

# GUIDE TO THE PARAMETERS

for trading on the markets<sup>11</sup>  
organised and managed by Borsa  
Italiana

VERSION 68

IN FORCE FROM 27 MARCH 2023

---

<sup>1</sup>The trading parameters of the EuroTLX market are defined in a separate document.



**BORSA ITALIANA**

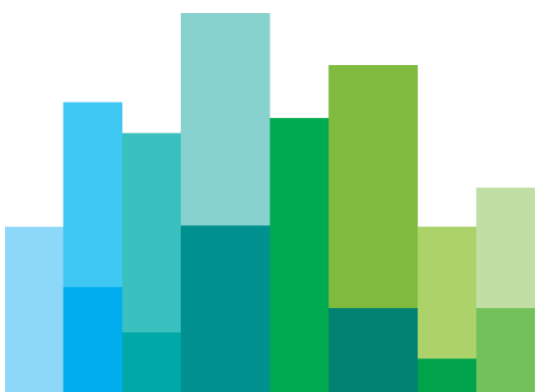
# TABLE OF CONTENTS

- 1. EQUITY MARKETS ..... 4**
  - A – Price variation limits ..... 5
  - B - Limits to the quantity and countervalue of orders..... 6
  - C - Obligations of specialists, liquidity providers and market makers..... 7
  - D – Stressed market conditions..... 8
- 2. ETFPLUS MARKET ..... 9**
  - A - Price variation limits ..... 10
  - B - Limits to the quantity and countervalue of orders..... 13
  - C – RFQ..... 14
  - D – Obligations of market makers ..... 14
  - E – Stressed market conditions ..... 15
- 3. MOT MARKET..... 16**
  - A - Price variation limits ..... 17
  - B - Limits to the quantity and countervalue of orders..... 19
  - C.1 – Deviation limits for negotiated transactions ..... 20
  - C.2 – RFQ..... 20
  - D – Obligations of specialists and MiFID2 market makers ..... 21
  - E – Stressed market conditions ..... 22
- 4. EXTRAMOT MARKET/ RULES OF THE EXTRAMOT PRO<sup>3</sup> SEGMENT ..... 24**
  - A - Price variation limits ..... 25
  - B - Limits to the quantity and countervalue of orders..... 26
  - C.1 - Deviation limits for negotiated transactions..... 27
  - C.2 - RFQ ..... 27
  - D - Obligations of specialists and of MiFID2 market makers..... 28
  - E - Stressed market conditions ..... 30
- 5. SEDEX..... 31**
- 6. MARKET ..... 31**
  - A - Price variation limits ..... 32
  - B - Limits to the quantity and countervalue of orders..... 35
  - C - Deviation limits for negotiated transactions..... 35
  - D - Obligations of specialists and of MiFID2 market makers..... 36
  - E - Stressed market conditions ..... 40

|  |           |
|--|-----------|
| <b>6. IDEM MARKET.....</b>   | <b>42</b> |
| <b>A - Price variation limits .....</b>  | <b>43</b> |
| <b>B - Limits to the quantity and countervalue of orders.....</b>  | <b>49</b> |
| <b>C – Deviation limits and minimum thresholds for negotiated transactions ..</b>  | <b>52</b> |
| <b>C.bis – CPI Orders limits: maximum deviation limits, minimum thresholds and maximum quantity and countervalue limits.....</b> | <b>54</b> |
| <b>D – Quotation obligations of voluntary market makers and Mifid2 market makers and IDEM specialists .....</b>                  | <b>56</b> |
| <b>E – Stressed market conditions .....</b>  | <b>77</b> |
| <b>7. ORDER TO TRADE RATIO .....</b>   | <b>79</b> |
| <b>OTR METHODOLOGY .....</b>   | <b>80</b> |
| <b>8. ANTI-Spoofing functionality FOR THE MARKETS OPERATED ON MIT TRADING PLATFORM .....</b>                                     | <b>82</b> |
| <b>9. TECHNICAL LIMITS FOR THE ORDER ENTRY AND LINKUPS FOR SPECIALISTS .....</b>   | <b>85</b> |

# 1. EQUITY MARKETS

**EURONEXT MILAN,  
EURONEXT MIV MILAN,  
EURONEXT GROWTH MILAN,  
BIT GEM,  
TRADING AFTER HOURS**



## A – Price variation limits

1. For the purpose of automatic control of the regularity of trading, the following trading conditions are established:
  - a) maximum price variation limits of the orders with respect to the static reference price (X parameter);
  - b) maximum price variation limits of the trades respect to the static reference price (Y parameter);
  - c) maximum price variation limits of the trades respect to the dynamic reference price (Z parameter).

| Instruments                             | X    | Y     | Z     |
|---|------|-------|-------|
| FTSE MIB index shares                   | ±50% | ±5%   | ±3%   |
| Other shares                            | ±50% | ±10%  | ±5%   |
| Shares of closed-end funds              | ±50% | ±7.5% | ±3.5% |
| Warrants                                | ±90% | ±30%  | ±5%   |
| Rights                                  | ±90% | ±30%  | ±15%  |
| Convertible bonds                       | ±25% | ±5%   | ±2.5% |
| TAH market                              | ±5%  | ±5%   | ±3%   |
| Euronext MIV Milan<br>(Generalist)      | ±30% | ±10%  | ±5%   |
| Euronext MIV Milan<br>(Private Debt)    | ±30% | ±7.5% | ±2.5% |
| Euronext MIV Milan<br>(Private Equity)  | ±50% | ±15%  | ±5%   |
| Euronext MIV Milan<br>(Venture Capital) | ±50% | ±20%  | ±5%   |

2. The trading conditions referred to in paragraph 1 may be altered or temporarily disabled.

## B - Limits to the quantity and countervalue of orders

1. The maximum countervalue (amount) limits of the orders are set in the following table.

| Markets and instruments  | Maximum countervalue (EUR) in continuous phase | Maximum countervalue (EUR) in call phase |
|--|--|--|
| Euronext Milan market  | 50,000,000                                     | 50,000,000                               |
| Euronext Milan market, Euronext STAR Milan segment   | 50,000,000                                     | 50,000,000                               |
| Euronext MIV Milan, Euronext Growth Milan, Bit GEM and TAH markets                         | 10,000,000                                     | 10,000,000                               |
| Un-exercised rights  | Set in the start of trading Notice             | Set in the start of trading Notice       |
| Instruments of Euronext Milan and Euronext MIV Milan markets traded in a single call phase | 10,000,000                                     | 10,000,000                               |

2. The maximum quantities of financial instruments in an order are computed on the basis of the maximum countervalues referred to in paragraph 1 and adjusted periodically on the basis of the price of the individual financial instrument.
3. For instruments traded in currencies other than the euro, the limits referred to in paragraph 1 shall be periodically adjusted on the basis of the exchange rate against the euro.
4. In order to guarantee the regularity of trading, Borsa Italiana can establish different countervalues or maximum quantities even at instrument level.
5. The maximum quantities and countervalues referred to in the previous paragraphs are made available through the static data files of the trading platform.
6. For iceberg orders the following limits are set:

| Minimum order amount in EUR | Disclosed quantity ( <i>minimum disclosed lots * instrument lot size</i> ) |
|-----------------------------|--|
| 10,000                      | 10 * instrument lot size   |

## C - Obligations of specialists, liquidity providers and market makers

1. The obligations of specialists (SPE), liquidity providers (LPU) and market makers (MMA, MMS, MMX) on Equity markets are set as follows:

| Markets and instruments                    | Minimum countervalue of the orders (EUR) | Maximum spread (%) | Minimum time presence (%) (SPE*) | Minimum time presence (%) (LPU*) | Minimum time presence (%) (MMA**, MMS*, MMX*) | Obligations time (CET/CEST) |
|--|--|--------------------|----------------------------------|----------------------------------|---|-----------------------------|
| Euronext Milan: FTSE MIB index shares      | 10,000                                   | 0.5%               | -                                | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| Euronext Milan: Euronext STAR Milan shares | 2,500                                    | 3%                 | 60%                              | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| Euronext Milan: other shares               | 2,500                                    | 3%                 | -                                | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| Euronext Milan: convertible bonds          | 2,500                                    | 4.5%               | -                                | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| Euronext MIV Milan                         | 2,500                                    | 4.5%               | 60%                              | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| Euronext Growth Milan                      | 2,500                                    | 4.5%               | 60%                              | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| BIt GEM                                    | 2,500                                    | 1%                 | -                                | 60%                              | 55% (MMA, MMS)                                | 8:50:00 – 17:35:30          |
| TAH  | 2,500                                    | 2%                 | -                                | 60%                              | 50% (MMA, MMS)                                | 18:00:00 – 20:30:00         |

\* with relaxed obligations during stressed market conditions

\*\* with normal obligations during stressed market conditions

2. The maximum percentage spread is calculated as the ratio between the offer-bid difference and the midpoint (bid-offer average).
3. Borsa Italiana may adapt the table referred to in paragraph 1 in any circumstance that requires technical interventions or if market conditions have changed.

4. The daily and monthly performance values are made available to each member with quotation obligations through the "Market Making Performance Report". Daily reports are made available at T+1.
5. Quotation obligations during stressed market conditions are defined in paragraph D.
6. OTR (*Order to Trade ratio*) limits for members with quotation obligations are set in the dedicated chapter.

## D – Stressed market conditions

1. A financial instrument negotiated in the Equity Markets is subject to stressed market conditions in the 15 minutes following the restart of trading after a volatility interruption.
2. Borsa Italiana may declare stressed market conditions, with communication to the market, when the price and volume changes in a given timeframe on single or multiple financial instruments jointly exceed the following thresholds:

| Instruments                       | Conditions that shall occur jointly   |   |
|-----------------------------------|---|---|
| FTSE MIB shares and liquid shares | Change of the average price over the last 30 minutes respect to the closing price exceeding 15% in absolute value | Traded countervalue > 2.5 times the average countervalue of the previous 5 days     |
| Bit GEM market, other shares      | Change of the average price over the last 30 minutes respect to the closing price exceeding 25% in absolute value | Traded countervalue > 3.5 times the average countervalue of the previous 5 days     |
| TAH market                        | Change of the average price over the last 30 minutes respect to the closing price exceeding 4% in absolute value  | Traded countervalue > 3 times the average countervalue (TAH) of the previous 5 days |

3. Borsa Italiana may also declare stressed market conditions, with communication to the market, if required by the trading conditions of the affected instruments.
4. During stressed market conditions, specialists, liquidity providers and market makers (if provided for in the market making agreements) are required to quote with halved quantities and with doubled spreads.



## 2. ETFPLUS MARKET



## A - Price variation limits

1. For the purposes of the automatic control of the regularity of trading the following trading conditions are established:

a) maximum price variation limits of the orders with respect to the static reference price (X parameter):

| Fixed income ETFs and similar |   | X    |
|-------------------------------|---|------|
| Without leverage              | Underlying on overnight rate (euro)                 | ±1%  |
|                               | Underlying with maturity 0-1 year (euro)            | ±10% |
|                               | Underlying with maturity 0-1 year (other than euro) |      |
|                               | Underlying with maturity 1 – 3 years                |      |
|                               | Underlying with maturity 3-10 years                 |      |
|                               | Underlying with maturity more than 10 years         |      |
|                               | Underlying on corporate non investment grade        |      |
|                               | Underlying emerging markets                         |      |
| With leverage                 |   | ±30% |

| Equity ETFs and similar |  | X    |
|-------------------------|--|------|
| Without leverage        |  | ±30% |
| With leverage           |  | ±40% |

| ETCs/ETNs   |  | X    |
|---|--|------|
| Underlying bonds maximum leverage equal to 3            |  | ±30% |
| Underlying bonds leverage more than 3                   |  | ±40% |
| On currency without leverage                            |  | ±20% |
| On currency with leverage                               |  | ±30% |
| On single stocks (or basket of stocks) without leverage |  | ±50% |
| On single stocks (or basket of stocks) with leverage    |  | ±60% |
| On equity indices without leverage                      |  | ±30% |
| On equity indices maximum leverage equal to 2           |  | ±40% |
| On equity indices maximum leverage equal to 3           |  | ±60% |
| Other underlyings without leverage                      |  | ±40% |
| Other underlyings maximum leverage equal to 2           |  | ±60% |

|  |      |
|--|------|
| Other underlyings leverage more than 2 | ±60% |
|--|------|

- b) maximum price variation limits of the trades respect to the static reference price (Y parameter):

| Fixed income ETFs and similar |   | Y      |
|-------------------------------|---|--------|
| Without leverage              | Underlying on overnight rate (euro)                 | ±0.25% |
|                               | Underlying with maturity 0-1 year (euro)            | ±0.7%  |
|                               | Underlying with maturity 0-1 year (other than euro) | ±1.5%  |
|                               | Underlying with maturity 1 – 3 years                |        |
|                               | Underlying with maturity 3-10 years                 | ±2.5%  |
|                               | Underlying with maturity more than 10 years         | ±3.5%  |
|                               | Underlying on corporate non investment grade        |        |
|                               | Underlying emerging markets                         |        |
| With leverage                 |   | ±5%    |

| Equity ETFs and similar |  | Y    |
|-------------------------|--|------|
| Without leverage        |  | ±5%  |
| With leverage           |  | ±10% |

| ETCs/ETNs   |  | Y      |
|---|--|--------|
| Underlying bonds maximum leverage equal to 3            |  | ±5%    |
| Underlying bonds leverage more than 3                   |  | ±10%   |
| On currency without leverage                            |  | ±10%   |
| On currency with leverage                               |  | ±12.5% |
| On single stocks (or basket of stocks) without leverage |  | ±10%   |
| On single stocks (or basket of stocks) with leverage    |  | ±30%   |
| On equity indices without leverage                      |  | ±5%    |
| On equity indices maximum leverage equal to 2           |  | ±10%   |
| On equity indices maximum leverage equal to 3           |  | ±15%   |
| Other underlyings without leverage                      |  | ±10%   |
| Other underlyings maximum leverage equal to 2           |  | ±12.5% |
| Other underlyings leverage more than 2                  |  | ±15%   |

- c) maximum price variation limits of the trades respect to the dynamic reference price (Z parameter):

| <b>Fixed income ETFs and similar</b> |   | <b>Z</b> |
|--------------------------------------|---|----------|
| Without leverage                     | Underlying on overnight rate (euro)                 | ±0.15%   |
|                                      | Underlying with maturity 0-1 year (euro)            | ±0.35%   |
|                                      | Underlying with maturity 0-1 year (other than euro) | ±0.75%   |
|                                      | Underlying with maturity 1 – 3 years                |          |
|                                      | Underlying with maturity 3-10 years                 | ±1.25%   |
|                                      | Underlying with maturity more than 10 years         | ±1.75%   |
|                                      | Underlying on corporate non investment grade        |          |
|                                      | Underlying emerging markets                         |          |
| With leverage                        |   | ±2.5%    |

| <b>Equity ETFs and similar</b> |  | <b>Z</b> |
|--------------------------------|--|----------|
| Without leverage               |  | ±2.5%    |
| With leverage                  |  | ±5%      |

| <b>ETCs/ETNs</b>  |  | <b>Z</b> |
|---|--|----------|
| Underlying bonds maximum leverage equal to 3            |  | ±2.5%    |
| Underlying bonds leverage more than 3                   |  | ±5%      |
| On currency without leverage                            |  | ±5%      |
| On currency with leverage                               |  | ±5%      |
| On single stocks (or basket of stocks) without leverage |  | ±5%      |
| On single stocks (or basket of stocks) with leverage    |  | ±10%     |
| On equity indices without leverage                      |  | ±2.5%    |
| On equity indices maximum leverage equal to 2           |  | ±5%      |
| On equity indices maximum leverage equal to 3           |  | ±7.5%    |
| Other underlyings without leverage                      |  | ±5%      |
| Other underlyings maximum leverage equal to 2           |  | ±5%      |
| Other underlyings leverage more than 2                  |  | ±7.5%    |

2. For financial instruments traded in the ETFplus market, Borsa Italiana may establish, with communication to the market, price variation limits other than those referred to in paragraph 1, taking into account the historical volatility of the underlying and the presumable liquidity of the financial instrument.
3. The trading conditions referred to in the previous paragraphs may be altered or temporarily disabled.

