

**SCHEDULE 1**

**SERVICE DESCRIPTION**

## Service Description

### **a) Accreditation Process**

The Service Provider (“SP”) wishing to be approved by Borsa Italiana as an accredited Service Provider who can offer physical access to the System through its own infrastructure and network is required to take the following steps of the Accreditation Process.

1. Fill in the SP Request for Service together with the SP Application Questionnaire attached in Schedule 2, with support and clarification from Borsa Italiana where appropriate, and send them to Borsa Italiana at the address specified in the Request for Service
2. Upon submission, the above documents will be reviewed by the Membership office in conjunction with the relevant Technical Account Manager.
3. A meeting between the SP and Borsa Italiana may be arranged to discuss the outcome of the review.
4. The SP will be asked to undertake and pass all testing required by Borsa Italiana thereby proving the functionality of the Service Provider’s Network and the fulfilment of the Minimum Criteria listed below.
5. The SP will be recommended for technical acceptance or rejection by the reviewers and in case of acceptance will be granted the provisional Approved Status.
6. The SP will be asked to connect one of its customers, the SP Client to undertake and pass all testing required by Borsa Italiana.
7. Upon successful completion of step 6, Borsa Italiana will grant the SP full Approved Status and communicate this accordingly. The SP’s details will be made available on Borsa Italiana’s corporate website.
8. The SP Service will be monitored on an ongoing basis.

The responses to the SP Application Questionnaire attached in Schedule 3 will allow Borsa Italiana to make fully informed assessment of the Service Provider’s proposed service and determine if it is fit for purpose.

### **b) Minimum Criteria**

In order to be accredited and remain accredited as Borsa Italiana’s Service Provider, the SP must comply with the following requirements (Minimum Criteria) at all times during the term of this Agreement.

#### *1 General requirements*

- 1.1 The SP shall sign contracts with SP Clients and with its own providers complying with what is established in the Rules.
- 1.2 The SP shall set appropriate service levels agreements with SP Clients before activating the SP Service for each SP Client.
- 1.3 The SP shall ensure logical separation between the operating environments of the SP Clients connected to the Service, when infrastructure is shared.
- 1.4 The SP shall guarantee security and confidentiality of the Data of the SP Clients with specific reference to trading and settlement Data.
- 1.5 The SP shall ensure equal access and treatment conditions for all SP Clients using the same type of SP Service.
- 1.6 The SP shall appoint a person and a deputy to liaise with Borsa Italiana; such persons must be available during trading hours as defined by the Rules.
- 1.7 The SP shall adopt all the reasonable measures for preventing unauthorised access to the communication links between the SP and Borsa Italiana and avoid that orders transmitted to the markets have been generated by unauthorised sources or activities.
- 1.8 The SP shall be responsible to make appropriate arrangements beyond the demarcation point. The demarcation point is the physical point of connection to the System for the SP. For all markets except the IDEM, this is represented by the network device installed at the SP’s data centre which the SP Local Area

Network connects to. For IDEM, Demarcation Point means the network card of the IDEM Network Gateway which the SP Local Area Network connects to.

- 1.9 The SP shall communicate where the logical links and screens are configured for each SP Client as well as every following changes.
- 1.10 The SP shall co-operate with Borsa Italiana, or with third parties specified by the latter, at all times *inter alia* by allowing their employees or contractors to have access to its premises in order a) to carry out all necessary interventions to the equipment (hardware and software) installed at the SP premises that are required to ensure the regular operation of the Borsa Italiana's markets, b) to carry out checks, upon adequate advance notice, to verify the SP service levels and/or the use of Data and c) to verify if and how the SP meets the Minimum Criteria.

## 2 *Technical requirements*

- 2.1 The SP shall ensure that Borsa Italiana systems, network and operational security levels are not compromised.
- 2.2 The SP shall ensure adequate technological infrastructures and computer rooms in relation to the types of services provided, the number of connected SP Clients and their trading volumes; in particular, the SP shall supply robust and resilient connectivity to allow each SP Client to access the System providing detailed diagrams of the Service Provider's Network.
- 2.3 The SP shall provide sufficient bandwidth to the SP Clients to allow them to receive Data without risk of delays or loss of data.
- 2.4 The SP shall ensure that no unauthorised traffic is forwarded onto Borsa Italiana network and that no Borsa Italiana traffic is forwarded onto any unauthorised networks.
- 2.5 The SP shall establish an adequate internal IT organisational structure, in terms of number of employees, professional skills and specialisation in the management of the technological infrastructure in use, consistently with the kind of services provided, the number of SP Clients and their trading volumes;
- 2.6 The SP shall establish an adequate service desk – in terms of number of persons, professional skills, specialisation and equipment – for the support of SP Clients to be available during trading hours; in particular:
  - the SP must provide each SP Client with full support for the resolution of both functional and technical issues in relation to the Service Provider's Network.
  - the SP must provide each SP Client with appropriate support whenever Borsa Italiana's System is accessible, so that all faults are fixed as soon as practicable and with reasonable care.
- 2.7 The SP shall establish appropriate instruments for the management and monitoring of its technological infrastructure;
- 2.8 The SP shall pass any testing mandated by Borsa Italiana and maintain the Accredited Status at all times.
- 2.9 The SP shall only enable a SP Client to send Data to the System and receive Data from the System in response to instructions from Borsa Italiana, and in accordance with the details of these instructions.
- 2.10 The SP Clients shall use Borsa Italiana's IP addressing space – that might be different according to the type of network chosen – that will be allocated by Borsa Italiana.
- 2.11 The SP shall ensure appropriate levels of technological infrastructure redundancy and an adequate disaster recovery capability, in relation to the types of services provided, the number of SP Clients and their trading volumes; the SP shall participate in any disaster recovery test upon request by Borsa Italiana. The minimum configuration for the SP is at least 2 sites each connected to the System through a pair of 10 Mbps lines.
- 2.12 The SP shall not notify a SP Client that a message has been received or accepted by Borsa Italiana until the SP has received an acknowledgement from Borsa Italiana that this is the case.
- 2.13 Where there is a failure which delays or prevents Input Data from being submitted to Borsa Italiana or Output Data being submitted to a SP Client, the SP shall notify Borsa Italiana and each affected SP Client immediately, and shall supply at the same time details of the cause of such failure or delay (where known) including details of the affected Data and its current status.

