

ATFUND MARKET RULES

~~12 JULY 2021~~

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The italian text of these Rules shall prevail over the English version



BORSA ITALIANA

ATFund Market Rules

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Glossary

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The Rules are divided in articles contained in the boxes.
Moreover the Rules contain guidance to rules that supplement these rules.

Rules with supplementary Guidance are flagged with the notation "G".

The Guidance is divided in Section (Sec.) with an identification number.

Rules that have a reminder to Compliance Procedure are flagged with the notation "C"

Glossary

Term	Meaning
Access Code	means the trading code to which are associated specific configurations for the connection to the market (CompID/traderID);
Appointed intermediary	means a market intermediary that operates for the purposes of Article 2021.3;
Admission to trading	Admission to trading of financial instrument in the ATFund market
Borsa Italiana	Borsa Italiana SpA
Conventional price	means the price shown in the trading system
CSD	means the legal person authorised to operate a securities settlement system, pursuant to Regulation 2014/909/EU
Direct Electronic Access	means the connection to the market as specified in Article 4(1)(41) of Directive 2014/65/EU, Article 20, of Regulation 2017/565/EU and in Article 2(1)(d)(ii) of Directive 2014/65/EU
General Conditions for the supply of services	the terms and conditions regulating the relationship between Borsa Italiana and the market intermediaries concerning the participation of the market intermediaries to the ATFund market
Guide to the Parameters	the document accompanying the Rules of the regulated markets and the relevant Instructions, as well as the Rules of the multilateral trading facilities organized and managed by Borsa Italiana S.p.A., referred to as "Guide to the Parameters", communicated in a Notice and available on the Borsa Italiana website;
Interconnection	means the linking to markets, via market intermediaries : of customers of market intermediaries , the connection of which may take place in " direct electronic access " mode or in another mode; or organisational units of market

intermediaries other than units assigned to the activities of trading in the markets and settlement and the control thereof computer-based systems for the automatic generation of orders even if they are installed in an organisational unit of a market **intermediary**. The connection of customers of the market intermediary, in "direct electronic access" mode (DEA), can take place through the technical structure of the market intermediary (Direct Market Access or DMA) or directly (Sponsored Access or SA).

Multilateral trading facility

a facility referred to in article 4, subparagraph 1, number 22 of directive 65/2014/EU

Notice

The publication prepared and distributed by Borsa Italiana containing information relevant to the operation of the ATFund market

Regulated Markets

The Markets authorized pursuant to Article 44 of Directive 2014/65/EU

Open-end CIUs

The financial instruments admitted to trading in the **ATFund market** as provided in accordance with Article 200

ATFund Market

A MTF of open-end CIUs managed and organised by **Borsa Italiana**

SDIR

shall mean the dissemination system of regulated information pursuant to transparency Directive

Trading Manual

means the "Guide to the new Trading System" made available on the website of **Borsa Italiana**

GENERAL PROVISIONS AND INSTRUMENTS ADMITTED TO TRADING

General provisions

Purpose of the Rules

100	These Rules govern the organization and management of the multilateral trading facility operated by Borsa Italiana and called the ATFund market .
110	These Rules establish the organizational and operational conditions and procedures of the ATFund market and, in particular, govern: <ul style="list-style-type: none"> 110.1 the conditions and procedures for the admission, exclusion and suspension of open-end CIUs from trading; 110.2 the conditions and procedures for the admission, exclusion and suspension of intermediaries from trading and their obligations; 110.3 the conditions and procedures for the performance of trading and the functioning of the related instrumental services; 110.4 the procedures for verifying, publishing and disseminating prices and information.

Organizational principles of the market

120	Borsa Italiana performs its functions, in particular the admission, suspension and revocation and the surveillance of the ATFund market in a non-discriminatory manner and using procedures defined on a general basis.
121	Borsa Italiana , in its operation of the ATFund market , equips itself with and maintains an organizational structure likely to prevent potential conflicts of interest. In particular, it ensures that the heads of the departments responsible for the functions referred to in Article 120 enjoy complete independence in carrying out examinations and making proposals. In performing these functions, the heads of department answer exclusively to the CEO.
122	Borsa Italiana equips itself with and maintains an internal control system that checks compliance with the law and internal rules and procedures.

Instruments that can be traded on the ATFund market

Admission Requirements

200	200.1	Units/shares of open-end CIUs may be admitted to listing, provided they are
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	compliant with Directive 2009/65/UE or compliant with Directive 2011/61/EU, provided they are not reserved open-end CIUs.
200.2	The prospectus must indicate the trading on the ATFund market as offer method.

Request for Admission

210	Borsa Italiana may admit financial instruments referred to in Article 200, to trading at the request of an intermediary , in accordance with what is provided for in the guidance, provided the conditions set out in the following articles are satisfied.
211	<p>The request for admission to trading, drawn up according to the specific model, must be forwarded to Borsa Italiana by the issuer. For CIUs compliant with Directive 2011/61 must be provided a copy of the communication or the Consob authorization issued pursuant to Article 44 of the Consolidated Law on Finance on marketing of units or shares of AIFs to retail investors.</p> <p>The admission procedure shall be completed, after ascertaining that the prospectus has been made available to the public, establishes the date for the start of the trading.</p>

Conditions for the admission of financial instruments

220	The presence of an appointed intermediary is required. In the event of termination of the relationship for any reason, written notice must be given to Borsa Italiana as indicated in the guidance to the rules.
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Sec. 20 Guidance to the Rules

- 20.1 *The party that terminates the contract with the **appointed intermediary** following a breach of the contract by the other party must notify **Borsa Italiana** in writing at least one month before the effective date of the termination.*
- 20.2 *In all other cases of termination of the relationship with the **appointed intermediary**, **Borsa Italiana** must be notified in writing at least three months before the effective date of the termination.*
- 20.3 ***Borsa Italiana** may accept shorter notice if the continuity of the **appointed intermediary** function is ensured by another entity entering into the undertakings.*

Transferability of financial instruments

G	231	Open-end CIUs must be:
	231.1	freely transferable; and
	231.2	suitable for settlement in the manner referred to in Article 4000

232	Borsa Italiana may make admission to trading subject to any condition
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	regarding the financial instrument that it deems desirable and that is explicitly notified to the applicant subject; it may also exercise discretion in admitting financial instruments to trading for which an application has been made, also by way of derogation from the requirements for admission of the preceding articles.
233	Borsa Italiana may reject an application for admission to trading , taking account, among other things, of the characteristics of the Issuer and of financial instrument, of the characteristic of the transaction and the liquidity of the market on which the instrument is traded. Borsa Italiana shall inform the applicant subject.

Sec *Guidance to the Rules*

21 *Procedure for instruments' **admission to trading***

21.1 *Persons referred to in Article 210 shall present an application that is signed by their legal representative or duly authorized person, drawn up in accordance with the model form made available by **Borsa Italiana** through the special electronic venue.*

21.2 **Borsa Italiana** confirms the completeness of the application form.

21.3 *Within 2 months of the completeness, **Borsa Italiana** must inform the applicant that the application has been rejected or, in the case of its being accepted, issue a **Notice** establishing the date of the start of trading and making available the information needed for trading.*

21.4 *The time limits referred to in Sec. 21.3 may be interrupted by a notification from **Borsa Italiana** if it becomes necessary to acquire new information and documents. In this case the time limits shall start to run again from the date of receipt of the relevant documentation. The time limits referred to in Sec. 21.3 may be suspended at the request of the person referred to in Article 210.*

21.5 *Applications shall be deemed annulled if they are not modified, completed or corrected within two months of their receipt.*

Suspension and revocation of instruments

234	Borsa Italiana may:
234.1	suspend the trading of financial instruments : if the requirements set out in Articles 200 to 233 are no longer met; if the regularity of the market for the instrument is temporarily not guaranteed or risks not being guaranteed, if this is necessary to protect investors, if the instruments have been suspended on other regulated markets where they are traded;
234.2	revoke the admission to trading of financial instruments in the event of a prolonged lack of trading or where due to special circumstances, it is not possible to maintain a normal and regular market for this instrument;
235	The suspension of an financial instrument may not be for more than 6 months, except in exceptional circumstances ; where, at the end of such period, the reasons for the suspension still exist, Borsa Italiana shall initiate the procedure for the revocation of the financial instrument .

236	Suspensions and revocations shall be announced in a Notice .
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Exclusion from trading of the financial instrument upon request

237	<p>The issuer apply for delisting from the Atfund market when all the following conditions have been met:</p> <ul style="list-style-type: none"> a) the absence of financial instruments in circulation on the date of application; b) the absence of trades in the three trading sessions prior to the date of the request for exclusion, according to the trading calendar of the specific UCI notified pursuant to Article 310.2(e); and c) the commitment not to issue and admit to trading financial instruments that are exchangeable with those that are the subject this application until the effective date of the exclusion.
237.1	For the purpose of delisting, issuers shall send Borsa Italiana a written application, with accompanying notification to the appointed intermediary, signed by their legal representative, compliant with Model 1 and completed with the same documentation indicated in it.
237.2	Borsa Italiana , after having received the request from the issuer and carried out the checks on the fulfilment of the conditions a), b) and c) referred to in Article 237, within 5 trading days of receipt of the request, shall immediately remove the financial instruments from trading.