## B - Limits to the quantity and countervalue of orders

1. The maximum countervalue (amount) limits of the orders are set in the following table.

| Instruments | Maximum countervalue (EUR) of orders and RFQ in continuous phase | Maximum countervalue in call phase (EUR) |
|-------------|--|--|
| ETF         | 80,000,000   | 80,000,000                               |
| ETC/ETN     | 40,000,000   | 40,000,000                               |

2. The maximum quantities of financial instruments in an order are calculated on the basis of the maximum countervalues referred to in paragraph 1 and adjusted periodically on the basis of the price of the individual financial instrument.
3. In order to guarantee the regularity of trading, Borsa Italiana can establish different countervalues or maximum quantities even at instrument level.
4. The maximum quantities and countervalues referred to in the previous paragraphs are made available through the static data files of the trading platform.
5. For the iceberg orders the following limits are set:

| Minimum order amount in EUR | Disclosed quantity ( <i>minimum disclosed lots * instrument lot size</i> ) |
|-----------------------------|--|
| 10,000                      | 10 * instrument lot size   |



2. The maximum percentage spread is calculated as the ratio between the offer-bid difference and the midpoint (bid-offer average).
3. Borsa Italiana may adapt the obligations referred to in the previous paragraphs in any circumstance requiring technical interventions or in case of changed market conditions.
4. The daily and monthly performance values are made available to each member with quotation obligations through the "Market Making Performance Report". Daily reports are made available at T+1.
5. Quotation obligations during stressed market conditions are defined in paragraph E.
6. OTR (*Order to Trade ratio*) limits for members with quotation obligations are set in the dedicated chapter.

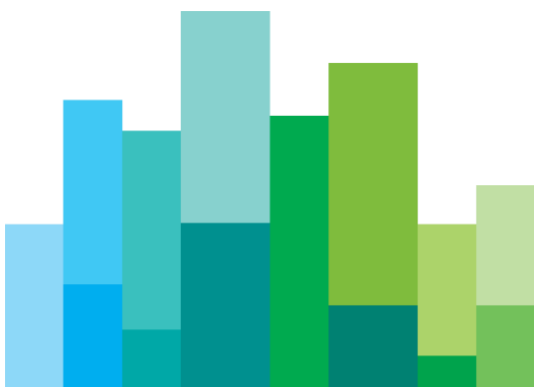
## E – Stressed market conditions

1. A financial instrument traded in the ETFplus market is subject to stressed market conditions in the 15 minutes following the restart of trading after a volatility interruption.
2. Borsa Italiana may declare stressed market conditions, with communication to the market, when the price and volume changes in a given timeframe on single or multiple financial instruments jointly exceed the following thresholds:

| Instruments                       | Conditions that shall occur jointly  |   |
|-----------------------------------|--|---|
| Instruments of the ETFplus market | Change of the average price over the last 30 minutes respect to the closing price exceeding $1.5 * Y\%$ in absolute value<br><br>[where Y represents the price variation limit set in chapter A] | Traded countervalue > 3 times the average countervalue of the 5 previous days |

3. Borsa Italiana may also declare stressed market conditions, with communication to the market:
  - for ETFs on Italian stocks indexes, in case of declaration of stressed market conditions on the related index derivatives traded on the IDEM market;
  - for all the instruments, if required by the trading conditions of the instruments.
4. During stressed market conditions, market makers - if provided for in the market making agreements - are required to quote with halved quantities and with doubled spreads.

# 3. MOT MARKET





## A - Price variation limits

1. For the purposes of the automatic control of the regularity of trading the following price variation limits shall apply:

- a) maximum price variation limit of orders with respect to the static price referred to in Article 4.3.2, paragraph 10, of the Rules, specified by class of instrument according to the residual life of each instrument:

| Class of residual life | DomesticMOT                         | DomesticMOT           | EuroMOT  |
|------------------------|-------------------------------------|-----------------------|--|
|                        | Italian government securities class | Other debt securities | Eurobond, ABS, securities of foreign issuers and other debt securities class |
| 0 – 180 (6 months)     | 5.00%                               | 5%                    | 5%   |
| 181 – 365 (1 year)     | 5.00%                               | 10.00%                | 10.00%   |
| 366 – 730 (2 years)    | 5.00%                               | 10.00%                | 10.00%   |
| 731 – 1095 (3 years)   | 10.00%                              | 10%                   | 10%  |
| 1096 – 1825 (5 years)  | 10.00%                              | 15%                   | 15%  |
| 1826 – 2556 (7 years)  | 10.00%                              | 15%                   | 15%  |
| 2557 – 3650 (10 years) | 15.00%                              | 15%                   | 15%  |
| 3651 – 5475 (15 years) | 15.00%                              | 15%                   | 15%  |
| 5476 and more          | 15.00%                              | 20%                   | 20%  |

- b) maximum price variation limit of the contracts with respect to the static price referred to in Article 4.3.3, paragraph 4, and 4.3.12, paragraph 2, of the Rules, specified by class of instrument according to the residual life of each instrument:

| Class of residual life | DomesticMOT                         | DomesticMOT           | EuroMOT  |
|------------------------|-------------------------------------|-----------------------|--|
|                        | Italian government securities class | Other debt securities | Eurobond, ABS, securities of foreign issuers and other debt securities class |
| 0 - 180 (6 months)     | 0.25%                               | 1.00%                 | 1.00%  |
| 181 - 365 (1 year)     | 0.50%                               | 1.25%                 | 1.25%  |
| 366 - 730 (2 years)    | 0.75%                               | 1.25%                 | 1.25%  |
| 731 - 1095 (3 years)   | 1.50%                               | 2.50%                 | 2.50%  |
| 1096 - 1825 (5 years)  | 2.00%                               | 2.50%                 | 2.50%  |
| 1826 - 2556 (7 years)  | 2.00%                               | 3.50%                 | 3.50%  |
| 2557 - 3650 (10 years) | 2.00%                               | 3.50%                 | 3.50%  |
| 3651 - 5475 (15 years) | 2.50%                               | 3.50%                 | 3.50%  |
| 5476 and more          | 2.50%                               | 3.50%                 | 3.50%  |

- c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 4.3.12, paragraph 2, specified by class of instrument according to the residual life of each instrument:

| Class of residual life | DomesticMOT                         | DomesticMOT           | EuroMOT  |
|------------------------|-------------------------------------|-----------------------|--|
|                        | Italian government securities class | Other debt securities | Eurobond, ABS, securities of foreign issuers and other debt securities class |
| 0 - 180 (6 months)     | 0.25%                               | 1.00%                 | 1.00%  |
| 181 - 365 (1 year)     | 0.25%                               | 1.00%                 | 1.00%  |
| 366 - 730 (2 years)    | 0.50%                               | 1.00%                 | 1.00%  |

|                        |       |       |       |
|------------------------|-------|-------|-------|
| 731 – 1095 (3 years)   | 0.75% | 1.50% | 1.50% |
| 1096 – 1825 (5 years)  | 1.00% | 1.50% | 1.50% |
| 1826 – 2556 (7 years)  | 1.00% | 2.00% | 2.00% |
| 2557 – 3650 (10 years) | 1.00% | 2.00% | 2.00% |
| 3651 – 5475 (15 years) | 1.50% | 2.00% | 2.00% |
| 5476 and more          | 1.50% | 2.00% | 2.00% |

- Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

## B - Limits to the quantity and countervalue of orders

- The maximum quantity and countervalue of the financial instruments in an order referred to in Article 4.3.2, paragraph 11, of the Rules are set out in the following table

|                            | Maximum quantity of orders and negotiated transactions | Maximum quantity that may be entered at the auction price | Maximum countervalue of orders and negotiated transactions | Maximum number of RFQs | Maximum countervalue of RFQs |
|----------------------------|--|---|--|------------------------|------------------------------|
| All MOT market instruments | 500 * EMS  | 500*EMS   | 15,000,000   | 6000*EMS               | 150,000,000                  |

- Borsa Italiana shall calculate and publish on its website the quantity, defined as nominal value, with reference to each instrument (EMS – Exchange Market Size).
- For newly admitted instruments the EMS shall be given in the Notice establishing the date of the start of trading.

4. For the iceberg orders referred to in Article 4.3.2, paragraph 4 of the Rules:
  - a. the minimum countervalue of the order shall be equal to EUR 20,000;
  - b. the minimum countervalue of the peak size shall be equal to EUR 10,000.

### C.1 – Deviation limits for negotiated transactions

1. For large in scale negotiated transactions, pursuant art. 4.3.6, para 1, letter b), of the Rules, the price should be comprised between the following deviation ratios in respect to the best prices present on the transaction book:

|   | %    |
|---|------|
| Italian and foreign government securities | 0.75 |
| Other debt securities                     | 1.5  |

### C.2 – RFQ

1. Contracts may be concluded on the basis of RFQ orders having the following characteristics:
  - a. the price falls within the following deviation percentages with regard to the best prices in the trading book or, in the absence of buy and sell orders, with regard to the dynamic price:

|                                      | % |
|--------------------------------------|---|
| Italian and foreign Government Bonds | 1 |
| Other debt securities                | 2 |

- b. the size of the contract is at least of:

|                                      | EUR     |
|--------------------------------------|---------|
| Italian and foreign Government Bonds | 500,000 |
| Other debt securities                | 200,000 |

2. Pursuant to Article IA.6.3.3, paragraph 2, of the Instructions, the RFQs entered in a non-anonymous form can be addressed to a maximum of 8 intermediaries authorized to respond.

## D – Obligations of specialists and MiFID2 market makers

1. The obligations of specialist in the MOT market and the obligations of MiFID2 market makers shall be determined as follows:

Table 1: minimum quantity

|  | <b>TABLE 1<br/>GOVERNMENT<br/>SECURITIES ITALY –<br/>FRANCE - GERMANY<br/>(EUR)</b> | <b>TABLE 2<br/>OTHER DEBT<br/>SECURITIES (EUR<br/>AND USD)</b> | <b>TABLE 3<br/>LOCAL CURRENCY<br/>(≠ EUR AND USD)</b> |
|--|---|--|---|
|  | 4*EMS   | 2*EMS  | 1*EMS   |

Table 2: maximum spread

| <b>Residual maturity</b> | <b>TABLE 1<br/>GOVERNMENT<br/>SECURITIES ITALY –<br/>FRANCE - GERMANY<br/>(EUR)</b> | <b>TABLE 2<br/>OTHER DEBT<br/>SECURITIES (EUR<br/>AND USD)</b> | <b>TABLE 3<br/>LOCAL CURRENCY<br/>(≠ EUR AND USD)</b> |
|--------------------------|---|--|---|
| 0 -180 (6 months)        | 1.00%   | 1.00%  | 3.00%   |
| 181 - 365 (1 year)       | 1.00%   | 1.50%  | 3.00%   |
| 366 - 730 (2 years)      | 1.00%   | 2.50%  | 5.00%   |
| 731 - 1095 (3 years )    | 2.00%   | 3.00%  | 5.00%   |
| 1096 - 1825 (5 years)    | 2.00%   | 3.00%  | 6.00%   |
| 1826 - 2556 (7 years)    | 3.00%   | 4.00%  | 6.00%   |

|                        |       |       |       |
|------------------------|-------|-------|-------|
| 2557 - 3650 (10 years) | 3.00% | 5.00% | 7.00% |
| 3651 - 5475 (15 years) | 3.50% | 5.00% | 7.00% |
| 5476 and more          | 3.50% | 6.00% | 8.00% |

- The maximum differential of the bid prices (Spread) is calculated as the ratio between the difference of the sell price and the buy price to half their sum.
- In stressed market conditions, specialists of the MOT market and MiFID2 market makers are required to quote half of the quantities indicated at paragraph 1, table 1, with doubled spreads
- Specialists in the MOT market comply with the obligations related to the minimum quantity, pursuant to para 1, table 1. Para 3 shall also apply.
- Borsa Italiana may adapt the obligations referred to in para 1, in case of amendments to the minimum tradable lots, in case of any other circumstance requiring technical interventions and in case of changed market conditions.

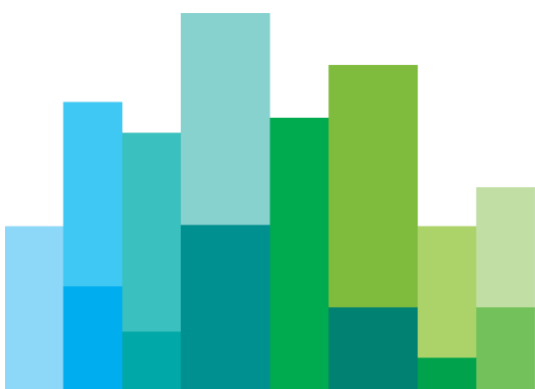
## E – Stressed market conditions

- Pursuant art. IA.9.4.1, para 1, of the Instructions, a financial instrument negotiated in the Euronext Milan and Euronext MIV Milan markets is subject to stressed market conditions in the five minutes which follow the restart of the trading activity after the interruption for excess volatility.
- Pursuant art. IA.9.4.1, paragraph 2, of the Instructions, Borsa Italiana may declare, with notice to the operators, stressed market conditions whereas the price and volume variations in a given timeframe on single financial instruments or groups of financial instruments exceed simultaneously the following thresholds:

|                                       | Conditions which have to occur simultaneously   |   |
|---------------------------------------|---|---|
| All the instruments of the MOT market | Variation of the average price of the last 10 minutes exceeding an absolute value of 2*Y% in respect to the reference price [where Y represents the price variation limit indicated in chapter 2.A.b above] | Traded countervalue > 3 times the average countervalue of the 5 previous days |

3. Borsa Italiana may also declare, with notice to the operators, the stressed market conditions, if required by conditions related to the trading of the relevant instruments.

