

REGULATIONS



VORVEL BONDS

Into force starting from 14th December 2022

The Italian text shall prevail over the English version

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TITLE 1 GENERAL PROVISIONS

Chapter 1 PURPOSE OF THE REGULATIONS AND AMENDMENTS

Article 1 Purpose

These Regulations, approved by the Board of Directors, govern the management of the multilateral trading facility named “Vorvel”, Vorvel Bonds (hereafter referred to as the “**Market**”), organised by Vorvel Sim S.p.A.

The Market includes a Sub-Fund for reporting purposes, dedicated to ESG Financial Instruments, called the “Vorvel Green Section” (hereinafter, for the sake of brevity, also referred to as “Vorvel-Green”).

In detail, these Regulations, lay down:

- the conditions and methods for the admission to trading, and for the exclusion, the dismissal and the suspension from trading of Market Makers, Direct Members and Direct Members “Gold”, and their respective obligations;
- the conditions and methods for the admission to trading of securities, and the conditions and methods of their exclusion, suspension and removal;
- the conditions and methods of trading execution and of the functioning of the related necessary services;
- the methods for monitoring and detecting breaches of the regulations and the related procedures for the imposition of sanctions;
- the methods of finding, publishing and distributing information.

Article 2 Amendments to the Regulations

Amendments to these Vorvel Regulations are resolved by the Vorvel Sim S.p.A. Board of Directors and are immediately notified to all the entities participating in the Market.

The text of the Regulations and subsequent amendments and addenda are published on the Vorvel Sim S.p.A. website (www.vorvel.eu).

Article 3 Board of Directors

The Board of Directors is vested with the fullest powers for the day-to-day and extraordinary management of Vorvel with no exception of any kind and has the powers to carry out all the acts, including acts of disposal, that it considers desirable in order to achieve Vorvel Sim S.p.A.’s corporate aims.

The Board of Directors adopts an internal code of conduct which ensures that conflicts of interest are recognised and correctly prevented or managed in order to avoid the possibility of their proving to be detrimental in any manner.

The Board of Directors appoints the General Manager, who is responsible for the structure dedicated to conduct Vorvel Sim S.p.A.’s operations and to promote and develop the market.

The Board of Directors approves the Regulations of Vorvel and the subsequent amendments and/or addenda thereto.

The Board of Directors approves the costs and fees for joining Vorvel as proposed by the General Manager.

The Board of Directors delegates to the General Manager about admission, the exclusion and revocation of Participants in the market. It also resolves the provisions of sanctioning nature proposed by the Board of Arbitrators.

Article 4 Liquidity Provider and Direct Member Committee

The Liquidity Provider and Direct Member Committee are for consultative purposes only. Each Liquidity Provider and each Direct Member active on the Market can participate in the relevant Committee. The Committees are convened by the General Manager on a discretionary basis and normally at least annually.

The Committees aim to facilitate the comparison between Vorvel and its operators regarding the quality of the services offered, any areas of improvement and new possible business opportunities.

Article 5 General Manager

The General Manager is vested with the fullest powers for the day-to-day management of Vorvel and is responsible for the operational structures dedicated to conducting Vorvel Sim S.p.A.'s operations and to promoting and developing the market.

The General Manager acts within the limits of the powers vested in him and according to the guidelines laid down by the Board of Directors.

In cases of urgency, the General Manager may take decisions regarding the management of the Market, submitting such decisions to the Board of Directors for ratification at the next meeting.

The General Manager's duty is to coordinate the corporate structures that operate in the service of and/or in support of Vorvel.

The General Manager carries out his functions in a non-discriminatory manner and following procedures that are laid down on a general basis.

Article 6 Vorvel Sim S.p.A.'s Functions

Vorvel Sim S.p.A. has in-house structures that are responsible for ensuring that trading is carried out correctly and scrupulously.

The structures concerned are:

- Compliance Function;
- Risk Management Function;
- Listing Function;
- Monitoring and Market Supervision Function;
- Operations Function;
- Middle Office Unit.

Article 7 Compliance Function

The Compliance Function supervises the observance of laws and regulations and the correct application of internal procedures. It reports on these matters and on its activities to the Chairman of the Board of Directors.

Article 8 Risk Management Function

The following tasks are attributed to the Risk Management Function:

- Collaborate in defining the risk management system;
- Preside over the operation of the risk management system and verify its compliance;
- Verify the adequacy and effectiveness of the measures taken to remedy the shortcomings found in the risk management system.

Article 9 Listing Function

The Listing Function has the task of verifying the eligibility requirements of financial instruments, in the context of the pre-listing activities; it also identifies highly tradable securities.

Article 10 Monitoring and Market Supervision Function

The Monitoring and Market Supervision Function's duty is to ensure the application and observance of this Regulation, as well the instructions of the Board of Directors and the General Manager. In this capacity, it carries out all the activities related to and necessary for the smooth and efficient functioning of the Market.

Article 11 Operations Function

The Operations Function is responsible for IT, organisation and the administration of Vorvel, both whether these activities are carried out directly or through an outsourcer, and is also responsible for preparing and updating Internal Procedures in the light of current legislation.

The Function ensures that the corporate formalities envisaged in current legislation are carried out and is responsible for relations with shareholders; it also assists the Corporate Bodies, the Chairman and the General Manager.

Article 12 Middle Office Unit

The Middle Office Unit performs ex-post analysis and support for top-level controls:

- On the activity of Specialist Operators in order to monitor compliance with the obligations arising from this Regulation and the applicable law and to identify incorrect behaviour;
- On suspicious transactions that may constitute market abuse.

TITLE 2 PARTICIPATION IN THE MARKET

Chapter 1 PARTICIPATING ENTITIES

Article 13 General conditions

The subjects enabled to participate to Vorvel are:

- National banks, community (European Union) banks, and SIMs, according to the art. 67 paragraph 2 of Legislative Decree of 24 February 1998, n. 58 (and its subsequent updates);
- EU investment companies;
- third country companies authorized to provide services or trading activities on their own account or execution of orders on behalf of clients according to arts. 28 and 29-ter of the Legislative Decree of 24 February 1998, n. 58 (and its subsequent updates);

The procedures for submitting applications and for supplying the declarations referred to in this Article are specified in detail in the Chapter on “Procedure for admission to the Market”.

Entities that apply to be admitted to Vorvel must hold the clearance documents envisaged in current legislation for the investment services and activities with respect to which they ask to be admitted to the market.

Vorvel Sim S.p.A. may ask for further data in addition to those referred to in this Title in order to come to a well-founded conclusion regarding the applicant’s reliability and solidity to ensure compliance with the provisions of this Regulation.

Each participant admitted to Vorvel undertakes to make the payments requested within the times and in the manner specified when it is informed of the result of the admission procedure, which is initiated at its specific request.

Article 14 Market Makers, Direct Member and Direct Member “Gold”

The entities referred to in this Title may participate in the market as a:

- Market Maker;
- Direct Member;
- Direct Member “Gold”.

A Market Maker is an entity that displays bid and/or ask quotations (**Quotes**) regarding whatever security traded on Vorvel, for which an appropriate application for admission has been presented.

Market Maker compulsory quotations consist of exposing quotes, trading proposals, on buy/sell for quantities at least equal to the minimum quantities communicated by Vorvel Sim S.p.A.

Market Maker may also send proprietary orders, trading proposal in buy or sell on any financial instruments traded on the Market.

In the event that a Market Maker, on one or more financial instruments on which it has not assumed liquidity obligations, over the course of a month has exceeded the thresholds set by MiFID 2 and its implementation regulation, for the same financial instruments the Market making agreement is applied starting from the month following the one in question

A Direct Member is an entity that undertakes to carry out transactions (**Orders**) on Vorvel requested by its clients and refrains from trading with proprietary orders on the Market.

Direct member commits himself not to offer his clients the Sponsored Access (SA) modality for accessing the Vorvel market platform.

Direct Member "Gold" is authorized to send proprietary orders on a limited number of financial instruments whose maximum number is defined by the Market.

The Direct Member "Gold" specifies in advance the financial instruments on which he intends to send proprietary orders by means of a specific admission application whose approval is subject to what is specified in Article 29 of these Regulations; the list of financial instruments can be changed, from the same, quarterly.

In the event that the Direct Member "Gold" operates on one or more financial instruments other than those disclosed, he will be subject to a further commission established by the market for each financial instrument.

The Operators, intending for all the Subjects referred to in this article, must constantly provide systems, procedures, and controls to prevent the entry of anomalous proposals in terms of price, quantity, countervalue and number.

Operators using negotiation algorithms must certify, before using and whenever substantial updates are made to them, that the trading algorithms have been tested in order to avoid contributing or creating abnormal trading conditions and must indicate the environments used for these tests. To this end they release to Vorvel Sim S.p.A. special declaration.

