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## **PART 1**



***"Guide to the Parameters" for  
trading on the regulated markets  
organised and managed by Borsa Italiana***

*Version 14*

## **PART 1**

### **INTRODUCTION**

The Guide to the Parameters contains in Part 1 the rules governing the price variation limits (control parameters) and the quantity limits for orders (quantity parameters) for each of the regulated markets organised and managed by Borsa Italiana.

More specifically, each section dedicated to one of the markets (MTA, MOT, etc.) is identified by cardinal numbers and divided into **three** ~~two~~ parts:

- ❖ **part A**, concerning price variation limits;
- ❖ **part B**, concerning quantity limits, where applicable.
- ❖ **part C**, concerning obligations of specialists.

Moreover, the Guide to the Parameters contains in Part 2 the technical limits for the order entry regarding the markets operating on the MillenniumIT Trading Platform and on the SOLA Trading Platform.

The Guide to the Parameters:

1. must be read jointly with the Market Rules and the accompanying Instructions;
2. is published in a Notice on Borsa Italiana's website ([www.borsaitaliana.it](http://www.borsaitaliana.it));
3. is updated constantly, again in a Borsa Italiana Notice.

## **PART 1**

### **1 - MTA AND MIV MARKETS**

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#### **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 9, of the Rules:
    - shares making up the FTSE MIB index  $\pm 50\%$ ;
    - other shares  $\pm 50\%$ ;
    - shares of closed-end funds  $\pm 50\%$
    - warrants and rights  $\pm 90\%$ ;
    - convertible bonds  $\pm 25\%$ ;
  - b) maximum variation of the price of the contracts with respect to the static price referred to in Articles 4.3.3, paragraph 4, and 4.3.9, paragraph 2, of the Rules:
    - shares making up the FTSE MIB index  $\pm 5\%$ ;
    - other shares  $\pm 10\%$ ;
    - shares of closed-end funds  $\pm 7.5\%$
    - warrants and rights  $\pm 30\%$ ;
    - convertible bonds  $\pm 5\%$ ;
  - c) maximum variation of the price of the contracts with respect to the dynamic price referred to in Article 4.3.9, paragraph 2, of the Rules:
    - shares making up the FTSE/MIB index  $\pm 3.5\%$ ;
    - other shares  $\pm 5\%$ ;
    - shares of closed-end funds  $\pm 3.5\%$ ;
    - warrant  $\pm 5\%$ ;
    - rights  $\pm 15\%$ ;
    - convertible bonds  $\pm 2.5\%$
2. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

#### **B - Quantity limits**

1. The maximum number of financial instruments in an order referred to in article 4.3.2, paragraph 10, of the Rules shall be
  - MTA market 2000\*EMS;
  - MTA market, Star segment 2000\*EMS
  - MTA market, MTA International segment 400\*EMS;

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- MIV market 400\*EMS;
  - Un-exercised rights 400\*EMS;
  - Instruments traded in MB2 and MV2 segments on Millennium platform 400\*EMS<sup>1</sup>.
2. The maximum number of financial instruments that may be entered at the auction price referred to in Article 4.3.2, paragraph 10, of the Rules shall be
- MTA market 2000\*EMS;
  - MTA market, Star segment 2000\*EMS
  - MTA market, MTA International segment 400\*EMS;
  - MIV market 400\*EMS;
  - Un-exercised rights 400\*EMS;
  - Instruments traded in MB2 and MV2 segments on Millennium platform 400\*EMS<sup>1</sup>.
3. Borsa Italiana, on March, June, September and December, shall calculate and publish on its website the quantity, defined as number of financial instruments, with reference to each instrument (EMS – Exchange Market Size).
4. For newly admitted instruments the EMS shall be given in the Notice establishing the date of the start of trading.

### C - Obligations of specialists

1. The obligations of specialists in the MTA market (excluding the MTA *International* segment) and in the Star segment of the MTA market shall be determined on the basis of the average daily volume of trading of the instrument, as follows:

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<sup>1</sup> The list of segments set up on Millennium platform will be available at the following address <http://www.borsaitaliana.it/borsaitaliana/intermediari/gestione-mercati/migrazionemillenniumit-mit/millenniumitmigration.en.htm> (refer to technical specifications “Millennium Exchange Business Parameters”)

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

2. The obligations of specialists in the MTA *International* segment of the MTA market shall be determined as follows:

OBLIGATIONS OF SPECIALISTS	
Minimum quantity of orders (multiplier*EMS)	Spread
0,1*EMS	0.5%