Delisting

240	Borsa Italiana shall delist financial instruments the third day prior to the maturity date of the financial instruments themselves, taking into account of the opening days of the settlement system involved and the days when the NAV is calculated (communicated by the issuer pursuant to article 310.2 (e). If such day is a non-trading day, the delisting day is the first following trading day.
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Disclosure obligations

310	310.1	<p>Issuers of shall send Borsa Italiana:</p> <ul style="list-style-type: none"> a. the value of the share/unit (NAV); b. the number of units/shares outstanding. <p>The communication of the information referred to in articles 311 takes place through the electronic format indicated by Borsa Italiana by 17.00 o'clock of the open exchange day following the trading day and excluding the days when the NAV is not calculated, reported by the issuer according to article 310.2 (e)</p>
	310.2	<p>Issuers shall promptly notify Borsa Italiana of:</p> <ul style="list-style-type: none"> a) the adoption of any measure temporarily suspending the subscription or redemption of the of the financial instruments; b) any proposal to modify the manner of operation of a financial instrument submitted for examination by the competent authorities, including its transformation, merger, spin-off, dissolution and liquidation, or the

		<p>adoption of any measure for handling crises in accordance with the Consolidated Law on Finance or the corresponding applicable provisions of foreign law; It is understood that the disclosure requirements of the issuers towards Borsa Italiana be satisfied consistently with the applicable regulatory framework. The reimbursement decision as a result of the liquidation of the open-end CIUs is communicated without delay and in any case by the fourth open market day preceding the scheduled repayment date;</p> <p>c) the fixing of dates for splits or reverse splits;</p> <p>d) the amount of operating income coupons, their detachment date, the date proposed for the entitlement to the dividend payment (record date) and the payment date; there must be an interval of at least one trading day between the date of the notification and the first day of trading ex rights;</p> <p>e) the days of the month on which the net asset value (NAV) of the CIUs is not calculated because of a holiday affecting the main market on which the components of the portfolio are listed, or the calculation agent's country of origin; such notification must be made annually within the 15 of November;</p> <p>f) any change in the information contained in the documentation submitted to Borsa Italiana.</p>
	310.3	For the publication on its website, the issuer must send to Borsa Italiana the updated versions of the Prospectus, any supplements thereto, the KIID, and the Management Regulations and Bylaws (where applicable).
	310.4	In the case of foreign issuers, Borsa Italiana may establish that the communications referred to in the preceding paragraphs and those required are not necessary if equivalent information has been made available to the public under the rules applicable in the country of origin.
311	311.1	The subject referred to in Article 210 shall send Borsa Italiana the information of a technical nature needed for the functioning of the market and the additional information referred to in Article 310.
	311.2	Issuer shall transmit the technical information and the additional information referred to in Article 310 using the specific electronic venue made available by Borsa Italiana (NIS-Tech) , or, in the case of malfunctioning, by e-mail: infofi&sd@borsaitaliana.it
	311.4	The issuer shall anticipate Borsa Italiana , also verbally and giving adequate notice of the possibility of publishing inside information while financial instruments are being traded.
312		Borsa Italiana may request to provide any further information in the manners and in the terms considered appropriate. Borsa Italiana may also request to publish such information.

Sec. *Guidance to the Rules*
30 *Manner of communicating information of a technical nature and **inside information** to **Borsa Italiana***

30.1 *Trading in **open-end CIUs** takes place on the basis of the recognition of the*

unit price of the financial instrument (NAV).

- 30.2 *The applicant shall also notify the name of the person in charge of the communication of the information referred to in this article or the substitute.*
- 30.3 *Information of a technical nature must be sent to **Borsa Italiana** by means of a **SDIR** or via e-mail: infofi&sd@borsaitaliana.it.*
- 30.4 *Should the applicant not avail itself of a **SDIR**, the **inside information** must be sent to **Borsa Italiana** using the following e-mail: infofi&sd@borsaitaliana.it.*

MEMBERSHIP

General provisions

1000	The market intermediary is an entity that has been admitted to trading by Borsa Italiana in the ATFund market as described above.
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Intermediaries admitted to trading and procedure for admission to trading

G	1010	The following may participate in trading in the ATFund market: intermediaries authorised under the law or regulations to provide the services and engage in the activity of dealing for own account and/or executing orders on behalf of clients and those that fulfil specific membership requirements established by Borsa Italiana in the guidance.
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Sec. *Guidance to the Rules*
100 **Intermediaries** admitted to trading

- 100.1 *The following may participate in trading in the **ATFund market**:*
- a) *persons authorised to provide the services and engage in the activity of dealing for own account and/or executing orders on behalf of clients under the Consolidated Law on Finance, the Consolidated Law on Banking or other special provisions of Italian law;*
 - b) *banks and investment firms authorised to provide the services and engage in the activity of dealing for own account and/or executing orders on behalf of clients under laws of other EU countries or of non-EU countries;*
 - c) *the firms of non-EU countries entered in the register of third country firms kept by ESMA pursuant to Article 48 of Regulation (EU) No. 2014/600 and the firms authorized to provide investments service, and, where applicable, insurance companies, entities authorized to provide collective asset management services and pension funds in non-EU countries in which **Borsa Italiana** can operate in compliance with the provisions of article 70 of the Consolidated Law on Finance;*
 - d) *the entities authorised by the competent Authority of an EU country to provide one or more investment services and activities; insurance companies, the entities authorised to provide collective asset management services, and pension funds. These entities must satisfy the requirement indicated at letter e), point 2;*
 - e) *firms set up in the legal form of a società per azioni or a società a responsabilità limitata or equivalent which trade on their own account within the limits imposed in Article 4-terdecies, paragraph 1, letter d), of the Consolidated Law on Finance:*
 - 1. *the persons performing administrative, management and supervisory functions and those responsible for trading activity and the internal control function satisfy adequate integrity requirements;*
 - 2. *they have established an internal audit function that does not depend hierarchically on any person with operational responsibilities and that makes periodic checks on the*

activity of trading in financial instruments; **Borsa Italiana** may exempt intermediaries from this requirement after evaluating their size (proportionality principle);

3. they have adequate financial resources to ensure the business continuity of the trading service and which are not less than 50,000 euros.

- 100.2 The participation of companies according to guidance sec. 100.1 letter e), established in a non-EU Country is subject to the conclusion of agreements between Consob and the corresponding supervisory authorities in the home country.

G	1011	For the purposes of admission to trading in the ATFund market , intermediaries shall send Borsa Italiana a written request conforming with what is provided for in the guidance .
	1012	As of the date on which Borsa Italiana notifies intermediaries of receipt of the intermediary's request referred to in article 1011 with an invitation to complete the participation documentation, intermediaries are required to comply with the General Conditions for the supply of services referred to in rule 1301 and these rules and the accompanying guidance insofar as they are applicable in the meantime.
	1013	Within one month of the day the participation documentation is completed Borsa Italiana shall decide on the intermediary's request. Borsa Italiana may extend the time limit not more than once and for up to a maximum of one month where it is necessary to obtain additional information and shall inform the applicant accordingly.

Sec. Guidance to the Rules

110 Procedure for **admission to trading**

- 110.1 Requests referred to in rule 1011 must be made by signing and sending to **Borsa Italiana** the "Request for Services" available via **Borsa Italiana's** Member Portal, together with a copy of the authorisation issued by the competent Authority, if any.

- 110.2 Subsequent to the notification referred to in article 1012, market **intermediaries** are required to complete the participation documentation, using the forms and functions available via **Borsa Italiana's** Member Portal with the following data:
- information concerning the participation requirements;
 - information concerning the offer of the "**direct electronic access**" service specifying whether it takes place through the technical structure of the market intermediary through a DMA or directly through a sponsored access;
 - declaration showing that before use of each trading algorithm, and whenever a substantial update is made to each of them, the operator has run tests as appropriate to avoid creating abnormal trading conditions and indicates the environment in which the tests of these algorithms were run;
 - information about "**high frequency algorithmic trading**";
 - information concerning the systems for accessing the market, including the identification of any third parties and/or Service Providers including the order for technological infrastructure and the confirmation of the execution of technical-functional tests;

- f) *declaration showing that specific procedures for use of the order cancellation function have been implemented, and which also shows whether the technical procedures for cancelling orders are available on the intermediary's systems or in the market functions (kill functionality);*
- g) *in the case of indirect participation in the settlement service, a declaration referred to in rule 1100 communicated by the market **intermediary** and the **intermediary** participating in the settlement service;*
- h) *in the case referred to in guidance sec. 100 (e declaration of the legal representative or by a duly authorised person of the company that confirms the compliance with the requirements for the good reputation of the parties indicated therein;*
- i) *in the case referred to in guidance sec. 100.1(e declaration of the legal representative or by a duly authorised person of the company that confirms that the internal audit function has been assigned to conduct periodic audits on the trading of financial instruments;*
- j) *a declaration of the legal representative or by a duly authorised person of the company containing a statement of the adequacy of the financial resources to ensure the business continuity of the trading service and which are not less than 50.000 euros;*
- k) *for the market intermediaries that offer the "direct electronic access" service to sponsored customers:*
 - 1. *request for a specific access code for each sponsored customer and, where present, their sub-delegates;*
 - 2. *the declaration by the intermediary confirming that it has verified the suitability of the sponsored customers and, where present, their sub-delegates in accordance with Regulation EU 589/2017 and certifying that those parties comply with the participation requirements for market intermediaries;*
 - 3. *the request of activation of appropriate features necessary to suspend the access of the sponsored customers and, where present, their sub-delegates, to proceed with the massive cancellation of unexecuted orders entered by the sponsored customer, and to monitor in real time the operation in the market of the sponsored customers and, where present, their sub-delegates.*
 - 4. *for each access code given to the sponsored customer and, where present, their sub-delegates, a specific list of the trading staff authorised to request the deletion of the orders entered, referring to the access code given to each of those parties. This list must comply with the requirements of Guidance 160.3.*
 - 5. *the indication of the name of the contact person for the information technology function for the operations of the sponsored customer and, where present, their sub-delegates, available during market hours, if different from the contact person for the information technology function of the market intermediary.*
 - 6. *a declaration certifying that they have access to the information relating to the trading activity of the sub-delegates in order to enable **Borsa Italiana** to provide any information requested by the competent authority.*

110.3 **Intermediaries** already admitted to trading on a **regulated market** or a Multilateral Trading Facilities managed by **Borsa Italiana** that intend to request to participate in the **ATFund market** shall send **Borsa Italiana** the simplified version of the "Request for Services". Without prejudice to guidance

sec. 100, **Borsa Italiana** reserves the right to consider fulfilled membership requirements referred to in guidance Sec. 120 and not to require the documentation already provided by the **intermediary** in connection with its participation in other **regulated markets** or **Multilateral Trading Facilities** that it manages or that are operated by the London Stock Exchange Group. The procedure referred to in articles 1011, 1012 and 1013 shall apply insofar as it is compatible.

