sponsored Access functionality will be available on Optiq to Borsa Italiana and legacy Euronext clients. It is our intention to offer Sponsored Access services via RiskGuard for all Euronext Cash markets (shares, ETFs and fixed income) on Day-one.

Will BTS, the trading workstation used by Italian Markets, be maintained?

Yes, BTS will remain and the plan is to extend the workstation to all other Euronext markets.

How will static data be provided? Will it be through EFS files as it is currently for Euronext or via SFTP files as it is currently for Borsa Italiana?

The current Optiq model in place for Euronext (EFS files) will be extended to Italian markets. Please note that the layout of the files may change as a consequence of the functional changes that will be applied (further information will be provided in the technical specifications once available).

What does the discontinuation of double-sided quotes on Italian cash markets technically mean for legacy Euronext markets?

The discontinuation of double-side quotes will have no impact on legacy Euronext markets.

Do you expect the format of TVTIC to change once it is provided in a dedicated field in Optiq?

The new TVTIC format is still under discussion. Euronext is currently working on a Unique Trade Identifier with a different format than the current TVTIC format in place on Euronext legacy markets. Once available, the new Trade Identifier will become the unique format of the TVTIC for all Euronext markets, including the Italian markets. More information will be provided in due course.

Cross and BTF functions will be replaced by Trade Confirmation Service. What does it imply for cross within bid offer? Will it be possible to have a similar function available also during Trading at Last?

The current services offered through TCS will be extended to Italian markets, replacing cross and BTF orders. Subject to regulatory approval, it will also be possible to enter negotiated transactions after market close, at prices linked to the last trade price for the day. Full details will be confirmed in the Guide to New Trading System.

Will Borsa Italiana continue to develop the legacy platform before migration?

Other than IPO which is already developed and technically available in production (testing in progress), no new development will be made on the current Borsa Italiana platforms between now and the migration completion.



Will Borsa Italiana markets be accessible via the Logical Accesses already in use for legacy Euronext markets?

Yes, the same Logical Access will be allowed to trade on **all** Euronext markets of the same segment (Equities, ETFs, Warrants & Certificates, Fixed Income or Derivatives), including Italian ones (always depending on membership authorisations of the client).

Will the market model of each asset class change together with the migration to Optiq?

The existing Optiq Request for Execution (RFE) functionality will be extended to Italian Warrants & Certificates markets (SeDeX and Cert-X). Other functional changes (some of which presented during the webinar on 9 February 2022) will be outlined in the Guide to New Trading System.

Will the Italian instruments be on dedicated partitions of the relevant Optiq segments or will they be on the same partitions as existing Euronext instruments?

Instruments of Euronext markets belonging to the same asset class (i.e. part of the same Optiq segment) are load-balanced over the different partition(s) of a segment. Load-balancing does not take into consideration the Euronext market that the instrument belongs to and therefore there will be no dedicated partitions for Italian instruments.

Will instrument groups change with the migration? Will there be a way to identify the Borsa Italiana instruments (e.g. MIC code)?

Existing Trading Groups on Optiq for Euronext legacy markets will remain. Trading Groups dedicated to Italy will be defined. More information will be provided in due course.

Will there be changes to pricing and fees?

Further announcements will be made on this topic in due course. Euronext is reviewing this topic whilst working on the integration process in parallel.

What will the next milestones be for me as a client?

For our clients – Borsa Italiana and Euronext legacy clients - to experience a smooth migration of Borsa Italiana markets onto Euronext systems keeping in line with the timeline determined, we kindly encourage them to secure time, resources and budgets in 2022 and 2023. We are conscious of the efforts required from our clients and thank you in advance.

Technical resources and capabilities will be required to configure and prepare systems to migrate and update connectivity links. The migration timeline, when communicated, will allow clients to allocate resources in an appropriate manner.

What are the legal impacts for me as a client?

Legal resources will be required to approve new and updated legal documentation sets.

MARKET DATA

Will there be any functional changes to the Optiq Market Data Gateway (MDG)?

The Borsa Italiana Migration onto Optiq will result in changes to the data provided via the Optiq Market Data Gateway (Optiq MDG). Trading member firms, ISVs/ ASPs and Data vendors will be invited to set up, test and validate their connection to Euronext systems for the migration, as well as prepare all their set-ups to receive the market data.

Euronext and Borsa Italiana teams, together with the Regulators, are currently assessing the differences between Euronext and Borsa Italiana models. Details will be formalised and communicated in due time.

Will Borsa Italiana markets be disseminated via dedicated channels?

