



**NOTICE
n. 406**

13 July 2016

EuroTLX

Sender: **EuroTLX SIM**

Target Company: ---

Object: **Guide to the Parameters - version 1.2 in force starting from 18.07.2016**

Text

EuroTLX informs that the EuroTLX Guide to the Parameters has been published on EuroTLX web site at the page Documents – Regulatory – Guide to the Parameters:

www.eurotlx.com/en/documenti/regolamentazione

The Guide to the Parameters, version 1.2, will be in force starting from 18th July 2016.





The Guide to the Parameters, version 1.1, published on 21st July 2016 with Notice n. 3, has been amended in paragraph 5 “TECHNICAL LIMITS FOR THE ORDER ENTRY AND LINKUPS FOR MARKET INTERMEDIARIES” letters b) and c) in order to amend the free TPS assigned to the segments DCF, FCF, DGS and FGS.

Attached to this Notice the Guide to the Parameters, version 1.2, with evidence of the changes.



***"Guide to the Parameters" for
trading on EuroTLX market***

Version 1.-12

In force starting from ~~21 July 2014~~ 18 July 2016



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INTRODUCTION

The Guide to the Parameters:

1. must be read jointly with the EuroTLX Market Rules;
2. is published on EuroTLX's website (www.eurotlx.com) and communicated in an EuroTLX Notice;
3. is updated constantly, and again communicated in an EuroTLX Notice.



1. TRADING PLATFORM SEGMENTS

The trading platform segments of EuroTLX market and the related sectors are illustrated below:

SEGMENT CODE	SEGMENT DESCRIPTION	SECTOR CODE	SECTOR DESCRIPTION
EEQ	ETLX EQUITIES	IEQ	INTERNATIONAL EQUITY
DCE	DOMESTIC SETTLED CERTIFICATES	DLNP	DOMESTIC SETTLED LEVA E CAP NON PROT
		DPPP	DOMESTIC SETTLED CAP PROT E PARZ PROT
FCE	FOREIGN SETTLED CERTIFICATES	FLNP	FOREIGN SETTLED LEVA E CAP NON PROT
		FPPP	FOREIGN SETTLED CAP PROT E PARZ PROT
DGS	DOMESTIC SETTLED GOVIES & SOVEREIGN	DIG	DOMESTIC SETTLED ITALIAN AND FOREIGN GOVIES
FGS	FOREIGN SETTLED GOVIES & SOVEREIGN	FSG	FOREIGN SETTLED GOVIES GER FRA
		FSGO	FOREIGN SETTLED GOVIES OTHER
		FSS	FOREIGN SETTLED SOVEREIGN
DCF	DOMESTIC SETTLED CORPORATE, FINANCIAL, SUPRA, EMERGING, OTHER BONDS	DSCF	DOMESTIC SETTLED CORPORATE, FINANCIAL AND SUPRA
		DSEO	DOMESTIC SETTLED EMERGING AND OTHER BONDS
FCF	FOREIGN SETTLED CORPORATE, FINANCIAL, SUPRA, EMERGING, OTHER BONDS	FSCF	FOREIGN SETTLED CORPORATE, FINANCIAL AND SUPRA
		FSCE	FOREIGN SETTLED CORP, FIN, SUPRA, EMERG AND OTHER BONDS NOT MAJOR CURR
		FSEO	FOREIGN SETTLED EMERGING AND OTHER BONDS
DBB	DOMESTIC SETTLED BANKING BONDS	DBBP	DOMESTIC SETTLED BANKING BOND PLAIN
		DBBN	DOMESTIC SETTLED BANKING BOND NON PLAIN
FBB	FOREIGN SETTLED BANKING BONDS	FBBP	FOREIGN SETTLED BANKING BOND PLAIN
		FBBN	FOREIGN SETTLED BANKING BOND NON PLAIN



2. PRICE VARIATION LIMITS

1. Pursuant to article 4.5 of the Rules, for the purposes of the automatic control of the regularity of trading, on the basis of the financial instruments' classification defined in the Rules, the following price variation limits shall apply:

- a) maximum price variation limit of orders with respect to the static price:
- for Shares, certificates representing shares and other equity securities: $\pm 15\%$;
 - for leveraged Certificates and non equity protection Certificates, plain vanilla and exotic Covered warrants:

<i>Static price</i>	<i>Maximum price variation</i>
<i>Less than or equal to 0.003</i>	$\pm 400\%$
<i>0.0031 – 3</i>	$\pm 150\%$
<i>3.0001 – 30</i>	$\pm 50\%$
<i>30.001 - 70</i>	$\pm 30\%$
<i>70.01 - 100</i>	$\pm 20\%$
<i>100.01 - 300</i>	$\pm 15\%$
<i>More than 300</i>	$\pm 10\%$

- for equity protection Certificates and partially equity protection Certificates:

<i>Static price</i>	<i>Maximum price variation</i>
<i>Less than or equal to 3</i>	$\pm 30\%$
<i>3.0001 – 80</i>	$\pm 20\%$
<i>80.01 - 120</i>	$\pm 7\%$
<i>120.01 - 800</i>	$\pm 10\%$
<i>800.01 – 1,200</i>	$\pm 7\%$
<i>More than 1,200</i>	$\pm 6\%$

- for debt securities:

Category of residual life	DGS Segment - Italy (Italian Government Bonds)	FSG Sector (French and German Government Bonds)	FSCE Sector (debt securities in currencies other than EUR, GBP, USD, AUD, CAD)	DBBP, FBBP, DSCF, FSCF, FSGO, FSS Sectors and DGS not Italy Segment (Banking Bonds other than Eurobond plain vanilla, Sovereign, Corporate and Financials, Supranat/Agency, Not Italian Government Bonds other than France and Germany)	DBBN, FBBN DSEO, FSEO Sectors (Banking Bonds other than Eurobond non plain vanilla, Emerging Markets Bonds, Other Government Bonds, ABS and Other debt securities)
0 – 180 (6 months)	± 1%	± 1%	± 5%	± 2%	± 3%
181 – 365 (1 year)	± 2%	± 2%	± 5%	± 3%	± 4%
366 – 730 (2 years)	± 2%	± 2%	± 10%	± 4%	± 5%
731 – 1095 (3 years)	± 4%	± 4%	± 10%	± 5%	± 7%
1096 – 1825 (5 years)	± 4%	± 4%	± 12%	± 6%	± 10%
1826 – 2556 (7 years)	± 6%	± 6%	± 14%	± 8%	± 12%
2557 – 3650 (10 years)	± 6%	± 6%	± 14%	± 10%	± 15%
3651 – 5475 (15 years)	± 8%	± 8%	± 16%	± 11%	± 18%
5476 and more	± 8%	± 8%	± 20%	± 12%	± 20%

b) maximum variation of the price of the contracts with respect to the static price:

- for Shares, certificates representing shares and other equity securities ± 7%;
- for leveraged Certificates and non equity protection certificates plain vanilla and exotic Covered warrants:

<i>Static price</i>	<i>Maximum price variation</i>
<i>Less than or equal to 0.003</i>	<i>±100 %</i>
<i>0.0031 – 3</i>	<i>± 50 %</i>
<i>3.0001 – 30</i>	<i>± 30 %</i>
<i>30.001 - 70</i>	<i>± 20 %</i>
<i>70.01 - 100</i>	<i>± 10 %</i>
<i>100.01 - 300</i>	<i>± 9 %</i>
<i>More than 300</i>	<i>± 8 %</i>

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- for equity protection Certificates and partially equity protection Certificates:

<i>Static price</i>	<i>Maximum price variation</i>
<i>Less than or equal to 3</i>	$\pm 12\%$
<i>3.0001 – 80</i>	$\pm 10\%$
<i>80.01 - 120</i>	$\pm 5\%$
<i>120.01 - 800</i>	$\pm 10\%$
<i>800.01 – 1,200</i>	$\pm 5\%$
<i>More than 1,200</i>	$\pm 4\%$

- for debt securities:

Category of residual life	DGS Segment - Italy (Italian Government Bonds)	FSG Sector (French and German Government Bonds)	FSCE Sector (debt securities in currencies other than EUR, GBP, USD, AUD, CAD)	DBBP, FBBP, DSCF, FSCF, FSGO, FSS Sectors and DGS not Italy Segment (Banking Bonds other than Eurobond plain vanilla, Sovereign, Corporate and Financials, Supranat/Agency, Not Italian Government Bonds other than France and Germany)	DBBN, FBBN DSEO, FSEO Sectors (Banking Bonds other than Eurobond non plain vanilla, Emerging Markets Bonds, Other Government Bonds, ABS and Other debt securities)
0 – 180 (6 months)	$\pm 0.25\%$	$\pm 0.50\%$	$\pm 2\%$	$\pm 1\%$	$\pm 1.50\%$
181 - 365 (1 year)	$\pm 0.50\%$	$\pm 1\%$	$\pm 2\%$	$\pm 1.25\%$	$\pm 2\%$
366 – 730 (2 years)	$\pm 0.75\%$	$\pm 1.25\%$	$\pm 3\%$	$\pm 1.50\%$	$\pm 2.50\%$
731 – 1095 (3 years)	$\pm 1\%$	$\pm 2\%$	$\pm 3\%$	$\pm 2\%$	$\pm 3\%$
1096 – 1825 (5 years)	$\pm 1.50\%$	$\pm 2.50\%$	$\pm 4\%$	$\pm 2.50\%$	$\pm 3.50\%$
1826 – 2556 (7 years)	$\pm 2\%$	$\pm 3\%$	$\pm 5\%$	$\pm 3\%$	$\pm 4\%$
2557 – 3650 (10 years)	$\pm 2.50\%$	$\pm 3\%$	$\pm 5\%$	$\pm 3\%$	$\pm 5\%$
3651 – 5475 (15 years)	$\pm 3\%$	$\pm 3.50\%$	$\pm 5.50\%$	$\pm 3.50\%$	$\pm 6\%$
5476 and more	$\pm 3.50\%$	$\pm 4\%$	$\pm 7\%$	$\pm 3.50\%$	$\pm 7\%$

c) maximum variation of the price of the contracts with respect to the dynamic price:

- for Shares, certificates representing shares and other equity securities: $\pm 5\%$;
- for leveraged Certificates and non equity protection certificates, plain vanilla and exotic Covered warrants:

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<i>Dynamic price</i>	<i>Maximum price variation</i>
<i>Less than or equal to 0.003</i>	$\pm 75\%$
<i>0.0031 – 3</i>	$\pm 30\%$
<i>3.0001 – 30</i>	$\pm 15\%$
<i>30.001 - 70</i>	$\pm 10\%$
<i>70.01 - 100</i>	$\pm 7\%$
<i>100.01 - 300</i>	$\pm 6\%$
<i>More than 300</i>	$\pm 5\%$

- for equity protection certificates and partially equity protection certificates:

<i>Dynamic price</i>	<i>Maximum price variation</i>
<i>Less than or equal to 3</i>	$\pm 8\%$
<i>3.0001 – 80</i>	$\pm 5\%$
<i>80.01 - 120</i>	$\pm 3\%$
<i>120.01 - 800</i>	$\pm 5\%$
<i>800.01 – 1,200</i>	$\pm 3\%$
<i>More than 1,200</i>	$\pm 2.5\%$

- for debt securities:

Category of residual life	DGS Segment - Italy (Italian Government Bonds)	FSG Sector (French and German Government Bonds)	FSCE Sector (debt securities in currencies other than EUR, GBP, USD, AUD, CAD)	DBBP, FBBP, DSCF, FSCF, FSGO, FSS Sectors and DGS not Italy Segment (Banking Bonds other than Eurobond plain vanilla, Sovereign, Corporate and Financials, Supranat/Agency, Not Italian Government Bonds other than France and Germany)	DBBN, FBBN DSEO, FSEO Sectors (Banking Bonds other than Eurobond non plain vanilla, Emerging Markets Bonds, Other Government Bonds, ABS and Other debt securities)
0 – 180 (6 months)	$\pm 0.25\%$	$\pm 0.25\%$	$\pm 1.50\%$	$\pm 1\%$	$\pm 1\%$
181 – 365 (1 year)	$\pm 0.25\%$	$\pm 0.50\%$	$\pm 1.50\%$	$\pm 1\%$	$\pm 1.50\%$
366 – 730 (2 years)	$\pm 0.50\%$	$\pm 1\%$	$\pm 2.50\%$	$\pm 1\%$	$\pm 1.50\%$
731 – 1095 (3 years)	$\pm 0.75\%$	$\pm 1.50\%$	$\pm 2.50\%$	$\pm 1.50\%$	$\pm 2\%$
1096 – 1825 (5 years)	$\pm 1\%$	$\pm 1.50\%$	$\pm 3\%$	$\pm 1.50\%$	$\pm 2.50\%$
1826 – 2556 (7 years)	$\pm 1\%$	$\pm 1.50\%$	$\pm 4\%$	$\pm 1.50\%$	$\pm 3\%$
2557 – 3650 (10 years)	$\pm 1\%$	$\pm 2\%$	$\pm 4\%$	$\pm 2\%$	$\pm 3\%$
3651 – 5475 (15 years)	$\pm 1.5\%$	$\pm 2\%$	$\pm 4.50\%$	$\pm 2\%$	$\pm 4\%$
5476 and more	$\pm 1.5\%$	$\pm 2\%$	$\pm 5\%$	$\pm 2.50\%$	$\pm 5\%$

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2. Pursuant to Article 8.4 of the Rules the trading parameters in paragraph 1 may be altered or temporarily deactivated.
3. EuroTLX may establish a different price variation limit from that specified in paragraph 1, taking into account the characteristics and the liquidity of each financial instrument; it shall announce such a decision in a Notice.

3. REFERENCE PRICE

1. Pursuant to article 4.6 letter a) of the Rules, the weighted average price of the contracts will be calculated taking into account all contracts concluded in an interval of the continuous trading phase whose duration will be defined as follow:

SEGMENT CODE	SEGMENT DESCRIPTION	INTERVAL DURATION
DGS	DOMESTIC SETTLED GOVIES & SOVEREIGN	LAST 60 MINUTES
FGS	FOREIGN SETTLED GOVIES & SOVEREIGN	LAST 90 MINUTES
DCF	DOMESTIC SETTLED CORPORATE, FINANCIAL, SUPRA, EMERGING, OTHER BONDS	LAST 120 MINUTES
FCF	FOREIGN SETTLED CORPORATE, FINANCIAL, SUPRA, EMERGING, OTHER BONDS	LAST 120 MINUTES
DBB	DOMESTIC SETTLED BANKING BONDS	DURING THE ENTIRE CONTINUOUS TRADING PHASE
FBB	FOREIGN SETTLED BANKING BONDS	DURING THE ENTIRE CONTINUOUS TRADING PHASE

4. SPREAD OBLIGATIONS OF SPECIALIST

1. Pursuant to article 6.7 of the Rules, for the purposes of the definition of the spread obligations of Specialist, 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 (in € or in any different currency)</i>	<i>Maximum Spread</i>
<i>Less than or equal to 0.0030</i>	<i>180 %</i>
<i>0.0031 – 0.3000</i>	<i>50 %</i>
<i>0.3001 – 1.5000</i>	<i>20 %</i>
<i>1.5001 – 3.0000</i>	<i>15 %</i>
<i>3.0001 – 30.0000</i>	<i>7.5 %</i>
<i>More than 30.0000</i>	<i>3.5 %</i>

EuroTLX may establish a maximum spread that differs from that specified above, taking into account the characteristics of each financial instrument; it shall announce such a decision in a Notice.

2. EuroTLX may adjust the obligations specified in the preceding paragraph on the occasion of every circumstance that requires technical interventions including changes in market conditions.

