

MIFID-COMPLIANT SERVICES GET THE GO-AHEAD THE MIFID SECTION IS ONLINE ON WWW.BORSAITALIANA.IT FROM TODAY

The MiFID (*Markets in Financial Instruments Directive*) directive, that will come into force on 1st November 2007, defines a series of new regulatory fulfilments for the redesigning of rules applicable to European financial markets and their operators.

Borsa Italiana and BIt Systems have developed a series of *MiFID-compliant services* and, at the same time, have made available, within the site www.borsaitaliana.it, documentation and information relating to the new directive with the aim of helping current and potential clients to conform with the new obligations and requirements that the MiFID imposes.

The *MiFID-compliant services*, that can be customised on the basis of specific requirements, allow banks, investment firms and *Multilateral Trading Facilities* (MTF) to fulfil the instructions of the new provision.

- Post-Trade Transparency

The MiFID states that regulated markets, MTFs and investment firms that carry out over-the-counter transactions must publish information concerning transactions on shares admitted to trading on regulated markets in real time, making them accessible to all investors.

Gruppo Borsa Italiana will continue to provide the off-market disclosure service already available for shares traded on Borsa Italiana markets and will also make it possible to fulfil post-trade transparency obligations for all shares traded on European regulated markets. This information will be circulated to information providers and investors in real time through the new versions of Borsa Italiana's information services.

- Transaction Reporting

With the introduction of the MiFID, investment firms will have to notify the relevant Authority, within the following working day, at the very latest, the details of transactions concerning all the financial instruments admitted to trading on a European regulated market. This obligation applies both to operations carried out in a regulated market and to over-the-counter operations.

Gruppo Borsa Italiana will provide a new transaction reporting service that will allow intermediaries to fulfil this obligation with regard to all trades on financial instruments admitted to trading on European regulated markets.

- Best Execution

The MiFID introduces a best execution regime that is more complex than the current one. In particular, investment firms are required to adopt all possible measures to obtain the best possible result for the client, taking into account factors such as price, costs, speed and execution probability, the nature and the size of the order. In addition to this, investment companies must establish a precise order execution policy and must be able, when requested, to demonstrate to their clients that their operations comply with the execution policy.

Gruppo Borsa Italiana will offer investment firms a series of services in support of activities to define, review and monitor the execution policy adopted by the broker himself.

- Online Information Contents

In addition to developing new services, a specific section dedicated to the MiFID has been created within Borsa Italiana's web site: www.borsaitaliana.it/speciali/mifid/homepage.htm

Not only does this section highlight the main features and qualities of the markets organised and managed by Borsa Italiana, but its aim is also to offer a preferential access point to the MiFID topic.

Texts of the main provisions and main consultation documents (e.g.: of the CESR, the European Commission, etc.) relating to the implementation phases of the new directive in the individual Member States can be obtained in this part of the site.

In the MiFID section it is also possible to consult all Borsa Italiana documentation, produced both for the purpose of financial education and in response to the various public consultations on the individual topics covered by the MiFID.