

AIM ITALIA TRADING MANUAL

VERSION 8.00 – 12 APRIL 2011

TITLE 1 AIM ITALIA ORDER BOOK

Article 1 ***(Tradable instruments)***

1. Trading in the AIM Italia market shall be in any quantity of securities.
2. Borsa Italiana may specify a minimum lot for each security where this is necessary for the market to operate effectively, for investors to have easy access to it and for the execution of orders to be cost efficient.
3. Purchase and sale contracts having as their subject securities referred to in paragraphs 1 shall be checked by the service referred to in Title 4 and settled via the settlement service referred to in Article 69 of the Consolidated Law on Finance:
 - a) on the third trading day following their conclusion where they refer to securities;
 - b) on the trading day following their conclusion where they refer to unexercised pre-emptive rights.
4. In Title 2 are specified the rules that shall apply where the sale and purchase contracts are not settled within the time limit established.
5. Borsa Italiana may specify in the admission dealing notice a different settlement time limit, taking into account the features of the reference market settlement system of the issuer.

Article 2 ***(Trading segments)***

1. Borsa Italiana may divide securities traded in the AIM Italia market into homogeneous segments on the basis of their capitalisation, the procedure for admission to trading, the settlement service utilised, the procedure and trading hours.
2. In the Notice announcing the start of trading, Borsa Italiana shall identify the trading segment of securities on the basis of the criteria specified in the paragraph 1.

Article 3 ***(Trading methods and phases)***

1. Trading may be carried on using the auction and continuous trading methods.
2. The trading phases shall be the following:

- a) opening auction, divided in turn into the phases of determining the theoretical opening-auction price (“pre-auction” phase) and concluding contracts (“opening” phase);
- b) continuous trading;
- c) closing auction, divided in turn into the phases of determining the theoretical closing-auction price (“pre-auction” phase) and concluding contracts (“closing” phase).

Article 4 (Orders)

1. Approved intermediaries shall express their willingness to trade through anonymous orders. Specialists shall express their willingness to trade through non anonymous orders. Orders shall contain at least the information relative to the securities to be traded, the quantity, the type of transaction, the type of account, the price and the method of execution as specified in the Trading Service Manual of MTA market.
2. Orders may be entered in the pre-auction phases and in continuous trading with or without a limit price.
3. Orders entered with a limit price in the continuous trading phase may be specified as being iceberg orders. The partial quantity displayed must be at least equal to 0,4*EMS. The execution of the whole displayed quantity shall automatically generate a new order. Such order shall be displayed on the book for the same partial quantity or the residual amount of the order with the price of the original order and the time priority corresponding to the time the new order was generated.
4. Approved intermediaries may enter, modify and cancel orders both in the pre-auction phases and in continuous trading.
5. The orders for each security shall be automatically ranked on the book according to price — in order of decreasing price if to buy and increasing price if to sell — and, where the price is the same, according to entry time. Modified orders shall lose their time priority if the modification implies an increase in the quantity or a change in the price.
6. In the cases referred to in Article 1, paragraph 2, orders may be for the minimum lot or multiples thereof.
7. Limit orders may not be entered with prices above or below the maximum percentage limits for price variations established by Borsa Italiana in Article 12 notified in a Notice.
8. During the opening pre-auction phase, continuous trading phase and the closing pre-auction phase, specialists shall enter quotations to fulfil their obligations under Article 14, exclusively with the executable quote type of order.
9. The maximum duration that may be specified for “good till time” and “good till cancelled” orders shall be 30 days.

10. In order to ensure the smooth technical functioning and efficient use of the electronic trading support systems, Borsa Italiana may impose limits on the entry and modification of orders in terms of daily frequency, total daily number or the ratio of orders to contracts concluded. Borsa Italiana shall establish such limits and the fees payable by intermediaries where they are exceeded.