In the case of "direct access to the market", the operator is also required to adopt procedures to ensure that the parties to whom this access can be guaranteed are authorized subjects according to Directive n. 2014/65/EU or to Directive n. 2013/36/EU, also respecting the general conditions of participation in the list of art. 13 of this Regulation. In particular, it is required to comply with the requirements and conditions for "direct market access" established in the admission application to trading on the Vorvel Bonds Market as a Market Maker, Direct Member and Direct Member "Gold".

Operators are required to communicate to Vorvel Sim S.p.A. the following information necessary to complete the content of the proposals that Vorvel Sim S.p.A. is required to register according to Regulation n. 2017/580 on the conservation of data relevant to orders relating to financial instruments:

- a) customer identification code;
- b) code used to identify the person or algorithm within the operator who is responsible for the investment decision;
- c) code used to identify the person or algorithm that is responsible for the execution of the proposal;
- d) information relating to the identification of operators who, if necessary, place orders via direct electronic access to the market.

The Operators ensure that each of these codes (so-called long code) corresponds, in the trading proposals, to a single code (so-called short code) and vice versa.

The communication of the information referred to in letters b) and c) represents confirmation that the trading algorithms indicated have been previously tested.

Market Maker, Direct Member and Direct Member "Gold" must:

- Directly or indirectly, join the Monte Titoli S.p.A. X-TRM checking and rectification service.
- Have in-house professional, technological and organizational expertise that is adequate to assure the fair and regular conduct of trading and of all the activities related to or necessary for trading; that it's better specified in the participating subjects' admission request.
- Have in-house professional, technological and organizational expertise that is adequate to assure the efficient management of the systems of price control and of the frequency and quantity of Quotes and/or Orders, aiming to guarantee a fair and regular trade execution environment, that it's better specified in the participating subjects' admission request.

Market Maker, Direct Member and Direct Member "Gold" that intend to operate on the securities referred to in Article 76 must also, either directly or indirectly, join Cassa di Compensazione e Garanzia.

Entities that participate in the Market undertake to ensure that the transactions executed on the Market are correctly settled.

Vorvel Sim S.p.A. may ask for further data in addition to those referred to in this Title in order to come to a well-founded conclusion regarding the Operators' reliability and solidity.

Vorvel Sim S.p.A., referring to at least one of the instruments listed on the Vorvel Bonds segment, considers the execution of a market making strategy carried out on its own using an algorithm based on the following elements:

- presentation of the admission application to trading by the Market Maker;
- compliance with liquidity obligations pursuant to Article 20 of these Regulations.

Vorvel Sim S.p.A. establishes, in full compliance with the definition of market making strategies, that the obligations set forth in these Regulations and formalized in the contractual agreements with the Market Makers satisfy at least the minimum conditions defined by the Delegated Regulation n. 578/2017/EU:

- presence of at least 50% in the daily trading session and for at least half of the trading days within a month;
- simultaneous buy and sell orders, of comparable and non-deferrable entities of more than 50% by entity and at competitive prices.

The Direct Member "Gold" is not required to comply with any listing obligations, therefore exceeding the before mentioned minimum conditions defined by the Delegated Regulation n. 578/2017/EU, he will be required to sign a new market making agreement with Vorvel Sim S.p.A. whose contents, in this case the compulsory quotations, are defined in Article 15.

Market makers, in consideration of the commitment to comply with the compulsory quotations, in conditions of market volatility, may benefit from exemption from compulsory quotations in terms of minimum quantity. The before mentioned operators are required to resume trading following the interruptions due to the volatility of the market declared by Vorvel Sim S.p.A. on your website.

Market Makers are also required, according to art. 2 lett. e) of the Delegated Regulation no. 2017/578/UE, to monitor its market making activity by providing for specific control measures aimed at complying with the compulsory quotations.

Furthermore, the Participants are required to keep track of perm, orders and transactions relating to the activity referred to in this article, keeping them separate from other trading activities. These data must also be made available to the Market and upon request by the Competent Authority.

Vorvel Sim S.p.A. constantly monitors the effective compliance of the Market Maker with the signed market making agreement.

Article 15

Contents of the Market Making strategies agreements

In accordance with the Delegated Regulation n. 578/2017/EU, Vorvel Sim S.p.A. with reference to at least one of the instruments quoted on the Bonds Segment, it considers the execution of a market making strategy made on its own account by the Direct Member "Gold" and a Market Maker on a financial instrument on which has not submitted a specific application for admission to trading, excluding auction phases, using an algorithm based on the following elements:

- presence of at least 50% in the daily trading session and for at least half of the trading days within a month;
- simultaneous buy and sell orders, of comparable and non-deferrable entities of more than 50% by entity and at competitive prices.

Therefore, against the recurrence of the above conditions, the Direct Member "Gold" and the Market Maker is obliged to declare to Vorvel Sim S.p.A. this type of conduct and to sign a specific market making agreement.

The agreement concerning the Direct Member "Gold" or the Market Maker with Vorvel Sim S.p.A., in accordance with the provisions of this article, must also specify the instrument or financial instruments contemplated.

The Participating Parties referred to above, in consideration of the exceeding of the conditions specified in this article by virtue of which they are called to sign a market making agreement with Vorvel Sim S.p.A. they are required to respect the obligations set forth in articles 14 and 20 of these Regulations that define the contents of the market making agreements.

Vorvel Sim S.p.A. continuously monitors the effectiveness of compliance with the signed agreement.

Chapter 2

PROCEDURE FOR ADMISSION TO THE MARKET

Article 16

Application for admission

The procedure for the admission of a new Market Participant Subject (below **Applicant**) starts with the presentation of an admission application. This application is to be taken as complete and correct when it reaches Vorvel Sim S.p.A., accompanied by all the requested attachments and duly compiled and signed by the person furnished with the necessary powers.

The Applicant must deliver documents in which it declares that it has the professional, technological and organisational expertise specified in the preceding Article.

The Application must include the following data:

- a) information on participation requirements;
- b) information on the offer of the "direct market access" service;
- c) statement that shows that before each use of each trading algorithm, and whenever a substantial update of each of them occurs, the Participating Subject has made the appropriate tests in order not to contribute to the creation of abnormal trading conditions and indicates the environment in which these algorithms were tested;
- d) information related to "high frequency algorithmic negotiation";
- e) information relating to the systems of access to the market, including the indication of any third parties and / or service centre including the order of technological infrastructure and confirmation of the performance of technical-functional tests;

f) declaration indicating that it has specific procedures for using the order cancellation function and from which it also emerges whether the technical procedures for cancelling orders are available within the systems of the Participating Subject;

g) for the unsecured segments in case of indirect adhesion to the CSDs declaration including also the attestation that its liquidator participates on its behalf in the X-TRM service

Vorvel Sim S.p.A., checks that the application is complete and formally correct; if there are any irregularities and/or if the documents are not complete, informs the Applicant promptly.

An application is considered no longer effective if, within 60 days after the communication to the applicant as above, the application is not modified or completed with the document requested.

Article 17 Checking requirements

After verifying that the application is complete and correct, the Market checks whether the applicant meets the specified requirements in terms of its characteristics and role as set out in the application. If the Vorvel sees that any one requirement is partially lacking or totally unsatisfied, or if there are shortcomings in the information necessary for a proper thorough check to be carried out, it informs the Applicant promptly, requesting further clarification, supplementary information and/or documents if it considers it necessary to do so.

The Market considers applications in the chronological order in which they are received, based on the date on which it confirms their receipt as mentioned in the previous Article.

Article 18 Outcome of the admission procedure and the related order

The General Manager verified the presence of all the necessary requirements, as well as reliability and solidity of the Applicant, than approves admission to the Market as Market Maker and / or Direct Member and / or Direct Member "Gold" or, otherwise, deliberates the rejection of the question.

Vorvel verifies through the Listing Function that the characteristics of the financial instruments, to be admitted to trading, comply with current legislation, and submit to General Manager of Vorvel the proposal for admission of qualifications.

Article 19 Rules of conduct

Subjects that participate in Vorvel must observe the provisions of these Regulations and any other provisions issued by Vorvel Sim S.p.A. in order to ensure the proper functioning of Vorvel.

Participating subjects have to enforce all the organizational and technological measures to preserve a fair and regular execution of trades, in conformity with their obligations, specified in the market admission application.

Market Makers must develop securities price formation processes and maintain their efficiency. They ensure the liquidity and independence of these prices and the autonomy of the prices generated by the other Market Makers.

Market Makers, Direct Member and Direct Member "Gold" must not conduct themselves in such a way as to injure the integrity, interests and image of the Market, particularly with regard to actions that may:

- Create false or misleading impressions on the other Market participants;
- obstruct or distort other Market participants' conduct of their activities.