### **c) Testing**

1. In order to grant the SP the provisional Approved Status, Borsa Italiana will test the readiness of the connection between the System and the SP.
2. In order to grant the SP the full Approved Status, Borsa Italiana will test connection of at least one SP Client.

3. SP Clients using the SP Network will be required to pass a technical readiness test and full conformance test in the same way as all other Borsa Italiana market participants. Once these tests are completed the SP Service will be regarded as fit for this SP Client.

**SCHEDULE 2**

**SERVICE PROVIDER APPLICATION QUESTIONNAIRE**

## **Service Provider**

### **Application Questionnaire**

#### **Background**

**Borsa Italiana wishes to encourage global access to its products and services.**

- Q1 Please indicate the number of Service Provider's Clients supported by the Service Provider's Network who can potentially be connected to Borsa Italiana (subject to Borsa Italiana approval) and the number of Service Provider's Clients that the Service Provider is planning to connect to Borsa Italiana in the first 12 months of operations. Please provide statistics on a country by country basis specifying the markets the SP wants to gain access to.
- Q2 Please provide details of your proposed marketing approach.

#### **Organization**

- Q3 Please indicate the number and locations of your data centres connecting Borsa Italiana System that are reachable through the SP Network.
- Q4 Please, indicate the number of employees of the SP or the organizational unit providing the SP Service. Specify whether the following services are carried out mainly by internal staff or if they are mainly outsourced to external providers:
- Computer rooms, cabling, power supply, cooling, data centre security
  - Systems operations, monitoring, hardware and layered software management
  - Network operations, monitoring and security
  - Customers support

#### **Technical**

##### Network

- Q5 Please provide a detailed description and a network diagram of the proposed infrastructure for your SP solution. This should include all key architecture components, locations of nodes, backbone and user connections. For example for each connection please indicate network protocol, bandwidth, backup facilities etc.
- Q6 Please provide details of IP addressing scheme to be used in your network specifically with respect to customers who will be connected to Borsa Italiana.
- Q7 Please provide an overview of the process to permission the data or services to which an SP Client is granted access.

### Security

**Borsa Italiana seeks to ensure that existing network and operational security levels are maintained when providing access to the System via the Service Provider's Network.**

- Q8 Please provide details of the security standards and technologies used for your network and customer-permissioning systems.
- Q9 Please state whether personnel sign a 'code of conduct' agreement, preventing inappropriate use of confidential information, as part of their employee obligations to the SP.

### Availability and Performance

**Time taken for messages to traverse the SP Network from Borsa Italiana to the SP Client should be minimal and the SP Network should be of high availability**

- Q10 Please indicate any single points of failure within your proposed service.
- Q11 Please quantify in percentage terms:
- what levels of availability have you achieved on your service in the last 12 months? If your service is not yet live, please provide estimates.
  - please describe how availability is or will be monitored.
- Q12 What network latency will you be prepared to guarantee for a message from Borsa Italiana reaching the SP connection to the exchange to the same message reaching the customer via your network infrastructure in:
- Italy
  - UK
  - Continental Europe
  - USA
  - Asia Pacific

### Connectivity

**The SP must ensure that customers receive an appropriate level of service.**

- Q13 What size circuits and customer premises equipment will be provided to the customer?
- Q14 Which network provider/s will be used?
- Q15 Please provide a description of the process for upgrading the physical capacity of SP Client connections from your network including lead-times where possible.

Customer support

**Customers will require a high level of support to ensure that any issues affecting their ability to trade on Borsa Italiana's markets are dealt with efficiently. The SP should be the first point of contact for customer's technical issues.**

- Q16 Please indicate how your existing support structure operates in each of the locations/countries you are proposing to provide network access. Please include the following details for each country:
- Level of technical support you are able to offer – telephone, on-site, remote access
  - Number of staff
  - Average response time
  - Average resolution time