**Article 5
(Quantity limits)**

1. The maximum number of securities in an order shall be 400*EMS, except as provided for otherwise in the Notice announcing the date of the start of trading.
2. The maximum number of securities that may be entered at the auction price shall be 400*EMS, except as provided for otherwise in the Notice announcing the date of the start of trading.
3. Borsa Italiana, in the months of March, June, September and December, shall calculate and publish on its website the quantity, defined as number of financial instruments, with reference to each instrument (EMS).

**Article 6
(Ticks)**

1. The prices of orders may be multiples of the ticks established for each security and trading session in relation to the prices of the orders entered, as follows:
 - a) shares, warrants and pre-emptive rights:

Prices of the order entered (Euro)	Tick
Less than or equal to 0,5	0,0001
0,5001 – 1	0,0005
1,0001 – 2	0,001
2,0001 – 5	0,002
5,0001 – 10	0,005
10,0001 – 50	0,01
50,0001 – 100	0,05
100,0001 - 500	0,1
500,0001 – 1.000	0,5
1.000,0001 – 5.000	1
5.000,0001 – 10.0000	5
10.000,0001 – 20.000	10
20.000,0001 – 30.000	20
30.000,0001 – 40.000	30
40.000,0001 – 50.000	40
50.000,0001 – 60.000	50
60.000,0001 – 70.000	60

70.000,0001 – 80.000	70
80.000,0001 – 90.000	80
90.000,0001 – 100.000	90
More than 100.000	100

b) convertible bonds: for each price of the order entered the tick is equal to 0.01.

Article 7
(Trading hours)

1. Trading in the AIM Italia market shall be carried on with the following trading hours:

08.00 – 09.00	(9.00.00 – 9.00.59)	opening auction (pre-auction, validation and opening phase and conclusion of contracts)
09.00 – 17.25		continuous trading
17.25 – 17.30	(17.30.00 – 17.30.59)	closing auction (pre-auction, validation and closing phase and conclusion of contracts)

2. Pursuant to Article 8 of the Manual, the pre-auction phases may end at a time within the last minute of such phases.
The continuous trading phase shall start at the end of the opening auction phase.

Article 8
(Functioning of the auction and phase change rules)

1. In the pre-auction phases, the indicative uncrossing price shall be computed and updated in real time. It shall be determined as follows:

- a) the indicative uncrossing price shall be the price at which the largest quantity of securities can be traded; in the cases referred to in Article 1, paragraph 2, such quantity shall be equal to or a multiple of the minimum lot;
- b) where the quantity referred to in subparagraph a) can be traded at more than one price, the indicative uncrossing price shall be equal to the one which produces the smallest quantity that cannot be traded with reference to the buy and sell orders having prices equal to or better than the price in question; in the cases referred to in Article 1, paragraph 2, such quantity shall be equal to or a multiple of the minimum lot;
- c) where for more than one price the quantity of securities that cannot be traded referred to in subparagraph b) is also the same, the indicative uncrossing price shall be equal to the highest price if the greater pressure is on the buy side or with the lowest price if the greater pressure is on the sell side;
- d) where applying subparagraph c) the market pressure on the buy side is equal to that on the sell side, the indicative uncrossing price shall be equal to the price closest to that of the last valid contract;

- e) where no reference price exists, the indicative uncrossing price shall be equal to the lowest price among those referred to in the previous subparagraphs;
2. The indicative uncrossing price shall be equal to the price of the last valid contract where only buy and sell orders without a limit price are present.
3. The pre-auction phase shall end at a time within an interval specified by Borsa Italiana in the Instructions.
4. The last indicative uncrossing price shall be considered valid and adopted as the auction price for the conclusion of contracts if it differs from the static price by less than the maximum percentage variation established in the article 12.
5. If the difference between the indicative uncrossing price and the static price exceeds the maximum percentage variation referred to in the previous paragraph, the volatility auction phase shall be started for a period established in the article 13.
6. The conclusion of contracts referred to in paragraph 4 shall be the result of the automatic matching of buy orders with prices equal to or higher than the auction price with sell orders with prices equal to or lower than such price in accordance with the price and time priorities of the individual orders and until the quantities available are exhausted. Market orders shall always have higher priority than limit orders.
7. At the end of the opening auction or of the volatility auction, limit orders which are partly or wholly unfilled shall be automatically transferred to continuous trading as limit orders and with the price and time priority of the original order. Unfilled market orders shall be automatically cancelled at the end of the auction.
8. At the end of the closing auction, limit orders which are partly or wholly unfilled and for which the "good till time" or "good till cancelled" method of execution has been specified shall be automatically transferred to opening pre-auction phase of the following day with the price and time priority of the original order. Unfilled market orders shall be automatically cancelled at the end of the auction.