Article 20

Market Makers' liquidity obligations

Market Makers are under the obligation to expose, for the securities for which they guarantee liquidity, on a continuing basis during trading session and for each trading day, bid and ask Quotes (Compulsory Quote).

Market Makers can request to the Market, motivating them, exceptions to their quotation obligation; in any case, the percentage of presence must not be less than 80% on a monthly basis and in any case not less than 50% daily.

Market Makers are also obliged to display amounts at least equal to the minimum quantities notified by Vorvel Sim S.p.A. (quotation obligations) and to respect a maximum price spread between buy and sell quotes, calculated as the ratio between the selling price and the buy price and their semi-sum, as reported in the "spread table".

MINIMUM QUANTITY TABLE

Tipo di Obbligazione	Quantità Minime (divise)								
	EUR	USD	GBP	TRY	ZAR	BRL	MXN	CAD, AUD, NZD	NOK, SEK
<i>Titoli di Stato Italia</i>	150,000	-	-	-	-	-	-	-	-
<i>Titoli di Stato non Italia</i>	50,000	50,000	40,000	75,000	350,000	90,000	425,000	25,000	250,000
<i>Emittenti Sovranazionali / Agency</i>	100,000	100,000	80,000	150,000	700,000	180,000	850,000	50,000	500,000
<i>Emittenti Corporate / Bancari</i>	50,000	50,000	40,000	75,000	350,000	90,000	425,000	25,000	250,000

SPREAD TABLE

Vita residua	Titoli di Stato ITA - IGB	Altri Titoli di Stato - GB	Bancarie, Finanziarie e Corporate - BFB	Titoli Strutturati, Sovranaz., Emergenti e titoli in valute differenti da EUR, USD, GBP, CAD, AUD - EB
0 - 365 (1 anno)	1%	1%	3%	3%
366 - 1095 (3 anni)	1,5%	2%	4%	5%
1096 - 1825 (5 anni)	2%	3%	5%	7%
1826 - 2556 (7 anni)	2,5%	4%	6%	9%
2557 - 3650 (10 anni)	3%	5%	8%	10%
3651 - 5475 (15 anni)	4%	6%	10%	12%
5476 e oltre	4,5%	7%	12%	14%

The minimum quantities are established by Vorvel Sim S.p.A. in order to make Market Maker obligations homogeneous and non-discriminatory.

After the execution of a contract that reduces the amount of the Market Maker's Compulsory Quotes with respect to any specific security to below the minimum quantity for quotation obligations notified by Vorvel Sim S.p.A., the Market Maker is released from its minimum quantity obligations until the amount is made up again and in any event for at most 5 minutes after the execution of the contract.

For securities that are not listed on regulated markets, Market Maker may only display bid quotes if the available amount of the instruments whose liquidity they guarantee are lower than 500.000 euro to the nominal value for bonds and other debt securities or if it is excessively onerous to find the quantities necessary to assure market making activity owing to particular generally known market events. In this case Market Maker undertake to notify to the Monitoring and Market Supervision Function of the Vorvel that they wish to avail themselves of the right only to display bid quotes as a result of the occurrence of the above circumstances and, after this, to report again when the said circumstances no longer apply.

Market Makers may ask to be temporarily exempted from liquidity obligations either if the market conditions are such as to prevent normal market making activities or if other circumstances detailed by Article 56 of these Regulations are in place.

Vorvel Sim S.p.A. evaluates the request of the Market Maker and provides, in the case, temporary suspension from quotation obligations.

At the occurrence of market volatility situations - declared with a specific communication on the Company's website, the Market Makers, as provided for in art. 56 of these Regulations - it is envisaged that they are not required to comply with the quotation obligations in terms of minimum amount.

Vorvel Sim S.p.A., in general, continuously monitors the actual compliance of Market Makers with the obligations of this article.

Article 21 Market Makers' obligations in Stress Market situations

Vorvel Sim S.p.A., in order to guarantee an adequate level of liquidity of the financial instruments listed on the Bonds segment, envisages a reduction in the Market Maker obligations in relation to the following market stress conditions:

- significant variation in numerical terms, in a short period of time, of reference stock and bond indices that could determine a significant change in the prices of listed instruments;
- publication of *price sensitive* information concerning an issuer that could cause a significant change in the prices of the related financial instruments;
- in general, parameters referable to the market context such as:
 - o number of quotes/orders present (in relation to a financial instrument, the lack of orders and quotes by the Market Participants);
 - o sudden and significant increase in the quantities traded (in a significant period of time linked to several orders from different Direct Members).

In presence of the above elements Vorvel Sim S.p.A. considers reference parameters both in numerical terms and in terms of time set out in its operating procedures.

Vorvel also takes into consideration the occurrence of situations relating to the resumption of trading after an interruption due to volatility as required by Article 56 of these Regulations.

In situations of market stress, the reduction of the Market Makers' quotation obligations will consist in quoting with a maximum spread equal to double that defined in the table above and without quotation obligation in terms of minimum quantity.

Vorvel Sim S.p.A. guarantees the publication of market stress situations by providing specific communication on the Company's website.

When normal trading conditions are restored, the measures envisaged above will cease

Article 22 Exceptional circumstances

Vorvel Sim S.p.A. with reference to the activity carried out by the Market Makers on the Vorvel Bonds Segment and the related listing obligations, provides for the exceptional circumstances referred to in Article 3 of the Delegated Regulation EU 578/2017 lett. a) - e);

In particular, in the cases provided for by the art. 3 lett. d) of the Delegated Regulation n. 578/2017/UE, Operators performing market making activities are required to communicate in writing to Vorvel Sim S.p.A. such circumstances.

Vorvel Sim S.p.A. publishes the following information on its website:

- the occurrence of one of the exceptional circumstances referred to in this article
- the regular resumption of negotiations following the termination of the same circumstances

Article 23 Conditions for continuing to be authorised to trade

Participating Subjects warrant that the conditions specified in Chapter 1 will continue to be satisfied.

Direct Member and/or Market Maker and/or Direct Member "Gold" may be suspended, dismissed or prohibited from the Market if a resolution is adopted:

- a) after a disciplinary measure under Articles 64, 65 and 66 of these Regulations;
- b) as a result of technical circumstances that may be of prejudice to the normal course of trading and of the settlement of the transactions executed on the Vorvel Market;
- c) in the event of Participating Subjects' insolvency;
- d) following the suspension or revocation of the authorization for the exercise of the trading activity by the competent authority;
- e) if they no longer satisfy the requirements laid down in Chapter 1;
- f) following the detection of conducts not conforming with the principle of a fair and regular execution of trades.

In order to prevent abnormal trading conditions, Vorvel Sim S.p.A. it also provides, through the Monitoring and Market Supervision Function, to monitor the relationship between orders not executed and transactions executed by Participating Subjects on financial instruments listed on the market (so-called "order to trade ratio" - O.T.R.), according to a method compliant with the provisions of the relevant legislation and of article 3 of the provisions of the Delegated Regulation (EU) 2017/566.

This methodology, in particular, is based on the recognition of an O.T.R., defined for the Participating Subject and by financial instrument, at the end of each negotiation session.

When the above threshold is exceeded, the Monitoring and Market Supervision Function performs the appropriate check.

In the event of disruption to the smooth running and functioning of the market, the Company reserves the right to temporarily suspend the operator from the market.

Vorvel Sim S.p.A. temporarily prohibits a Participating Subject from trading if requested to do by Cassa di Compensazione & Garanzia.

If this organisation asks Vorvel Sim S.p.A. to proceed immediately, Vorvel Sim S.p.A. makes arrangements for prohibition in the shortest possible time and cancels any contracts executed on

the Vorvel Market by the prohibited Participating Subject during the period between the prohibition request and the actual technical effectiveness of the prohibition on the market.

A Participating Entity may also be prohibited from trading after the Settlement Agent informs Vorvel Sim S.p.A. that it has discontinued settlement activities, if rightly authorised by the Participating Entity.

After an order suspending or prohibiting trading, Vorvel Sim S.p.A. provides that any orders on the market that the Participating Subject has entered are all cancelled.

Article 24 Observance of requirements

Participating Subjects guarantee that they will observe the requirements laid down in this Title and, should they no longer meet these requirements, Vorvel Sim S.p.A. may suspend them or dismiss them from participation in the Market. The dismissal order is the sole responsibility of the Vorvel Sim S.p.A. Board of Directors.

TITLE 3 ORGANISATIONAL PROVISIONS

Chapter 1 GENERAL CONDITIONS

Article 25 Sphere of application and securities admitted

This Title lays down the rules for admission to trading on Vorvel.

The following securities are admitted to trading:

- Bonds and other debt securities issued by sovereign States, Local Authorities and Supranational Entities;
- Bonds and other ordinary or subordinated debt securities;
- Securitisation notes.