# 4. EXTRAMOT MARKET/ RULES OF THE EXTRAMOT PRO<sup>3</sup> SEGMENT





## A - Price variation limits

1. For the purposes of the automatic control of trading, the following types of price variation limits have been established:

### ExtraMOT Market:

| Class of residual life         | Price variation limit for orders with respect to the static price | Price variation limit for contracts with respect to the static price | Price variation limit for contracts with respect to the dynamic price |
|--------------------------------|---|--|---|
| 0 – 180 days<br>(6 months)     | ± 5%  | 2%   | ± 1.25%   |
| 181 - 365 days<br>(1 year)     | ± 10%   | ± 2.5%   | ± 1.5%  |
| 366 – 730 days<br>(2 years)    | ± 10%   | ± 3%   | ± 2%  |
| 731 – 1095 days<br>(3 years)   | ± 10%   | ± 3%   | ± 2.5%  |
| 1096 – 1825 days<br>(5 years)  | ± 15%   | ± 3.5%   | ± 2.75%   |
| 1826 – 2556 days<br>(7 years)  | ± 15%   | ± 3.5%   | ± 3%  |
| 2557 – 3650 days<br>(10 years) | ± 15%   | ± 5%   | ± 3.25%   |
| 3651 – 5475 days<br>(15 years) | ± 15%   | ± 5%   | ± 3.5%  |

|               |     |      |        |
|---------------|-----|------|--------|
| 5476 and more | 20% | ± 5% | ± 3.5% |
|---------------|-----|------|--------|

**ExtraMOT Pro3 Segment:**

| Price variation limit for orders with respect to the static price | Price variation limit for contracts with respect to the static price | Price variation limit for contracts with respect to the dynamic price |
|---|--|---|
| ± 30%   | ± 5%   | ± 2.5%  |

2. Pursuant to Article 6010 of the **Rules**, the trading parameters referred to in paragraph 1 above may be altered or temporarily deactivated.

## B - Limits to the quantity and countervalue of orders

1. The maximum quantity and countervalue of the financial instruments in an order, as referred to in Article 2027 of the **Rules**, are set out in the following table:

| Maximum quantity of orders and negotiated transactions | Maximum number that may be entered at the auction price | Maximum countervalue of orders and negotiated transactions | Maximum quantity of RFQs | Maximum countervalue of RFQs |
|--|---|--|--------------------------|------------------------------|
| 500 * EMS  | 500*EMS   | 15,000,000   | 6000*EMS                 | 150,000,000                  |

2. **Borsa Italiana** shall publish on its website the quantity, defined as number of financial instruments, for each instrument (EMS – Exchange Market Size), as well as any changes to it.
3. For the iceberg orders referred to in Article 2023 point a) of the **Rules**:
- the minimum countervalue of the order shall be equal to EUR 20,000;
  - the minimum countervalue of the peak size shall be equal to EUR 10,000.

## C.1 - Deviation limits for negotiated transactions

For **larger-sized negotiated transactions**, as referred to in Article 2050, point b), of the **Rules**, the price falls within the following deviation percentages with regard to the best prices in the trading book:

Limit of 0.75 per cent for Government Securities;

Limit of 1.5 per cent for other debt securities.

## C.2 - RFQ

Contracts may be concluded on the basis of RFQ orders that have the following characteristics:

- a. the price falls within the following deviation percentages with respect to the best prices in the trading book or, in the absence of buy and sell orders, with respect to the dynamic price:

|   | % |
|---|---|
| Italian and foreign Government Securities | 1 |
| Other debt securities                     | 2 |

- b. the size of the contract is at least:

|   | EUR     |
|---|---------|
| Italian and foreign Government Securities | 500,000 |
| Other debt securities                     | 200,000 |

RFQs entered in a non-anonymous form can be addressed to a maximum of 8 intermediaries authorised to respond. In such cases, the intermediaries authorised to respond are selected by the requesting **intermediary**.

## D - Obligations of specialists and of MiFID2 market makers

### 1. Quotation obligations of specialists

Minimum quantity

|  | <b>TABLE 1<br/>GOVERNMENT SECURITIES ITALY<br/>- FRANCE – GERMANY<br/>(EUR)</b> | <b>TABLE 2<br/>OTHER DEBT SECURITIES<br/>(EUR AND USD)</b> | <b>TABLE 3<br/>LOCAL CURRENCY<br/>(≠ EUR AND USD)</b> |
|--|---|--|---|
|  | 4*EMS   | 2*EMS  | 1*EMS   |

Maximum spread

| <b>Residual maturity</b>  | <b>TABLE 1<br/>GOVERNMENT<br/>SECURITIES ITALY -<br/>FRANCE - GERMANY<br/>(EUR)</b> | <b>TABLE 2<br/>OTHER DEBT<br/>SECURITIES (EUR AND<br/>USD)</b> | <b>TABLE 3<br/>LOCAL CURRENCY<br/>(≠ EUR AND USD)</b> |
|---------------------------|---|--|---|
| 0 -180 (6 months)         | 1.00%   | 1.00%  | 3.00%   |
| 181 - 365 (1 year)        | 1.00%   | 1.50%  | 3.00%   |
| 366 - 730 (2 years)       | 1.00%   | 2.50%  | 5.00%   |
| 731 - 1095 (3 years)      | 2.00%   | 3.00%  | 5.00%   |
| 1096 - 1825 (5 years)     | 2.00%   | 3.00%  | 6.00%   |
| 1826 - 2556 (7 years)     | 3.00%   | 4.00%  | 6.00%   |
| 2557 - 3650 (10<br>years) | 3.00%   | 5.00%  | 7.00%   |
| 3651 - 5475 (15<br>years) | 3.50%   | 5.00%  | 7.00%   |
| 5476 and more             | 3.50%   | 6.00%  | 8.00%   |

The maximum differential of the bid prices (spread) is calculated as the ratio between the difference of the sell price and the buy price to half their sum.

2. Quotation obligations of MiFID2 Market Makers

Minimum quantity

|  | <b>TABLE 1<br/>GOVERNMENT SECURITIES<br/>ITALY - FRANCE - GERMANY<br/>(EUR)</b> | <b>TABLE 2<br/>OTHER DEBT SECURITIES<br/>(EUR AND USD)</b> | <b>TABLE 3<br/>LOCAL CURRENCY<br/>(≠ EUR AND USD)</b> |
|--|---|--|---|
|  | 4*EMS   | 2*EMS  | 1*EMS   |

Maximum spread

|                           | <b>TABLE 1<br/>GOVERNMENT<br/>SECURITIES ITALY -<br/>FRANCE – GERMANY<br/>(EUR)</b> | <b>TABLE 2<br/>OTHER DEBT<br/>SECURITIES (EUR AND<br/>USD)</b> | <b>TABLE 3<br/>LOCAL CURRENCY<br/>(≠ EUR AND USD)</b> |
|---------------------------|---|--|---|
| 0 -180 (6 months)         | 1.00%   | 1.00%  | 3.00%   |
| 181 - 365 (1 year)        | 1.00%   | 1.50%  | 3.00%   |
| 366 - 730 (2 years)       | 1.00%   | 2.50%  | 5.00%   |
| 731 - 1095 (3 years)      | 2.00%   | 3.00%  | 5.00%   |
| 1096 - 1825 (5 years)     | 2.00%   | 3.00%  | 6.00%   |
| 1826 - 2556 (7 years)     | 3.00%   | 4.00%  | 6.00%   |
| 2557 - 3650 (10<br>years) | 3.00%   | 5.00%  | 7.00%   |
| 3651 - 5475 (15<br>years) | 3.50%   | 5.00%  | 7.00%   |
| 5476 and more             | 3.50%   | 6.00%  | 8.00%   |

The maximum differential of the bid prices (spread) is calculated as the ratio between the difference of the sell price and the buy price to half their sum.

3. Borsa Italiana may adjust the obligations referred to in the point above, in the case of amendments to the minimum tradable lots and any other circumstance that requires technical interventions including changes in market conditions.

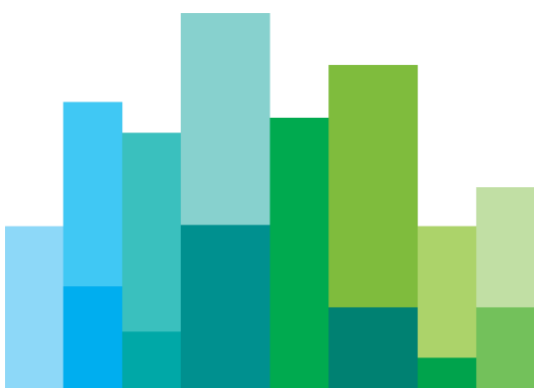
4. In stressed market conditions, specialists and MiFID2 market makers are required to quote half of the quantities indicated in paragraphs 1 and 2, with doubled spreads.

## E - Stressed market conditions

1. A traded financial instrument is subject to stressed market conditions in the 5 minutes which follow the restart of the trading activity after the interruption for excess volatility.
2. Borsa Italiana, with notice to the intermediaries, may declare stressed market conditions where the price and volume variations in a given timeframe on single financial instruments or groups of financial instruments simultaneously exceed the following thresholds:

|                                 |  |   |
|---------------------------------|--|---|
| All ExtraMOT market instruments | Variation of the average price of the last 10 minutes exceeding an absolute value of $2*Y\%$ in respect to the reference price | Traded countervalue > 3 times the average countervalue of the previous 5 days |
|---------------------------------|--|---|

# 5. SEDEX MARKET



## A - Price variation limits

1. For the purposes of the automatic control of trading **and the conclusion of the contracts referred to in Article 2040.2 (a) of the Rules**, Borsa Italiana applies the price variation limits set in tables 1.a and 1.b, where:

- a) **X and X' Parameters** = maximum price variation limit of orders with respect to the static price, as referred to in Article 2026 of the **Rules**;
- b) **Y and Y' Parameters** = maximum price variation limit of contracts with respect to the static price, as referred to in Article 2045 of the **Rules**;
- c) **Z and Z' Parameters** = maximum price variation limit of contracts with respect to the dynamic price, as referred to in Article 2045 of the **Rules**.

Table 1.a: Parameters set for the instruments other than leverage certificates, class B

| Reference price of the previous session (instruments traded in currencies different from JPY) | Reference price of the previous session (instruments traded in JPY) | X Parameter       | Y Parameter       | Z Parameter       |
|---|---|-------------------|-------------------|-------------------|
| Less than or equal to 0.003   | Less than or equal to 0.3   | + 200%;<br>- 100% | + 200%;<br>- 100% | + 150%;<br>- 100% |
| 0.0031 – 0.03   | 0.3001 – 3  | + 600%;<br>- 100% | ± 90%             | ± 80%             |
| 0.0301 – 0.1  | 3.0001 – 10   | + 400%;<br>- 100% | ± 90%             | ± 70%             |
| 0.1001 – 0.3  | 10.0001 – 30  | + 300%;<br>- 100% | ± 80%             | ± 60%             |
| 0.3001 – 1.5  | 30.0001 – 150   | + 300%;<br>- 100% | ± 70%             | ± 50%             |
| 1.5001 – 3  | 150.0001 – 300  | + 200%;<br>- 100% | ± 50%             | ± 30%             |
| 3.0001 – 30   | 300.0001 – 3,000  | ± 90%             | ± 40%             | ± 25%             |



|                     |                          |            |              |             |
|---------------------|--------------------------|------------|--------------|-------------|
| 30.0001 - 70        | 3,000.0001 - 7,000       | $\pm 50\%$ | $\pm 30\%$   | $\pm 15\%$  |
| 70.0001 - 100       | 7,000.0001 - 10,000      | $\pm 40\%$ | $\pm 20\%$   | $\pm 15\%$  |
| 100.0001 - 300      | 10,000.0001 - 30,000     | $\pm 30\%$ | $\pm 20\%$   | $\pm 10\%$  |
| 300.0001 - 1,000    | 30,000.0001 - 100,000    | $\pm 25\%$ | $\pm 15\%$   | $\pm 7.5\%$ |
| 1,000.0001 - 10,000 | 100,000.0001 - 1,000,000 | $\pm 25\%$ | $\pm 12.5\%$ | $\pm 5\%$   |
| Above 10,000        | Above 1,000,000          | $\pm 20\%$ | $\pm 7.5\%$  | $\pm 3.5\%$ |

Table 1.b: Parameters set for the leverage certificates, class B instruments

The following X', Y' and Z' limits are applied, defined according to the reference price of the instrument:

| Reference price of the previous session | X'          | Y'                | Z'              |
|---|-------------|-------------------|-----------------|
| Less than or equal to 0.005             | $\pm 100\%$ | $\pm 2 \cdot Y$   | $\pm 5 \cdot Z$ |
| 0.0051 - 0.01                           | $\pm X$     | $\pm 2 \cdot Y$   | $\pm 3 \cdot Z$ |
| 0.0101 - 0.05                           | $\pm X$     | $\pm 1.5 \cdot Y$ | $\pm 2 \cdot Z$ |
| Above 0.05                              | $\pm X$     | $\pm Y$           | $\pm Z$         |

where X, Y and Z are set as follows, depending on the underlying type and on the leverage of the instrument:

| <b>Underlying type</b><br><b>Leverage</b> | <b>Shares</b> |          |          | <b>Commodities</b> |          |          | <b>Equity indices</b> |          |          |
|---|---------------|----------|----------|--------------------|----------|----------|-----------------------|----------|----------|
|   | <b>X</b>      | <b>Y</b> | <b>Z</b> | <b>X</b>           | <b>Y</b> | <b>Z</b> | <b>X</b>              | <b>Y</b> | <b>Z</b> |
| 1 (long/short)                            | ±50%          | ±8%      | ±5%      | n.a.               | n.a.     | n.a.     | n.a.                  | n.a.     | n.a.     |
| 2 (long/short)                            | ±80%          | ±30%     | ±10%     | ±60%               | ± 30%    | ± 10%    | ±50%                  | ± 20%    | ± 5%     |
| 3 (long/short)                            | ±80%          | ±30%     | ±10%     | ±60%               | ± 30%    | ± 10%    | ± 50%                 | ± 20%    | ± 5%     |
| 4 (long/short)                            | ±100%         | ± 50%    | ± 15%    | ±100%              | ± 40%    | ± 15%    | ±80%                  | ±30%     | ± 10%    |
| 5 (long/short)                            | ±100%         | ± 50%    | ± 15%    | ± 100%             | ± 40%    | ± 15%    | ±80%                  | ±30%     | ± 10%    |
| 6 (long/short)                            | n.a.          | n.a.     | n.a.     | ±100%              | ± 50%    | ± 25%    | ±100%                 | ±40%     | ± 20%    |
| 7 (long/short)                            | n.a.          | n.a.     | n.a.     | ±100%              | ± 50%    | ± 25%    | ±100%                 | ±40%     | ± 20%    |

| <b>Underlying type</b><br><b>Leverage</b> | <b>Volatility indices</b> |          |          | <b>Bonds</b> |          |          | <b>Exchange rates</b> |          |          |
|---|---------------------------|----------|----------|--------------|----------|----------|-----------------------|----------|----------|
|   | <b>X</b>                  | <b>Y</b> | <b>Z</b> | <b>X</b>     | <b>Y</b> | <b>Z</b> | <b>X</b>              | <b>Y</b> | <b>Z</b> |
| 1 (long/short)                            | ± 100%                    | ± 40%    | ± 15%    | n.a.         | n.a.     | n.a.     | n.a.                  | n.a.     | n.a.     |
| 2 (long/short)                            | ± 100%                    | ± 50%    | ± 25%    | ± 30%        | ± 5%     | ± 1.5%   | ± 30%                 | ± 5%     | ± 2.5%   |
| 3 (long/short)                            | ± 100%                    | ± 50%    | ± 25%    | ± 30%        | ± 5%     | ± 1.5%   | ± 30%                 | ±5%      | ± 2.5%   |
| 4 (long/short)                            | ± 100%                    | ± 50%    | ± 25%    | ± 40%        | ± 8%     | ± 2.5%   | ± 40%                 | ± 8%     | ± 3.5%   |
| 5 (long/short)                            | n.a.                      | n.a.     | n.a.     | ±40%         | ±8%      | ± 2.5%   | ± 40%                 | ±8%      | ± 3.5%   |
| 6 (long/short)                            | n.a.                      | n.a.     | n.a.     | ±50%         | ±10%     | ±3.5%    | ± 50%                 | ± 10%    | ± 5%     |

|                |      |      |      |      |      |       |       |       |      |
|----------------|------|------|------|------|------|-------|-------|-------|------|
| 7 (long/short) | n.a. | n.a. | n.a. | ±50% | ±10% | ±3.5% | ± 50% | ± 10% | ± 5% |
|----------------|------|------|------|------|------|-------|-------|-------|------|

2. Pursuant to Article 6010 of the **Rules**, the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

## B - Limits to the quantity and countervalue of orders

1. The maximum quantity and countervalue of **Sedex financial instruments** in an order are set out in the following table:

| Maximum quantity of orders and negotiated transactions (number of pieces) | Maximum countervalue of orders (1) | Maximum countervalue of negotiated transactions (1) |
|---|------------------------------------|---|
| 50,000,000  | EUR 25,000,000                     | EUR 50,000,000                                      |

(1) For instruments in currencies other than EUR, the maximum countervalue is determined on the basis of the trading currency and periodically updated on the basis of the exchange rate

2. For the iceberg orders referred to in Article 2023 of the **Rules**:
- the minimum countervalue of the order shall be equal to EUR 20,000;
  - the minimum countervalue of the peak size shall be equal to EUR 10,000.
3. For instruments in currencies other than EUR, the minimum countervalue referred to in points a) and b) is determined on the basis of the denomination currency and periodically updated on the basis of the exchange rate.