Article 9
(Continuous trading)

1. During continuous trading, contracts shall be concluded, up to the quantities available, through the automatic matching of orders of the opposite sign present on the book and ranked according to the criteria referred to in Article 4, paragraph 5, as follows:
 - a) the entry of a buy limit order shall result in its being matched with one or more sell orders with a price lower than or equal to that of the order entered; conversely, the entry of a sell limit order shall result in its being matched with one or more buy orders with a price higher than or equal to that of the order entered;

- b) the entry of a buy market order shall result in its being matched with one or more sell orders with the most advantageous prices on the book at the moment the market order is entered until the quantities available are exhausted; conversely, the entry of a sell market order shall result in its being matched with one or more buy orders with the most advantageous prices on the book at the moment the market order is entered until the quantities available are exhausted. Market orders may be entered only where there is at least one limit order of the opposite sign on the book.
2. For each contract concluded via automatic matching in accordance with paragraph 1, the price shall be equal to that of the order having higher time priority.
3. The partial execution of a limit order shall give rise to the creation of an order for the unfilled quantity that shall remain on the book with the price and time priority of the original order.
4. Orders that are wholly or partly unfilled at the end of continuous trading shall be automatically transferred to the closing pre-auction phase with the price and time priority in force at the end of continuous trading.

Article 10
(Reference price)

1. The reference price shall be the closing-auction price.
2. Where it is not possible to determine the closing-auction price pursuant to Article 8, the reference price shall be the weighted average price of the contracts concluded in the last 10 minutes of the continuous trading phase.
3. If it is not possible to determine the closing-auction price and no contracts were concluded during the interval of the continuous trading phase referred to in paragraph 2, the reference price shall be the price of the last contract concluded during the entire trading session.
4. Where no contracts have been concluded during the entire trading session, the reference price shall be that of the previous session.
5. In order to guarantee the regularity of trading and the significance of prices, Borsa Italiana may establish, on a general basis and with reference to specific trading segments or a single security, that the reference price shall be determined in a manner having a different sequence to that laid down in the previous paragraphs and announce the decision in a Notice.
6. Borsa Italiana may establish, on a general basis and with reference to specific trading segments or securities, a different interval with respect to that referred to in paragraph 2, and announce the decision in a Notice.

Article 11
(Official price - vwap)

The daily official price of each security shall be the weighted average price of the total quantity of that instrument traded in the market during the session.

Article 12

(Automatic controls on trading)

1. For the purpose of the automatic control of trading, the following types of price variation limits have been established:
 - a) the maximum price variation limit of orders with respect to the static price, referred to in Article 4, paragraph 7, of the Manual, activated both in auction phases and in the continuous trading phase:
 - ± 50% for shares;
 - ± 90% for warrants and pre-emptive rights;
 - ± 25% for convertible bonds
 - b) the maximum price variation limit with respect to the static price, referred to in Article 8, paragraph 4, and Article 12, paragraph 2, of the Manual, activated both in auction phases and in the continuous trading phase, equal to:
 - ± 10% for shares;
 - ± 30% for warrants and pre-emptive rights;
 - ± 5% for convertible bonds.
 - c) the maximum price variation limit of contracts with respect to the dynamic price referred to in Article 12, paragraph 2, of the Manual, activated only in the continuous trading phase, equal to:
 - ± 5% for shares;
 - ± 5% for warrants;
 - ± 15% for pre-emptive rights;
 - ± 2,5% for convertible bonds.
2. Where, during the continuous trading of a security, the price of a contract that is being concluded exceeds one of the price variation limits referred to in paragraphs 1b) and 1c), the continuous trading of that security shall be automatically suspended and a volatility auction phase begun, which shall be carried out as provided in this Title for opening auctions.
3. Pursuant to rules 6010 of the AIM Italia Membership Rules, the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.
4. The static price shall be:
 - a) the previous day's reference price in the opening auction;
 - b) the price at which contracts are concluded in the auction phase, after each auction phase; if an auction price is not determined, the static price shall be the price of the first contract concluded in the continuous trading phase.
5. The dynamic price shall be:
 - a) the price of the last contract concluded in the current session;
 - b) the previous day's reference price if no contracts have been concluded in the current session.