3. The obligations of the specialists in the MIV market for shares of Investment Companies, Real Estate Investment Companies and SIVs shall be determined on the basis of the average daily volume of the trading of the instrument, as follows:

Group n.	AVERAGE DAILY VOLUME OF TRADING		OBLIGATIONS OF SPECIALISTS	
	from (€)	to (€)	Minimum quantity of orders (multiplier*EMS)	Spread
1	0	50 000	0,1*EMS	4,5%
2	50 001	100 000	0,1*EMS	3,5%
3	100 001	200 000	0,1*EMS	3,5%
4	200 001	500 000	0,1*EMS	3,0%
5	500 001	5 000 000	0,1*EMS	2,5%
6	5 000 001	10 000 000	0,1*EMS	1,5%
7	over	10 000 000	0,1*EMS	1,0%

4. The obligations of specialists in the MIV market for units of closed-end funds shall be determined as follows:

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### OBLIGATIONS OF SPECIALISTS

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Minimum quantity of orders (multiplier*EMS)	Spread
0,1*EMS	5%

5. In the months of June and December, Borsa Italiana shall publish a Notice with the list of financial instruments belonging to each of the groups in the table in paragraph 1 and 3, drawn up on the basis of the average daily volume of trading in the six preceding months.
6. The newly-listed companies belong to the first group of which in the Table of paragraph 1 and 3.
7. For companies already listed that apply for inclusion in the Star segment, the group they belong to shall be specified in the Notice announcing the date of the start of trading on the basis of the average daily volume of trading in the six-month periods preceding the date of the application for inclusion.
8. The maximum spread is calculated as the ratio of the difference between the bid and ask prices to half their sum.
9. Borsa Italiana may adjust the tables in paragraphs 1, 2, 3 and 4 on the occasion of the revision of the obligations referred to in paragraph 5 and in every other circumstance that requires technical interventions.

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### 2 – SEDEX MARKET

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#### 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 9, of the Rules:

<i>Static price (euro)</i>	<i>Maximum variation</i>
<i>Less than or equal to 0.003</i>	-
<i>0.0031 – 0.3</i>	$\pm 900$ %
<i>0.3001 – 1.5</i>	$\pm 500$ %
<i>1.5001 – 3</i>	$\pm 300$ %
<i>3.0001 – 30</i>	$\pm 150$ %
<i>30.0001 – 70</i>	$\pm 50$ %
<i>70.0001 – 100</i>	$\pm 30$ %
<i>100.0001 – 300</i>	$\pm 25$ %
<i>more than 300</i>	$\pm 20$ %

- b) maximum price variation limit of contracts with respect to the static price, referred to in Articles 4.3.3, paragraph 4, and 4.3.9, paragraph 2, of the Rules:

<i>Static price (euro)</i>	<i>Maximum variation</i>
<i>Less than or equal to 0.003</i>	$\pm 200$ %
<i>0.0031 – 0.3</i>	$\pm 70$ %
<i>0.3001 – 1.5</i>	$\pm 50$ %
<i>1.5001 – 3</i>	$\pm 50$ %
<i>3.0001 – 30</i>	$\pm 50$ %
<i>30.0001 – 70</i>	$\pm 30$ %
<i>70.0001 – 100</i>	$\pm 20$ %
<i>100.0001 – 300</i>	$\pm 15$ %
<i>More than 300</i>	$\pm 10$ %

- c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 4.3.9, paragraph 2, of the Rules:

<i>Static price (euro)</i>	<i>Maximum variation</i>
<i>Less than or equal to 0.003</i>	$\pm 150$ %
<i>0.0031 – 0.3</i>	$\pm 50$ %
<i>0.3001 – 1.5</i>	$\pm 30$ %
<i>1.5001 – 3</i>	$\pm 25$ %
<i>3.0001 – 30</i>	$\pm 10$ %
<i>30.0001 – 70</i>	$\pm 5$ %
<i>70.0001 – 100</i>	$\pm 5$ %
<i>100.0001 – 300</i>	$\pm 3.5$ %
<i>more than 300</i>	$\pm 2.5$ %

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2. For financial instruments traded in SEDEX market, Borsa Italiana may establish in the Notice announcing the start of trading price variation limits which differ from the ones referred to in paragraph 1, taking into account the historical volatility of the underlying as well as the presumable liquidity level of the financial instruments.
3. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

### **B - Quantity limits**

1. The maximum number of financial instruments that may be the subject of an order shall be 5.000\*EMS.
2. Borsa Italiana, almost on January, April, July and October, shall calculate and publish on its website the quantity, defined as number of financial instruments, with reference to each instrument (EMS – Exchange Market Size).
3. For newly admitted instruments the EMS shall be given in the Notice establishing the date of the start of trading.