## C - Deviation limits for negotiated transactions

Pursuant to Article 2050 of the **Rules**, negotiated transactions may be placed during continuous order driven trading with a countervalue of more than EUR 60,000 and a price within 10% respect to the best prices in the orderbook.

## D - Obligations of specialists and of MiFID2 market makers

1. **Specialists** are required to place orders, starting from the penultimate minute of the pre-trading phase, for which the minimum quantity of each order and the maximum spread shall be determined as follows:

a) Minimum quantity of the orders, at least equal to a minimum countervalue of:

|     | Plain Vanilla Covered Warrants<br>Leverage Certificates – Class B<br>Investment Certificates – Class A | Structured/Exotic Covered Warrants<br>Leverage Certificates – Class A<br>Investment Certificates – Class B |
|-----|--|--|
| EUR | 2,500  | 5,000  |
| GBP | 2,500  | 5,000  |
| USD | 2,500  | 5,000  |
| CHF | 2,500  | 5,000  |
| AUD | 4,000  | 8,000  |
| NZD | 4,000  | 8,000  |
| TRY | 10,000   | 20,000   |
| JPY | 300,000  | 600,000  |

In any event, the minimum quantity cannot exceed the percentages of the quantity of financial instruments issued or the number of instruments indicated below:

|  | Percentage of the quantity issued | Number of instruments |
|--|-----------------------------------|-----------------------|
| Leverage Certificates - Class A  | 10%                               | 20,000                |
| Covered plain vanilla warrants traded in EUR or other currency other than JPY, with reference price of the previous session $\leq$ 0.005 | 25%                               | 250,000               |

|   |     |           |
|---|-----|-----------|
| Covered plain vanilla warrants traded in JPY, with reference price of the previous session $\leq$ 0.5 | 25% | 250,000   |
| All other products  | 25% | 1,000,000 |

- b) The maximum spread, calculated as the ratio between the difference of the sell price and the buy price to half their sum, shall be determined based on the following tables:

| Reference price<br>(in currency) | Maximum spread 1 | Maximum spread 2 |
|----------------------------------|------------------|------------------|
| Less than or equal to 0.003      | 180%             | 270%             |
| 0.0031 – 0.3                     | 50%              | 75%              |
| 0.3001 – 1.5                     | 20%              | 30%              |
| 1.5001 – 3                       | 15%              | 25%              |
| 3.0001 – 30                      | 7.5%             | 10%              |
| More than 30                     | 3.5%             | 5%               |

| Reference price<br>(JPY)  | Maximum spread 1 | Maximum spread 2 |
|---------------------------|------------------|------------------|
| Less than or equal to 0.3 | 180%             | 270%             |
| 0.3001 – 30               | 50%              | 75%              |
| 30.0001 – 150             | 20%              | 30%              |
| 150.0001 – 300            | 15%              | 25%              |
| 300.0001 – 3,000          | 7.5%             | 10%              |
| More than 3.000           | 3.5%             | 5%               |

In general, the spreads indicated in column 1 shall apply.

The spreads indicated in column 2 shall apply until 15:30 hours for instruments whose underlyings are listed on American markets and for other instruments when the reference market of the underlying is closed.

**Borsa Italiana** communicates the maximum spread requirements applicable to each financial instrument on its website.

2. **MiFID2 Market Makers** shall comply with the obligations referred to in Article 4023 in accordance with the following parameters:

- a) Minimum quantity, at least equal to a minimum countervalue

|     | Plain Vanilla Covered Warrants<br>Leverage Certificates – Class B<br>Investment Certificates – Class A | Structured/Exotic Covered Warrants<br>Leverage Certificates – Class A<br>Investment Certificates – Class B |
|-----|--|--|
| EUR | 2,500  | 5,000  |
| GBP | 2,500  | 5,000  |
| USD | 2,500  | 5,000  |
| CHF | 2,500  | 5,000  |
| AUD | 4,000  | 8,000  |
| NZD | 4,000  | 8,000  |
| TRY | 10,000   | 20,000   |
| JPY | 300,000  | 600,000  |

In any event, the minimum quantity cannot exceed the percentages of the quantity of financial instruments issued or the number of instruments indicated below:

|                                 | Percentage of the quantity issued | Number of instruments |
|---------------------------------|-----------------------------------|-----------------------|
| Leverage Certificates - Class A | 10%                               | 20,000                |

|  |     |           |
|--|-----|-----------|
| Plain vanilla covered warrants traded in EUR or other currency other than JPY, with reference price of the previous session $\leq$ 0.005 | 25% | 250,000   |
| Plain vanilla covered warrants traded in JPY, with reference price of the previous session $\leq$ 0.5                                    | 25% | 250,000   |
| All other products   | 25% | 1,000,000 |

- b) The maximum spread, calculated as the ratio between the difference of the sell price and the buy price to half their sum, shall be determined based on the following table:

| Reference price<br>(in currency) | Maximum spread 1 | Maximum spread 2 |
|----------------------------------|------------------|------------------|
| Less than or equal to 0.003      | 180%             | 270%             |
| 0.0031 – 0.3                     | 50%              | 75%              |
| 0.3001 – 1.5                     | 20%              | 30%              |
| 1.5001 – 3                       | 15%              | 25%              |
| 3.0001 – 30                      | 7.5%             | 10%              |
| More than 30                     | 3.5%             | 5%               |

| Reference price<br>(JPY)  | Maximum spread 1 | Maximum spread 2 |
|---------------------------|------------------|------------------|
| Less than or equal to 0.3 | 180%             | 270%             |
| 0.3001 – 30               | 50%              | 75%              |
| 30.0001 – 150             | 20%              | 30%              |
| 150.0001 – 300            | 15%              | 25%              |

|                  |      |     |
|------------------|------|-----|
| 300.0001 – 3,000 | 7.5% | 10% |
| More than 3,000  | 3.5% | 5%  |

In general, the spreads indicated in column 1 shall apply.

The spreads indicated in column 2 shall apply until 15:30 hours for instruments whose underlyings are listed on American markets and for other instruments when the reference market of the underlying is closed. **Borsa Italiana** communicates the maximum spread requirements applicable to each financial instrument on its website.

3. **Borsa Italiana** may adjust the **quotation** obligations in every circumstance that requires technical interventions including changes in market conditions.
4. Borsa Italiana, taking into account the characteristics of the instrument, reserves the right to establish different maximum price differentials from those indicated in the tables in paragraphs 1 and 2, providing communication of this by means of Notice.
5. In stressed market conditions, specialists and MiFID2 market makers which have submitted a request pursuant to guidance Sec. 402.3 point b), are required to quote half of the quantities indicated in the paragraphs above, with doubled spreads.

## E - Stressed market conditions

1. Pursuant to Sec. 600 of the Rules, stressed market conditions on the financial instruments traded on the SeDeX market occur in the case of the following conditions:

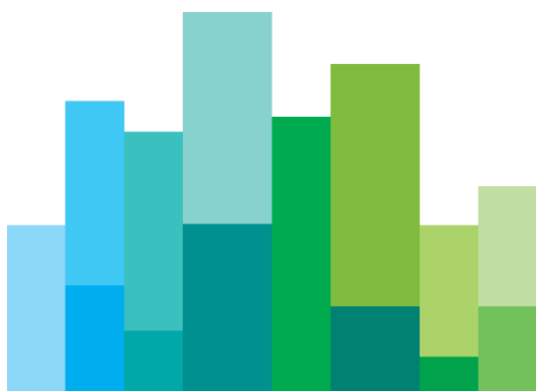
|   |   |
|---|---|
| Instruments on shares traded on the Euronext Milan market | During the volatility auction phase of the underlying until 5 minutes after the redemption of the continuous phase;<br>in cases where stressed market conditions on the underlying have been declared |
| Instruments on Italian stock indexes                      | In cases where stressed market conditions on index derivatives traded on the IDEM market have been declared   |

2. Pursuant to Sec. 600.2 of the Rules, Borsa Italiana may declare, with notification to the intermediaries, that the market is incurring stress conditions on a SeDeX financial instrument when the following conditions apply at the same time:



- Variation of the average price of the last 10 minutes exceeding an absolute value of  $3 \cdot Y\%$  [where Y represents the price variation limit indicated in point b of section A] in respect to the reference price and
- Traded countervalue > EUR 25,000

# 6. IDEM MARKET



## A - Price variation limits

1. Pursuant to article 5.3.9 paragraph 1 of the Rules, for the purposes of the automatic control of the regularity of trading, Borsa Italiana applies the price variation limits set in table 1, where:

- a) **"X Parameter"** = maximum variation limit of the price of orders with respect to the static control price, referred to in Article 5.3.2, paragraph 13, of the Rules;
- b) **"Y Parameter"** = maximum variation limit of the price of trades with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and 5.3.9, paragraph 2, of the Rules;
- c) **"Z Parameter"** = maximum variation limit of the price of trades with respect to the dynamic price, referred to in Article 5.3.9, paragraph 2, of the Rules.

Table 1: X, Y, Z Parameters

| Instrument   | X Parameter | Y Parameter | Z Parameter |
|--|-------------|-------------|-------------|
| Equity index futures (daily session): Futures, miniFutures and microFutures on FTSE MIB index; futures on FTSE Italia PIR TR Index | ±10%        | ±3.5%       | ±0.5%       |
| Equity index futures (evening session): Futures, miniFutures and microFutures on FTSE MIB index                                    | ±10%        | ±2%         | ±0.75%      |
| FTSE MIB Dividend Index futures  | ±40%        | ±10%        | ±5%         |
| Stock dividend futures   | -           | ±10%        | ±5%         |
| Single stock futures   | ±40%        | ±7.5%       | ±3.5%       |
| FTSE MIB index options   | -           | Table 1.a   | Table 1.b   |

|                                      |      |           |           |
|--------------------------------------|------|-----------|-----------|
| Single stock options                 | -    | Table 2.a | Table 2.b |
| Monthly power futures – Italy area   | ±20% | ±10%      | ±5%       |
| Quarterly power futures – Italy area | ±20% | ±7.5      | ±5%       |
| Yearly power futures – Italy area    | ±20% | ±5%       | ±3.5%     |
| Durum wheat futures                  | ±25% | ±10%      | ±5%       |

**Table 1.a** - FTSE MIB Index Options (MIBO options and weekly MIBO options). Y parameter, upper and lower limits in percentage

| Y Parameter |     |                                 |        |        |        |        |        |        |                                   |
|-------------|-----|---------------------------------|--------|--------|--------|--------|--------|--------|-----------------------------------|
| Strike      |     | Calendar days to maturity       |        |        |        |        |        |        |                                   |
| from        | to  | 1                               | 2      | 3      | 4      | 5-7    | 8-10   | 11+    | From second "MIBO options" expiry |
|             |     | (% upper limit - % lower limit) |        |        |        |        |        |        |                                   |
| from -11 on |     | 900-95                          | 900-95 | 900-90 | 900-90 | 900-80 | 900-80 | 900-80 | 800-70                            |
| -8          | -10 | 900-95                          | 900-95 | 900-90 | 900-90 | 900-80 | 900-80 | 900-80 | 800-70                            |
| -6          | -7  | 900-95                          | 900-95 | 900-90 | 700-85 | 600-80 | 500-80 | 500-80 | 400-70                            |
| -4          | -5  | 900-95                          | 500-95 | 400-90 | 350-80 | 300-80 | 250-80 | 250-80 | 200-70                            |

|            |            |          |               |               |               |               |               |               |               |              |
|------------|------------|----------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| OTM        |            |          | 900-95        | 400-95        | 400-85        | 350-80        | 300-80        | 250-80        | 250-80        | 200-70       |
| <b>ATM</b> | -3         | -3       |               |               |               |               |               |               |               |              |
| ITM        |            |          | 700-95        | 300-95        | 300-85        | 300-80        | 250-80        | 200-80        | 200-80        | 175-70       |
| (*)        |            |          |               |               |               |               |               |               |               |              |
|            | -1         | -1       | 500-95        | 300-90        | 300-85        | 300-80        | 200-80        | 150-80        | 150-80        | 125-70       |
|            | <b>0</b>   | <b>0</b> | <b>400-90</b> | <b>250-90</b> | <b>200-85</b> | <b>175-80</b> | <b>150-80</b> | <b>100-80</b> | <b>100-80</b> | <b>90-70</b> |
|            | 1          | 1        | 300-90        | 200-90        | 150-85        | 150-80        | 100-80        | 80-80         | 80-80         | 70-70        |
|            | 2          | 2        | 250-90        | 150-85        | 150-80        | 150-80        | 100-70        | 70-70         | 70-70         | 60-60        |
|            | 3          | 3        | 200-85        | 150-75        | 125-70        | 125-70        | 70-70         | 60-60         | 60-60         | 50-50        |
|            | 4          | 5        | 150-80        | 125-75        | 100-70        | 70-70         | 70-70         | 60-60         | 40-40         | 30-30        |
|            | 6          | 7        | 100-70        | 100-60        | 60-60         | 50-50         | 45-45         | 40-40         | 40-40         | 30-30        |
|            | 8          | 10       | 70-70         | 60-60         | 50-50         | 40-40         | 40-40         | 35-35         | 35-35         | 25-25        |
|            | from 11 on |          | 50-50         | 50-50         | 40-40         | 30-30         | 30-30         | 25-25         | 25-25         | 15-15        |

(\* ATM = at-the-money; OTM = out-of-the-money; ITM = in-the-money)