Article 13

(Duration of volatility auctions)

1. The duration of the volatility auction phase, referred to in Articles 8, paragraph 5, and 12, paragraph 2, of the Manual, shall be equal to 10 minutes plus a variable

interval of up to one minute, determined automatically on a random basis by the trading system. Such auction phases may be reiterated but nonetheless end at the start of the closing-auction phase.

- The duration of the volatility auction phase, referred to in Article 8, paragraph 5, and exclusively for the closing-auction phase, shall be equal to 5 minutes plus a variable interval of up to one minute, determined automatically on a random basis by the trading system. Such auction phases may be activated only once.

Article 14
(Obligations of specialists)

- The obligations of specialists referred to in rule 4001 of the AIM Italia Membership Rules shall be determined on the basis of the average daily volume of trading, as follows:

Group n.	AVERAGE DAILY VOLUME OF TRADING		OBLIGATIONS OF SPECIALISTS		
	From (€)	To (€)	Minimum daily quantity (multiplier*EMS)	Minimum daily quantity (multiplier*EMS)	Spread (1)
1	0	50 000	0,6*EMS	0,1*EMS	4,5%
2	50 001	100 000	1*EMS	0,1*EMS	3,5%
3	100 001	200 000	2*EMS	0,1*EMS	3,5%
4	200 001	500 000	3*EMS	0,1*EMS	3,0%
5	500 001	5 000 000	4*EMS	0,1*EMS	2,5%
6	5 000 001	10 000 000	16*EMS	0,1*EMS	1,5%
7	More than	10 000 000	40*EMS	0,1*EMS	1,0%

(1) The maximum spread is calculated as the ratio of the difference between the bid and ask prices to half their sum

- In the months of June and December, Borsa Italiana shall publish a Notice with the list of financial instruments belonging to each of the groups in the table in paragraph 1, drawn up on the basis of the average daily volume of trading in the six preceding months. In the months of March, June, September and December, Borsa Italiana shall calculate and publish on its website the quantity, defined as number of financial instruments, with reference to each instrument (EMS). The newly-listed companies belong to the first group of which in the Table of paragraph 1.
- Specialists are required to display bids and offers continuously on the trading book from 15 minutes before the end of the opening pre-auction phase.
- Contracts deriving from the matching of orders entered by specialists in fulfilling their obligations under paragraph 1 with orders entered by other intermediaries or by the same specialists for customer account shall count towards reaching the daily quantity.
- Until the daily quantity is reached, specialists are required to re-enter bids and offers within 10 minutes of the conclusion of a contract as a result of their execution in the electronic system.

6. Orders entered by specialists that do not comply with the quantity and price parameters of specialists' quotation obligations shall not be accepted by the trading system.
7. At the written request of specialists, Borsa Italiana may temporarily suspend or reduce their obligations where circumstances documented by the specialist prejudice compliance therewith.
8. Borsa Italiana may revise the table in paragraph 1 on the occasion of any circumstances calling for technical interventions, including changes in market conditions.
9. Borsa Italiana shall verify that specialists fulfil their obligations.
10. The termination of the activity referred to rule 4002 of the AIM Italia Membership Rules must be notified to Borsa Italiana in writing at least one month before the effective date of the termination. Borsa Italiana may accept shorter notice if the continuity of the specialist function is ensured by another person entering into the undertakings referred to in rule 4001, of the AIM Italia Membership Rules.