Chapter 2 SECURITIES

Article 26 General conditions

Vorvel, through the Listing Function, verifies that the characteristics of the securities to be admitted, comply with the current legislation and submits the proposal for the admission of securities to the General Manager of Vorvel.

Article 27 Bonds and other debt securities

Bonds and other debt securities may be admitted to trading on Vorvel Market, including structured securities, if:

- they are freely transferable;
- they are suitable for being liquidated through the CSDs;
- a document has been published concerning the issue, the quotation or the offer to the public (KID, prospectus, offering circular or other similar documents);
- they are supported by a data sheet that helps the investor to understand their main financial characteristics and that contains a statement of the main conflicts of interest among the issuer, Vorvel Sim S.p.A. and the Market Maker regarding the security.

Financial instruments may be admitted to trading indicating their compliance with ESG (environmental, social and / or governance) criteria, where a third party certifies the ESG nature of such financial instruments or where they are listed, with this indication, on other Regulated Markets or EU MTFs that have admission and transparency requirements like those provided for in these Regulations. The certifying entity must be independent from the Issuer (including directors, managers, and consultants of the same), remunerated in a manner that prevents conflicts of interest and with expertise also in the context of the evaluation of ESG projects. By way of example, green bonds, social bonds and sustainability bonds fall into this category.

Article 28 Securitisation notes

Securitisation notes may be admitted to trading on Vorvel if:

- the residual value of the notes in circulation is not lower than 50 million euro or the corresponding amount in foreign currency valued at the time the application is submitted. Vorvel Sim S.p.A. may admit securitisation notes for trading if the residual value of the notes in circulation is lower than the above if it deems that, in spite of this, a sufficiently liquid market can be generated;
- they have a rating from at least one independent international agency.

Chapter 3 **PROCEDURE FOR THE ADMISSION OF SECURITIES**

Article 29 **Application for the admission of securities**

The procedure for admission to trading on Vorvel starts with the submission of an application by a Market Maker and a Direct Member “Gold”. The application may be addressed to the Listing Function of Vorvel, by email.

Acceptance of the application for admission of financial instruments presented by the Direct Member "Gold" is subject to the mandatory presence of at least one Market Maker that guarantees liquidity on the financial instruments subject to the related Application for admission.

An application may regard more than one security and is to be taken as received when it reaches Vorvel Sim S.p.A.

The Market Maker and the Direct Member “Gold” interested in extending its activity on securities already listed on the Vorvel Market must present an appropriate application to the Listing Function of the Market.

Article 30 **Verifying that the requirements are met and resolving admission to trading**

Vorvel Sim S.p.A. verifies that the application is complete and formally correct and that the requirements laid down in Chapters 1 and 2 of this Title are satisfied.

If there are irregularities in the documents or if they are incomplete, the applicant is promptly informed.

The General Manager of Vorvel Sim S.p.A decides the admission to trading of the securities within the powers delegated to him by the Board of Directors.

Article 31 **Outcome of the procedure**

If Vorvel Sim S.p.A. finds that the requirements are satisfied, it resolves to admit the security to trading on Vorvel and informs the Market Makers and the Direct Members “Gold”.

Operators (MM and AD Gold) are notified of the admission of the security at least the day before it starts to be traded by means of an announcement on Vorvel Sim S.p.A.’s website (www.vorvel.eu). The announcement must contain the following information:

- Trading start date;
- particulars of the security;
- market Maker;
- minimum quantity of the trading proposal (obligation to quote) of the Market Maker;
- maximum price spread obligation (spread obligation) of the Market Maker;
- minimum trading size and multiples;

- g) method for pro rata calculation (if applicable);
- h) depository;
- i) settlement cycle.

Vorvel Sim S.p.A. may reject the application for admission to trading if the requirements and conditions specified in Chapters 1 and 2 of this Title are not satisfied or if the characteristics of the security are such that Vorvel Sim S.p.A. does not deem that a regular market can be generated for it. In this case the company informs the applicant promptly.

Article 32 Time limit for the decision

A decision is taken to grant or to reject an application for admission to trading within 90 trading days after the date on which the application is submitted.

If extraordinary circumstances do not allow this time limit to be observed, Vorvel Sim S.p.A. informs the Market Makers and the Direct Members “Gold”, at the same time setting a new time limit.

Article 33 Methods of the automatic cancellation from trading of securities on maturity

Maturing securities are automatically excluded from trading as follows:

- Bonds and other debt securities issued by sovereign States, Local Authorities and Supranational entities;
- bonds and other ordinary or subordinated debt securities;
- bonds arising from securitization.

The second settlement day, prior to the repayment day (even earlier) of the financial instrument, Vorvel Sim S.p.A. may arrange for the automatic cancellation date to be advanced, following similar interventions by a regulated market if the financial instrument is quoted and/or communicated or intervened in the settlement system.

In all cases where the automatic cancellation date does not correspond to an open market day, the cancellation date starts on the first following open market day.

TITLE 4 METHODS OF AND CONDITIONS FOR THE CONDUCT OF TRADING

Chapter 1 TRADING

Article 34 General conditions

Securities are traded through the automatic matching of

- Market Makers' proposals (Quotes and Orders) and Direct Members' Client Orders;
- Market Makers' proposals (Quotes and Orders) and proposals from other Market Makers (Quotes and Orders);
- Market Makers' proposals (Quotes and Orders) with proprietary orders from Direct Members "Gold";
- Direct Members' Client Orders with Direct Members' Client Orders;
- Direct Members' Client Orders with proprietary orders from Direct Members "Gold";
- proprietary orders from Direct Members "Gold" with proprietary orders from Direct Members "Gold".

Article 35 Trading batches

When a security is admitted to trading, Vorvel Sim S.p.A. shall determine:

- The minimum batch or minimum quantity of each Order/Quote and its multiples;

The minimum batch of the financial instrument cannot be defined for quantities below the minimum size, where envisaged, by the instrument regulation.

Batch amounts may be changed after Vorvel Sim S.p.A. has admitted the security to trading; notifying this information immediately in an announcement published on Vorvel Sim S.p.A.'s website (www.vorvel.eu), stating the date on which the new trading batches come into effect.

Article 36 Trading calendar and settlement

Vorvel adopts its own calendar for trading. For settlements, Vorvel adopts the Target calendar, that is the Forex calendar for securities negotiated in currencies other than Euro.

Calendars referred to in this article are published on the Vorvel Sim S.p.A. (Www.vorvel.eu).

Vorvel Sim S.p.A. notifies any changes to the trading and settlement calendar in a notice sent to all the Market participants and published it on Vorvel Sim S.p.A.'s website (www.vorvel.eu).

Article 37 Market hours and phases

Vorvel's hours are from 8:40 to 17:30.

There is a pre-trading phase from 8:40 to 9:00 during which Market Makers may enter Quotes.

Orders entered during the pre-trading phase are automatically rejected.

Vorvel Sim S.p.A. may decide on different trading hours on specific trading days from those stated above at reasonable advance notice.

Article 38 **Methods of trading**

Bonds, other debt securities and securitisation notes are traded by expressing their current value on a conventional 100% basis (trading in hundredths).

Article 39 **Tick**

The prices of the trading proposals for each security may change by values corresponding to or multiples of the following ticks:

- Bonds and debt securities issued by Local Authorities and Supranational Authorities and securitisation notes: 0,01
- Government Bonds issued or guaranteed by an EU Member State and US:

Residual life	Tick
≤ 5 years	one-thousandth (0,001)
> 5 years	one-hundredth (0,01)

- Italian Government Bonds:

Type of security	Residual life	Tick
<i>Buoni del Tesoro Poliennali</i> (BTP) long-term treasury bonds	≤ 5 years	one-thousandth
<i>Buoni del Tesoro Poliennali</i> (BTP) long-term treasury bonds	> 5 years	one-hundredth
<i>Certificati di Credito del Tesoro</i> (CCT) treasury credit certificates		one-thousandth
Buoni Ordinari del Tesoro (BOT) treasury bills and <i>Certificati di Credito del Tesoro</i> zero coupon (CTZ) treasury credit certificates		one-thousandth

Vorvel Sim S.p.A. can establish or change the trading ticks listed above, giving prompt notice with a specific notice published on the Vorvel Sim S.p.A. website. (www.vorvel.eu).

Article 40 **Quotes entered by the Market Makers**

Market Makers' Quotes must contain at least the information regarding:

- The security;

- the quantity (buy or sell);
- the price (buy or sell).

Quotes may only be entered if the price is specified.

Each Market Maker may be displayed on a security's book with a single buy Compulsory Quote and a single ask Compulsory Quote.