**Table 1.b** - FTSE MIB Index Options (MIBO options and weekly MIBO options). Z parameter, upper and lower limits in percentage

| Z Parameter |    |                           |   |   |   |     |      |                            |  |
|-------------|----|---------------------------|---|---|---|-----|------|----------------------------|--|
| Strike      |    | Calendar days to maturity |   |   |   |     |      |                            |  |
| from        | to | 1                         | 2 | 3 | 4 | 5-7 | 8-10 | 11+ and from second "MIBO" |  |
|             |    |                           |   |   |   |     |      |                            |  |

|     |             |                                 |               |               |               |               |               |              | options"<br>expiry |
|-----|-------------|---------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------------|
|     |             | (% upper limit - % lower limit) |               |               |               |               |               |              |                    |
|     | from -11 on | 900-90                          | 900-90        | 900-90        | 800-90        | 800-70        | 450-60        | 450-50       |                    |
|     | -8 -10      | 900-90                          | 900-90        | 800-90        | 800-90        | 800-70        | 350-60        | 350-50       |                    |
|     | -6 -7       | 900-90                          | 800-90        | 800-90        | 650-85        | 550-70        | 200-60        | 200-50       |                    |
|     | -4 -5       | 800-90                          | 450-90        | 350-90        | 300-80        | 250-70        | 100-60        | 100-50       |                    |
|     | -3 -3       | 300-90                          | 300-90        | 300-85        | 200-80        | 200-70        | 100-60        | 100-50       |                    |
| OTM | -2 -2       | 300-90                          | 300-90        | 200-85        | 200-80        | 200-70        | 70-60         | 70-50        |                    |
| ATM | -1 -1       | 300-90                          | 200-90        | 200-85        | 200-80        | 150-60        | 60-60         | 50-50        |                    |
| ITM | <b>0</b>    | <b>0</b>                        | <b>150-90</b> | <b>150-90</b> | <b>150-85</b> | <b>125-80</b> | <b>100-50</b> | <b>50-50</b> | <b>40-40</b>       |
| (*) | 1           | 1                               | 125-90        | 100-90        | 75-75         | 75-75         | 50-50         | 40-40        | 30-30              |
|     | 2           | 2                               | 75-75         | 50-50         | 50-50         | 50-50         | 50-50         | 40-40        | 30-30              |
|     | 3           | 3                               | 75-75         | 50-50         | 50-50         | 45-45         | 40-40         | 30-30        | 25-25              |
|     | 4           | 5                               | 50-50         | 40-40         | 40-40         | 35-35         | 30-30         | 30-30        | 15-15              |
|     | 6           | 7                               | 30-30         | 30-30         | 30-30         | 25-25         | 20-20         | 20-20        | 10-10              |
|     | 8           | 10                              | 25-25         | 25-25         | 25-25         | 15-15         | 15-15         | 15-15        | 10-10              |
|     | from 11 on  | 20-20                           | 20-20         | 20-20         | 10-10         | 10-10         | 10-10         | 10-10        | 5-5                |

(\* ATM = at-the-money; OTM = out-of-the-money; ITM = in-the-money)

**Table 2.a** – Single stock options and weekly stock options. Y parameter, upper and lower limits in percentage

| Y Parameter |             |          |                                 |               |               |               |               |               |               |                                    |       |
|-------------|-------------|----------|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------------------------|-------|
|             | Strike      |          | Calendar days to maturity       |               |               |               |               |               |               |                                    |       |
|             | From        | a        | 1                               | 2             | 3             | 4             | 5-7           | 8-10          | 11+           | From second "stock options" expiry |       |
|             |             |          | (% upper limit - % lower limit) |               |               |               |               |               |               |                                    |       |
| OTM         | From -11 on |          | 900-95                          | 900-95        | 900-95        | 900-90        | 900-90        | 900-80        | 900-80        | 800-70                             |       |
|             | -8          | -10      | 900-95                          | 900-95        | 900-95        | 900-90        | 900-90        | 900-80        | 900-80        | 800-70                             |       |
|             | -6          | -7       | 900-95                          | 900-95        | 900-95        | 700-90        | 600-85        | 500-80        | 500-80        | 400-70                             |       |
|             | -4          | -5       | 900-95                          | 600-95        | 500-95        | 500-90        | 500-80        | 400-80        | 400-80        | 300-70                             |       |
|             | -3          | -3       | 900-95                          | 600-95        | 500-95        | 500-85        | 400-80        | 400-80        | 400-80        | 300-70                             |       |
|             | -2          | -2       | 800-95                          | 600-95        | 500-95        | 500-85        | 400-80        | 400-80        | 350-80        | 200-70                             |       |
|             | -1          | -1       | 700-95                          | 400-95        | 350-90        | 350-85        | 300-80        | 300-80        | 250-80        | 150-70                             |       |
|             | <b>0</b>    | <b>0</b> | <b>600-90</b>                   | <b>400-90</b> | <b>350-90</b> | <b>300-85</b> | <b>250-80</b> | <b>250-80</b> | <b>150-80</b> | <b>100-70</b>                      |       |
|             | <b>ATM</b>  | 1        | 1                               | 500-90        | 250-90        | 200-90        | 175-85        | 150-80        | 100-80        | 80-80                              | 70-70 |
|             | ITM         | 2        | 2                               | 400-90        | 200-90        | 175-85        | 150-80        | 100-80        | 80-80         | 70-70                              | 60-60 |
| (*)         | 3           | 3        | 300-90                          | 175-90        | 175-75        | 125-70        | 70-70         | 70-70         | 60-60         | 50-50                              |       |
|             | 4           | 5        | 200-85                          | 150-85        | 100-75        | 70-70         | 70-70         | 70-70         | 40-40         | 30-30                              |       |
|             | 6           | 7        | 150-80                          | 100-80        | 60-60         | 50-50         | 50-50         | 50-50         | 40-40         | 30-30                              |       |

|  |            |    |       |       |       |       |       |       |       |       |
|--|------------|----|-------|-------|-------|-------|-------|-------|-------|-------|
|  | 8          | 10 | 80-80 | 70-70 | 60-60 | 50-50 | 40-40 | 40-40 | 35-35 | 25-25 |
|  | From 11 on |    | 50-50 | 50-50 | 50-50 | 40-40 | 30-30 | 30-30 | 25-25 | 20-20 |

(\* ATM = at-the-money; OTM = out-of-the-money; ITM = in-the-money)

**Table 2.b** - Single stock options and weekly stock options. Z parameter, upper and lower limits in percentage

| Z Parameter |             |     |                                 |        |        |        |        |        |  |        |
|-------------|-------------|-----|---------------------------------|--------|--------|--------|--------|--------|--|--------|
|             | Strike      |     | Calendar days to maturity       |        |        |        |        |        |  |        |
|             | da          | a   | 1                               | 2      | 3      | 4      | 5-7    | 8-10   | 11+ and from second "stock options" expiry |        |
|             |             |     | (% upper limit - % lower limit) |        |        |        |        |        |  |        |
| OTM         | From -11 on |     | 900-90                          | 900-90 | 900-90 | 900-90 | 800-90 | 800-70 | 450-50                                     |        |
|             | -8          | -10 | 900-90                          | 900-90 | 900-90 | 800-90 | 700-90 | 700-70 | 350-50                                     |        |
|             | -6          | -7  | 900-90                          | 900-90 | 800-90 | 700-90 | 600-85 | 500-70 | 250-50                                     |        |
|             | -4          | -5  | 900-90                          | 500-90 | 450-90 | 350-90 | 300-80 | 250-70 | 200-50                                     |        |
|             | -3          | -3  | 450-90                          | 300-90 | 300-90 | 300-85 | 200-80 | 200-70 | 100-50                                     |        |
|             | -2          | -2  | 400-90                          | 300-90 | 250-90 | 250-85 | 200-80 | 200-70 | 80-50                                      |        |
|             | ATM         | -1  | -1                              | 350-90 | 200-90 | 200-90 | 200-85 | 200-80 | 150-60                                     | 70-50  |
|             |             | ITM | 0                               | 0      | 300-90 | 200-90 | 150-90 | 150-85 | 125-80                                     | 100-60 |
|             | (*)         |     |                                 |        | 1      | 1      | 250-90 | 125-90 | 100-90                                     | 80-80  |



|  |               |    |        |       |       |       |       |       |       |
|--|---------------|----|--------|-------|-------|-------|-------|-------|-------|
|  | 2             | 2  | 200-90 | 75-75 | 75-75 | 75-75 | 50-50 | 40-40 | 35-35 |
|  | 3             | 3  | 150-90 | 75-75 | 60-60 | 60-60 | 45-45 | 35-35 | 30-30 |
|  | 4             | 5  | 75-75  | 60-60 | 50-50 | 35-35 | 35-35 | 35-35 | 20-20 |
|  | 6             | 7  | 50-50  | 50-50 | 30-30 | 25-25 | 25-25 | 25-25 | 20-20 |
|  | 8             | 10 | 35-35  | 30-30 | 25-25 | 20-20 | 20-20 | 20-20 | 15-15 |
|  | From 11<br>on |    | 25-25  | 25-25 | 20-20 | 15-15 | 15-15 | 15-15 | 10-10 |

(\* ATM = at-the-money; OTM = out-of-the-money; ITM = in-the-money)

- Pursuant to Article 6.1.2 of the Rules and for the purposes of Article IA.8.2.10 paragraph 3 of the Instructions, the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

## B - Limits to the quantity and countervalue of orders

- According to article 5.3.2, paragraph 13, of the Rules, for the purposes of automatic control of the regularity of trading, Borsa Italiana establishes the following limits to the quantity and countervalue of the orders

|                            | Limits          | Single order | Combined orders | Negotiated transactions |
|----------------------------|-----------------|--------------|-----------------|-------------------------|
| FTSE MIB index futures     | Quantity (lots) | 500          | 2,500           | 5,000                   |
|                            | Notional (euro) | 50,000,000   |                 | 500,000,000             |
| FTSE MIB index miniFutures | Quantity (lots) | 500          | 2,500           | 25,000                  |
|                            | Notional (euro) | 10,000,000   |                 | 500,000,000             |

|                                  | <b>Limits</b>   | <b>Single order</b> | <b>Combined orders</b> | <b>Negotiated transactions</b> |
|----------------------------------|-----------------|---------------------|------------------------|--------------------------------|
| microFutures on FTSE MIB         | Quantity (lots) | 500                 | 2,500                  | 50,000                         |
|                                  | Notional (euro) | 2,000,000           |                        | 200,000,000                    |
| FTSE Italia PIR TR Index Futures | Quantity (euro) | 500                 | 2,500                  | 2,500                          |
|                                  | Notional (euro) | 10,000,000          |                        | 50,000,000                     |
| FTSE MIB Dividend futures        | Quantity (euro) | 500                 | 2,500                  | 5,000                          |
|                                  | Notional (euro) | 2,500,000           |                        | 25,000,000                     |
| Stock futures                    | Quantity (lots) | 10,000              | 10,000                 | 60,000                         |
|                                  | Notional (euro) | 50,000,000          |                        | 500,000,000                    |
| Stock dividend futures           | Quantity (lots) | 5,000               | 5,000                  | 30,000                         |
|                                  | Notional (euro) | 10,000,000          |                        | 60,000,000                     |
| FTSE MIB index option            | Quantity (lots) | 5,000               | 5,000                  | 30,000                         |
|                                  | Notional (euro) | 50,000,000          |                        | 500,000,000                    |
| Stock options                    | Quantity (lots) | 10,000              | 10,000                 | 30,000                         |

|                            | Limits          | Single order | Combined orders | Negotiated transactions |
|----------------------------|-----------------|--------------|-----------------|-------------------------|
|                            | Notional (euro) | 100,000,000  |                 | 500,000,000             |
| Power futures- Italy area  | Quantity (lots) | 100          | 100             | 1,500                   |
| - <i>monthly futures</i>   | Notional (euro) | 5,000,000    |                 | 50,000,000              |
| Power futures- Italy area  | Quantity (lots) | 100          | 100             | 500                     |
| - <i>quarterly futures</i> | Notional (euro) | 15,000,000   |                 | 75,000,000              |
| Power futures- Italy area  | Quantity (lots) | 100          | 100             | 500                     |
| - <i>yearly futures</i>    | Notional (euro) | 60,000,000   |                 | 300,000,000             |
| Durum wheat futures        | Quantity (lots) | 500          | -               | 1,000                   |
|                            | Notional (euro) | 7,500,000    | -               | 15,000,000              |

2. According to article 5.3.2, paragraph 4, of the Rules, Borsa Italiana establishes the following limits to the *iceberg orders*

|                            | Order minimum notional amount (total) (euro) | Peak size (lots) |
|----------------------------|--|------------------|
| FTSE MIB index futures     | 10,000                                       | 5                |
| FTSE MIB index miniFutures | 10,000                                       | 5                |

|                                  |        |   |
|----------------------------------|--------|---|
| microFutures on FTSE MIB         | 10,000 | 5 |
| FTSE Italia PIR TR Index Futures | 10,000 | 5 |
| FTSE MIB Dividend futures        | 10,000 | 5 |
| Stocks futures                   | 10,000 | 5 |
| Stock dividend futures           | 10,000 | 5 |
| FTSE MIB index options           | 10,000 | 5 |
| Stocks options                   | 10,000 | 5 |
| Power futures- Italy area        | 10,000 | 5 |
| Durum wheat futures              | 10,000 | 5 |

## C – Deviation limits and minimum thresholds for negotiated transactions

- For negotiated transactions pursuant to art. 5.3.5, para 1, letter a) and 5.3.5 paragraph 4, of the Rules, the price should fall within the following deviation percentages in respect to the best prices of the trading book:

|  | Deviation percentage in respect to the best prices of the trading book (BBO)  |   |  |
|--|---|---|--|
|  | For trades with a size:<br>i) above the minimum size for negotiated transactions – LIS threshold (1) and<br>ii) below the threshold “outside BBO” (2) | For trades with a size below the minimum size for negotiated transactions – LIS threshold (1), that are executed as part of a package order transaction | For trades with a size above “outside BBO” |

|   | Deviation percentage in respect to the best prices of the trading book (BBO) |     |     |
|---|--|-----|-----|
| Futures on the FTSE MIB Index<br>Mini Futures on the FTSE MIB Index<br>microFutures on FTSE MIB | 0%   | 1%  | 1%  |
| Futures on the FTSE Italia PIR Mid Cap TR Index   | 0%   | 5%  | 5%  |
| Futures on the FTSE MIB Dividend Index  | 0%   | 2%  | 2%  |
| Options on the FTSE MIB Index   | 0%   | 20% | 20% |
| Stocks Futures  | 0%   | 0%  | 10% |
| American style stock options  | 0%   | 0%  | 20% |
| European style stock options  | 0%   | 0%  | 40% |
| Stock dividend futures  | No price limit   |     |     |

In absence of prices on the trading book, the price should fall within the following deviation percentages in respect to the dynamic price or, in absence of the latter, to the reference price of the previous day:

|  | Deviation percentage in respect to the dynamic price or, in absence of the latter, to the reference price of the previous day |  |
|--|---|--|
|  | For trades with any size, provided it is above the minimum size for negotiated transactions – LIS threshold (1)               | For trades with a size below the minimum size for negotiated transactions – LIS threshold (1) and that |

|   |                |   |
|---|----------------|---|
|   |                | are executed as part of a package order |
| Futures on the FTSE MIB Index<br>Mini Futures on the FTSE MIB Index<br>microFutures on FTSE MIB | 1%             | 1%                                      |
| Futures on the FTSE Italia PIR Mid Cap TR Index   | 5%             | 5%                                      |
| Futures on the FTSE MIB Dividend Index  | 2%             | 2%                                      |
| Options on the FTSE MIB Index   | 20%            | 20%                                     |
| Stocks Futures  | 10%            | 10%                                     |
| American style stock options  | 20%            | 20%                                     |
| European style stock options  | 40%            | 40%                                     |
| Stock dividend futures  | No price limit |   |

(1) The LIS threshold qualifies the trade as large in scale pursuant to Regulation EU 2017/583. This threshold is identified by Borsa Italiana for every contract, communicated via a Notice and published on Borsa Italiana's website.