Yes, new dedicated market data channels will be set up for the Borsa Italiana data dissemination via the Optiq Market Data Gateway (MDG). New and updated documentation will be provided throughout the course of the migration to provide clients with the technical information they need. This documentation will be available in the [IT Documentation section](#) of the Euronext Connect Customer portal (and [Borsa Website](#)).

What will the minimum bandwidth requirements be for Borsa Italiana markets?

Minimum bandwidth requirements will be communicated in due course. Italian markets will be disseminated by Optiq Market Data Gateway according to the three Optiq standard shaping bandwidth options:

- 100Mbps
- 1Gbps
- 10Gbps

Will the current TCP market data service provided by Borsa Italiana still be provided after the migration?

For Italian Markets, a TCP-compressed feed will be provided to cover requirements of low bandwidth customers.

What will happen to existing GTP Market Data connection to Italian markets?


GTP will be discontinued progressively together with the migration of Italian markets to Optiq: Milan Equities and ETF will be decommissioned together with Phase 1 of the migration, Fixed Income and Warrants & Certificates with Phase 2, Derivatives with Phase 3.

There will be no parallel run per market, migration will be a hard cutover market by market.

Channels for Italian markets will be communicated in due course.

When can we expect Market Data Gateway specifications supporting the migration to be released?

Details on Market Data Gateway channels for Italian markets will be communicated in due course.



Will there be any functional changes to my non-real time data products (historical data/corporate actions notices/reference data products)?

The Borsa Italiana migration onto Optiq® and surrounding systems will result in changes to non-real-time data products such as historical data files, reference data files and corporate actions / notices data. Clients will be informed of any changes to the non-real-time data products in due time.

If you have any questions on the Market Data licensing of Borsa Italiana, please contact marketdataBIT@euronext.com or DataByEuronext@euronext.com.

CONNECTIVITY

Will I be allowed to use the same network connection I am currently using?

Euronext customers already connected to Aruba, as a consequence of the Euronext Data Centre migration, will be able to leverage their connectivity solution to connect also to Borsa Italiana markets once they are migrated to the Optiq trading platform (and the Aruba Data Centre).

Legacy Borsa Italiana customers can connect to the Aruba Data Centre using any of the Euronext connectivity solutions provided (CMC, colocation, Service Provider, Bit Network operated by Borsa Italiana). For additional information, please refer to the Service Description Brochure, available on Connect.

Clients currently connected to Borsa Italiana through the LSE backbone should order an alternative connectivity option. Euronext is planning to migrate all these clients by June 2022.

Will it be possible to connect from Aruba IT3 DC to BITnet and from BITnet to Aruba, during the migration (i.e. while Borsa Italian markets will be partially in Aruba and partially in BITnet)?

Yes. To facilitate the transition period between the Euronext Data Centre migration and the Borsa Italiana migration to Optiq, Euronext will provide clients with connectivity between Euronext and Borsa Italiana primary Data Centres until completion of the Borsa Italiana migration to Optiq.

For more information, please contact your sales representative or DCMigration@euronext.com

When will LSEG discontinue Borsa Italiana connectivity?

Borsa Italiana connectivity via LSEG is expected to be discontinued by the end of Q2 2022. Euronext will liaise with clients to help them set up alternative connectivity routes.

What is the alternative to connect to Borsa Italiana once connectivity via LSEG is discontinued?

Connectivity alternative options are:

- Connections to new Euronext Data Centre (including colocation, CMC in Aruba, CMC at London PoP)
- Other connectivity options directly to current Borsa Italiana Data Centre (BIT Network, CMC, colocation)

Where can I find the list of Service Providers ?

The list of Service Providers is currently available on [Borsa Italiana website](#) and on [Euronext website](#), and will be updated throughout the migration.

POST-TRADE

What will happen to the post-trade process (settlement and custody) for Milan, since Euronext also acquired CC&G and Monte Titoli? What will change?

For Italian markets, the target post-trade clearing set-up will remain unchanged. It will continue to be offered by Euronext Clearing (former CC&G) as the incumbent CCP for clearing and Euronext Securities Milan (former Monte Titoli) for settlement and custody on Borsa Italiana markets.

Please refer to Euronext Growth for Impact 2024 Strategic Plan for more information on the clearing project.

What will the target post-trade clearing set-up be?

The target post-trade clearing set-up will remain unchanged. The Euronext Optiq platform will report on executed trades to the X-TRM system¹ of Euronext Securities Milan.

Any trade executed on Cash Equity, Fixed Income, Warrants & Certificates offered on Borsa markets are sent to Monte Titoli X-TRM system, no matter they are guaranteed or not guaranteed (i.e. not cleared by CCPs). For guaranteed trades, Monte Titoli reports on trades to the CCPs.