Article 41 Orders entered by Direct Members, Direct Members "Gold" and Market Maker

Orders entered by Direct Members, Direct Members "Gold" and Market Makers contain at least information necessary to allow Vorvel to comply with the Regulation 2017/580 (EU) on the conservation of relevant data about orders of financial instruments, relatively:

- The security;
- the quantity, in compliance with trading batches;
- the type of operation (buy or sell);
- the price (buy or sell for limited price Orders);
- customer identification code (if any);
- code used to identify the person or algorithm within the operator who is responsible for the investment decision;
- code used to identify the person or algorithm that is responsible for the execution of the proposal;
- the methods of execution and indicate a specific indication when they originate from an algorithm.

Orders can be entered at "*limited price*" (limit order), that is they can be filled at a price equal or better than their limit price.

Orders may be placed without a price limit, i.e. for the "*best price*", executed at any price. Entering orders without price limit can only be done if there is at least one proposal (quote or order) of an opposite sign with a price limit

Orders may specify the following methods of execution:

- "*immediate or cancel*", the Order is executed, even partially, for the available quantities and at the price stated or at the best price on the other side of the market if the Order has no price limit; any balance remaining is cancelled automatically;
- "*good till day*", the Order is executed, even partially, for the available quantities and at the price stated; any balance remaining stays on the book until it has been executed fully, until the end of the trading session and/or until the subjects referred to this article cancels it. If a residual balance of an Order entered without a price limit remains on the book, it takes the price of the last contract executed. This Order is visible on the trading book;
- "*all or nothing*" ("*fill or kill*"), the Order is executed only for the entire quantity and at the price stated when it is entered; if this is not possible, it is cancelled automatically.

In order to guarantee the regular flow of trading, Vorvel established the maximum nominal quantity of orders on financial instruments at 50,000,000.

For securities negotiated in currencies other than Euro, this maximum nominal quantity is calculated by reference to the exchange rate for the previous trading day.

Vorvel automatically refuses to enter Orders that:

- Do not fall within the limits specified in this Article;
- are for prices that are not consistent with the Ticks set out in Article 39;
- are for quantities that are not for or multiples of the trading batches mentioned in Article 35.

The rejection is sent to the Subjects referred to this article with dedicated message.

Article 42 Continuous trading method

For each security, contracts are executed for the available quantities in accordance with the temporal priority criterion established according to the time of entry in accordance with the continuous trading method.

Article 43 Limits to price variations

Vorvel Sim S.p.A. has an automatic system to control correct trading procedures and therefore lays down the following price limit variations for Quotes and Orders:

First limit: maximum variation limit of Quotes and Orders from the mean average price of the previous day:

Quotes and Orders that do not comply with this parameter are automatically rejected

Scadenza	Limite 1			
	Titoli di Stato ITA - IGB	Altri Titoli di Stato - GB	Bancarie, Finanziarie e Corporate - BFB	Titoli Strutturati, Sovranaz., Emergenti e titoli in valute differenti da EUR, USD, GBP, CAD, AUD - EB
0 - 365 (1 anno)	2%	3%	3%	8%
366 - 1095 (3 anni)	3%	4%	5%	10%
1096 - 1825 (5 anni)	4%	5%	7%	12%
1826 - 2556 (7 anni)	5%	6%	10%	14%
2557 - 3650 (10 anni)	6%	7%	12%	16%
3651 - 5475 (15 anni)	7%	8%	14%	18%
5476 e oltre	8%	9%	16%	20%

Second limit: maximum variation limit between two consecutive trade on the same security during the same trading day:

Scadenza	Limite 2			
	Titoli di Stato ITA - IGB	Altri Titoli di Stato - GB	Bancarie, Finanziarie e Corporate - BFB	Titoli Strutturati, Sovranaz., Emergenti e titoli in valute differenti da EUR, USD, GBP, CAD, AUD - EB
0 - 365 (1 anno)	1%	1,5%	1,5%	4%
366 – 1095 (3 anni)	1%	2%	2,5%	5%
1096 – 1825 (5 anni)	1,5%	2,5%	3,5%	6%
1826 – 2556 (7 anni)	2%	3%	5%	7%
2557 – 3650 (10 anni)	2%	3,5%	6%	8%
3651 – 5475 (15 anni)	2,5%	4%	7%	9%
5476 e oltre	3%	4,5%	8%	10%

Quotes and Orders in which the price is different from the previous contract that has been executed and is higher than the second limit will be rejected.

Both the limits defined above are multiplied by a factor of 2 for all financial instruments whose weighted average price of the previous day is less than 50

For limited and specified periods, Vorvel Sim S.p.A. may extend the above limits on one or more securities in particular market conditions (i.e. stress market)

Such extensions are published in the Market Information section and on the Vorvel Sim S.p.A. website (www.vorvel.eu).

Article 44 Weighted average price

The weighted average price of a security is alternatively:

- the weighted average of the contracts concluded during the day;
- the arithmetic average of the best "Best" Orders and/or Quotes, in buy and sell, present on the book at the time the Market was closed, if there have been no trades on a certain security during the day;
- the last weighted average price available if it is not possible to determine the weighted average price based on what specified in the previous points.

Article 45 Automatic cancellation

At closing, Market Makers' Quotes displayed in the book are automatically cancelled and, in the same way, the Orders of Direct Members, Direct Members "Gold" and Market Makers displayed in the trading book like "good till day" method of execution are also cancelled.

TITLE 5 PLACEMENT SECTION

Chapter 1 CONDITIONS AND OPERATING MODES

Article 46 General conditions

This Title governs the functionality for Issuers of bond financial instruments which, through the intermediary of intermediaries, Direct Member market, intend to proceed with the direct placement of such instruments on the Vorvel Market.

The distribution activity on the Market Placement Section may take place through a continuous trading phase possibly followed by an auction phase.

The auction phase is optional and is disclosed to the Market by the Intermediary in charge, which requires placement at the time of submission of the Application for Financial Instruments.

Article 47 Placement Characteristics

The Agent Intermediary who requires placement through the Market, shall notify the characteristics of the placement referring to issuers already listed on the Vorvel Market, at least 3 days before the start distribution date. In case of financial instruments not listed on Vorvel Market; the name of the new issuers must be notified at least 10 days before the start distribution date.

The characteristics are:

- ISIN code of the financial instrument;
- issuer name;
- nominal value of the financial instrument;
- total amount of the offer;
- settlement Currency;
- settle Date;
- maturity date;
- settlement Date;
- method of repayment;
- gross annual interest rates;
- fixed offer price;
- start date of placement;
- closing date placement;
- dates, timetables and negotiation phases;
- minimum subscription amount

Article 48

Offer Price

The offer price of the financial instrument is fixed and is communicated to the Market, at the start of the distribution period, by the Intermediary in charge of the placement.

The offer price will have to be from recent official documentation.

Article 49

Negotiation Mode

Continuous Negotiation phase

The Intermediary or Intermediaries, in charge of the placement, are the only Participants enabled to submit proposals for sale at the fixed offer price.

Each Intermediary appointed may enter one proposal for sale; the sum of the quantities of the proposals submitted by all the Intermediaries in charge, may not exceed the total amount of the offer.

Direct Members may only submit "limited price" proposals equal to the fixed bid price or "without price limit", and cannot be modified.

The orders will be of the following type:

- *"Good till cancel"*, i.e., valid for the day of entering the order and the subsequent ones until the end of the offer period or cancellation.

Vorvel automatically rejects the placing of orders that:

- present prices not consistent with the offer price;
- propose amounts that are not equal or multiple of the minimum subscription amount

This rejection is communicated with a special message.

Purchase orders will remain on the book even in the case of a temporary absence of the Intermediary or Intermediaries appointed or of the Placement.

If the Issuer chooses for any early closure or decides to extend the offer period, he must promptly send the relevant notice to the Market via the Intermediary in charge of the placement.

Auction Phase

The Intermediary or Intermediaries in charge of the placement are the only Participants authorized to submit proposals for sale in the auction phase.

Direct Members can only enter "limited priced" proposals, equal to the fixed bid price, or "without price limit", and cannot be modified.

The end of negotiations, in the auction phase, is through the automatic matching of the Orders to the auction price equal to the one offer price.

The orders you enter will be of the following type:

- *"Good till cancel"*, i.e. valid for the day of entering the order and the subsequent ones until the end of the offer period or cancellation.

Vorvel automatically rejects the placing of orders that:

- present prices not consistent with the offer price;
- propose amounts that are not equal or multiple of the minimum subscription amount

This rejection is communicated with a special message.

At the end of the auction, if the amount of orders in buy is higher than the orders placed for sale, there is a pro-quota split if the Intermediary has applied for it at the admission stage. If the pro quota allocation has not been announced, the standard rule will be followed for ordering will be met by time priority.

Article 50 Negotiation Time

The time of this phase is set from 9:00 to 17:30.

If the Issuer, through the Intermediary in charge, has announced the presence of an auction after the continuous trading phase, the latter will take place at 17:30.

Timetables and days of the continuous negotiation and auction phases are specified by the Issuer, through the Intermediary in charge, within the documents of each offer and communicated via the website (www.vorvel.eu).