### **C – Obligations of specialists**

1. The minimum quantity of each order entered by the specialists in fulfillment of their obligations shall be determined as follows:

Minimum quantity per order (multiplier *EMS)
1*EMS

2. The maximum spread, calculated as the ratio of the difference between the bid and ask prices to half their sum, shall be determined on the basis of the following table:

<i>Reference price (euro)</i>	<i>Maximum spread</i>
Less than or equal to 0.003	180 %
0.0031 – 0.3	50 %
0.3001 – 1.5	20 %
1.5001 – 3	15 %
3.0001 – 30	7.5 %
More than 30	3.5 %

Borsa Italiana, taking into account the characteristics of the instrument, may provide for maximum spreads which differ from the ones indicated above, through the Notice announcing the start of trading.



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3. Borsa Italiana may adjust the obligations referred to in the preceding paragraphs on the occasion of every circumstance that requires technical interventions including changes in market conditions.

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### 3 – MOT MARKET

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#### 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 9, of the Rules, specified by class of instrument according to the residual life of each instrument:

Class of residual life	Italian government securities class	Debt securities in euros and other currencies class	Eurobond, ABS, securities of foreign issuers and other debt securities class
0 – 180 (6 months)	5.00%	10.00%	10.00%
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%	20.00%	20.00%
1096 – 1825 (5 years)	10.00%	20.00%	20.00%
1826 – 2556 (7 years)	10.00%	20.00%	20.00%
2557 – 3650 (10 years)	15.00%	30.00%	30.00%
3651 – 5475 (15 years)	15.00%	30.00%	30.00%
5476 and more	15.00%	30.00%	30.00%

- b) maximum price variation limit of the contracts with respect to the static price referred to in Article 4.3.3, paragraph 4, and 4.3.9, paragraph 2, of the Rules, specified by class of instrument according to the residual life of each instrument:

Class of residual life	Italian government securities class	Debt securities in euros and other currencies class	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 4.3.9, paragraph 2, specified by class of instrument according to the residual life of each instrument:

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Class of residual life	Italian government securities class	Debt securities in euros and other currencies class	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%

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

### **B - Quantity limits**

1. The maximum number in an order shall be 500\*EMS..
2. The maximum number that may be entered at the auction price referred to in Article 4.3.2, paragraph 10, of the Rules shall be 500\*EMS.
3. Borsa Italiana shall calculate and publish on its website the quantity, defined as nominal value, with reference to each instrument (EMS – Exchange Market Size).
4. For newly admitted instruments the EMS shall be given in the Notice establishing the date of the start of trading.

### **C – Obligations of specialists**

1. The obligations of specialist in the MOT market shall be given by Borsa Italiana in the Notice announcing the start of trading or, in the case of financial instruments already listed, in a specific Notice.
2. Borsa Italiana may adjust the obligations referred to in paragraph 1 where the minimum lots tradable are modified and in every other circumstance that requires technical intervention, including changes in market conditions.

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### 4 - ETFPlus MARKET

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#### 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 9, of the Rules:
    - open-end structured funds *class 2*:  $\pm 20\%$ ;
    - open-end index funds *class 2* and open-end structured funds *class 1*:  $\pm 10\%$ ;
    - open-end index funds *class 1*:  $\pm 10\%$ ;
    - ETCs *class 1*, without a leverage effect:  $\pm 20\%$ ;
    - ETCs *class 2*, with a leverage effect:  $\pm 30\%$ ;
  - b) maximum price variation limit of contracts with respect to the static price referred to in Article 4.3.3, paragraph 4, and 4.3.9, paragraph 2, of the Rules:
    - open-end structured funds *class 2*:  $\pm 10\%$ ;
    - open-end index funds *class 2* and open-end structured funds *class 1*:  $\pm 5\%$ ;
    - open-end index funds *class 1*:  $\pm 3.5\%$ ;
    - ETCs *class 1*, without a leverage effect:  $\pm 10\%$ ;
    - ETCs *class 2*, with a leverage effect:  $\pm 15\%$ ;
  - c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 4.3.9, paragraph 2, of the Rules:
    - open-end structured funds *class 2*:  $\pm 5\%$ ;
    - open-end index funds *class 2* and open-end structured funds *class 1*:  $\pm 2.5\%$ ;
    - open-end index funds *class 1*:  $\pm 2\%$ ;
    - ETCs *class 1*, without a leverage effect:  $\pm 5\%$ ;
    - ETCs *class 2*, with a leverage effect:  $\pm 7.5\%$ .
2. For financial instruments traded in the ETFplus market, Borsa Italiana may lay down in the Notice announcing the date of the start of trading 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. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