- 110.4 If **Borsa Italiana's** Member Portal is unavailable, **intermediaries** may transmit the participation documentation to **Borsa Italiana** using one of the other means of communication specified in the **General Conditions for the supply of services**.

1015	Market intermediaries shall ensure continued satisfaction of the authorisation and other requirements referred to in article 1010 and of the conditions referred to in article 1020.
1016	<p>Revocation or expiry of the authorisation to trade or cessation of fulfilment of the requirements for unauthorised persons shall result in suspension or exclusion from trading, without prejudice to any measures adopted by the supervisory authorities to ensure the closure of any positions still open and the carrying out of any related transactions required to protect customers' interests. In the event of:</p> <ul style="list-style-type: none"> a) suspension or cancellation of a stockbroker under Article 201 of the Consolidated Law on Finance; b) extraordinary administration; c) compulsory administrative liquidation; d) another bankruptcy procedure; e) other measures taken by Competent Authority that result in it being impossible, even if only temporarily, for intermediaries to enter into undertakings or perform undertakings they have entered into, <p>Borsa Italiana may suspend or exclude the intermediary from trading.</p>
1017	<p>The cessation of direct or indirect participation in the settlement system must be immediately notified in writing to Borsa Italiana by market intermediaries and shall result in their being promptly suspended from trading in the market until they are again able to settle trades, directly or indirectly. After six months have passed without the cessation of the condition that gave rise to the suspension from trading, Borsa Italiana may exclude the intermediary.</p>
1018	After six months have passed without the cessation of the condition that gave rise to the suspension from trading, Borsa Italiana may exclude the intermediary

Condition for admission and continued eligibility

G	1020	The admission of intermediaries to trading shall be subject to verification by Borsa Italiana , in accordance with objective non-discriminatory criteria, of fulfilment of the following conditions on a continuing basis:
	1020.1	adequacy of the technological systems used for trading and associated activities carried on and the number and types of interconnections with the market, and their compatibility with the electronic data processing and telecommunication support systems adopted by Borsa Italiana for the

		operation of the market;
	1020.2	sufficient staff with adequate professional qualifications in relation to the types of activity carried on and the types of interconnection with the market;
	1020.3	adequate internal procedures and controls for trading activity;
	1020.4	adequate settlement procedures;
G	1020.5	intermediaries may entrust the management of technological systems to third parties, subject to the conditions laid down in the guidance sec. 130;
G	1020.6	the admission of intermediaries shall also be subject to verification of direct or indirect participation in the settlement systems provided in the guidance sec. 500 and participation in their accessory systems (trade-checking systems); sec. 135 shall apply;
	1020.7	in order to comply with the conditions of this paragraph, intermediaries must satisfy the minimum requirements laid down in the guidance to rules.

Sec. *Guidance to the Rules*
120 *Requirements for participation*

- 120.1 *For the purpose of complying with the conditions referred to in rule 1020, market **intermediaries** must attest that:*
- their trading staff know the rules and operating procedures of the market and the technical instruments for trading and have adequate professional qualifications;*
 - the obligations set out in paragraph (a) and (b) apply to the market intermediaries providing trading services in financial instruments, including through the use of systems that do not involve human intervention. These systems shall be programmed in accordance with the rules, the operating procedures of the market and the technical instruments used for the activity concerned. The operators assigned to the programming of these systems shall have appropriate professional qualifications;*
 - they have ensured the presence of a compliance officer who must have a good knowledge of the of these **Rules**. The compliance officer shall also be entrusted with relations with **Borsa Italiana's** trading supervision office. Intermediaries shall send **Borsa Italiana** the name of a compliance officer, who must be on call during trading hours. To ensure the continuity of the function in the absence of the compliance officer, **intermediaries** shall send, in advance or on a case-by-case basis, the name of a deputy. This communications are make using the forms and functionalities available on **Borsa Italiana's** Member Portal.*
 - They have adequate systems, procedures and controls for trading activity including specific procedures for use of the order cancellation function and settlement procedures that reflect the characteristics of the firm and activity performed;*
 - they have an internal IT unit that is in terms of number, experience and specialisation of the staff to guarantee the*

continuous and prompt functioning of the trading and settlement systems used, taking into account the degree of automation of their internal procedures and any recourse made to outsourcing. The market **intermediary** shall send to **Borsa Italiana** the name of an IT contact person, who must be on call during trading hours. To ensure the continuity of the function in the absence of the IT contact person, **intermediaries** shall send, in advance or on a case-by-case basis, the name of a deputy using the forms and functionalities available on **Borsa Italiana's** website.

- 120.2 When carrying on the trading activity and associated activities, the market **intermediary** shall avail itself of technological systems which are adequate for the interaction with the electronic data processing and telecommunication support systems of the market, for which **Borsa Italiana** has issued the conformance certification (so called conformance test). The conformance certification must be completed before the market access systems are used and before any substantial updating of such access systems or of the market trading system in accordance with the manner indicated in the Trading Service Manual. The conformance certification must also be completed for each direct connection of sponsored costumers (the so called sponsored access). For the execution of the conformance test the subscription of specific **general conditions for the supply of services** is requested.
- 120.3 Traders and **specialists** may perform their activities for more than one market **intermediary** only when the market intermediaries they are acting for belong to the same group.
- 120.4 Market **intermediaries** may use a third party and/or a group company to perform the activities referred to in guidance sec. 120.3 and those of the compliance officer provided they remain fully responsible for compliance with all the obligations of the Rules and control and coordinate the activities performed by the persons referred to in the preceding guidance. Market **intermediaries** must inform **Borsa Italiana** accordingly. The agreement between the **intermediary** and the third party/group company must provide for the possibility of **Borsa Italiana**, or its appointees, verifying compliance with the requirements laid down in the Rules directly on the premises of the third party and/or the group company the market **intermediary** uses.
- Sec. Guidance to the Rules
130 Conditions for outsourcing technological systems
- 130.1 Pursuant to Rule 1020.5, **intermediaries** may use **Borsa Italiana** third parties:
- a) for connection to the market;
 - b) for the other functions related to the management of technological systems other than connection to the market (e.g. housing and facility management).
- 130.2 Connection to the market may be provided by **Borsa Italiana** itself or exclusively by a company, specifically accredited by **Borsa Italiana**. **Borsa Italiana** reserves to not require the accreditation of the subjects that are already accredited by the London Stock Exchange.
- 130.3 The company offering the connection to the market may provide that the

single connection is shared among many **intermediaries**, in the respect of specific segregation criteria. In such case, the company offering the connection to the market is known as a Service Provider and shall have a contract for the purpose with a company belonging to the London Stock Exchange group, which shall, among other things:

- a) provide for **Borsa Italiana** or its appointees to be able to check the adequacy of the technological systems with respect to the services provided and their compatibility with **Borsa Italiana's** ICT structures;
- b) provide for **Borsa Italiana** to be able to limit the number of **intermediaries** that a Service Provider may connect to the market;
- c) require the Service Provider to have back-up and disaster recovery procedures in place.
- d) the possibility for the Service Provider to offer also the services referred to in the preceding guidance sec 130.1 letter b).

130.4 **Borsa Italiana** may refrain from requiring the Service Provider contract referred to in Sec.130.3 to be signed by **intermediaries** that provide the connection to the market to other **intermediaries** belonging to its group.

130.5 Market **intermediaries** must inform **Borsa Italiana** of the execution with third parties, including Service Providers. Such contracts must contain a clause permitting **Borsa Italiana** or its appointees to verify compliance with the technological requirements established in these rules, *inter alia* on the premises of the third party used by the market **intermediary**.

130.6 Market **intermediaries** must also keep adequate documentation on their premises regarding the architecture, functionalities, operating procedures, service levels, controls and contractual guarantees for the activities entrusted to third parties, including Service Providers.

130.7 The contracts between the third parties and market intermediaries must indicate whether in turn the third party subcontracts some of the services outsourced by the market intermediary, for the Service Provider, in no case may such subcontracting jeopardise the primary role that the Group or Authorised Service Provider is required to play in providing the agreed services. If the third party uses in turn subcontractors, provision must be made for **Borsa Italiana** to verify the adequacy of the technological infrastructure on the latter's premises.

130.8 The supervision and control of orders sent to the market may not be delegated to third parties.

Sec. Guidance to the Rules
135 Participation in the settlement service

135.1 Pursuant to article 1020.6 the **intermediary** must participate directly or indirectly both in the settlement service indicated in the guidance sec. 400.2.

135.2 Market **intermediaries**, for the purpose of complying with the conditions referred to in Article 1020.6, shall attest that:

- i) in case of direct participation in the settlement system, the participation to the X-TRM system service;

ii) in case of indirect participation in the settlement system, the participation to the X-TRM system service on his behalf of the intermediary participating in the settlement service.