Vorvel Sim S.p.A. may establish trading times that are different from the above indicated for specific trading days by giving notice in advance.

Article 51 Result of Placement

When submitting the Application for Financial Instruments as set out in Article 29, the Intermediary in charge (i.e. a Direct Member) has the right to request the start of trading on the secondary market at the end of the placement. At the end of the distribution period, if the outcome of the placement is positive and subject to the requirements and modalities set forth in this Regulation, Vorvel will start trading on the secondary Market by providing communication via its own website.

Vorvel will establish the start trading date of the Bond on the Market that, unless otherwise specified by the in charge Intermediary, will coincide with the settle date of the title.

Vorvel must be promptly informed by the Intermediary appointed for any fact or circumstance relating to the financial instrument subject to the placement that could significantly affect the valuation and thus affect the trading on the secondary Market.

Chapter 2 DISCLOSURES

Article 52 Information to the Public

Vorvel publishes on its website:

- the characteristics of the Placement referred to the Article 45 of this Regulation;
- any further distribution conditions.

The Market Information available on the website www.vorvel.eu gives the opportunity to display, in addition to the information referred to in Article 73 of this Regulation, the following placement information both in the continuous negotiation phase and auction phase:

- current phase: negotiation/auction;
- start of current phase;
- end date of the current phase;
- amount issued;

- settlement date;
- starting negotiation time;
- closing negotiation time

Chapter 3 **POST TRADING SERVICES**

Article 53 **Mode of Regulation**

Without prejudice to what has been established in general in the Articles 74, 75 and 76 of this Regulation, Settlement of Contracts carried out on the Market shall be disclosed on the website www.vorvel.eu, in accordance with the terms of the placement.

TITLE 6 MARKET SUPERVISION

Chapter 1 CONTROLS AND INTERVENTION

Article 54 General conditions

Vorvel Sim S.p.A.'s supervisory activity takes the form of checking the smooth progress of trading, verifying compliance with these Regulations and acting and intervening as necessary to assure the proper functioning of Vorvel, availing itself of the services of the Vorvel Sim S.p.A. Monitoring and Market Supervision Function for issues related to the day-to-day supervision of the market or in urgent cases.

Article 55 Controls and intervention in trading

In order to ensure that trading is conducted smoothly and in an orderly manner, Vorvel Sim S.p.A.:

- monitors the performance of Vorvel and all securities;
- monitors the behaviour of the participants in Vorvel and verifies their compliance with the rules that they are obliged to abide by under these Regulations and under the provisions of applicable laws and regulations;
- monitors the functioning of the Market's technological infrastructure, the procedures and all the elements necessary to ensure that trading proceeds correctly;
- asks the Participating Entities for the information it considers necessary in order to carry out its control duties correctly.

After carrying out the monitoring activities described above, Vorvel Sim S.p.A. takes the steps required to assure the integrity of the Market and the normal and correct conduct of trading.

Vorvel is able to adopt automatic mechanisms to limit market participants' ability to insert orders/quotes, like the Throttling functionality (a technological tool that permits to limit the capability to execute transactions during a pre-established time unit referred to the Market Participant) aiming to guarantee a regular and fair trading execution on the Market.

Vorvel Sim S.p.A. informs those concerned promptly of any intervention that affects market operations in an announcement published on the company's website (www.vorvel.eu).

Article 56 Intervention on benchmarks and trading hours and conditions

During particular market situation, Vorvel Sim S.p.A. may:

- modify trading hours;
- extend the duration of the pre-trading phase;
- amend other trading conditions;
- suspend or resume trading.

Vorvel Sim S.p.A. may act as above if at least one of the following circumstances arise:

- the limits prescribed in Article 43 are exceeded;
- notice anomalies in prices, in the behaviour of the participants and/or in market performance;

- it becomes necessary to find further information regarding a traded security in order to ensure enough transparency;
- political, economic, social events or events specifically related to capital markets occur that are likely to have a material effect on the orderly conduct of trading;
- technical reasons or other circumstances arise that no longer assure the normal functioning of Vorvel;
- the detection of circumstances inherent with the input of orders by the participating subjects that could compromise the fair and regular execution of trades

In considering the advisability of taking one of the steps referred to in the first paragraph of this Article, Vorvel Sim S.p.A. takes the following data into account:

- the volumes traded on Vorvel and the price or variations in price recorded for the security;
- its liquidity and the volumes traded;
- the degree of transparency of the information provided by the issuer;
- the ratio between unexecuted orders and the trade made by participating subjects on financial instruments listed on Vorvel Market

In order to prevent abnormal trading conditions and ensure orderly trading, Vorvel Sim S.p.A. may adopt specific mechanisms to deal with any market volatility.

If during the continuous trading of a financial instrument, the price of the contract being concluded exceeds the first / second price variation limit (as per art. 43), the market envisages the activation of a *circuit breaker*, consisting of automatic suspension of trading on the financial instrument for a period of 2 mins. During temporary suspension, new proposals cannot be entered, or orders cannot be changed on the market. At the end of the temporary suspension, trading will resume in the continuous trading mode, unless otherwise provided for by the Market. Vorvel Sim S.p.A. will provide appropriate communication on its website.

The proposal that determined the suspension will be automatically cancelled from the market entirely or due to its residual part never filled.

In general, the activation of the mechanisms adopted, which concern the financial instruments or classes of financial instruments traded on the Vorvel Bonds segment of the Vorvel Market, is also based on the assessment of certain additional external elements such as the equity reference indices and bonds and the publication of price sensitive news concerning the issuer and elements related to the market context such as:

- number of quotes / orders present (relative to a financial instrument, the lack of orders and quotes by the Participating Subjects in the market);
- sudden and substantial increase in the quantities traded (in a significant period of time and attributable to several orders of different Direct Members).

Further stress conditions on the market are connected to the diffusion of socio-political and economic news that may involve the activation of the mechanisms referred to in this article. Upon occurrence of the above volatility conditions, Vorvel Sim S.p.A. may provide that Market Makers are not required to comply with the quotation obligations in terms of minimum quantity.

In the second instance, Vorvel Sim S.p.A. may also provide for temporary suspension from trading if financial instruments or classes of financial instruments are subject to market volatility.

When normal trading conditions are met, the measures implemented to deal with any volatility will cease.

Vorvel Sim S.p.A. declares, with a specific notice published on the Vorvel Sim S.p.A. website (www.vorvel.eu) the occurrence of the market volatility situations referred to above with specific indication of the start and termination of the same and the related measures implemented.

Article 57 Management of errors

Vorvel Sim S.p.A. may order or cancel erroneous trading proposals and may act in the same manner with regard to trades executed erroneously on Vorvel with regard to the same security, or orders errors derive from the same kind of mistakes.

It's possible for the Market proceeding to orders or quote cancellation upon receiving a specific request, which as to include the error cause, by the involved counterparties when the following condition are satisfied:

- 1) a mutual agreement operates among the involve counterparties (Market Maker, Direct Member and Direct Member "Gold");
- 2) the cancellation request has been sent to Vorvel with the highest priority, by e-mail: governance@vorvel.eu, within 60 minutes from the execution of the trade.

In case of no agreement between counterparties, formally notified to the Market, Vorvel Sim SpA, to reduce or remove the effects of material errors, can dispose the trade cancellation at the request of the Direct Member/Direct Member "Gold"/Market Maker who made the error if the following conditions are met:

- 1) in case the request for cancellation has been filed by the counterparty who made the mistake, the request was submitted to Vorvel Sim S.p.A. by e-mail to the e-mail address governance@vorvel.eu as soon as possible within 60 minutes of the negotiation;
- 2) the operations are the result of an obvious material error;
- 3) the order or quote has been placed at a price limit above the threshold levels identified by the market in the following tables with respect to a reference price identifiable according to the following criteria (applicable in succession if the previous one is not available):
 - the best bid or ask price of a security listed on a regulated market at the time the erroneous offer was made;
 - if the security was listed on an MTF market, the best bid or ask price of a security listed on a sufficiently liquid MTF at the time the erroneous offer was made;
 - the average price of a minimum of three and a maximum of ten consecutive trades executed on the same day on the same financial instrument on the Vorvel market and immediately preceding the error, considering any changes that have occurred in the meantime on the market;
 - the average of the prices of at least three and at most ten consecutive contracts executed on the same day on a regulated market, immediately prior to the error, considering any changes that have occurred in the meantime on the market;
 - the average of the prices of the last five trades carried out on the previous day on the same financial instrument on the Vorvel market, considering any changes that have occurred in the meantime on the market.

If none of the above possibilities can be used to set a reference price, Vorvel Sim S.p.A. may avail itself of external sources of information or ask for the support of Market Makers not involved in the transaction whose cancellation is requested, or for support outside the market.