Article 15

(Method of trading unexercised rights)

1. Intermediaries may offer unexercised rights on the market only on behalf of the issuer and may not resell on the market unexercised rights acquired during the offering period.
2. Unexercised rights shall be offered using the auction method referred to in Article 3, paragraph 2 and in accordance with the operational methods indicated in the paragraph 3. The duration of the auction for the offer of unexercised rights must be at least equal to that for the security deriving from the conversion.
3. The intermediaries engaged must:
 - enter sell orders without a limit price at least 30 minutes before the end of the pre-auction phase; during these 30 minutes intermediaries may not reduce the quantity entered;
 - carry over any quantity unsold at the end of the current market session to the following day.
4. Buyer intermediaries must enter buy orders with a limit price.

TITLE 2

MANDATORY EXECUTION PROCEDURE AND ADJUSTMENT PROCEDURES FOR CORPORATE EVENTS

Article 16

(Start of the mandatory execution procedure)

1. Pursuant to Article 1, paragraph 4, of the Manual, in the event that purchase and sale contracts are not settled within three days of the prescribed settlement date for

lack of the securities, the buyer may initiate the mandatory execution (buy-in) procedure referred to in Article 17 against the seller who has failed to perform.

2. Pursuant to Article 1, paragraph 5, of the Manual, in the event that purchase and sale contracts are not settled at the prescribed settlement date for lack of cash, the seller may initiate the mandatory execution (sell-out) procedure referred to in Article 21 against the buyer who has failed to perform.
3. The calculation of the days for the buy-in and sell-out procedures shall be based on the market calendar.
4. The notifications referred to in the following articles shall be made by fax.

BUY-IN PROCEDURE

Article 17 ***(Buy-in procedure)***

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 attached form A. Buy-in notices may be sent from the end of the settlement of the third day subsequent to 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).
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 Article 19, shall execute the buy-in according to the time limits and in the manner established in the following paragraphs.
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.
4. The buy-in must be executed on the AIM Italia market, unless provided for otherwise by Borsa Italiana, which shall take account of the features of the security and the ways in which it is traded.
5. Upon receiving the notification referred to in paragraph 3, the buyer shall notify the seller and Borsa Italiana, using the attached form B, of the details of the execution of the buy-in and indicate any price differential between the original contract and the buy-in contract, calculated with account taken of any corporate events or dividend distribution that occurred in the period between the original settlement day and the buy-in execution day. If the price of the buy-in contract is higher than the price of the original contract, the differential shall be payable by the seller.
6. At the buy-in execution date Borsa Italiana shall request Monte Titoli S.p.A. to delete the settlement instructions of the original contract from the settlement system. Upon execution of the buy-in the buyer shall send the 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 the value in euro of the buy-in transaction. The buyer shall notify Borsa Italiana of the sending of the settlement instructions. In the case referred to in paragraph 5, 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.

7. The parties are required to check the settlement instructions to be sent to the settlement system pursuant to paragraph 6.
8. Whenever the end-of-validity date of the original contract is reached 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 seller must pay the buyer an amount equal to the differential, if positive, between the valuation of the shares on the end-of-validity day and the original value of the contract (cash settlement).

Article 18
(Buy-in agent)

1. Pursuant to Article 17, paragraph 1, the buyer shall appoint an intermediary to purchase the securities (the buy-in agent) from among the intermediaries admitted to trading on the markets managed by Borsa Italiana. If no such intermediary accepts to act as buy-in agent, Borsa Italiana shall make the appointment on its own authority.
2. The buyer or Borsa Italiana where it made the appointment on its own authority 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, except where it made the appointment on its own authority, at least one day's notice of the revocation and of the appointment of another buy-in agent.

Article 19
(Delivery of the securities during the buy-in procedure)

1. The seller may settle the original contract by delivering the securities due up to the fourth day subsequent to the day on which the buy-in notice was sent. The buyer shall inform the buy-in agent accordingly. In such case the buy-in procedure shall be immediately cancelled.

