



**NOTICE
n. 832**

20 November 2017

EuroTLX

Sender: **EuroTLX SIM**

Target Company: ---

Object: **Communication of EuroTLX Rule Book entry into force 27 November 2017**

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 **27 November 2017**.



AMENDMENTS TO THE EUROTLX MARKET RULES
FIRST PHASE FOR THE IMPLEMENTATION OF MIFID II DIRECTIVE

The amendments to Euro TLX Market Rules illustrated with the present Notice enter into force on the **27 November 2017**.

The changes described in this document stem from the adjustments needed to comply with the MiFID II directive and enter into force as per the communication given last 24 July, the *Deployment Approach*, available on the website of EuroTLX.

The amendments in question concern the rules for the admission of traders and applicable rules of conduct and the microstructure of the market.

With reference to the latter and in particular with regard to the amendments on the minimum content of the orders (short code), it should be noted that they are in accordance with the technical changes to the trading system. The requested additional information (in the form of short code), necessary to send the order flow effective from 27 November 2017, will be considered valid for regulatory purposes only once MIFID II comes into force. Therefore, the corresponding long code will have to be provided only beginning 3 January 2018.

1. Rules for the admission of traders and applicable rules of conduct

The authorized intermediaries shall be classified in the following macro categories:

- a) entities authorised to provide trading services on own account and/or execute orders on behalf of clients under the Consolidated Law on Finance, the Consolidated Law on Banking or other special provisions of Italian law;
- b) banks and investment firms authorised to provide trading services on own account and/or execute orders on behalf of clients under the laws of EU countries;
- c) the firms of non-EU countries entered in the register of third country firms kept by ESMA pursuant to Article 48 of Regulation (EU) No. 2014/600



- d) the entities authorised by the competent Authority of an EU country to provide one or more investment services and activities; insurance companies, the entities authorised to provide collective asset management services, and pension funds. These entities must set up an internal audit function that does not depend hierarchically on any person with operational responsibilities and that makes periodic checks on the activity of trading in financial instruments; EuroTLX may exempt intermediaries from this requirement after evaluating their size (proportionality principle);

Article: 3.1 – Guidance to the Rules: 3.1

Fine tunings to the admission to trading procedure are made that, in addition to the amendments strictly dedicated to the applicable modalities and timelines, have introduced the obligation to complete the participation documentation using the forms or functions available through the Member Portal (channel for managing the admission to trading procedure of intermediaries).

Article: 3.2 – Guidance to the Rules: 3.2

2. Microstructure of the market

The changes to the microstructure of the market concern:

- the minimum content of the orders will be filled in with the mandatory additional fields, which have been prepared so that EuroTLX may acquire additional information as necessary to comply with Regulation 2017/580/EU.

The Trading Service Manual illustrates the procedures for entry of this information and the admissible parameters for each type of order.

Article 4.4

- The possibility to enter responses to RFQ on own account or in third party account.

Article 4.11

- The timing of sending the cancellation request, by an intermediary, of one or more contracts concluded on the market. The request must be sent to EuroTLX by mail, within two hours of the conclusion of the contract subject to a cancellation request.

Article 8.8

The Italian version shall prevail over the English version