The thresholds for deviations from the reference price referred to above, determined on a percentage basis, are set out in the following tables:

- Italian government Bonds issued by an EU Member State or by public international bodies of which one or more EU Member States are members:

Residual life (days)	% Deviation
< 365	0.50
366 - 730	0.80
731 – 1,825	1.25
1,826 – 3,650	1.60
>3,650	2.00

- Bonds and other debt securities in Euro and other currencies:

Residual life (days)	% Deviation
<365	1.00
366 - 730	1.60
731 – 1,825	2.50
1,826 – 3,650	3.25
>3,650	4.00

In any case when the previously outlined conditions are met, if the involved parties do not agree on the cancellation terms, the measure is normally taken if:

- The total loss, deriving from the same type of error, that a Direct Member has incurred is higher than 3,000.00 (three thousand) euro even if coming from more than one executed contract;
- The total loss, deriving from the same type of error, that a Market Maker and/or Direct Member “Gold” has incurred is higher than 12,500.00 (twelve thousand five hundred) euro even if coming from more than one executed contract.

In considering whether the request has been made in time and the evidence of the error, Vorvel Sim S.p.A. takes all the events that occurred during the trading phase into account.

The Market participant committing a mistake must contact the counterparties involved in the analysed transaction. Vorvel can reveal the identity of the involved parties in case these are not visible to Participants.

Vorvel Sim S.p.A. will inform immediately the involved counterparties on the potential cancellation request refusal, explaining the reason.

A decision to cancel or not to cancel a transaction taken by Vorvel Sim S.p.A.'s supervisory office is compulsory and final.

Notice of the cancellation of a trade that has been executed is given in the Market Information section and on Vorvel Sim S.p.A.'s website (www.vorvel.eu).

Vorvel Sim S.p.A. charges the operator that committed the error an amount corresponding to the administrative costs incurred, as defined in the Price List.

Vorvel can also proceed with the cancellation of negotiation proposals and contracts that are such as to prevent the orderly and fair execution of the negotiations.

Vorvel Sim S.p.A. can cancel all the trading proposals entered by the Participating Person present on the market also following a suspension or inhibition of the operations of a Participating Person that may prejudice

Article 58 **Management of technical malfunctions**

In order to provide equal opportunities of access to its facility and assure transparent trading, Vorvel Sim S.p.A. verifies the efficiency of the technological structure through precise and constant monitoring.

In detail, Vorvel Sim S.p.A.:

- verifies that Orders and Quotes are correctly matched;
- verifies the correctly matched between Quotes;
- verifies the correctly matched between Orders;
- verifies that the Participating Entities' connection to the system is working efficiently;
- verifies that the procedure for the transmission of information related to trading is working efficiently;
- verifies that post-trading procedures are working efficiently.

In the event of any malfunctions, Vorvel Sim S.p.A. decides for the action necessary for the normal conduct of trading to resume correctly and promptly.

If any technical malfunctions are ascertained, Vorvel Sim S.p.A. may intervene in trading in order to limit the effect of such problems or take the necessary action to ensure that trading continues in an orderly manner and that the market retains its integrity.

In particular, Vorvel Sim S.p.A. may require negotiations on the market and/or a Participating Entity to be suspended, at the same time considering the advisability of cancelling any offers on Vorvel.

Notice of the action taken is given promptly in the Market Information section and on Vorvel Sim S.p.A.'s website (www.vorvel.eu).

Chapter 2 **SUSPENSION, REMOVAL AND EXCLUSION OF SECURITIES FROM TRADING**

Article 59 **Suspension of securities from trading**

On the basis of a reasoned decision, Vorvel Sim S.p.A. may suspend a security from trading in order to ensure that trading on the security remains normal or if the continuation of negotiations may be of serious detriment to investors.

In taking a decision to suspend a security from trading, Vorvel Sim S.p.A. conducts an analysis of the situation, considering the following factors:

- bid-rigging on the part of the issuer;
- a declaration of insolvency and/or the initiation of insolvency proceedings involving the issuer;
- any suspension measure taken by a company managing any other market on which the security is listed;
- the transformation of the security's characteristics;
- the loss of one or more of the requirements for its admission to trading;
- as regards the securities referred to in Article 76 of these Regulations, any notice sent by Cassa di Compensazione e Garanzia regarding the possibility of their being guaranteed through the central counterparty guarantee system;
- information disclosed by the issuer, or information that the issuer fails to disclose, regarding the securities;
- the behaviours eventually carried out by participating subjects that are not consistent with a fair and regular execution of trades on the security.

Vorvel Sim S.p.A. will abide promptly by any Consob instruction to suspend a security from trading.

Notice of suspension measures is given promptly in an announcement published in the Market Information section and on Vorvel Sim S.p.A.'s website (www.vorvel.eu).

While the security is suspended, trading offers entered by participants in the Market will be rejected automatically.

A security may not be suspended from trading for more than 12 months; after this period has passed and the conditions for it to be re-admitted have not been satisfied, Vorvel Sim S.p.A. starts the procedure for its removal.

Article 60 Removal of securities from trading

On the basis of a reasoned decision, Vorvel Sim S.p.A. removes a security from trading if it has not been traded for a prolonged length of time and/or if the circumstances that led to its suspension become definitive.

In taking the decision to remove a security from trading, Vorvel Sim S.p.A. considers the following factors:

- repeated suspensions or serious anomalies;
- bid-rigging on the part of the issuer;
- a declaration of insolvency and/or the initiation of insolvency proceedings with regard to the issuer;
- any suspension measure taken by a company managing any other market on which the security is listed;
- information disclosed by the issuer, or information that the issuer fails to disclose, regarding the security;
- the non-negotiation of the financial instrument starting from the date of admission of the security;
- as regards the securities referred to in Article 76 of these Regulations, any notice sent by Cassa di Compensazione e Garanzia regarding the possibility of their being guaranteed through the central counterparty guarantee system;
- the loss of one or more of the requirements for its admission to trading.

Vorvel Sim S.p.A. gives prompt notice of the removal of a security in an announcement in the Market Information section and on Vorvel Sim S.p.A.'s website (www.vorvel.eu).

Article 61 **Request for exclusion of securities from trading by the Market Maker**

Market Makers can send to Vorvel a formal request for exclusion from the trading of a financial instrument.

The Market examines the request made by the Market Makers. Vorvel Sim S.p.A. may reject the request for exclusion if it is contrary to the interests of the market and investors.

Vorvel Sim S.p.A. in taking the decision regarding the acceptance of the request for exclusion of an instrument from trading, it also considers the number of Market Makers present on the financial instrument.

If there's only one Market Maker (who display Quotes) in relation to the financial instrument for which an application for exclusion has been submitted, the Market request the availability of other Market Makers to take over the obligations of the requesting one.

If there is no Market Maker willing to take over, the General Manager of Vorvel evaluated the possibility to list, the before mentioned financial instrument, on the "Vorvel Bonds O.D." segment.

In the event that Vorvel Sim S.p.A. do not reject the request received as previously reported, the exclusion will be granted in compliance with the following notice periods, which will be calculated starting from the publication on the website www.vorvel.eu of the corresponding notice:

- 7 calendar days in the case of financial instruments traded on other regulated markets or Italian multilateral systems;
- 15 calendar days in the case of financial instruments traded on other regulated markets or non-Italian multilateral systems;
- 30 calendar days in the case of financial instruments not traded on other regulated markets or multilateral systems (so-called "single listing").

The exclusion from liquidity obligations on a specific Financial Instrument entail, for this instrument, the termination of the corresponding market making agreement.

Vorvel Sim S.p.A. will provide a specific information published on own website, during this time frame the quotation in buy by the outgoing Market Maker is assured.

Vorvel Sim S.p.A. will promptly execute any Consob instructions regarding the exclusion of financial instruments from trading.

Chapter 3 **CONTROLS AND SANCTIONS**

Article 62 **General conditions**

Vorvel Sim S.p.A. may initiate the procedure described in this Chapter in order to assure the integrity of the market if it considers that a Participating Subject has acted in breach of the Regulations or of any other provisions specifically related to the market.

Article 63 **Market abuse**

Participating Subjects must see that their operations and those of their clients comply strictly with legal provisions on abuse of the market.

Participating Subjects must refrain from carrying out market manipulation activities and/or activities that, as such, may in any way harm market liquidity, and must do all in their power to see that their clients refrain from such activities.

In order to detect abuses of the market or activities that harm market liquidity, Vorvel Sim S.p.A. acts both:

- a) on its own initiative, in conformity to its own control procedures;
- b) on the basis of any warnings that it receives from Participating Subjects on their own initiative.