Article 20
(Pass on)

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 AIM Italia 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 Article 17, paragraph 1, and filling in the pass-on section as well.

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 Article 17, paragraph 5, and filling in the pass-on section as well. The seller shall also indicate any price differential between the original contract and the buy-in contract. 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 Article 17.

SELL-OUT PROCEDURE

Article 21

(Sell-out procedure)

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 attached form A. 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).
2. In the sell-out notice the seller shall give the name of the sell-out agent, who, except in the case referred to in Article 23, shall execute the sell out according to the time limits and in the manner established in the following paragraphs.
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.
4. The sell-out must be executed on the AIM Italia market, unless provided for otherwise by Borsa Italiana, which shall take account of the features of the security and the ways in which it is traded.
5. Upon receiving the notification referred to in paragraph 3, the seller, using the attached form B, shall notify the buyer and Borsa Italiana of the details of the execution of the sell-out and indicate any price differential between the original contract and the sell-out contract, calculated with account taken of any corporate events or dividend distribution that occurred in the period between the original settlement day and the sell-out execution day. If the price of the sell-out contract is lower than the price of the original contract, the differential shall be payable by the buyer.
6. At the sell-out execution date Borsa Italiana shall request Monte Titoli S.p.A. to delete the settlement instructions of the original contract from the settlement system. 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 paragraph 5, 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.

7. The parties are required to check the settlement instructions to be sent to the settlement system pursuant to paragraph 6.

Article 22 **(Sell-out agent)**

1. Pursuant to Article 21, paragraph 1, the seller shall appoint an intermediary to sell the securities (the sell-out agent) from among the intermediaries admitted to trading on the markets managed by Borsa Italiana. If no such intermediary accepts to act as sell-out agent, Borsa Italiana shall make the appointment on its own authority.
2. The seller or Borsa Italiana where it made the appointment on its own authority may revoke the appointment of a sell-out agent who fails to execute the sell out and appoint another. The seller shall give the buyer and Borsa Italiana, except where it made the appointment on its own authority, at least one day's notice of the revocation and of the appointment of another sell-out agent.

Article 23 **(Delivery of cash during the sell-out procedure)**

The buyer may settle the original contract 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. The seller shall inform the sell-out agent accordingly. In such case the sell-out procedure shall be immediately cancelled.

ADJUSTMENT PROCEDURE FOR CORPORATE EVENTS

Article 24 **(Adjustment procedures)**

1. Pursuant to Article 1, paragraph 4, of the Manual, in the event that purchase and sale contracts are not settled within the prescribed time limits (failed transactions) and one of the following corporate events occurs in the meantime:
 - a) a reverse share split or a share split
 - b) a capital increase by means of an issue of shares for cash
 - c) a capital increase by means of an issue of bonus shares
 - d) a merger or a spin-off
 - e) a conversion of shares into another class of shares

one or more of the following parts of the original contract may be adjusted: the value, quantity and/or type of security to be delivered.