(2) The outside BBO threshold is a threshold set by Borsa Italiana for every underlying for the execution of negotiated transaction at a highest deviation percentage. This threshold is set by Borsa Italiana for every underlying, communicated via a Notice and published on Borsa Italiana's website.

2. For negotiated transactions, pursuant to Article 5.3.5, paragraph 1, subparagraph b), of the Rules, the minimum transaction size is identified by Borsa Italiana for every contract, communicated via a Notice and published on Borsa Italiana's website.

### **C.bis – CPI Orders limits: maximum deviation limits, minimum thresholds and maximum quantity and countervalue limits**

1. Pursuant to article 5.3.6, paragraph 1, of the Rules, the following minimum sizes are set for CPI Orders:

| Product                                     | Minimum quantity for CPI orders (lots)   |                                   |
|---|--|-----------------------------------|
|   | Single orders  | Combined orders and FLEXCO orders |
| FTSE MIB index options (MIBO)               | 20   | 20                                |
| FTSE MIB index weekly options (weekly MIBO) | 10   | 20                                |
| Single stock options                        | For each underlying, the minimum quantity is equal to the minimum quoting size obligation for Primary Market Makers and Primary Specialists, available on Borsa Italiana web site.       | 25                                |
| Single stock weekly options                 | For each underlying, the minimum quantity is equal to the minimum quoting size obligation for Designated Market Makers and Designated Specialists, available on Borsa Italiana web site. | 25                                |
| Other products                              | CPI orders are not supported on other products.  |                                   |

2. The agreed price for CPI Orders must be included within the deviation percentages reported below from the best prices on the orderbook. In absence of prices on the orderbook, the price of the CPI Order must be included within the same percentages of deviation from the dynamic price or, in the absence of the latter, from the reference price of the previous day.

| Product   | Maximum deviation of CPI Order price respect to the best prices available on the orderbook (BBO), or respect to the dynamic price (if no BBO is available), or respect to the previous day's reference price (if no dynamic price is available) |
|---|---|
| FTSE MIB index options (MIBO), including weekly MIBO          | 20%   |
| American style single stock options, including weekly options | 20%   |

|                                     |   |
|-------------------------------------|---|
| European style single stock options | 40%   |
| Other products                      | CPI orders are not supported on other products. |

- The maximum quantity and countervalue limits of the CPI Orders are equal to the maximum limits defined for single orders in the IDEM market section, paragraph B.1, of this Guide to the Parameters.

## D – Quotation obligations of voluntary market makers and Mifid2 market makers and IDEM specialists

- The obligations of voluntary market makers and obligations of Mifid2 market makers are established, by contract type, as detailed in the tables below.
- In stressed market conditions, which may occur in the cases indicated in Title IA.9, Chapter IA.9.4, voluntary market makers and Mifid2 market makers are required to quote quantities equal to half of those referred to in paragraph 1 and with double the spreads.

### IDEM Equity

#### A. Index futures

| Instrument  | Intermediary                   |                        | Maturities   | Minimum quantity per maturity (No. of contracts) | Maximum spread in index points |
|---|--------------------------------|------------------------|--|--|--------------------------------|
| Futures on the FTSE MIB index – “FTSE MIB Futures”          | <b>Voluntary Market Makers</b> | Primary Market Makers  | <b><u>On the first two maturities</u></b><br><br><b>Nearest maturity:</b> until the second day before its maturity;<br><b>Second maturity:</b> from the third day before the nearest maturity. | 2  | 30                             |
| Futures on the FTSE MIB index – FTSE MIB index mini-futures |                                | Extended Market Makers |  |  |                                |



| Instrument   | Intermediary                   |                        | Maturities  | Minimum quantity per maturity (No. of contracts) | Maximum spread in index points |
|--|--------------------------------|------------------------|---|--|--------------------------------|
|  | <b>Mifid2 Market Makers</b>    | –                      | <p><b><u>On the first two maturities</u></b></p> <p><b>Nearest maturity:</b> until the second day before its maturity;<br/> <b>Second maturity:</b> from the first day before the nearest maturity.</p> | 2  |                                |
| Futures on the FTSE MIB index – “FTSE MIB index micro-futures” | <b>Voluntary Market Makers</b> | Primary Market Makers  | <p><b><u>On the first two maturities</u></b></p> <p><b>Nearest maturity:</b> until the second day before its maturity;<br/> <b>Second maturity:</b> from the third day before the nearest maturity.</p> | 5  | 20                             |
|  |                                | Extended Market Makers | <p><b><u>On the first two maturities</u></b></p> <p><b>Nearest maturity:</b> until the second day before its maturity;<br/> <b>Second maturity:</b> from the first day before the nearest maturity.</p> | 5  | 20                             |
| Futures on the FTSE Italia PIR Mid Cap TR index                | <b>Voluntary Market Makers</b> | Primary Market Makers  | <p><b><u>On the first two maturities</u></b></p> <p><b>Nearest maturity:</b> until the second day before its maturity;<br/> <b>Second maturity:</b> from the third day before the nearest maturity.</p> | 5  | 100                            |
|  | <b>Mifid2 Market Makers</b>    | –                      | <p><b><u>On the first two maturities</u></b></p> <p><b>Nearest maturity:</b> until the second day before its maturity;<br/> <b>Second maturity:</b> from the first day before the nearest maturity.</p> |  |                                |

| Instrument   | Intermediary                   |                               | Maturities  | Minimum quantity per maturity (No. of contracts) | Maximum spread in index points |
|--|--------------------------------|-------------------------------|---|--|--------------------------------|
| Futures on the FTSE MIB Dividend index – “FTSE MIB Dividend futures” |                                | Primary Market Makers         | <p>On <b>all yearly maturities</b>.</p> <p><b>Nearest yearly maturity:</b> until the fifth day before the maturity</p>  | 30<br>First and second yearly                    | 80                             |
|  |                                | 20<br>Third and fourth yearly |   | 90   |                                |
|  |                                | 10<br>Fifth yearly            |   | 100  |                                |
|  | <b>Voluntary Market Makers</b> | <b>Liquidity Providers</b>    | <p><b>On the first half-yearly maturity and on the first three yearly maturities.</b></p> <p><b>Nearest half-yearly maturity:</b> until the fifth day before the maturity of the contract and, from the following day, the second half-yearly maturity available.</p> <p><b>Nearest yearly maturity:</b> until the fifth day before the maturity of the contract and, from the following day, the fourth yearly maturity available.</p> | 30 half-yearly                                   | 80                             |
|  |                                |                               |   | 30 first and second yearly                       | 80                             |
|  |                                |                               |   | 20 Other maturities                              | 90                             |
|  | <b>Mifid2 Market Makers</b>    | –                             | <p><b>Nearest yearly maturity:</b> until the fifth day before its maturity</p> <p><b>Second yearly maturity:</b> from the fourth day before the nearest maturity</p>  | 30   | 80                             |

**B. Stock dividend futures**

| Intermediary            |   | Maturities   | Minimum quantity  | Maximum spread in index points |
|-------------------------|---|--|---|--------------------------------|
| Voluntary Market Makers | Primary Market Makers<br><br>Indicate at least:<br><br>1 underlying | <p><b><u>On the first two yearly maturities</u></b></p> <p><b>Nearest yearly maturity:</b> until the fifth day before the maturity of the contract and, from the following day, the third maturity.</p> <p><b>Second yearly maturity:</b> every day the maturity is available.</p>   | Minimum equal to 2, 3, 4, 5, 10, 20 contracts depending on the value of the contract and the dividend policy of the underlying. | See Table A                    |
|                         | Liquidity Provider<br><br>Indicate at least:<br><br>1 underlying    | <p><b><u>On the first half-yearly maturity and on the first yearly maturity.</u></b></p> <p><b>Nearest half-yearly maturity:</b> until the fifth day before the maturity of the contract and, from the following day, the second half-yearly maturity available.</p> <p><b>Nearest yearly maturity:</b> until the fifth day before the maturity of the contract and, from the following day, the second yearly maturity available.</p> |   |                                |
| Mifid2 Market Makers    |   | <p><b>Nearest yearly maturity:</b> until the fifth day before the maturity of the contract;</p> <p><b>Second yearly maturity:</b> from the fourth day before the nearest maturity.</p>   |   |                                |

1. Voluntary market makers and Mifid2 market makers on dividend futures are required to comply with the quotation obligations in accordance with the following spread table:

**Table A:**

| Purchase price (in euro) | Maximum spread (in euro) |
|--------------------------|--------------------------|
| 0.01-0.25                | 0.20                     |
| 0.2501-1.00              | 0.40                     |
| 1.0001-2.00              | 0.80                     |
| 2.0001-3.00              | 1.20                     |
| 3.00-5.00                | 2.00                     |
| More than 5.0001         | 3.00                     |

**C) Stock futures**

| Intermediary   | Underlyings/maturities   | Minimum quantity  | Maximum spread  |
|--|--|---|---|
| <p><b>Primary Market Makers</b></p> <p><u>Indicate at least:</u></p> <p><b>20 underlyings</b></p> <p>(include all the underlyings of the Focus Group)</p> <p>or</p> <p><b>1 underlying</b></p> <p>(EU regulated market stocks)</p> | <p><u>On the nearest maturity</u> until the fifth day before the maturity and, from the following day, on the first subsequent maturity.</p> | <p><b>Euronext Milan stock underlyings:</b></p> <p>At least 5, 15, 25 contracts based on the liquidity class of the underlying.</p> <p>-----</p> <p><b>EU Regulated Market Underlyings:</b> at least 10, 20, 30, 40 or 50 contracts based on the liquidity class of the underlying.</p> | <p>See Table</p> <p>-----</p> <p><b>0.30 euro</b></p> |

|                                     |   |  |  |  |
|-------------------------------------|---|--|--|--|
| <b>Mifid2<br/>Market<br/>Makers</b> | – |  |  |  |
|-------------------------------------|---|--|--|--|

1. Voluntary market makers and Mifid2 market makers on Euronext Milan stock futures are required to comply with the quotation obligations in accordance with the following spread tables:

**Spread Table**

| Liquidity class<br><br>Purchase prices<br>(in euro)<br>From - To | Spread (in euro) |              |             |
|--|------------------|--------------|-------------|
|  | A                | B            | C           |
|  | 25 contracts     | 15 contracts | 5 contracts |
| 0.01 - 4.00  | 0.020            | 0.040        | 0.060       |
| 4.01 - 8.00  | 0.030            | 0.050        | 0.080       |
| 8.01 - 12.00   | 0.040            | 0.060        | 0.120       |
| 12.01 - 16.00  | 0.050            | 0.080        | 0.160       |
| 16.01 - 20.00  | 0.070            | 0.100        | 0.300       |
| 20.01 - 50   | 0.15             | 0.25         | 0.50        |
| 50.01 - 100  | 0.30             | 0.50         | 1.00        |
| More than 100  | 0.50             | 1.00         | 1.50        |

Borsa Italiana reserves the right to attribute quantity obligations other than those based on the liquidity class indicated for the purposes of spread obligations.

**D. FTSE MIB index options****D.1) MIBO options other than weekly options**

| Intermediary                  |                                | Maturities and series number<br>(call and put)  | Minimum quantity<br>per maturity<br>(No. of contracts)  | Maximum<br>spread in<br>index points |
|-------------------------------|--------------------------------|---|---|--------------------------------------|
| Voluntary<br>Market<br>Makers | Primary<br>Market<br>Makers    | <p><b>First 7 maturities:</b> on the 5 consecutive series within a range of strike prices set at: ATM, 1 ITM and 5 OTM.</p> <p><b>Nearest maturity:</b> between the ninth and the fifth trading day before the maturity reduced to: 3 consecutive series within a range of strike prices set at: ATM, 1 ITM and 3 OTM.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity date.</p> | <p>* <b>1<sup>st</sup> maturity:</b> 20</p> <p>* <b>2<sup>nd</sup> and 3<sup>rd</sup> maturity:</b> 15</p> <p>* <b>4<sup>th</sup> and 5<sup>th</sup> maturity:</b> 10</p> <p>* <b>6<sup>th</sup> and 7<sup>th</sup> maturity:</b> 5</p> | See Tables A and B                   |
|                               | Responding<br>Market<br>Makers | <p><b>First 10 maturities:</b> ATM, 5 ITM and 5 OTM</p> <p><b>Nearest maturity:</b> the sixth and the fifth trading day before the maturity date: ATM, the first 2 ITM and the first 2 OTM.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity date.</p>  | 10  | See Tables A and B                   |
|                               | Liquidity<br>providers         | <p><b>First 4 maturities:</b> on the 5 consecutive series within a range of strike prices set at: ATM, 1 ITM and 5 OTM.</p> <p><b>Nearest maturity:</b> between the ninth and the fifth trading day before the maturity date: 3 consecutive series within a range of strike prices set at: ATM, 1 ITM and 3 OTM.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity date.</p>       | <p>* <b>1<sup>st</sup> maturity:</b> 20</p> <p>* <b>2<sup>nd</sup> and 3<sup>rd</sup> maturity:</b> 15</p> <p>* <b>4<sup>th</sup> maturity:</b> 10</p>  | See Tables A and B                   |

| Intermediary               |  | Maturities and series number<br>(call and put)   | Minimum quantity<br>per maturity<br>(No. of contracts) | Maximum<br>spread in<br>index points |
|----------------------------|--|--|--|--------------------------------------|
| Mifid2<br>Market<br>Makers |  | <b>First two maturities</b>  |  |                                      |
|                            |  | <p><b>First maturity:</b> up to the fifth trading day before the maturity of the contract on the 3 consecutive series represented by: ATM, the first ITM and the first OTM.</p> <p><b>Second maturity:</b> from the fourth day before the nearest monthly maturity: 3 consecutive series represented by: ATM, the first ITM and the first OTM.</p> | 20   | See Table A                          |

1. Responding market makers are required to respond to requests for quotations within 2 minutes of the request; the response must remain on the book for at least 30 seconds.
2. Voluntary market makers and Mifid2 market makers on MIBO options other than weekly options are required to comply with the quotation obligations in accordance with the following spread tables:

**Table A**

| Maturities < = 12 months         |      |                             |
|----------------------------------|------|-----------------------------|
| Purchase price (in index points) |      | Spread<br>(in index points) |
| FROM                             | TO   |                             |
| 1                                | 200  | 30                          |
| 202                              | 500  | 50                          |
| 505                              | 1000 | 100                         |
| 1005                             | 2000 | 150                         |
| 2005                             | 4000 | 300                         |
| More than 4000                   |      | 450                         |

**Table B**

| Maturities > 12 months           |           |                             |
|----------------------------------|-----------|-----------------------------|
| Purchase price (in index points) |           | Spread<br>(in index points) |
| <i>FROM</i>                      | <i>TO</i> |                             |
| 1                                | 500       | 75                          |
| 505                              | 1000      | 150                         |
| 1005                             | 2000      | 250                         |
| 2005                             | 4000      | 500                         |
| 4005                             | 6000      | 750                         |
| More than 6000                   |           | 1000                        |

- The system updates the at-the-money series twice a day. The update takes place at about 09.00 and 15.45.