5. TECHNICAL LIMITS FOR THE ORDER ENTRY AND LINKUPS FOR MARKET INTERMEDIARIES

Linkups granted for specialists and market makers

Pursuant to article 3.15, paragraph 2 of the Rules the following technical limits for the order entry apply depending on the sum of the base and the additional linkups eventually chosen by the specialists and market makers, as indicated hereinafter:

Comp ID ¹	Transactions per second (“tps”)
<i>CompID Base</i>	<i>Defined according to the linkups below</i>
<i>CompID Standard</i>	+ 50 tps
<i>CompID Advance</i>	+ 150 tps
<i>CompID Double Advance</i>	+ 300 tps

Linkups granted for Specialists and Market Makers, defined upon request and by the end of each solar quarter, take into account the typology and the number of instruments for which the activity is carried out, as indicated in the following tables:

- Banking Bonds other than Eurobonds
(instruments traded in the trading platform segments: DBB, FBB)

Number of instruments per segment on which the Specialist has undertaken to support liquidity		Total number of tps per segment
From	To	
1	125	10
126	250	25
251	500	50
501	1000	100
> 1000		150

¹ CompID/UserID means the typology of logical connection to the single segment of the market platform. Liquidity Providers shall communicate to EuroTLX the number of users on which distribute tps “base” and/or “acquired”, assigning to each user a number of tps equal to 10, 15, 25 or multiples of 10 and 25.

- ABS, other debt securities, other bonds (instruments defined by the Rules as “Supranational/Agency” Bonds, “Emerging Markets” Bonds, “Corporate and Financials” and “Other Government Bonds”)
(instruments traded in the trading platform segments: DCF, FCF)

Number of instruments per segment on which the Liquidity Provider has undertaken to support liquidity		Total number of tps per segment
From	To	
1	50	10
51	125	25
126	250	50
251	500	100-200
> 500		200-300

- Government bonds (instruments defined by the Rules as “Italian Government Bonds”, “Not Italian Government Bonds” and “Sovereign”)
(instruments traded in the trading platform segments: DGS, FGS)

Number of instruments per segment on which the Liquidity Provider has undertaken to support liquidity		Total number of tps per segment
From	To	
1	50	25
51	100	50
101	200	75
201	500	100-200
> 500		150-250

- Shares, certificates and other equity securities: 25 tps
(instruments traded in the trading platform segment: EEQ)
- Leveraged certificates, plain vanilla and exotic Covered warrants:
(instruments traded in the trading platform segments: DCE, FCE)

Number of instruments per segment on which the Specialist has undertaken to support liquidity		Total number of tps per segment
From	To	
1	25	25
26	50	50
51	150	150
151	300	200
> 300		250

- Certificates without leverage
(instruments traded in the trading platform segments: DCE, FCE)

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Number of instruments per segment on which the Specialist has undertaken to support liquidity		Total number of tps per segment
From	To	
1	50	10
51	150	25
151	300	50
301	600	100
> 600		150

Supervisor CompID

The Supervisor CompIDs eventually required by both Intermediaries and Liquidity Providers have both *Order Cancellation* and *Mass Cancellation* functionalities, and each of these CompIDs has a maximum limit of Transactions per second equal to 50 tps. *Order Modification* functionalities of a Supervisor CompID shall never be used by Market Intermediaries.

6. TICK MULTIPLIER

Pursuant to the Guidance to Rules 4.4, the prices of orders may be multiples of the ticks established for financial instruments and market's session in relation to the prices of the order entered, as follows:

- shares, certificates and covered warrant:

<i>Prices of the order entered</i>	<i>Tick</i>
<i>Less than or equal to 0.0030</i>	<i>0.0001</i>
<i>0.0031 – 0.3000</i>	<i>0.0005</i>
<i>0.3001 – 1.5000</i>	<i>0.001</i>
<i>1.5001 – 3.0000</i>	<i>0.005</i>
<i>More than 3.0000</i>	<i>0.01</i>

- all the instruments included in the sector FSG and Italian Government Bonds included in the sector DIG:

<i>Class of residual life</i>	<i>Tick</i>
<i>Residual life less or equal to 5 years</i>	<i>0.001</i>
<i>Residual life more than 5 years</i>	<i>0.01</i>

- all the other instruments: tick 0.01.