2. Where purchase and sale contracts are not settled within the prescribed time limits for lack of securities and a dividend distribution occurs in the meantime, the seller shall deliver the securities ex dividend and pay the buyer a cash amount equal to the dividend it has not received, augmented by a percentage that takes account of the economic effects of the payment of the dividend, including those relating to taxation. Such percentage shall be announced on a general basis in a Notice.
3. Where purchase and sale contracts are not settled within the prescribed time limits for lack of cash and one of the corporate events referred to in paragraph 1 or a dividend distribution occurs in the meantime, the seller shall deliver the securities ex dividend and pay the buyer a cash amount equal to the dividend it has not received.
4. Where purchase and sale contracts are not settled within the prescribed time limits and a CIU dividend distribution occurs in the meantime, the seller shall deliver the securities ex dividend and pay the buyer a cash amount equal to the dividend it has not received.
5. Where purchase and sale contracts are not settled within the prescribed time limits and a coupon detachment or partial repayment of convertible bonds occurs in the meantime, the seller shall deliver the securities ex coupon or ex repayment and pay the buyer a cash amount equal to the coupon or the amount repaid it has not received. In the case of partial repayment by means of the reduction of par value of the convertible bond, the quantity originally traded must be proportionally adjusted.
6. Where purchase and sale contracts are not settled within the prescribed time limits for lack of securities and the time limit for the exercise of warrants or the conversion of convertible bonds expires or the latter are repaid in full, the seller shall pay the buyer a cash amount equal to the difference, if positive, between the valuation of the warrants or the convertible bonds and the original purchase price. Where this difference is negative, the cash amount equal to the difference shall be paid by buyer. The methods for valuing the warrants or convertible bonds shall be announced by Borsa Italiana on a general basis in a Notice.
7. The adjustments referred to in paragraphs 1, 2, 3, 4, 5 and 6 are intended to minimise the distortionary effects of the event and discourage, in part by providing for increases in the value of the adjustment, the late delivery of securities or cash under contracts concluded on the market.
8. In relation to each of the corporate events referred to in paragraph 1, Borsa Italiana shall establish the procedures by means of which the relevant contract is to be adjusted and promptly notify them to the market.

TITLE 3

TRANSPARENCY

Article 25

(General principles)

1. 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.

2. Borsa Italiana shall establish the conditions and procedures for the dissemination of the information referred to in paragraph 1 to interconnected customers.

Article 26

(Information provided to approved intermediaries)

1. In the opening pre-auction phase approved intermediaries shall have access to information updated in real time relative to theoretical opening prices that are determined and the total quantities tradable at such prices.
2. Throughout the trading session approved 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, the quantities and the prices;
 - b) a summary of the trading conditions for each security, containing the trading parameters, the market phase, the opening price, the last price, the best buy price, the best sell price and the cumulative volume of trades;
 - c) the situation regarding the approved intermediary's own orders on the book and trades;
 - d) a list of the individual trades for each security, showing the time, quantity and execution price.
3. In the closing pre-auction phase approved intermediaries shall have access to information updated in real time relative to theoretical closing prices that are determined and the total quantities tradable at such prices.

Article 27

(Information available to the public)

1. In the opening pre-auction phase the following information shall be available to the public in real time for each security:
 - a) the theoretical opening price and related tradable quantity;
 - b) the prices and quantities of at least the five best buy and sell orders;
 - c) the buy and sell quantities on the book for the five best prices.
2. During continuous trading the following information shall be available to the public in real time for each security:
 - a) the prices and quantities of at least the five best buy and sell orders;
 - b) the buy and sell quantities and number of aggregate orders on the book for at least the five best prices;
 - c) the price, day and the time of execution and quantity of the last contract concluded and the ID of the financial instrument;

- d) the cumulative quantity and value traded.
3. In the closing pre-auction phase the following information shall be available to the public in real time for each security:
- a) the theoretical closing price and related tradable quantity;
 - b) the prices and quantities of at least the five best buy and sell orders;
 - c) the buy and sell quantities on the book for the five best prices.

TITLE 4

TRADING SUPPORT SERVICES

Article 28 ***(Trade-checking service)***

Immediately after the conclusion of contracts on the market Borsa Italiana shall send the daily trade-checking service the data on the contracts with a view to their settlement via the service for the settlement of securities run by Monte Titoli S.p.A. under Article 69 of the Consolidated Law on Finance or using settlement systems other than the one referred to in Article 69 of the Consolidated Law on Finance, in accordance with the time limits established in Article 1.

The date of entry into force of this provision will be announced in a subsequent Notice.

Article 29 ***(Guarantee systems)***

Cassa di Compensazione e Garanzia performs the clearing and guarantee of purchase and sale contracts concluded on the AIM Italia market.

BUY-IN [SELL-OUT] NOTICE

_____ (place); _____ (date)

ADDRESSEE (SELLER) [BUYER]

Name of company: _____

C.C.