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### **B - Quantity limits**

1. The maximum number of financial instruments in an order shall be 50\*EMS.
2. Borsa Italiana, almost on April and October, shall calculate and publish on its website the quantity, defined as number of financial instruments, with reference to each instrument (EMS – Exchange Market Size).
3. For newly admitted instruments the EMS shall be given in the Notice establishing the date of the start of trading.

### **C – Obligations of specialists**

1. The minimum quantity of each order entered by the specialists in the ETFplus market in fulfillment of their obligations shall be determined as follows:

Minimum quantity per order (multiplier *EMS)
1*EMS

2. The maximum spread, calculated as the ratio of the difference between the bid and ask prices to half their sum shall be given by Borsa Italiana in the Notice announcing the start of trading or, in the case of financial instruments already listed, in a specific Notice.
3. Borsa Italiana may adjust the obligations referred to in the preceding paragraphs where the EMSs are modified and in every other circumstance that requires technical interventions including changes in market conditions.

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### **5 – IDEM MARKET**

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#### **5.1 “FTSE MIB index futures”**

##### **A - Price variation limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall apply the following trading parameters:
  - a) maximum variation of the price of orders with respect to the static control price, referred to in Article 5.3.2, paragraph 13, of the Rules: +/- 7.5%;
  - b) maximum variation of the price of contracts with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and 5.3.8, paragraph 2, of the Rules: +/- 3.5%;
  - c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules: +/- 0.5%.
2. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

##### **B - Quantity limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts in an order is equal to 500 contracts for single orders and 2,500 contracts for combination orders. The quantity limit shall not be applied for “internal cross” and “committed cross” orders.
2. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for “internal cross” and “committed cross” orders shall be equal to 5,000.

#### **5.2 “FTSE MIB index miniFutures”**

##### **A - Price variation limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall apply the following trading parameters:
  - a) maximum variation of the price of orders with respect to the static control price, referred to in Article 5.3.2, paragraph 13, of the Rules: +/- 7.5%;
  - b) maximum variation of the price of contracts with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and ~~5.3.8, 4.7.11~~, paragraph 2, of the Rules: +/- 3.5%;
  - c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules: +/- 0.5%.
2. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

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### **B - Quantity limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts in an order is equal to 500 contracts for single orders and 2,500 contracts for combination orders.

### **5.3 “FTSE MIB Dividend futures”**

#### **A - Price variation limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall apply the following trading parameters:
  - a) maximum variation of the price of orders with respect to the static control price referred to in Article 5.3.2, paragraph 13, of the Rules: +/- 25%;
  - b) maximum variation of the price of contracts with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and 5.3.8, paragraph 2, of the Rules: +/- 10%;
  - c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules: +/- 5%.
3. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

### **B - Quantity limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts in an order is equal to 500 contracts for single orders and 2,500 contracts for combination orders. The quantity limit shall not be applied for “internal cross” and “committed cross” orders.
2. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for “internal cross” and “committed cross” orders shall be equal to 5,000.

### **5.4 “FTSE MIB index options”**

#### **A - Price variation limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish the following trading parameters:
  - a) maximum variation of the price of orders with respect to the static control price, referred to in Article 5.3.2, paragraph 13, of the Rules: not applied;
  - b) maximum variation of the price of contracts with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and 5.3.8, paragraph 2, of the Rules: parameter Y of Table 1;

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- c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules: parameter Z of Table 1.