1021	If in the performance of its surveillance activity Borsa Italiana finds situations or conduct likely to entail risks for the integrity of the market, it may apply one or more of the following measures against the market intermediaries in question, until the reasons for their application cease to exist:
1021.1	suspension from trading;
1021.2	imposition of specific requirements relating to: the number and professional qualifications of trading staff; trading system and interconnection procedures and controls; and any other matters relevant to ensuring the continued satisfaction of market intermediaries' admission requirements;
1021.3	restrict access to the market, including access via interconnections , including termination of access for customers of the market intermediary and, where present, their sub-delegates directly connected to the market through sponsored or segregation of specific trading activities;
1021.4	imposition of limits on operations or interconnections .
1021.5	Where a measure of suspension from trading is adopted, from the time such measure takes effect the market intermediary to which it is applied shall only be permitted, under the surveillance of Borsa Italiana , to close out any positions still open and carry out any related transactions that are necessary to protect customers' interests, from the moment in which starts the suspension.
1021.6	Borsa Italiana may modify or revoke the measures referred to in this rule at any time.
1021.7	Borsa Italiana shall promptly inform the market intermediary concerned of the adoption of the measures.
G 1022	Market intermediaries shall notify, in the manner and within the time limits specified in the guidance sec. 140, every variation with respect to the operating conditions referred to in the information provided at the time of submission of the application for admission, according to articles 1020 and 1050.

- Sec. 140 *Guidance to the Rule:*
Notification of changes in admission conditions as well as changes resulting from corporate actions
- 140.1 **Intermediaries** admitted to trading shall notify **Borsa Italiana**, using the form and functions available via **Borsa Italiana's** Member Portal or in the other manner specified in the **General Conditions for the supply of services**, of any change in the conditions referred to in articles 1010 and 1020, as well as any change resulting from corporate actions, including

changes to the company's name.

140.2 **Intermediaries** must notify changes referred to the guidance sec. 140.1 to **Borsa Italiana** promptly or, in the case of changes in the technological framework or of corporate actions, with due notice with respect to the date on which the changes will become effective, so that **Borsa Italiana** may make the necessary verifications, carry out any technical measures required and inform the market.

140.3 **Borsa Italiana** may request **intermediaries**, with a specific communication, to submit an update of the conditions referred to in articles 1010 and 1020.

1023	Market intermediaries shall observe these Rules, the accompanying guidance, the applicable Notices and any other technical and operational documents accompanying these rules and the guidance, including Service Manuals. Market intermediaries shall maintain conduct based on principles of correctness, diligence and professionalism in their relations with market counterparties, obligations towards Borsa Italiana and use of the trading systems.
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Exclusion from trading upon request

1030	Intermediaries admitted to trading on the market may request to be excluded from trading in the manner specified in the General Conditions for the supply of services referred to in article 1301.
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Appeals and complaints

C	1040	Appeals and complaints shall be conducted in accordance with the procedures set out in the Compliance Procedures.
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Notifications

1050	Market intermediaries shall promptly notify Borsa Italiana of any circumstances of which they are aware, including technical problems with their systems, that prejudice or might prejudice their compliance with these Rules.
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Indirect participation in settlement system

G	1100	In the case of indirect participation in the settlement system, i.e. where a market intermediary uses another intermediary to settle its contracts, the market intermediary and the other intermediary must send Borsa Italiana a declaration containing:
	1100.1	an undertaking by the intermediary participating in the settlement system to settle contracts concluded in the market by the market intermediary up to the time of withdrawal from the agreement, together with the attestation referred to in guidance sec 135.2;
	1100.2	an authorisation for the market intermediary to be suspended by Borsa Italiana , at the request and on the responsibility of the intermediary participating in the settlement system, without Borsa Italiana being required or entitled to verify the appropriateness of such suspension or its conformity with any understandings between the market intermediary and

the participating **intermediary**.

Compliance and enforcement

Verification activity and co-operation

1210	For the purpose of verifying compliance with these rules and the accompanying guidance and, more generally, in order to ensure the performance of its functions of organising and managing the market, Borsa Italiana may:
1210.1	request issuers and market intermediaries to provide all the necessary information and documents concerning transactions carried out on the market and the respect of information obligations;
1210.2	convoke the representatives of issuers and market intermediaries to clarify specific conduct or situations;
1210.3	exclusively for the purpose of verifying compliance with the requirements of rule 1020, carry out examinations on the premises of market intermediaries .
1210.4	Market intermediaries must guarantee that Borsa Italiana can carry out examinations on the premises of third parties entrusted with the management of technological systems under rule 1020.6.
1210.5	Where evidence is found of presumed violations of these Rules or the accompanying guidance, Borsa Italiana , after acquiring appropriate substantiating elements, decides whether, in its opinion, a violation has been or has not been objectively completed and, if so, it adopts any of the measures referred to in Article C010, after it started the procedure referred to in Article C020, when applicable.
1212	Market intermediaries shall be liable vis-à-vis Borsa Italiana for the conduct of their employees and collaborators. Conduct by traders that violates these rules shall be considered as the conduct of the intermediary on whose behalf the operators assigned to the trading activity are acting. Market intermediaries are also responsible to Borsa Italiana for compliance by their customers and, where present, their sub-delegates connected directly to the market through sponsored access with the Directive 2014/65/EU and the Regulations 600/2014/EU and 596/2014, as well as the Borsa Italiana Rules.
1213	Borsa Italiana may co-operate, also by the sharing of information, with other regulated markets and Multilateral Trading Facilities.
C 1214	Where in the course of market surveillance Borsa Italiana acquires evidence suggesting that acts of insider trading or market manipulation may have been committed, it shall immediately report such evidence to Consob.
<u>Measures against market intermediaries and issuers</u>	
C 1215	Imposition of measures shall be conducted in accordance with the procedures set out in the Compliance Procedures.

Charges and fees

General Conditions for the supply of services and fees

1300	Market intermediaries are required to pay fees for the services provided in accordance with the amounts, intervals and time limits established by Borsa Italiana on the basis of transparent and non-discriminatory criteria and indicated in the Price List attached to the General Conditions for the supply of services .
1301	The relationship between Borsa Italiana and market intermediaries concerning participation in trading on the market are governed by the General Conditions for the supply of services , available on Borsa Italiana's Internet site.
1302	Borsa Italiana shall announce changes to the General Conditions for the supply of services by posting the revised text on its Internet site and in the manner specified in the General Conditions themselves.

Rules of conduct

Rules of conduct

G	1400	Market intermediaries shall refrain from acts that may prejudice the integrity of the market. <i>Inter alia</i> they may not:
	1400.1	commit acts that are likely to give a false or misleading impression to other market participants;
	1400.2	carry out sham transactions, whose objective is not to transfer ownership of the financial instruments traded or to modify their exposure to the market;
	1400.3	commit acts that may impede appointed intermediaries in fulfilling their commitments;
	1400.4	carry out, directly or through a nominee, transactions under a prior agreement for the execution, offsetting, and reverse thereof;
	1401	Market intermediaries must put effective forms of control in place to monitor their contractual positions and avoid situations likely to hinder orderly trading and the regular settlement of contracts in the settlement service. Intermediaries must implement strategies to ensure the settlement of contracts in the terms provided.
	1402	Intermediaries are required to enter orders in the manner and within the terms set out in article 2020.3 and 2020.4.

Order entry

Transmission of orders to the ATFund market

1450	Market intermediaries shall be liable for all interactions with the electronic data processing and telecommunication support systems adopted by Borsa Italiana for the operation of the market, including trading orders sent to the market and those sent via Interconnections , and their effects. Market intermediaries must equip themselves on a continuous basis with systems, procedures and controls to prevent the entry of orders that are anomalous in terms of quantity, countervalue or number.
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Sec. *Guidance to the Rules*

150

150.1 *For the purpose of determining the countervalue, the last NAV is considered.*

1451	In order to ensure the smooth technical functioning and efficient use of the electronic trading support system, market intermediaries must observe the technical limits for order entry established on a general basis by Borsa Italiana in the Guide to the Parameters .
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1452	Market intermediaries can request to use more than one code to segregate specific trading activities or to segregate different participations in the settlement system. For this purpose market intermediaries must take previous contact with Borsa Italiana .
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1453	<p>Following the procedures indicated in the guidance, intermediaries must:</p> <ol style="list-style-type: none"> transmit the information needed to allow the association between the content of the orders and the information needed to guarantee to Borsa Italiana the completeness of records requested by Regulation 2017/580/EU; acquire the appropriate controls to ensure the correctness and completeness of the information entered in the orders and in the systems used to associate the information, according to letter a) above; provide Borsa Italiana with the information on executed contracts needed to comply with transaction reporting obligations, if such obligations pertain to the market; use a specific access code to segregate the activities carried out by customers directly connected to the market through sponsored access and, where present, their sub-delegates. This code is assigned by Borsa Italiana following the approval of the sponsored access application by the market intermediary for its customer.
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Sec. *Guidance to the Rules:*

155 *Transmission of orders to the market*

155.1 *Market **intermediaries** are required to fulfil the participation requirements*

and shall be liable for the orders sent to the market.