Borsa Italiana SpA
Market Surveillance Unit
Tel.: +39 02 7242.6327
Fax: +39 02 867422

Subject: Buy-in [Sell-out] notice

This buy-in [sell-out] notice is to inform you, as provided for by the AIM Italia Trading Manual, of the decision to initiate the buy-in [sell-out] procedure against the addressee company with reference to the failure to deliver the subject securities [cash] of the following contract concluded on the AIM Italia market:

- NOR number of the settlement operation: _____
- Counterparty (CED Code): _____
- ISIN code of the financial instrument: _____
- Description of the financial instrument: _____
- Conclusion date: ___/___/_____ (day/month/year)
- Settlement date: ___/___/_____ (day/month/year)
- Quantity: _____
- Price: _____
- Value: _____

The buy-in [sell-out] procedure will be executed if the securities [cash] are not delivered within the time limits laid down in the AIM Italia Trading Manual.

The buy-in [sell-out] procedure will be handled by the following Buy-in [Sell-out] Agent (name of company): _____

PASS-ON (if applicable) of the buy-in procedure

This is to inform you that the Buyer is subject, for the contract in question, to a buy-in procedure initiated by _____ (specify only in the copy for Borsa Italiana), which has appointed _____ to act as Buy-in Agent.

Signature

SENDER (BUYER) [SELLER]

Company name: _____

Company address: _____

CED Code: _____

First name: _____

Family name: _____

Role in company: _____

Tel.: _____

Mobile phone (optional): _____

Fax: _____

E-mail: _____

DETAILS OF THE BUYER [SELLER] 'S SETTLEMENT AGENT [IF ANY]

Company name: _____

Company address: _____

CED Code: _____

ANNEX B

NOTICE OF EXECUTION OF BUY-IN [SELL-OUT] PROCEDURE

_____ (place); _____ (date)

ADDRESSEE (SELLER) [BUYER]

Name of company: _____

C.C.

Borsa Italiana SpA
Market Surveillance Unit
Tel.: +39 02 7242.6327
Fax: +39 02 867422

Subject: Notice of execution of buy-in [sell-out] procedure

This is to inform you, as provided for by the AIM Italia Trading Manual, of the details of the execution of the buy-in [sell-out] procedure initiated against the company to which this notice is addressed with reference to the failure to deliver the securities [cash] referred to in the buy-in [sell-out] notice sent on ___/___/_____ (day/month/year).

The Buy-in [sell-out] has been executed at the following conditions:

- NOR Number of the settlement operation: _____
- ISIN code of the financial instrument: _____
- Description of the financial instrument: _____
- Execution date of the purchase [sale]: ___/___/_____ (day/month/year)
- Settlement date of the purchase [sale]: ___/___/_____ (day/month/year)
- Quantity: _____
- Price: _____
- Value: _____

Amount still to be bought [sold] (if any): _____

The buy-in [sell-out] procedure was handled by the following Buy-in [sell-out] Agent (name of company): _____

SETTLEMENT OF THE CASH DIFFERENTIAL

The company to which this notice is addressed is requested to pay the cash differential between the price of the original failed transaction and the price of the buy-in [sell-out] transaction. It should be noted that the cash differential is to be settled only if it is in favour of the original buyer [seller].

The cash differential must be paid on (the settlement date of the buy-in [sell-out] transaction) ___/___/___ (day/month/year) by introducing the compensation in X-TRM in favour of: _____ (specify the account details)

Amount of the cash differential: _____

PASS-ON (if applicable) of the buy-in procedure

This is to inform you that the Buyer is subject, for the financial instrument in question, to a buy-in procedure initiated by _____ (specify name of company only in the copy for Borsa Italiana), which has appointed _____ to act as Buy-in Agent.

Signature

SENDER (BUYER) [SELLER]

Company name: _____

Company address: _____

CED Code: _____

First name: _____

Family name: _____

Role in company: _____

Tel.: _____

Mobile phone (optional): _____

Fax: _____

E-mail: _____

DETAILS OF THE BUYER'S [SELLER'S] SETTLEMENT AGENT [IF ANY]

Company name: _____

Company address: _____

CED Code: _____