**Table 1 - Call and Put FTSE MIB Index Options (in %, upper and lower limits)**

Strike	Parameter Y		Parameter Z
	Current expiration (% upper limit – % lower limit)	Following expirations (% upper limit – % lower limit)	All expirations (% upper limit – % lower limit)
From 8 <sup>th</sup> OTM on	900 - 80	890 - 70	450 - 50
7 <sup>th</sup> OTM	700 - 80	690 - 70	350 - 50
From 5 <sup>th</sup> to 6 <sup>th</sup> OTM	500 - 80	490 - 70	200 - 50
From 3 <sup>rd</sup> to 4 <sup>th</sup> OTM	250 - 80	240 - 70	100 - 50
2 <sup>nd</sup> OTM	200 - 80	190 - 70	70 - 50
1 <sup>st</sup> Out of the Money (OTM)	150 - 80	140 - 70	50 - 50
<b>Strike At the Money</b>	100 - 80	90 - 70	40 - 40
1 <sup>st</sup> In the Money (ITM)	80 - 80	70 - 70	30 - 30
2 <sup>nd</sup> ITM	70 - 70	60 - 60	30 - 30
From 3 <sup>rd</sup> to 4 <sup>th</sup> ITM	60 - 60	50 - 50	25 - 25
From 5 <sup>th</sup> to 6 <sup>th</sup> ITM	40 - 40	30 - 30	15 - 15
From 7 <sup>th</sup> to 11 <sup>th</sup> ITM	35 - 35	25 - 25	10 - 10
From 12 <sup>th</sup> ITM on	25 - 25	15 - 15	5 - 5

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

### B - Quantity limits

- For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for an order is equal to 5,000 contracts for both single orders and combination orders. The quantity limit shall not apply to “internal cross” and “committed cross” orders.
- For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for “internal cross” and “committed cross” orders shall be equal to 30,000.

### C – Obligations for quotation of market makers for the FTSE MIB index options contract

Pursuant to the Article IA.9.3.7, paragraph 7, with reference to the updating of the at-the-money series, it is provided that the system will update the at-the-money series with the frequency of twice a day. This updating will happen at 9.00 and at 15.45.



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### 5.5 “Stock options”

#### A - Price variation limits

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish the following trading parameters:
  - a) maximum variation of the price of orders with respect to the static control price referred to in Article 5.3.2, paragraph 13, of the Rules: not applied;
  - b) maximum variation of the price of contracts with respect to the static control price referred to in Articles 5.3.3, paragraph 3, and 5.3.8, paragraph 2, of the Rules: parameter Y of Table 2;
  - c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules: parameter Z of Table 2.

**Table 2 - Call and Put Stock Options (in %, upper and lower limits)**

Strike	Parameter Y		Parameter Z
	Current expiration (% upper limit – % lower limit)	Following expirations (%upper limit – % lower limit)	All expirations (% upper limit – % lower limit)
From 8 <sup>th</sup> OTM on	900 - 80	890 – 70	450 - 50
7 <sup>th</sup> OTM	700 - 80	690 – 70	350 - 50
From 5 <sup>th</sup> to 6 <sup>th</sup> OTM	500 - 80	490 – 70	200 - 50
From 3 <sup>rd</sup> to 4 <sup>th</sup> OTM	400 - 80	390 – 70	100 - 50
2 <sup>nd</sup> OTM	350 - 80	340 – 70	70 - 50
1 <sup>st</sup> Out of the Money (OTM)	250 - 80	240 – 70	60 - 50
<b>Strike At the Money</b>	150 - 80	140 – 70	50 - 50
1 <sup>st</sup> In the Money (ITM)	80 - 80	70 – 70	40 - 40
2 <sup>nd</sup> ITM	70 - 70	60 – 60	35 - 35
From 3 <sup>rd</sup> to 4 <sup>th</sup> ITM	60 - 60	50 – 50	30 - 30
From 5 <sup>th</sup> to 6 <sup>th</sup> ITM	50 - 50	40 – 40	20 - 20
From 7 <sup>th</sup> to 11 <sup>th</sup> ITM	45 - 45	35 – 35	15 - 15
From 12 <sup>th</sup> ITM on	30 - 30	20 – 20	10 - 10

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

#### B - Quantity limits

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for an order is equal to 10,000 contracts for both single orders and combination orders. The quantity limit shall not apply to “internal cross” and “committed cross” orders.
2. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for “internal cross” and “committed

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cross” orders shall be equal to 30,000.

### **C - Obligations for quotation of market makers for the stock options contracts**

Pursuant to the Article IA.9.3.10, paragraph 11, with reference to the updating of the at-the-money series, it is provided that the system will update the at-the-money series with the frequency of twice a day. This updating will happen at 9.00 and at 15.45.