- 155.2 Market **intermediaries** must organise themselves in order to be able to control orders entered, including those entered via **interconnections**. To this end, attention must be paid to:
- the professional qualifications of the persons assigned to trading;
 - the controls on access to systems that permit the entry of orders via **interconnections**; such controls must make it possible to ensure the fitness and recognition of the persons who operate via **interconnections** and the access controls of the order enter via **interconnections**; In the case of "**direct electronic access**", which consists of a DMA or a sponsored access, the **market intermediary** has to implement procedures enabling it to ensure that the persons who may be guaranteed that access comply with the requirements of Article 22 of Regulation 2017/589/EU; In the event of sponsored access subject of sub-delegation, the market intermediary is required to segregate the different order flows of the recipients of the sub-delegation. If the **market intermediary** becomes aware that a customer connected to the market through "direct electronic access" does not longer meet the above requirements, it shall suspend the access and promptly notify Borsa Italiana;
 - the controls on the maximum quantities, on the maximum countervalue and prices of orders entered; The sponsored customer and, where present, their sub-delegates is not allowed to set or modify the parameters that apply to the checks on orders entered through the sponsored access mode;
 - the controls on the overall trading activity carried out by the different persons who operate via **interconnections**;
 - the frequency according to which persons who operate via **interconnections** enter order which have overridden controls and systems alert in terms quantity or number.
- 155.3 In order to ensure the adequacy of the systems referred to in rule 1450, market **intermediaries** must equip themselves with controls and automatic alarm systems, taking into account the quantity and the countervalue of the entered orders.
- 155.4 In particular, market **intermediaries** must equip themselves with controls and automatic alarm systems that prevent the entry of anomalous orders, whose size, or number could affect the orderly functioning of the market. To this end market **intermediaries** shall take account of the nature of their activity. In addition the procedures and controls must be adequate to permit the correct entry of orders and the handling of any alarms.
- 155.5 As for **interconnections**, in addition to providing the persons who send orders via **interconnections** with appropriate professional support, market **intermediaries** shall equip themselves with controls and monitoring systems in order to:
- prevent the entry of orders that exceed the maximum variation thresholds;
 - instruct such persons regarding the manner of entering orders. With particular regard to the Interconnections providing a sponsored access, the market intermediary also provides specific training to the subjects included in the list of authorized subject to request the cancellation of the orders submitted, referable to the access code

dedicated to the sponsored customer or the dedicated access code to the customer's sub-delegates, where present.

155.6 *With regard to the Interconnections providing direct electronic access to the market, market intermediaries shall also assess whether additional checks are necessary for the appropriate management of the orders of the sponsored customers, taking into account the nature and complexity of the activity carried out by them.*

155.7 *Market **intermediaries** shall ensure that they can delete orders entered via **interconnections** or, if necessary, restrict the possibility to enter orders via **interconnections** with or without the prior consent of the subject who entered the order via **interconnections**. Notwithstanding the provisions of the paragraphs above, with regard to the **Interconnections** that require a sponsored access, the market intermediary must be able, in any case, to manage the suspension of the access to the market of the sponsored customer and the sponsored customer's sub-delegates, where present and the massive cancellation of orders entered by them, in the event of suspension or disconnection of the customer, loss of the monitoring of the market operation of the sponsored customer and the sponsored customer's sub-delegates, where present or disconnection from the market of the **intermediary**.*

155.8 **Intermediaries** have to report the following information via the Member Portal of Borsa Italiana. This information is necessary to complete the content of orders which Borsa Italiana is required to file pursuant to Regulation No. 2017/580:

- client identification code
- code used to identify the person or algorithm used internally by the intermediary responsible for the investment decision;
- code used to identify the person or algorithm that is responsible for execution of the order.

The intermediaries shall ensure that each these codes (long-code) corresponds, in the trading orders, to a single code (short code), and vice versa, for all Borsa Italiana markets.

The communication of the information indicated at sub-indents b) and c) constitute confirmation that the indicated trading algorithms have been tested in advance.

*The **intermediaries** that are not subject to Regulation (EU) 2014/600 must report all the additional information that has not already been reported pursuant to guidance 145.7, so that Borsa Italiana may properly discharge its obligation pursuant to Article 26(5) of that Regulation, in accordance with the terms and conditions indicated in the Manual of transaction reporting of Borsa Italiana.*

Systems and trading

Technical breakdowns of market intermediaries' systems

G	1500	Market intermediaries shall promptly inform Borsa Italiana of any technical breakdowns of the systems they use for trading or of those for accessing the market referred to in rule 1020.1 and rule 1050, including the malfunctions of the technological systems used for trading and for the
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		access to the market of its sponsored customers and, where present, their sub-delegates.
G	1501	In the cases referred to rule 1500 market intermediaries shall follow any instructions received from Borsa Italiana and may request, in the manner laid down in the guidance to this rule, the deletion of orders sent to the market.

Sec. Guidance to the Rules

160 Technical breakdowns in market **intermediaries**' systems

- 160.1 For the purpose of article 1500, market **intermediaries** shall promptly inform **Borsa Italiana** of technical breakdowns in the technological systems they use for trading and their systems for accessing market, in particular if they intend to request the deletion of orders entered. Market **intermediaries** shall also notify **Borsa Italiana** of the subsequent reactivation of their systems.
- 160.2 Market **intermediaries** must be able to delete orders they enter. In the event that this is impossible, they may request **Borsa Italiana** to delete orders on their behalf either all the orders entered and orders associated with specific **access code**.
- 160.3 Market **intermediaries** shall send **Borsa Italiana**, via the Member Portal of **Borsa Italiana**, the list of persons who may request the deletion of orders. The list may include traders, the compliance officer referred to the article 1020.4 and other persons deemed by the market **intermediary** to possess adequate professional qualifications and subject to Rule 1212.
- 160.4 **Borsa Italiana** may delete orders only at the request of persons assigned to trading and included on the list referred to in the previous guidance sec 160.3. **Borsa Italiana** shall notify the names of the persons on the list only to the persons indicated in the list or to the compliance officer of the **intermediary**. Requests for the deletion of orders made by persons not included in the list will not be carried out.
- 160.5 Market **intermediaries** must notify the list referred to guidance sec 160.3 to rule and every change to the list itself, through **Borsa Italiana** Member Portal. Changes to the list will be effective from the effective date indicated in the Member Portal. Market **intermediaries** that configure their access to the market using more than one **access code** must send the list referred to in guidance sec 160.3 to rule for each **access code**.
- 160.6 When requests are made for the deletion of orders, the following information must be given in addition to the market **intermediary's** name and identification code: the **access code** for which the cancellation request has been entered the name and telephone number of the person requesting the deletion, and the reason for the request. For the deletion of individual orders, it is also necessary to specify the number of the order or the name of the instrument, the sign of the order, and its price, quantity and time of entry. When the request concerns individual orders, the maximum number of orders that **Borsa Italiana** will delete is five.
- 160.7 **Borsa Italiana** shall promptly carry out deletions of orders for which the request complies with what is set out above. If the orders in question have given rise to the conclusion of contracts, such contracts shall be binding on

*the market **intermediary**, without prejudice to the application of the procedures referred to in guidance sec 510 and 520.*

ORDER BOOK TRADING RULES

Trades

Trading methods and phases

2000	2000.1	Trading in the ATFund market shall be Rules in the following hours as referred to in Article 2021: 08.00 – 11.00 (11.00.00– 11.00.59) entry of orders
	2000.2	Contracts shall be concluded within the last minute of the trading hours specified.

Orders

2020	2020.1	Approved intermediaries shall express their willingness to trade through anonymous orders. Orders shall contain at least the information relative to the open-end CIUs to be traded, the quantity, the type of transaction, the type of account, and the method and include a special indication when originated from an algorithm or entered by a direct electronic access . The orders may also specify different validity parameters based on time and execution of the order and contain the additional information necessary for Borsa Italiana to comply with the Regulation 2017/580/EU. The modalities of entering of such information and the parameters admitted for each order shall be established in the Trading Service Manual .
	2020.2	Only market order are allowed.
	2020.3	Intermediaries are required to enter orders at least five minutes before the end of trading and, after this deadline, they must refrain from modifying or cancelling the orders entered.
	2020.4	Appointed intermediaries are required to enter, in fulfilment of the commitment referred to in Article 2021.3, exclusively named orders; such orders may be entered until the end of the trading.

Trading methods

2021	2021.1	The buy and sell orders entered by market intermediaries in accordance with articles 2020.3 and 2020.4, shall be automatically ranked on the book according to their time priority, determined by the time of entry, and, if modified, they shall lose their time priority if the modification implies an increase in the quantity.
	2021.2	At the end of the entry phase buy and sell orders shall be matched according to the time priorities of the individual orders.
	2021.3	The difference between the buy and sell quantities shall be taken up by the appointed intermediary . In exceptional cases where the appointed intermediary fails to take up the quantity difference, the unfilled orders shall be cancelled. The appointed intermediaries shall inform Borsa Italiana in

the event that they are unable to fulfil the undertaking referred to in the preceding sentence. If a request is made for exclusion from trading pursuant to Article 237, the obligations set forth in this paragraph shall cease from the date of receipt of the notice sent by the issuer in accordance with Article 237.1.

- 2021.4 Contracts shall be concluded at the net asset value (NAV) of the share/unit of the open-end CIU on the day of trading and notified by the issuer pursuant to Article 310.1 e).
- 2021.5 Contracts shall be valued by Borsa Italiana on the basis of the price referred to in the preceding point and transmitted to the matching services, pursuant to the indication at article 4000, for the purpose of their settlement on the day following the day they were concluded and in any case in compliance with the time limits established for settlement.
- 2021.6 Trading shall take place only on days when the issuer is required to calculate the net asset value (NAV) of the share/unit communicated pursuant to article 310.2 (e).

Sec. Guidance to the Rules

200 Extraordinary intervention of Borsa Italiana on contracts concluded

- 200.1 *In cases where the issuer, in fulfilment of the obligation under article 310, informs of the communication of a wrong NAV and subsequently communicates the correct NAV by 15.00 o'clock of the second day following the day of execution, the related contracts will be adjusted to the correct NAV (accordingly with the dispositions applicable to the CIU) and forwarded to the settlement systems so as to allow compliance with the settlement terms envisaged.*
- 200.2 *If the communication of the correct NAV is made after the terms referred to in the preceding guidance, the related contracts will be settled on the basis of the NAV originally communicated by the issuer. In such cases the counterparties shall provide for the entering of adjustment instructions (compensation) in the settlement systems, based on the correct NAV (accordingly with the dispositions applicable to the CIU) properly communicated by the issuer and disclosed with notice of **Borsa Italiana**.*
- 200.3 *The issuer shall promptly inform **Borsa Italiana** of cases of failure to comply with the obligation to communicate the value of the NAV referred to in article 310. In such cases, when the NAV is not received by 15.00 o'clock of the second day following the day of execution, the related concluded contracts will be cancelled, given communication in the manners provided in title 3000.*
- 200.4 *The calculation of the days referred to in the guidance 200.1 and 200.3 shall be made on the basis of trading days and excluding the days when the NAV is not calculated, reported by the issuer as provided in article 310.2, letter e).*
- 200.5 *The issuer is subject to article C010 of the Rules.*

2022

In order to ensure the regularity of trading in a financial instrument, **Borsa Italiana** may establish, on a general basis in the **Guide to the Parameters** communicated in a **Notice**, the maximum quantity and the countervalue of **financial instruments** that may be the subject of an order.

