



**NOTICE
n. 1494**

14 December 2018

EuroTLX

Sender: **EuroTLX SIM**

Target Company: ---

Object: **Communication of EuroTLX Rule Book entry into force on the 1 January 2019**

Text

Please be informed that changes to the Rules of EUROTLX illustrated in the present Notice have been approved.

The new Rules will enter into force on the **1 January 2019**.



AMENDMENTS TO EUROTTLX RULEBOOK

The amendments illustrated in the present Notice will come into force on **1st January 2019**.

1. Financial instruments

- a. The requirements of financial instruments are reviewed, providing for a single article to include the common requirements to all the instruments and keeping in the following articles only the specific requirements (article 2.2 and following).

It should be noted that have been delated (i) the provision of the minimum outstanding, replaced by the more general requirement of the instruments to be “suitable for trading in a fair and orderly manner” for the valuation of which the outstanding will continue to represent one of the elements of analysis; (ii) the provision of the so-called “Instrument Description”, whose content will continue to be provided through EuroTLX website; (iii) the characteristics of the underlying for covered warrants or certificates, that although delated in their precise enunciation, will be, in any case, verified by EuroTLX as part of its assessments with regard to the nature, the type and the characteristics of liquidity and stability of the trading of the instrument.

These amendments allow greater flexibility and time to market with regard to the admission process. In this context, it has been introduced for EuroTLX the possibility to subordinate the admission to trading to any particular condition relating to the issuer and the financial instrument.

(Title 2, Chapter 2 and Article 5.5)

- b. The procedure for admission of financial instruments has been simplified and the time required for admission of the instruments issued as part of a program have been reduced.

(Title 2, Chapter 3)

2. Intermediaries

- a. The following changes are made with regard to the procedure and requirements admission:



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- i. It is provided the possibility to admit firms authorized to provide investment services and, where applicable, insurance companies, entities authorised to provide collective asset management services, and pension funds, of non-EU Countries in which EuroTLX may operate in compliance of article 26 of the Consolidated Law on Finance;
- ii. EuroTLX provides its determination with regard to the admission request within one month from the day on which the participation documentation is completed;
- iii. it has been deleted the provision according to which EuroTLX must notify the market of the requests for admission received;
- iv. it has been specified that EuroTLX reserves the right to request that the intermediaries use different access codes (compID) for the different segments/classes and to limit the financial instruments that can be traded depending on how they join the clearing and/or settlement systems communicated by the intermediaries;
- v. the communications concerning the participation to the settlement systems and the X-TRM Service have been clarified according to the classes of instruments that the intermediary intends to trade;
- vi. it has been specified that traders and Liquidity Provider activities can not carry out their activities on behalf of several operators admitted.

(article 3.1, 3.2, 3.3 and 3.7; guidance to the Rules 3.2, letter g) and guideline to the Rule 3.3(3))

- b. It is reformulated the rule of conduct according to which Intermediaries are required to operate on behalf of their customers on principal basis. This with the aim of clarifying that Intermediaries may operate on principal basis, and therefore make use of the related capacities (MTCH and UNMTCH), regardless of the fact that this transaction “transits” from the property portfolio.

(article 3.12, paragraph 1).

- c. With regard to market makers, the distinctions between market makers A and B has been deleted, since the difference between them does not affect the structure of the listing obligations but pricing issues, where the figures in question will continue to be envisaged.

(article 6.7 and new guidance to Rules 6.6)

3. Market segmentation

In order to highlight the types of instruments traded on the market the market segments in which instruments with homogeneous characteristics are accepted have been specified (segments: Bond-X, Equity, Cert-X, EuroTLXQuote).

Each segment is then divided into classes according to the characteristics of the post-trading services (classes: domestic guaranteed, domestic not guaranteed, international guaranteed and international unsecured).

(Article 4.1 and related guideline)





4. Information to the intermediaries

The rules in force have been deleted and it is specified that intermediaries may access to the market information through the information technologies of EuroTLX. In this case, the relationships between EuroTLX and the intermediaries for the supply of data are governed by the data supply contracts or the data distribution contract, available on the website of EuroTLX.

(Articles 5.1 and 5.2)

5. Further changes

The nature and modality of the Guidelines are specified and some definitions are deleted or simplified.

(definitions and article 1.2)

The faculty for the market is extended to waive the direct transfer to XTRM.

(article 7.1, paragraph 4)