On Equities (including ETFs), the current preferred clearing model with EuroCCP and LCH Ltd remains unchanged.

What will be the next milestones for me?

Clearing members and settlement agents will be informed of potential changes in early 2022, following regulatory approval:

- At the recurring Euronext Clearing and Euronext Securities Milan user group committees
- At a customer roadshow which will be organised in Q1 2022 to discuss the Optiq timeline
- During a customer consultation which will take place in Q1 2022 to collect customer feedback on the clearing migration programme, announced on 9 November 2021
- And any potential change to the post trade set-up, resulting from this consultation and affecting the Optiq migration, will be communicated subsequently.

¹ X-TRM is the system operated by Euronext Securities Milan which centralises the post execution processing of any transaction executed on Borsa Italiana market, handling netting and the production / routing of settlement instructions and providing relevant details to the Central Counterparties for guaranteed transactions.

REGULATORY FRAMEWORK

How will Milan be regulated and what regulatory roles will it have?

The Milan regulated markets will remain under the regulatory authority of their local National Competent Authority, Consob, located in Rome.

MIGRATION STRATEGY

Will there be a transition period or will Italian Markets remain as they currently are until the very last day before the migration, and then connect to Aruba on the first day of the migration?

Current Italian markets will remain as they are until the migration (as per shared sequencing). There will be a hard cutover market by market: on the Friday preceding the go-live of each phase, trading will take place via the current set-up and on the go-live Monday, trading will take place on Optiq in Aruba IT3. Good Till Date Orders will not be kept persistent when markets will migrate to Optiq.

How will I be able to connect to the different Euronext test environments during the migration?

Throughout the migration, Euronext is committed to providing continuity in all test environments between the current and the future data centres for all forthcoming Optiq® releases and to allow clients to perform all required testing in the new data centre prior to the migration.

The details will be communicated in due course as part of the overall migration strategy.

When will EUA be available for connectivity tests so I can anticipate before the opening of the functional testing period?

EUA is expected to be available by end of Q3 2022.

How many dress rehearsals in production will be planned?

The details will be communicated in due course as part of the overall migration strategy.

Will Euronext update its technical documentation?

Yes. Throughout the Borsa Italiana Optiq migration project, Euronext will provide communication and updates through dedicated channels, in order to ensure that all clients have access to clear and useful information for the duration of the project.

The following communications will be sent to convey key details and clients should ensure that they subscribe to the relevant distribution lists.

- **Info-Flashes:** these operational communications will announce key milestones of the project, and details that all clients should be aware of, such as: documentation publication, the opening of each platform, and confirmed Production implementation dates. Clients can subscribe to Info-Flashes through the 'My Subscriptions' page on the [Euronext Connect Customer portal](#).
- **Operational Notices:** these operational communications will announce technical updates on the project. Clients can subscribe to Info-Flashes through My



Subscriptions' page on the [Euronext Connect Customer portal](#).

- **Technical Documentation:** new and updated documentation will be published throughout the course of the migration to provide clients with the technical information they need. This documentation will be available in the [IT Documentation](#) section of the Euronext Connect Customer portal and on the [Borsa Italiana website](#).

WHAT'S NEW?

Revision No./ Version No.	Date	Change Description
1.0	11/01/2022	Version 1.0
2.0	28/02/2022	Version 2.0

Contact

For any questions related to Borsa Italiana Optiq migration, please contact:

Operational Client Services Desk (OCS)

Your Sales representative

Optiqmigration@euronext.com

Tel. +33 1 8514 8585

Tel. +39 02 4541 1399



This publication is for information purposes only and is not a recommendation to engage in investment activities. This publication is provided "as is" without representation or warranty of any kind. Whilst all reasonable care has been taken to ensure the accuracy of the content, Euronext does not guarantee its accuracy or completeness. Euronext will not be held liable for any loss or damages of any nature ensuing from using, trusting or acting on information provided. No information set out or referred to in this publication shall form the basis of any contract. The creation of rights and obligations in respect of financial products that are traded on the exchanges operated by Euronext's subsidiaries shall depend solely on the applicable rules of the market operator. All proprietary rights and interest in or connected with this publication shall vest in Euronext. No part of it may be redistributed or reproduced in any form without the prior written permission of Euronext. All data as of the date of publication unless stated otherwise. Euronext disclaims any duty to update this information. Euronext refers to Euronext N.V. and its affiliates. Information regarding trademarks and intellectual property rights of Euronext is located at www.euronext.com/terms-use.

© 2022, Euronext N.V. - All rights reserved.