Official Price

2100	The official daily price of each financial instrument is given by the last NAV communicated by the issuer for which contracts have been concluded.
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DISCLOSURE OF INFORMATION

Information provided to intermediaries – General Principles

3000	Approved intermediaries shall be provided with the information needed for the proper performance of the trading functions and the settlement of trades. Such information shall be made available via the electronic data processing and telecommunication systems put in place by Borsa Italiana as promptly as possible and with intermediaries on an equal footing insofar as this is compatible with the technological equipment in their possession.
3001	Borsa Italiana shall establish the conditions and procedures for the dissemination of the information referred to the preceding article 3000 to interconnected customers.

Information provided to the intermediaries – Contents

3002	Throughout the market session intermediaries shall have access to at least the following information updated in real time: a) the trading book with all the individual buy and sell orders and quantity; this information is updated at the request of the intermediary; b) a summary of the trading conditions for each financial instrument, containing at least, the volume of trades; c) the situation regarding the intermediary's own orders on the book; d) a list of the individual trades for each financial instrument, showing the time, quantity and execution price.
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Information provided to the public - General principles

3020	In order to facilitate investment and disinvestment decisions and the verification of the conditions at which transactions are executed in the markets, Borsa Italiana shall arrange for the prompt disclosure to the public including via third parties where appropriate, of information on market conditions and the contracts concluded for each ATFund financial instrument.
3021	Borsa Italiana shall not disclose information to the public on the identity of the parties to trades.
3022	Borsa Italiana publishes on its website data on the quality of the execution of the transactions, according to the provisions of the Regulation 2017/575/EU.

Information provided to the public - Contents

3030	3030.1	During the trading phase, for each open-end CIU traded, the information on the quantities of all the buy and sell orders and the conventional price shall be available to the public in real time for each financial instrument.
	3030.2	The information on the contracts concluded in relation to the number of contracts, the quantities traded and the conventional price are available to

the public in real time and are updated with the indication of the execution price on the trading day following the trading day.

SETTLEMENT

Settlement

4000	The day after the conclusion of contracts on the market, Borsa Italiana shall send to the daily trade-checking services, specified on the guidance to the rules, the data on the contracts in view of their settlement via the CSD specified in the guidance to the rules.
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Sec. 400 *Guidance to Rule:
Trade-checking and settlement service*

400.1 *X-TRM is the daily trade-checking service.*

400.2 *Settlement services of the financial instruments are the services managed by:
- Monte Titoli or other CSDs using the T2S platform allowing for cross-CSD settlement, as defined in the Monte Titoli Settlement Service Regulations.*

Time of settlement

4010	Purchase and sale contracts concluded on ATFund market shall be settled on the third day following their conclusion.
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4011	The settlement time limits shall be determined excluding the days when the NAV is not calculated, communicated by the Issuer pursuant to the article 310.2 (e)
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Late settlement

4020	Where purchase and sale contracts are not settled within the prescribed time limits and a payment of periodic amount or the maturity of the financial instrument occurs in the meantime, the procedures provided by the settlement system pursuant to the Rules apply.
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Sec. 402 *Guidance to the Rules
Start of the mandatory execution procedure*

402.1 *Pursuant to article 4020 of the Rules, in the event that purchase and sale contracts are not settled for lack of the securities by 10:00 on the third day following the prescribed settlement date, the buyer may initiate the mandatory execution (buy-in) procedure referred to in guidance sec 403 against the seller who has failed to perform. The request of initiation of the mandatory execution (buy-in) procedure shall take account of the eventual buyer protection and of the features of the financial instrument. In the event that the buyer does not request the start of the buy-in procedure, guideline Sec. 403 applies.*

402.2 *Pursuant to article 4020 of the Rules, in the event that purchase and sale contracts are not settled for lack of cash, at the prescribed settlement date, the seller may initiate the mandatory execution (sell-out) procedure referred*

to in Sec. 408 against the buyer who has failed to perform.

402.3 The calculation of the days for the buy-in and sell-out procedures shall be based on the market calendar;

402.4 The notifications referred to in the following articles shall be made by e-mail to the address ms@borsaitaliana.it.

Sec.

403 Buy-in procedure

403.1 The buyer shall initiate the buy-in procedure by appointing an **intermediary** (the buy-in agent) to execute the buy-in and sending a buy-in notice to the seller. The buyer shall notify **Borsa Italiana** of the start of the procedure using the form shown in Annex 3. Buy-in notices may be sent from the end of the settlement on the third day subsequent to the original settlement day (within 18.00 hours) (if the notice is sent after such time, it shall be deemed to have been sent on the following day).

403.2 In the buy-in notice the buyer shall give the name of the buy-in agent, who, except in the case referred to in Sec. 406, shall execute the buy-in according to the time limits and in the manner established in the following guidance.

403.3 If the seller fails to settle the original transaction by the fourth day subsequent to the day on which the buy-in notice was sent (the expiration day) on the following day (the buy-in execution day) the buy-in agent shall purchase the securities to be delivered to the buyer and notify the same of the details of the transaction concluded. If the buy-in agent is unable to purchase some or all of the securities on the buy-in execution day, they may be purchased on the following days.

403.4 The buy-in must be executed on the **ATFund market**, unless provided for otherwise by **Borsa Italiana**, which shall take account of the features of the financial instrument and the ways in which it is traded.

403.5 Upon receiving the notification referred to in Sec. 403.3, the buyer, using the form shown in Annex 4, shall notify the seller and **Borsa Italiana** of the details of the execution of the buy-in and indicate any differential between the cum-coupon prices of the original contract and the buy-in contract, calculated with account taken of any intervening coupon detachments. If the differential is negative it shall be payable by the seller.

403.6 on the buy-in execution date **Borsa Italiana** shall request Monte Titoli to delete the settlement instructions of the original contract from the settlement system.

403.7 Upon execution of the buy-in the buyer shall send settlement instructions in favour of the buy-in agent to the settlement system for the settlement with the same value date of the quantity and value of the buy-in transaction. The buyer shall notify **Borsa Italiana** of the sending of the settlement instructions. In the case referred to in Sec. 503.4, the seller shall send the settlement system instructions in favour of the buyer for payment of the differential with the same value date as the settlement of the buy-in transaction. The seller shall notify **Borsa Italiana** accordingly.

Sec. Cash settlement procedure

404

404.1

Whenever within 10 days calculated starting from the settlement date, of the original contract is not settled or whenever the buy-in agent is unable to purchase the securities by such time limits, the seller must pay the buyer an amount equal to the differential, if positive, between the valuation of the financial instruments on the end-of-validity day and the original value of the contract (cash settlement).

Sec.

405

Buy-in agent

405.2

*Pursuant to Sec. 403.1, the buyer shall appoint an intermediary to purchase the securities (the buy-in agent) chosen among the intermediaries admitted to trading on the markets managed by **Borsa Italiana**.*

405.2

*The buyer may revoke the appointment of a buy-in agent who fails to execute the buy-in and appoint another. The buyer shall give the seller and **Borsa Italiana** at least one day's notice of the revocation and of the appointment of another buy-in agent.*

Sec

406

Delivery of the securities during the buy-in procedure

406.1

The seller may settle the original contract by delivering the securities due up to the forth day subsequent to the day on which the buy-in notice was sent and shall inform Borsa Italiana and the buyer accordingly. The buyer shall inform the buy-in agent.

406.2

In the case referred to in Sec. 406.1, the buy-in procedure shall be immediately cancelled.

Sec

407

Pass on

407.1

*Upon receiving a buy-in notice, a seller who has not settled a contract concluded for own account within the prescribed settlement time limits because another participant on the **ATFund market** has failed to settle may transfer the effects of the buy-in procedure to such participant by notifying the latter and **Borsa Italiana** using the attached form referred to in Sec. 403.1 and filling in the pass-in as well.*

407.2

*The seller shall notify the other participant and **Borsa Italiana** of the details of the execution of the buy-in, using the attached form referred to in Sec. 403.5, and filling in the pass-on section as well. The seller shall also indicate any price differential between the prices of the original contract and the buy-in contract, calculated with account taken of any intervening proceeds detachments. If the differential is negative, it shall be payable by the other participant and in the cases in which the buy-in agent is unable to purchase the securities by the end-of-validity date of the original contract, the other participant is required to make the cash settlement referred to in Sec. 403.*