### **5.6 “Stock futures”**

#### **A - Price variation limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish the following trading parameters:
  - a) maximum variation of the price of orders with respect to the static control price, referred to in Article 5.3.2, paragraph 13, of the Rules: +/- 20%;
  - b) maximum variation of the price of contracts with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and 5.3.8, paragraph 2, of the Rules: +/- 7.5%;
  - c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules: +/- 3.5%.
2. Pursuant to Article 6.1.2 of the Rules the trading parameters referred to in paragraph 1 may be altered or temporarily deactivated.

#### **B - Quantity limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for an order is equal to 10,000 contracts for both single orders and combination orders. The quantity limit shall not apply to “internal cross” and “committed cross” orders.
2. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for “internal cross” and “committed cross” orders shall be equal to 60,000.

### **5.7 “Energy futures”**

#### **A - Price variation limits**

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish the following trading parameters:

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- a) maximum variation of the price of orders with respect to the static control price, referred to in Article 5.3.2, paragraph 13, of the Rules:

	Variation
<i>monthly futures</i>	20%
<i>quarterly futures</i>	20%
<i>annual futures</i>	20%

- b) maximum variation of the price of contracts with respect to the static control price, referred to in Articles 5.3.3, paragraph 3, and 5.3.8, paragraph 2, of the Rules:

	Variation
<i>monthly futures</i>	10%
<i>quarterly futures</i>	7.5%
<i>annual futures</i>	5%

- c) maximum price variation limit of contracts with respect to the dynamic price, referred to in Article 5.3.8, paragraph 2, of the Rules:

	Variation
<i>monthly futures</i>	5%
<i>quarterly futures</i>	5%
<i>annual futures</i>	3.5%

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

### B - Quantity limits

1. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall establish that the maximum number of contracts for an order is equal to 150 contracts. The quantity limit shall not apply to “internal cross” and “committed cross” orders.
2. For the purposes of the automatic control of the regularity of trading, Borsa Italiana shall

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establish that the maximum number of contracts for “internal cross” and “committed cross” orders shall be equal to 10,000 for *monthly futures*, 3,000 for *quarterly futures* and 1,500 for *annual futures*.

## **PART 2**

### **TECHNICAL LIMITS FOR THE ORDER ENTRY AND LINKUPS FOR SPECIALISTS**

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Pursuant to article 3.3.2, paragraph 2 of the Rules, article 1451 of the Rules of TAH, article 1451 of the Rules of ExtraMOT and article 1451 of the Rules of AIM/Alternative Capital Markets, the following technical limits for the order entry apply depending on the chosen configuration for the access to the market, as indicated hereinafter:

#### **1 - Markets operating on the MillenniumIT Trading Platform**

Comp ID <sup>2</sup>	Transactions per second (“tps”)
CompID Base	25 tps
CompID Supervisor Base	10 tps
CompID Standard	50 tps
CompID Advance	150 tps
CompID Supervisor	50 tps

##### **1.1 - Linkups granted for specialists and bid specialists operating on MillenniumIT 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:

- MTA/MIV Specialist: 25 tps
- AIM Italia/Alternative Capital Market – Alternative Capital Market Specialist: 25 tps
- DomesticMOT Specialist: 25 tps
- EuroMOT/ExtraMOT Specialist: 25 tps

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<sup>2</sup> CompID means the typology of logical connection to the single market available to the operator.

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- SEDEX Specialist:

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

- ETFplus Specialist:

Number of instruments on which the specialist has undertaken to support liquidity		Total number of tps
From	To	
1	25	50 tps
26	50	100 tps
51	100	150 tps
101	150	200 tps
151		250 tps

- Domestic MOT Bid Specialist: 25 tps
- EuroMOT/ExtraMOT Bid Specialist: 25 tps
- SEDEX Bid Specialist: 25 tps

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### **2 - Markets operating on the SOLA Trading Platform**

Access modality	Transaction per seconds (“tps”)
Standard Access	10 tps
Advanced Access	30 tps
PTP Access	50 tps
Market Making Access (through Bulk Quotes) <sup>3</sup>	Number of Bulk Quotes (tps) per second equal to 75% of the number of underlying per group type (future, option) according to the market participant’s quoting obligations (rounded up).

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<sup>3</sup> The operators that perform the market making activity and specialist activity receive for the fulfillment of their undertaking a number of connection calculated accordingly to the number of underlyings per group type (future, option) for which it has undertaken quoting obligations.