**D.2) Weekly MIBO options**

| Intermediary                           |   | Maturities and series number<br>(call and put)   | Minimum quantity per<br>maturity<br>(No. of contracts)  | Maximum<br>spread in index<br>points |
|--|---|--|---|--------------------------------------|
| <b>Voluntary<br/>Market<br/>Makers</b> | <b>Designated<br/>Market<br/>Makers</b> | <p><b><u>All maturities traded</u></b></p> <p><b>First maturity:</b><br/>*from the Friday of the week before the maturity week and until the Wednesday before the maturity date: 7 consecutive series within a range of strike prices set at: ATM, 1 ITM and 7 OTM.</p> <p>* on the Thursday before the maturity date: 5 consecutive series within a range of strike prices set at: ATM, 1 ITM and 5 OTM.</p> <p><b>Second maturity and third maturity if traded:</b><br/>* from the Thursday of admission to trading and until the Thursday of the week before the week of maturity: 3 consecutive series within a range of strike prices set at: ATM, 1 ITM and 3 OTM.</p> | <p><b>First maturity:</b><br/>* Until the Wednesday before the maturity date: 10</p> <p>* For the Thursday before the maturity date: 5</p> <p>2<sup>nd</sup> and 3<sup>rd</sup> maturity: 5</p> | See Tables A, B and C                |
| <b>Mifid2<br/>Market<br/>Makers</b>    |   | <p><b><u>First two maturities</u></b></p> <p><b>First maturity:</b> until the Wednesday before the maturity of the contract, 3 consecutive series within a range of strike prices set at: ATM, the first ITM and the first OTM.</p> <p><b>Second maturity:</b> from the Thursday before the nearest weekly maturity: 3 consecutive series within a range of strike prices set at: ATM, the first ITM and the first OTM.</p>  | 5   | See Table A                          |

1. If the maturity is brought forward due to a non-trading day, the above quotation scheme is adapted accordingly.

2. Voluntary market makers and Mifid2 market makers on weekly MIBO options are required to comply with the quotation obligations in accordance with the following spread tables:

**Table A**

| First maturity - Until the Wednesday* before the maturity date |           |                          |
|--|-----------|--------------------------|
| Purchase price (in index points)                               |           | Spread (in index points) |
| <i>FROM</i>  | <i>TO</i> |                          |
| 1  | 50        | 10                       |
| 51   | 100       | 20                       |
| 102  | 300       | 30                       |
| 302  | 500       | 40                       |
| 505  | 800       | 50                       |
| 805  | 4000      | 60                       |
| More than 4000   |           | 100                      |

**Table B**

| First maturity - On the Thursday* prior to the maturity date |           |                          |
|--|-----------|--------------------------|
| Purchase price (in index points)                             |           | Spread (in index points) |
| <i>FROM</i>  | <i>TO</i> |                          |
| 1  | 50        | 20                       |
| 51   | 100       | 40                       |
| 102  | 300       | 60                       |
| 302  | 500       | 80                       |

|                |      |     |
|----------------|------|-----|
| 505            | 800  | 100 |
| 805            | 4000 | 120 |
| More than 4000 |      | 200 |

**Table C**

| <b>Second and Third maturity</b> |           |                             |
|----------------------------------|-----------|-----------------------------|
| Purchase price (in index points) |           | Spread<br>(in index points) |
| <i>FROM</i>                      | <i>TO</i> |                             |
| 1                                | 200       | 30                          |
| 202                              | 500       | 50                          |
| 505                              | 1000      | 100                         |
| 1005                             | 2000      | 150                         |
| 2005                             | 4000      | 300                         |
| More than 4000                   |           | 450                         |

- The system updates the at-the-money series twice a day. The update takes place at about 09.00 and 15.45.

**D.3) Stock options**

**D.3 (i) European-style and American-style stock options, other than weekly options.**

| Intermediary            |   | Maturities and series number (call and put)  |             | Minimum quantity (No. of contracts)  | Focus Group Underlyings  | Maximum spread in index points      |
|-------------------------|---|--|-------------|--|--|-------------------------------------|
| Voluntary Market Makers | <p><b>Primary Market Makers:</b></p> <p><b>for American-style options</b></p> <p><u>Indicate at least:</u></p> <p><b>20 underlyings</b> (include all underlyings of the Focus Group)</p> <p><b>For European-style options:</b></p> <p><u>Indicate at least:</u></p> | <p><b><u>First 6 maturities:</u></b></p> <p><b>First maturity:</b> 7 consecutive series within a range of strike prices set at: ATM, 2 ITM and 8 OTM.</p> <p>Between the ninth and the fifth trading day before the maturity date: 5 consecutive series within a range of strike prices set at: ATM, 1 ITM and 5 OTM.</p> <p><b>From the second to the sixth maturity:</b> 4 consecutive series within a range of strike prices set at: ATM, 1 ITM and 4 OTM.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity date.</p> | Focus group | <p>Minimum number of contracts equal to one of the following values: 5, 10, 20, 30, 40, 50, 60, 80, 100, 120, 140, 160 or 200 contracts, allocated to the contracts per liquidity class and notified by means of a Notice.</p> | <p>the obligations are reduced by half on the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> maturity</p> | <p>See Tables A), B), C) and D)</p> |
|                         |   |  |             |  |  |                                     |

|  |  |  |                |    |  |                              |
|--|--|--|----------------|----|--|------------------------------|
|  | <p><b>3 underlyings</b></p>  | <p><b><u>First 4 maturities</u></b></p> <p><b>First maturity:</b> 7 consecutive series within a range of strike prices set at: ATM, 1 ITM and 8 OTM.</p> <p><b>From the second to the fourth maturity:</b> 4 consecutive series within a range of strike prices set at: ATM, 2 ITM and 4 OTM.</p> <p><b>On the nearest maturity:</b> between the ninth and the fifth trading day before the maturity date: 5 consecutive series within a range of strike prices set at: ATM, 1 ITM and 5 OTM.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity date.</p> | No Focus group |    |  |                              |
|  | <p><b>Responding Market Makers for European-style and American-style options</b></p> | <p><b><u>First 10 maturities</u></b></p> <p><b>First maturity:</b> ATM, 8 ITM and 8 OTM</p> <p><b>From the second to the sixth maturity:</b> ATM, 5 ITM and 5 OTM</p>  | Focus group    | 40 |  | See Tables A), B), C) and D) |

|                             |   |  |                |  |  |  |
|-----------------------------|---|--|----------------|--|--|--|
|                             | <p><u>Indicate at least:</u></p> <p><b>5 underlyings</b></p>  | <p><b>Nearest maturity:</b> the sixth and fifth trading day before the maturity date: ATM, the first 4 ITM and the first 4 OTM.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity date.</p>   | No Focus group | 20   |  |  |
|                             |   | <p><b>From the seventh to the tenth, if traded:</b> ATM, 2 ITM and 5 OTM</p>   |                | 20   |  |  |
|                             | <p><b>Liquidity providers for American-style options</b></p> <p><u>no minimum obligation of underlyings</u></p> | <p><b>First four consecutive maturities:</b> see Primary Market Maker obligations</p>  |                | see Primary Market Maker obligations   |  | See Tables A), B), C) and D)   |
| <b>Mifid2 Market Makers</b> | –   | <p><b>First maturity:</b> on the 3 consecutive ATM series, from the first ITM series and from the first OTM series.</p> <p>The quotation obligations for the nearest maturity shall be valid until the fifth trading day before the maturity of the contract and, from the following day, the intermediary is required to quote the first subsequent maturity.</p> |                | Minimum number of contracts equal to one of the following values: 5, 10, 20, 30, 40, 50, 60, 80, 100, 120, 140, 160 or 200 contracts, allocated to the contracts per |  | See Tables A), B), C) and D)<br>Column<br>“Maturities < = 12 months” |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  | liquidity class and notified by means of a Notice. |  |  |
|--|--|--|--|--|--|--|

1. Responding market makers are required to respond to requests for quotations within 2 minutes of the request; the response must remain on the book for at least 15 seconds.
2. Voluntary market makers and Mifid2 market makers on stock options other than weekly options are required to comply with the quotation obligations in accordance with the following spread tables:

**Table A) - Underlying with a value between 0 and 5.00 euro**

| Purchase price (in euro)        | Spread (in euro)         |                        |
|---------------------------------|--------------------------|------------------------|
|                                 | Maturities < = 12 months | Maturities > 12 months |
| 0.0001 – 0.1500                 | 0.050                    | 0.100                  |
| 0.1550 – 0.5000                 | 0.080                    | 0.150                  |
| 0.5050 – 1.0000                 | 0.120                    | 0.250                  |
| Greater than or equal to 1.0100 | 0.250                    | 0.500                  |

**Table B) - Underlying with a value between 5.01 and 10.00 euro**

| Purchase price (in euro)        | Spread (in euro)         |                        |
|---------------------------------|--------------------------|------------------------|
|                                 | Maturities < = 12 months | Maturities > 12 months |
| 0.0001 – 0.1500                 | 0.100                    | 0.200                  |
| 0.1550 – 1.0000                 | 0.150                    | 0.300                  |
| 1.0100 – 2.0000                 | 0.200                    | 0.400                  |
| Greater than or equal to 2.0100 | 0.500                    | 1.000                  |

**Table C) – Underlying with a value between 10.01 and 50.00 euro**

| Purchase price (in euro)        | Spread (in euro)         |                        |
|---------------------------------|--------------------------|------------------------|
|                                 | Maturities < = 12 months | Maturities > 12 months |
| 0.0001 – 0.5000                 | 0.150                    | 0.300                  |
| 0.5050 – 2.0000                 | 0.300                    | 0.600                  |
| 2.0100 – 5.0000                 | 0.500                    | 1.000                  |
| Greater than or equal to 5.0500 | 1.000                    | 2.000                  |

**Table D) - Underlying with value greater than 50.01 euro**

| Purchase price (in euro)        | Spread (in euro)         |                        |
|---------------------------------|--------------------------|------------------------|
|                                 | Maturities < = 12 months | Maturities > 12 months |
| 0.0001 – 0.5000                 | 0.50                     | 1.00                   |
| 0.5050 – 2.0000                 | 1.00                     | 2.00                   |
| 2.0100 – 5.0000                 | 1.50                     | 3.50                   |
| Greater than or equal to 5.0500 | 2.50                     | 5.00                   |

- The system updates the at-the-money series twice a day. The update takes place at about 09.00 and 15.45.



**D.3 (ii) Weekly stock options (American-style).**

| Intermediary                   |  | Maturities and series number  | Minimum quantity<br>(No. of contracts)   | Maximum spread in index points |
|--------------------------------|--|---|--|--------------------------------|
| <b>Voluntary Market Makers</b> | <b>Designated Market Makers</b><br><u>no minimum obligation of underlyings</u> | <p><b>For each maturity traded:</b></p> <p>*from the Thursday of the week before the maturity week and until the Tuesday before the maturity date: 5 consecutive series within a range of strike prices set at: ATM, 2 ITM and 6 OTM.</p> <p>* on the Wednesday and Thursday before the maturity date: 3 consecutive series within a range of strike prices set at: ATM, 1 ITM and 3 OTM.</p> | Minimum number of contracts equal to one of the following values: 5, 10, 20, 30, 40, 50, 60, 80, 100, 120, 140, 160 or 200 contracts, allocated to the | See Tables A), B), C) and D)   |
| <b>Mifid2 Market Makers</b>    |  | <p><b>First maturity:</b> on the 3 consecutive ATM series, from the first ITM series and from the first OTM series.</p> <p>The quotation obligations for the nearest maturity must be fulfilled until the Wednesday before the maturity of the contract and, from the following day, the intermediary is required to quote the first subsequent maturity.</p>                                 | contracts per liquidity class and notified by means of a Notice.   |                                |

1. If the maturity of the weekly stock options is brought forward due to a non-trading day, the above quotation scheme is adapted accordingly.
2. Voluntary market makers and Mifid2 market makers on weekly stock options are required to comply with the quotation obligations in accordance with the following spread tables:

**Table A) - Underlying with a value between 0 and 5.00 euro**

| Purchase price (in euro)        | Spread (in euro) |
|---------------------------------|------------------|
| 0.0001 – 0.1500                 | 0.050            |
| 0.1550 – 0.5000                 | 0.080            |
| 0.5050 – 1.0000                 | 0.120            |
| Greater than or equal to 1.0100 | 0.250            |

**Table B) - Underlying with a value between 5.01 and 10.00 euro**

| Purchase price (in euro)        | Spread (in euro) |
|---------------------------------|------------------|
| 0.0001 – 0.1500                 | 0.100            |
| 0.1550 – 1.0000                 | 0.150            |
| 1.0100 – 2.0000                 | 0.200            |
| Greater than or equal to 2.0100 | 0.500            |

**Table C) – Underlying with a value between 10.01 and 50.00 euro**

| Purchase price (in euro)        | Spread (in euro) |
|---------------------------------|------------------|
| 0,0001 – 0.5000                 | 0.150            |
| 0.5050 – 2.0000                 | 0.300            |
| 2.0100 – 5.0000                 | 0.500            |
| Greater than or equal to 5.0500 | 1.000            |

**Table D) - Underlying with value greater than 50.01 euro**

| Purchase price (in euro) | Spread (in euro) |
|--------------------------|------------------|
| 0.0001 – 0.5000          | 0.50             |

|                                 |      |
|---------------------------------|------|
| 0.5050 – 2.0000                 | 1.00 |
| 2.0100 – 5.0000                 | 1.50 |
| Greater than or equal to 5.0500 | 2.50 |

3. The system updates the at-the-money series twice a day. The update takes place at about 09.00 and 15.45.

### IDEX

| Instrument                     | Intermediary             |   | Maturities  | Electricity Futures Contracts - Italy area | Quantity (Minimum No. of contracts) | Maximum spread (Euro/MWh) |
|--------------------------------|--------------------------|---|---|--|-------------------------------------|---------------------------|
| Electricity Futures Italy area | Voluntary Market Makers  | Primary Market Makers   | <ul style="list-style-type: none"> <li>On all maturities</li> </ul> | Baseload monthly futures                   | 10                                  | 2                         |
|                                |                          |   |   | Baseload quarterly futures                 | 5                                   | 2                         |
|                                |                          |   |   | Baseload annual futures first maturity     | 5                                   | 2                         |
|                                |                          |   |   | Baseload annual futures second maturity    | 5                                   | 3                         |
|                                | Responding Market Makers | <ul style="list-style-type: none"> <li>On all maturities</li> </ul> | Peakload monthly futures  | 10   | 3                                   |                           |

|  |                             |                            |  |                            |    |   |
|--|-----------------------------|----------------------------|--|----------------------------|----|---|
|  |                             | <b>Liquidity providers</b> | <ul style="list-style-type: none"> <li>All monthlies (baseload or peakload) and/or</li> </ul>  | Peakload quarterly futures | 5  | 4 |
|  |                             |                            |  | Peakload annual futures    | 5  | 3 |
|  |                             |                            | <ul style="list-style-type: none"> <li>All quarterlies (baseload or peakload) and/or</li> <li>All annual (baseload or peakload)</li> </ul> |                            |    |   |
|  | <b>Mifid2 Market Makers</b> | —                          | <ul style="list-style-type: none"> <li>On the first maturity</li> </ul>  | Baseload monthly futures   | 10 | 2 |
|  |                             | Peakload monthly futures   |  | 10                         | 3  |   |

1. Responding market makers are required to respond to requests for quotations within 2 minutes of the request; the response must remain on the book for at least 15 seconds.
2. For the additional annual maturities of futures contracts admitted to trading, the obligations of voluntary market makers are set out in the Notice of start of trading for the contract.