Sec. Sell-out procedure
408

- 408.1 *The seller shall initiate the sell-out procedure by appointing an intermediary (the sell-out agent) to execute the sell out and sending a sell-out notice to the buyer. The seller shall notify Borsa Italiana of the start of the procedure using the form shown in Annex 3.*
- 408.2 *Sell out-notices may be sent from the end of the original settlement day (by 18:00; if the notice is sent after such time, it shall be deemed to have been sent on the following day).*
- 408.3 *If the buyer fails to settle the original transaction by 10.00 o'clock on the day subsequent to the day on which the sell-out notice was sent (the sell-out execution day), the sell-out agent shall sell the securities in order to deliver the cash amount to the seller and notify the same of the details of the transaction concluded. If the sell-out agent is unable to sell some or all of the securities on the sell-out execution day, they may be sold on the following days.*
- 408.4 *In the sell-out notice the seller shall give the name of the sell-out agent, who, except in the case referred to in Sec. 410, shall execute the sell-out according to the time limits and in the manner established in the following guidance.*
- 408.5 *The sell-out must be executed on the **ATFund market**, unless provided for otherwise by Borsa Italiana, which shall take account of the features of the financial instrument and the ways in which it is traded.*
- 408.6 *Upon receiving the notification referred to in Sec. 408.2 and Sec. 408.3, the seller, using the form shown in Annex 4, shall notify the buyer and Borsa Italiana of the details of the execution of the sell-out and indicate any differential between the cum-coupon prices of the original contract and the sell-out contract. If the price of the contract for execution of the sell out is lower than the price of the original contract, the differential shall be payable by the buyer.*
- 408.7 *At the sell-out execution date Borsa Italiana shall request Monte Titoli to delete the settlement instructions of the original contracts from the settlement system.*
- 408.8 *Upon execution of the sell out the seller shall send the settlement instructions in favour of the sell-out agent to the settlement system for the settlement with the same value date of the quantity and the value in euro of the sell-out transaction. The seller shall notify Borsa Italiana of the sending of the settlement instructions. In the case referred to in the guidance 408.4, the buyer shall send the settlement system instructions in favour of the seller for payment of the differential with the same value date as the settlement of the sell-out transaction. The buyer shall notify Borsa Italiana accordingly.*

Sec. Sell out agent
409

- 409.1 *Pursuant to Sec. 408.1, the seller shall appoint an intermediary to sell the securities (the sell-out agent) chosen among the intermediaries admitted to*

trading on the market managed by Borsa Italiana..

- 409.2 *The seller may revoke the appointment of a sell-out agent who fails to execute the sell out and appoint another. The seller shall give Borsa Italiana, at least one day's notice of the revocation and of the appointment of another sell-out agent.*

Sec.

410 *Delivery of cash during the sell-out procedure*

- 410.1 *The buyer may settle the original contracts by delivering the cash due up to 10.00 o'clock on the day subsequent to the date on which the sell-out notice was sent and inform Borsa Italiana and the seller accordingly. The latter shall inform the sell-out agent accordingly. In such case the sell-out procedure shall be immediately cancelled.*

Sec. *Guidance to the Rules*

411 *Management procedure for failed transactions in case of corporate actions*

- 411.1 *Where purchase and sale contracts are not settled within the prescribed time limits and other corporate actions occur in the meantime, the discipline provided for by the settlement system referred to in article 4000 applies.*

- 411.2 *In cases of corporate events which provides for the in bonis buyer the possibility to notify an intention, the buyer may request the in malis seller the exercise of the option derived from the corporate action on the purchased instrument (so called buyer protection), notifying it to the market.*

- 411.3 *For the purpose of buyer protection request, the form available in the website of the settlement system shall be used. Also, the counterparties, directly or through the intermediaries that settle respectively on their behalf, shall insert in the settlement system the settlement instruction on the resulting and possibly cancel the original settlement instruction.*

SURVEILLANCE

Controls and measures concerning trading

5000	Borsa Italiana shall control the regularity of trading, verify the compliance with these rules and the accompanying guidance and adopt all the measures necessary for the proper operation of the market. These functions shall be performed by the competent office, which shall be exclusively equipped with the means needed to carry out the related controls and interventions. These rules shall be conducted in accordance with the procedures set out in rule 1210.
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5001	In carrying out its supervisory functions, with the aim of ensuring orderly trading, Borsa Italiana shall, <i>inter alia</i> :
5001.1	monitor the behaviour of approved intermediaries in the market, and compliance with the obligations of the appointed intermediary ;
5001.2	apply to issuers and to approved intermediaries for information deemed necessary in relation to particular market conditions in accordance with rules 330 and 1210;
5001.3	verify the updating of records, including the content of the proposals and information required by Regulation (EU) No. 2017/580 procedures and any other matters necessary to ensure orderly trading;
5001.4	monitor the operation of the technical equipment and transmission networks of the electronic data processing and telecommunication systems;
5001.5	regulate trading conditions;
5001.6	promptly inform the market of the measures it adopts that affect trading in the market or the performance of financial instruments ;
5001.7	promptly suspend the intermediary at the request of the intermediary participating in the settlement service referred to in rule 1100 and immediately inform Consob.

Measures concerning trading parameters, hours and phases

5010	In particular market conditions, Borsa Italiana may, with reference to categories of open-end CIUs or individual open-end CIUs :
5010.1	prolong the duration or delay the start of one or more phases of trading;
5010.2	suspend or reactivate trading.

5011	Borsa Italiana may adopt the measures referred to in the rule 5010:
5011.1	where anomalous trading conditions are observed for financial

	instruments in terms of quantities;
5011.2	where it is necessary to obtain information on particular market situations concerning the financial instruments ;
5011.3	where there are technical reasons or other circumstances that do not guarantee the regular operation of the market;
5011.4	where detailed complaints are submitted by approved intermediaries that consider they have been damaged by irregular behaviour on the part of other approved intermediaries.

5012	In adopting the measures referred to in rule 5010, Borsa Italiana shall take account:
5012.1	of the volumes of the financial instruments traded recorded in the last three months, as well as their variations;
5012.2	of the liquidity of the instrument and the significance of the trading;
5012.3	of the dissemination or lack of dissemination of information available to the market

5013	Borsa Italiana may cancel orders that hinder orderly trading where the intermediary that entered them, when requested by Borsa Italiana , is unable to confirm, modify or cancel them in a reasonably short time.
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Handling of input errors

G	5020	Borsa Italiana may order or effect:
	5020.1	the cancellation of contracts concluded in the market upon receipt of a joint explained request from the approved intermediaries concerned;

5021	Borsa Italiana shall give prompt notice to the intermediaries concerned of the operation of the procedure for handling errors and the measures adopted. Where these are affecting contracts that have been concluded, Borsa Italiana shall inform the market and provide the counterparties concerned, at their request, with the documentation relative to the corrections or cancellations effected.
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G	5022	For carrying out the error handling procedure referred, Borsa Italiana shall charge the intermediary that made the mistake a fee proportional to the scale of its intervention, in accordance with the what is established in the guidance sec 550.
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Sec.
504 *Guidance to the Rule:*
General principles

504.1 *An approved **intermediary** that makes a mistake in entering orders in the market shall promptly inform **Borsa Italiana**, giving the details of any resulting transactions and specifying whether it intends to request*

activation of the error handling procedure.

504.2 Such reports, requests for the handling of mistakes by those that made them and the related counterparty authorisations, may be sent, after contacting **Borsa Italiana**'s supervision office by telephone, by sending a written request to the following e-mail address: ms@borsaitaliana.it; Requests for the handling of errors must contain the details of the transactions.

504.3 **Borsa Italiana** shall promptly notify the details of the financial instruments for which the error handling procedure has been requested and activated to the counterparties involved or the entire market in the manner deemed most appropriate.

504.4 The cost of contacting the counterparties in connection with the adoption of corrective measures shall normally be borne by the approved **intermediary** that made the mistake. If the identities of the counterparties are not known to market participants, the **intermediary** that made the mistake shall contact **Borsa Italiana**.

504.5 The manner of determining the fees for the error handling procedure referred to in rule 5022 is specified in guidance sec 550.

Sec. Ordinary procedure

510

510.1 The ordinary procedure may be activated where the following conditions are met:

- a) the error handling request is submitted to **Borsa Italiana** as promptly as possible;
- b) the transactions to which the request refers derive from an evident mistake.

510.2 **Borsa Italiana** shall promptly inform the applicant where the request for activation of the ordinary procedure is refused, giving the reasons for the refusal.

510.3 The corrective measures may be adopted, as far as it is concerned, by the parties or by **Borsa Italiana** subject to the agreement of the parties.

Sec.

520

Determination of the fee for handling errors

520.1 **Borsa Italiana** shall use the following formula to determine the fee referred to rule 5022:

$$C = 50 \times N_{cp} + 10 \times N_{ct}$$

where:

C = the fee in euro;

N_{cp} = the number of counterparties involved in the contracts affected by the procedure;

N_{ct} = the number of contracts considered in the calculation, set equal to 0 where the number of contracts affected by the procedure is less than or equal to 50 and to the number in excess of 50 where the number of contracts affected by the procedure is more than 50.

520.1 *The fee may not be less than 250 euro or more than 2,500 euro.*

Handling of technical breakdowns

G	5040	<i>Inter alia</i> with the aim of ensuring equal access to the market by approved intermediaries in conditions of adequate transparency, Borsa Italiana :
	5040.1	shall establish in the guidance the procedures for handling technical breakdowns of electronic data processing equipment and transmission networks, and lay down objective criteria for carrying out the procedures, determining the downtime, the time at which trading is to start again and any extension of trading hours;
	5040.2	may order the temporary suspension of trading where technical breakdowns affect a significant number of approved intermediaries
	5040.3	shall inform the market of the measures adopted in accordance with this rule where they impinge on approved intermediaries' operations or the trading of financial instruments .

Sec. *Guidance to Rule:*
560 *Handling of technical breakdowns*

- 560.1 *In monitoring the operation of the technical equipment and transmission networks of the electronic data processing and telecommunication systems referred to in rule 5001.5, **Borsa Italiana** shall continuously verify:*
- a) *approved intermediaries' operational and informational links to the market;*
 - b) *the working of the electronic data processing equipment and telecommunication networks for the provision of trading support services, the dissemination of information and the daily checking and correction of contracts;*
 - c) *the regular operation of the different market phases in accordance with the procedures and timetables prescribed.*
- 560.2 *Where the controls reveal anomalies involving a significant number of approved intermediaries, **Borsa Italiana** may adopt one of the following measures for an individual **financial instrument**:*
- a) *prolong or postpone one or more market phases;*
 - b) *suspend one or more market phases;*
 - c) *prolong the session;*
 - d) *close the session early.*
- 560.3 ***Borsa Italiana*** *shall also assess the significance of the number of approved intermediaries affected by technical breakdowns referred to in rule 5040.2 in relation to:*
- a) *the nature of the breakdowns and the operational limitations (access or information) observed;*
 - b) *the procedures for connecting the approved intermediaries affected to the market;*
 - c) *the fact that the breakdowns concerned all or part of the technical resources available to approved intermediaries;*
 - d) *the market share of the approved intermediaries affected.*
- 560.4 *The duration of the suspensions and postponements referred to in guidance sec 560.2 shall be fixed in a transparent manner and in a way*

that allows a significant number of approved intermediaries to assess their contractual positions and re-establish regular connections with the market.

560.5

Trading may be restarted:

- a) with a phase which permits approved intermediaries to annul unexecuted orders they had entered in the market before the suspension.*
- b) with the trading procedure referred to in article 2000;*

COMPLIANCE PROCEDURES

Measures against market intermediaries and issuers

C010	Without prejudice to rule 1021, where there is a violation of these rules or the accompanying guidance, including the case of issuers or market intermediaries hindering the verification activity referred to in rule 1210, Borsa Italiana may apply one or more of the following measures against the issuers or the market intermediaries in question:
C010.1	a written warning to observe the Rules and accompanying guidance;
C010.2	a written censure;
C010.3	a fine of between 5,000 and 500.000 euros;
C010.4	suspension from trading in the market;
C010.5	exclusion from trading in the market.
C011	The measures provided for in the rules, C010.4 and C010.5 may be made public as described in Rule C040. Measures provided in the previous rules C010.1, C010.2 and C010.3 may be made public as described in rule C040, where Borsa Italiana is of the opinion that this is deemed necessary and appropriate for the purpose of market protection. Borsa Italiana may disclose to the public the measure and the description of the violation without specifying the identity of the perpetrator, when this is deemed sufficient in order to ensure market protection. The measure referred to in rule C010.1 could be disclosed only without the name of the intermediary to which such measure applies.
C012	In order to adopt the measures referred to in the rule C010, Borsa Italiana shall take the following criteria into account:
C012.1	the actual and potential impact on the market and the external importance of the violation and the impact on the issuer's economic and financial situation;
C012.2	the size, duration and nature of the violation;
C012.3	how Borsa Italiana became aware of the violation;
C012.4	the benefits accrued by the issuer or market intermediary from the violation;
C012.5	The issuer's or market intermediary's reaction to Borsa Italiana's requests and its actual and previous behavior;
C012.6	magnitude of fraud and negligence;

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| C012.7 | functioning of system used for internal control and prevention of violations; |
| C012.8 | numbers and magnitude of violations previously committed by the same issuer or market intermediary ; |
| C012.9 | size of the issuer or market intermediary and of the group it belongs to; |
| C012.10 | the cases in which various provisions are breached or the same provision is breached more than once. |

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| C013 | Where a measure of suspension or exclusion from trading is adopted, from the time such measure takes effect the market intermediary to which it is applied shall only be permitted, under the surveillance of Borsa Italiana , to close out any positions still open and carry out any related transactions that are necessary to protect customers' interests. |
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| C014 | The use to which fines are put shall be established on a general basis by Borsa Italiana in an ad hoc measure communicated to Consob and published in a Notice . |
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Procedure for verifying violations

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| C020 | In order to apply the measures referred to in rule C010, the procedure described in this rule shall be initiated within one year of the presumed violation or of the later date on which Borsa Italiana learned of the presumed violation. In the latter case the procedure described in this rule may not be initiated after three years have elapsed from the date of the presumed violation. |
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| C021 | For the purpose of applying the measure referred to in rule C010.2, C010.3, C010.4 and C010.5, Borsa Italiana sends the issuer or the market intermediary concerned a notification: |
| C021.1 | containing a description of the alleged violation |
| C021.2 | setting a time limit of not less than 15 days within which a written brief may be submitted and possibly a request for a hearing in which to examine the question jointly. |

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| C022 | The notification referred to in rule C021 may indicate the measure Borsa Italiana intends to apply. In such case, if the time limit referred to in rule C021.2 expires without the issuer or the market intermediary having submitted a written brief or requested a hearing, Borsa Italiana shall apply the measure indicated in the notification. |
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| C023 | If the issuer or the market intermediary requests a hearing in which to examine the question jointly or if Borsa Italiana considers such a hearing to be necessary, Borsa Italiana shall establish the date for the hearing and inform the issuer or the market intermediary accordingly. The issuer or the market intermediary shall be represented in the meeting either by its legal representative or by a person appointed for the purpose, being allowed to be assisted by a lawyer of its choice. If the market intermediary fails to |
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	attend the hearing without due cause, Borsa Italiana shall proceed on the basis of the evidence collected up to that time. At the end of the hearing, at the request of the interested party, Borsa Italiana may set a new time limit of not less than 10 days for the submission of another written brief.
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C024	On the basis of the evidence collected as part of the procedure, Borsa Italiana shall decide within 45 days of the hearing or the subsequent expiry of the time limit for the submission of another written brief as provided for rule C023, or if no such hearing is requested or scheduled by Borsa Italiana , within 45 days of the expiry of the time limit set pursuant rule C021.2.
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C025	Decisions adopted pursuant to the preceding rule C024 shall be promptly notified to the interested party giving the reasons for the decision. If one of the measures referred to in rule C010 is applied, the costs of the procedure and in particular those in relation to the examination of the written briefs submitted and the hearings requested, determined on a flat-rate basis in accordance with the provisions of rule 1300, shall be charged to the market intermediary or to the issuer .
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Review of measures

C030	The issuer or the market intermediary may ask for the review of the measure applied pursuant to rule 1021 and rule C010 within 15 days of the notification referred to in respectively rule 1021.7, and rule C025 by means petition to the Appeals Board established pursuant to C090.
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C031	For the measure referred to in rule C010.1, the 15 days run from the moment in which the decision is notified to the interested party.
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Disclosure to the public of measures

C040	Applications of the measures referred to in rule C010 shall be made public in Notices or via the electronic trading support systems after 15 days have elapsed from the notification of the measure to the interested party without the question being referred to the Appeals Board or, where it has been so referred, after 10 days have elapsed from the notification of the Appeals Board's decision to the parties.
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C041	At the request of the issuer or the market intermediary , the complete text of the measure shall be made public, possibly together with all the acts of the proceedings, including the decisions of the Appeals Board.
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Suspension of time limits

C050	The time limits referred to in this Title shall be suspended from 1 August to 31 August of each year.
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Jurisdiction

C060	These rules, the accompanying guidance and any other provisions concerning the operation of market and services and subsequent amendments shall be governed by the laws of Italy.
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Disputes submitted to the courts

C070	Disputes concerning the fees referred to in rule 1300 and 1451, and the amounts referred to in guidance sec 650 referring to fees payable by intermediaries where due, shall be heard exclusively by Italian judges and the competent court shall be exclusively the Court of Milan.
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Other disputes

C080	Any dispute other than those referred to in rule C070 caused by or deriving from these rules, the accompanying guidance or any other provisions concerning the operation of market and subsequent amendments shall be settled finally by a Board of Arbitration set up in accordance with rule C100.
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C081	Prior recourse to the Appeals Board procedure referred to in rule C090 shall be a necessary condition for initiating the arbitration procedure
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Appeals Board

C090	The Appeals Board shall be composed of three members appointed by the Board of Directors of Borsa Italiana , which shall also appoint one of the members to be the chairman. The seat of the Appeals Board shall be at Borsa Italiana .
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C091	The members of the Appeals Board shall be chosen from among independent persons of proven expertise in matters concerning financial markets.
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C092	The appointment shall be for three years and may be renewed. Where one of the members vacates the position before the termination of the appointment, the Board of Directors of Borsa Italiana shall appoint a substitute; such appointment shall last until the termination of the appointments of the other members of the Appeals Board.
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C093	The decisions of the Appeals Board shall be adopted in accordance with law allowing debate within 30 days of the date of the petition for review referred to in rule C030 and C031 and shall be promptly notified to the parties. The language of the proceedings shall be the Italian language..
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C094	In agreement with the other members of the Board, the chairman may assign a question to a single member of the Board.
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C095	The decisions of the Appeals Board shall not be binding on the parties and where one of the parties initiates arbitration pursuant to rule C100, they shall not be binding on the arbitrators, who shall have the broadest prerogatives and powers to re-examine the entire dispute without any preclusion.
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C096	The fees of the members of the Appeals Board shall be borne by the losing party.
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Board of Arbitration

C100	The Board of Arbitration shall be composed of three members appointed as follows:
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	<p>C100.1 the party that initiates the arbitration procedure shall send an instrument to the other party in which it:</p> <ul style="list-style-type: none"> • declares its intention of initiating the arbitration procedure; • indicates the subject of the case; • designates its arbitrator; • invites the other party to designate its arbitrator; <p>C100.2 the party that receives the invitation referred to in rule C100.1 shall designate its arbitrator within 20 days of receiving the notice; in the event of its omitting to do so, the second paragraph of Article 810 of the Code of Civil Procedure shall apply;</p> <p>C100.3 the third arbitrator, who shall act as Chairman of the Board of Arbitration, shall be appointed consensually by the arbitrators referred to in rule C100.1 and C100.2; where they fail to agree within 20 days, the third arbitrator shall be appointed by the Chairman of the Milan Court.</p>
C101	The arbitration proceedings thus instituted shall be ritual and shall comply with the provisions of the Italian Code of Civil Procedure. The procedure must be initiated, on pain of debarment from action, within 60 days of the notification referred to in rule C093. The dispute shall be settled in accordance with the provisions of Italian law and the language of the arbitration proceedings shall be the Italian language.
C102	The seat of the Board of Arbitration shall be in Milan in the place designated by its Chairman.



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