**AGREX**

| Instrument          | Intermediary            |                       | Maturities   | Minimum no. of contracts | Spread  |
|---------------------|-------------------------|-----------------------|--|--------------------------|---|
| Durum wheat futures | Voluntary Market Makers | Primary Market Makers | <ul style="list-style-type: none"> <li>On <b>all maturities</b> traded until the maturity of the contract</li> </ul>   | 3                        | <ul style="list-style-type: none"> <li>8 euro for the first four maturities;</li> </ul> |
|                     |                         | Liquidity providers   | <ul style="list-style-type: none"> <li>On <b>all maturities</b> until the end of the sixth trading day before the maturity of the contract</li> </ul>                                    |                          | <ul style="list-style-type: none"> <li>10 euro for the fifth maturity.</li> </ul>       |
|                     | Mifid2 Market Makers    |                       | <ul style="list-style-type: none"> <li>on the <b>first maturity</b> up to the sixth day before the maturity of the contract and, from the following day, on the next maturity</li> </ul> | 3                        | <ul style="list-style-type: none"> <li>8 euro</li> </ul>                                |

**E – Stressed market conditions**

1. Pursuant art. IA.9.4.1, paragraph 1, of the Instructions, stressed market conditions on the financial instruments traded on the Idem Market occur in case of the following conditions:

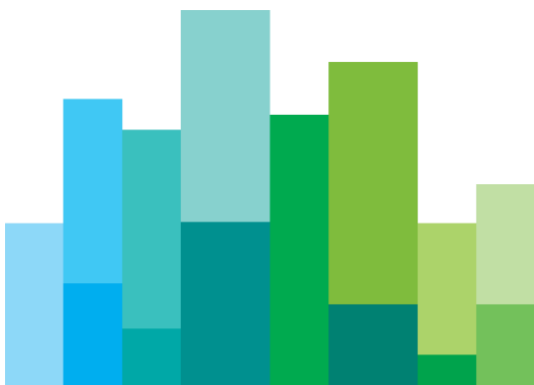
|                   |   |
|-------------------|---|
| Index derivatives | <ul style="list-style-type: none"> <li>From the start of the volatility auction phase of the first expiry of the future contract until 15 minutes after the resumption of the continuous phase</li> </ul>   |
| Stock derivatives | <ul style="list-style-type: none"> <li>During the volatility auction phase of the underlying until 15 minutes after the redemption of the continuous phase</li> <li>In all the remaining hypothesis of declaration of stressed market conditions</li> </ul> |

2. Pursuant IA.9.4.1, paragraph 2, of the Instructions, Borsa Italiana may declare with notice to the operators stressed market conditions on the single financial instruments or on groups of financial instruments, if the price and volumes variations in a given time frame are above the following thresholds:

| Conditions (if foreseen) which have to occur simultaneously |  | Other conditions   |
|---|--|--|
| Index derivatives (Day session)                             | <p>Variations of the average price before the expiry of the FTSE MIB (or FTSE PIR for the futures on that index) in the last 10 minutes in respect to the Closing Price of the previous session exceeding the absolute value of 5 %</p> <p>Lots traded &gt; 2 times the average lots of the previous 5 days</p> <p>Lots traded &lt; 0.1 times the average lots of the previous 5 days</p>      | <p>Variations of the underlying Index exceeding +/- 3.5%</p> <p>Volatility auction at least on a number of stocks with an overall weight above the 30% of the relevant Index</p> |
| Index derivatives (night session)                           | <p>Variations of the average price before the expiry of the FTSE MIB in the last 10 minutes in respect to the Closing Price of the previous session exceeding the absolute value of 3.5 %</p>  |  |
| Electricity Futures and Durum wheat Futures                 | <p>Variations of the average price before the expiry of at least one future contract expiry in the last 10 minutes in respect to the static price exceeding the absolute value of 1,5*Y %</p> <p>[where Y represents the variation limit of the prices indicated in the preceding paragraph 4.A.8.b and 4.A.9.b]</p> <p>Lots traded &gt; 2.5 times the average lots of the previous 5 days</p> |  |

3. Borsa Italiana may also declare, with notice to the operators, stressed market conditions if required by the trading development on the derivatives instruments or on the underlying.

# 7. ORDER TO TRADE RATIO



## OTR METHODOLOGY

Pursuant to Borsa Italiana Rules, the ratio between non-executed orders and trades for each intermediary ("OTR") is defined in terms of volume and number of transactions. The rules for the calculation of OTR ratios are defined pursuant to the guidelines provided in Annex I of CDR 566/2017.

The OTR, both in terms of volumes and number of transactions, is calculated daily for (i) every instruments (i.e. ISIN code), (ii) every market participant, (iii) trading venue where the instrument is traded and (iv) separately for the order flow transmitted by a participant to the trading venue under a market making role.

|                                      |              | Max. OTR Permitted Value | Floor Value | Max. OTR Permitted Value for members with a market making role <sup>(1)</sup> | Floor Value for members with a market making role <sup>(1)</sup> |
|--------------------------------------|--------------|--------------------------|-------------|---|--|
| Equity Markets                       | Number terms | 2,000                    | 75,000 ord. | 10,000  | 150,000 ord.   |
|                                      | Volume terms | 10,000                   |             | 50,000  |  |
| Index futures                        | Number terms | 2,000                    | 75,000 ord. | 10,000  | 150,000 ord.   |
|                                      | Volume terms | 10,000                   |             | 50,000  |  |
| Index options                        | Number terms | 2,000                    | 75,000 ord. | 10,000  | 150,000 ord.   |
|                                      | Volume terms | 10,000                   |             | 50,000  |  |
| Single name derivatives <sup>2</sup> | Number terms | 1,000                    | 75,000 ord. | 10,000  | 150,000 ord.   |
|                                      | Volume terms | 5,000                    |             | 50,000  |  |
| Commodity derivatives <sup>3</sup>   | Number terms | 500                      | 25,000 ord. | 2,000   | 50,000 ord.  |
|                                      | Volume terms | 2,500                    |             | 10,000  |  |
| ETFPlus                              | Number terms | 4,000                    | 200,000 ord | 20,000  | 400,000 ord.   |



|                                 |              |            |             |             |              |
|---------------------------------|--------------|------------|-------------|-------------|--------------|
|                                 | Volume terms | 20,000,000 |             | 100,000,000 |              |
| Fixed Income Markets            | Number terms | 75,000     | 150,000 ord | 150,000     | 300,000 ord. |
|                                 | Volume terms | 750,000    |             | 1,500,000   |              |
| Securitised Derivatives Markets | Number terms | 4,000      | 200,000 ord | 20,000      | 400,000 ord. |
|                                 | Volume terms | 20,000,000 |             | 100,000,000 |              |

(1) Participants providing liquidity pursuant the rules under a specific agreement with Borsa Italiana, such as Specialists, Liquidity Providers, Secondary Liquidity Providers and Market Makers; (2) Stock options, stock futures & stock dividend futures; (3) All derivatives traded on IDEX.

# 8. ANTI-SPOOFING FUNCTIONALITY FOR THE MARKETS OPERATED ON MIT TRADING PLATFORM



The validation of the theoretical auction price on the markets and on the MTFs organized and managed by Borsa Italiana and operated on the Millennium IT (MIT) trading platform takes place after verification of the stability conditions of theoretical prices and auction volumes in a predefined period of time (validation period). This verification is repeated for a limited number of times within the last minute during the end of the auction phase.

The test is applied to all types of auctions (opening, closing and volatility).

The following is a list of the parameters, defined on a general basis, and the criteria considered when verifying the stability of theoretical prices and auction volumes:

Model parameters and variables:

| Description of the parameter/variable                     |  | Parameter/variable | Default value |
|---|--|--------------------|---------------|
| Moment of observation of last theoretical price           | second during the final minute of the auction phase, relevant to determining the auction price and the consequent closure of the auction phase   | $r$                | -             |
| Validation period (look-back period)                      | time period for conducting the stability test immediately prior to $r$   | $n$ (seconds)      | 5             |
| Test reiteration period                                   | if the previous stability test has yielded a positive outcome, time period in which the stress test is reiterated and to the end of which, in the event of a negative outcome, the end of the auction phase is postponed | $m$ (seconds)      | 8             |
| Maximum number of test reiterations                       | maximum number of times that the stability test may be performed, by the end of the final minute of the auction phase  | $q$                | 4             |
| Weighted standard deviation of theoretical auction prices |  | $s1$               | -             |
| Weighted standard deviation of auction volumes            |  | $s2$               | -             |

|                             |      |        |
|-----------------------------|------|--------|
| Maximum allowed value of s1 | $h1$ | 1%(1)  |
| Maximum allowed value of s2 | $h2$ | 50%(1) |

(1) The values may vary on the basis of the specific trading characteristics of the segments or classes of financial instruments.

#### Validation criteria

- the stability test for theoretical prices and auction volumes is performed by verifying observance of the variation limits for the final theoretical auction price determined;
- if the variation limits for the theoretical auction price have been observed, the stability test is performed on the theoretical prices and auction volumes in interval  $n$ . To this end, the standard deviations of the theoretical prices and auction volumes ( $s1$  and  $s2$ ) observed in interval  $n$  are calculated. When calculating  $s1$  and  $s2$ , Borsa Italiana takes account of the length of time between the moments in which the theoretical prices/auction volumes are observed and the end of the interval of reference (the weight assigned is inversely proportional to the length of time between the moment of observation and  $[r+m*i]$ , where "i" refers to the number of reiterations);
- $s1$  and  $s2$  are compared with the respective maximum limits  $h1$  and  $h2$  defined on a general basis by Borsa Italiana as follows:

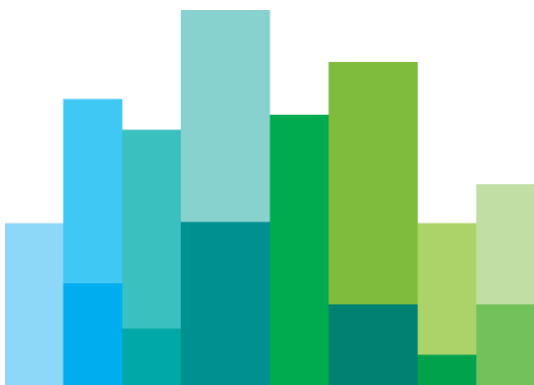
| If... and... | $s2 \leq h2$  | $s2 > h2$  |
|--------------|---|--|
| $s1 \leq h1$ | The outcome of the test is negative and the theoretical auction price is considered valid.                  | The outcome of the test is negative and the theoretical auction price is considered valid.     |
| $s1 > h1$    | The test has identified a possible spoofing attempt. Accordingly, the test is reiterated, save for point 4. | The test has identified a possible spoofing attempt. The test is reiterated, save for point 4. |

- if the outcome of the test is positive, the random moment  $r$  is postponed and additional stability tests are performed up to a maximum of  $q$  times, unless the time remaining until the end of the auction phase is less than  $m$ .

If the total number of reiterations is equal to  $q$  or the time remaining until the end of the auction phase is less than  $m$  and the outcome of the test is positive, the theoretical auction price most recently observed is considered valid for the purpose of determining the auction price.

The values of the parameters set out in the foregoing table are determined by Borsa Italiana on a general basis. Where so provided, the parameters are set on the basis of the specific trading characteristics of the segments or classes of financial instruments.

# 9. TECHNICAL LIMITS FOR THE ORDER ENTRY AND LINKUPS FOR SPECIALISTS



On the markets and MTFs operated on the Millennium IT (MIT) and SOLA trading platforms, the following technical limits apply to the entry of orders depending on the selected market access configurations:

### A.1 - Markets operating on the MillenniumIT Trading Platform

| Comp ID <sup>1</sup>   | Transactions per second ("tps") |
|------------------------|---------------------------------|
| CompID Base            | 25 tps                          |
| CompID Supervisor Base | 10 tps                          |
| CompID Standard        | 50 tps                          |
| CompID Advance         | 150 tps                         |
| CompID Double Advance  | 300 tps                         |
| CompID Supervisor      | 50 tps                          |

#### A.1.1 - LINKUPS GRANTED FOR SPECIALISTS, BID SPECIALISTS AND APPOINTED INTERMEDIARIES OPERATING ON MILLENNIUM IT TRADING PLATFORM

Linkups granted for specialists and for bid specialists depend on the market and on the number of instruments on which the specialist has undertaken to support liquidity, as indicated hereinafter:

- DomesticMOT Specialist: 25 tps
- EuroMOT/ExtraMOT Specialist: 25 tps
- SeDeX Specialist - Domestic segment:

---

<sup>1</sup> CompID means the typology of logical connection to the single market available to the operator.

| Number of instruments on which the specialist has undertaken to support liquidity |     | Total number of tps |
|---|-----|---------------------|
| From  | To  |                     |
| 1   | 25  | 25 tps              |
| 26  | 50  | 50 tps              |
| 51  | 150 | 150 tps             |
| 151   | 300 | 200 tps             |
| 301   |     | 250 tps             |

- SeDeX Specialist – ICSD segment:

| Number of instruments on which the specialist has undertaken to support liquidity |     | Total number of tps |
|---|-----|---------------------|
| From  | To  |                     |
| 1   | 25  | 25 tps              |
| 26  | 50  | 50 tps              |
| 51  | 150 | 150 tps             |
| 151   | 300 | 200 tps             |
| 301   |     | 250 tps             |

- DomesticMOT Bid Specialist: 25 tps
- EuroMOT/ExtraMOT Bid Specialist: 25 tps
- SeDeX Bid Specialist: 25 tps

For fixed income market intermediaries authorized to respond to the RFQs, the linkup granted, based on the market and the number of instruments for which the intermediary are authorized, shall be as follows:

- Intermediary authorized to bid on RFQs - DomesticMOT: 25 tps
- Intermediary authorized to bid on RFQs - EuroMOT/ExtraMOT: 25 tps

## A.2 - Markets operating on the SOLA Trading Platform

| Access modality   | Transaction per seconds ("tps")  |
|---|--|
| Standard Access   | 30 tps   |
| Advanced Access   | 90 tps   |
| PTP Access  | 150 tps  |
| Market Making Access - Basic Access                     | Based on the number of instruments <sup>2</sup> for which the market makers undertake quoting obligations. Market makers are given a number of Bulk Quotes per second (each allowing entering of 100 "single quotes") equal to the number of instruments for which the specialist has undertaken quoting obligations (at least 4). |
| Market Making – Additional access (through Bulk Quotes) | 4 Bulk quotes per second (each allowing entering of 100 "single quotes")   |

---

<sup>2</sup> "Instrument" shall mean a contract traded on the IDEM market with a given underlying (e.g. stock option on X share), style (American or European) and settlement modality (offset or material delivery). For example, a market maker that undertakes quoting obligations on 10 different underlying shares, with American style and material delivery, is given 10 Bulk Quotes per second, equal to maximum 1,000 "single quotes". A "single quote" relates to a single series (ISIN) and only includes a buy or sell option.





[borsaitaliana.it](http://borsaitaliana.it)