In order to detect manipulative activities that harm market liquidity, Vorvel Sim S.p.A. refers, in particular, to the behaviour of the Participating Entities; for example the company looks out for an indication of such activities in the form of more than one transaction being carried out for a temporary period on the same security at prices that are significantly mismatched (also with respect to the prices they are quoted at on reference markets). Other indications of activities that harm market liquidity, for example, are:

- a) transactions executed at short intervals on the same security in order to exploit temporary and significant price mismatches;
- b) transactions executed at short intervals on the same security taking advantage of the temporary and significant price mismatches compared to the markets in which the instrument is traded.

Vorvel Sim S.p.A. takes the measures required and acts as necessary to forestall abuses of the market and detect suspicious transactions.

Article 64 Specific controls

Vorvel Sim S.p.A. monitors the work done by the Participating Entities in order to check compliance with the provisions of the Regulations and, in general, with the rules for the functioning of the Market. To this end, as non-exhaustive examples, it may:

- ask operators for information or documents related to their activities on the Market;
- summon representatives of the operators in order to request further information regarding specific behaviour or situations.

If apparent breaches have been detected, the General Manager obtains the necessary material for examination and, in front of the Board of Wise Men, starts the investigation procedure set out in the following Article,

If an investigation procedure is started, the General Manager:

- in all cases immediately informs the Vorvel Sim S.p.A. Board of Directors and the entity concerned;
- if an abuse of the market is suspected, informs Consob immediately.

Article 65 Procedure for the investigation of a breach

After it has obtained all the necessary information, Vorvel Sim S.p.A. sends the Participating Entity subject to the procedure a written notice in which:

- the alleged breach is described;
- the subject concerned is set not fewer than 30 days to submit a written memorandum and/or request to be heard by the Board of Wise Men for a joint examination of the matter.

If the subject concerned submits a request to be heard by the Board of Wise Men or if the Board of Wise Men deems that such a hearing is necessary, Vorvel Sim S.p.A. sets a date and informs the entity concerned, which may attend through its legal representative or through a delegate and which also has the right to be assisted by its lawyer. If the entity does not attend the hearing without a valid justification, the Board of Wise Men proceeds on the basis of the available information and data. At the end of the hearing, at the request of the entity concerned, Vorvel Sim S.p.A. may give permission for a further memorandum to be filed within not more than 30 days after the date of the hearing.

Based on the information and data obtained the Board of Wise Men prepares a reasoned decision setting out the grounds for its proposal regarding a sanction against the entity concerned. The decision of the Board of Wise Men must be reached within 15 days after the hearing or any subsequent time limit granted in the event of permission being given for a further memorandum to be filed as mentioned in the paragraph above; or, finally, if a hearing has not been requested nor required by Vorvel Sim S.p.A., within 30 days after the expiry of the time limit specified in the first paragraph of this Article.

The decision of the Board of Wise Men is promptly notified to the entity concerned and to the company's Board of Directors for the imposition of sanctions if appropriate.

Article 66 Procedure for the imposition of sanctions

At the end of the procedure described in Article 63 above and at the proposal of the the Board of Wise Men, the Board of Directors of Vorvel Sim S.p.A. may take one or more of the measures below against the entity concerned, taking into account the seriousness of the breach and any other breaches committed during the preceding 24 months:

- a) a written reprimand;
- b) a financial penalty from 500 to 100,000 euro;
- c) suspension from trading on a security, a type of security or suspension from the Market;
- d) dismissal of the Participating Subject from the Market.

If one of the sanctions referred to in c) or d) is imposed, the measure adopted by Vorvel Sim S.p.A.'s Board of Directors must state its duration, which may, however, not exceed 6 months. These sanctions may be combined with the fine referred to in b).

The entity concerned may submit a short memorandum to the Vorvel Sim S.p.A. Board of Directors with its observations on the sanction within 10 days after being notified of the decision.

Within 30 days after the expiry of the time limit laid down above, Vorvel Sim S.p.A.'s Board of Directors passes a reasoned resolution confirming the sanction against the entity concerned.

The measure is promptly notified to the entity concerned, to the Board of Wise Men and, if Consob has been informed that an investigation into a breach has been started, to Consob too.

The notice of the measure must specify:

- the grounds for the decision to impose a sanction;
- whether the sanction is to be made public;
- the date on which it is to be made public, if the measure specifies a date;
- any time that the entity concerned is allowed in order to make the necessary changes to its organisational and/or technological processes, if the sanction has been imposed in connection with these processes;
- the amount of the fine if one has been imposed.

Vorvel Sim S.p.A.'s Board of Directors arranges for the sanction to be made public if:

- the entity concerned is a habitual offender;
- in cases c) and d) of the first paragraph of this Article.

Vorvel Sim S.p.A.'s Board of Directors arranges for sanctions to be made public, if this is envisaged, within the time specified in the sanction notice by means of an announcement in the Market Information section and on Vorvel Sim S.p.A.'s website (www.vorvel.eu).

Article 67 Appeals

Entities that have been notified of sanctions decisions made by the Vorvel Sim S.p.A. Board of Directors may appeal against the notice within 30 days after being notified by recourse to the arbitration procedure set out in the following Article.

An appeal does not suspend the sanction notice. Nevertheless, if there are serious reasons for doing so, the Board of Arbitration may order the suspension of the sanction pending its award.

Article 68 Arbitration clause

All disputes regarding the interpretation of and compliance with these Regulations, unless the disputes are specifically excluded from arbitration, and all appeals against measures adopted by Vorvel Sim S.p.A., shall be resolved by a Board of Arbitration, which shall reach its decision in formal proceedings and according to law. The arbitration proceedings shall take place at the head office of Vorvel Sim S.p.A. in Milan and shall be conducted in Italian. Arbitration proceedings may not start unless there has been previous recourse to the procedure before the Board of Wise Men described in Article 69.

The Board of Arbitration shall be composed of three members designated as follows:

- the party promoting the procedure serves a document on the other in which:
 - a) it states its intention to bring arbitration proceedings;
 - b) it specifies the subject of the dispute or appeal;
 - c) it names its arbitrator and requests the other party to do so;
- the party that has been notified as above designates its arbitrator within 20 days after receiving the document; if it does not do so, the provisions of Article 810, paragraph 2, of the Italian Code of Civil Procedure apply;
- the third arbitrator, who acts as Chairman, is appointed by the two arbitrators that have already been designated in agreement; if they do not agree, the third arbitrator is chosen by the President of the Chamber of Commerce of Milan.

Article 69 Board of Wise Men

The Collegio dei Probiviri – Board of Wise Men – is composed of three members appointed by Vorvel Sim S.p.A.'s Board of Directors, which also chooses its Chairman.

The Board of Wise Men sits at the Vorvel Sim S.p.A. head office.

The members of the Board of Wise Men are selected from among independent persons with proven experience in financial market matters.

They serve for 3 years and may be re-appointed twice at most. Should a member of the Board of Wise Men leave office before the end of his term of office, Vorvel Sim S.p.A.'s Board of Directors

fills the missing place on the Board of Wise Men by appointing a replacement, who serves until the Board's term of office ends.

The Board of Wise Men reach their decisions by a majority in accordance with the law and allowing open debate, within 30 days after being called. Decisions are notified to the parties promptly. The proceedings are held in Italian.

Decisions taken by the Board of Wise Men are not binding on the parties and if a party brings an arbitration proceeding in accordance with the provisions of these Regulations, they are not binding on the Arbitrators either; the Arbitrators retain the fullest rights and powers necessary for a total review of the dispute without any preclusion.

TITLE 7 TRADING

Chapter 1 DISCLOSURES

Article 70 Aims

Vorvel Sim S.p.A. arranges for the distribution of all information regarding trading conditions and the main market transactions in order to facilitate the taking of investment or disinvestment decisions.

Article 71 Information for the Market Makers

Vorvel provides Market Makers, in real time, with at least the following information in order for them to carry out their trading functions correctly:

- the trading Book with each buy and ask Quote and Order, specifying their quantities and prices;
- terms of trade (trading benchmarks, last contract, best buy and ask price, trades volumes);
- their position as regards executed Quotes and trades;
- total trades executed for each security, specifying the time, quantity and price of execution.

Article 72 Information for Direct Members, Direct Members “Gold” and Observer Members

Vorvel provides Direct Members and Direct Members “Gold” with the information specified in Article 71 in real time by means of an information flow.

It provides Observer Members with the same information.

Article 73 Information for the public

Pre-Trade

During trading, Vorvel provides the public with the following information regarding each security:

- the aggregate proposals and the volume represented by them, at every price level, for the five best levels of buy and sell prices;

Post-Trade

Vorvel, once executed a trade, provides, with a maximum delay of 15 minutes the following information:

- price, quantity, date and time of the last contract executed;
- number of contracts executed;
- total quantities and values traded;
- minimum and maximum prices of the trades executed;
- average weighted price

Within the beginning of the following day, for each traded financial instrument, are published the summary data of the previous trading day.

Within the third business day of each month, the following information is published for each security traded during the previous month:

- number of trades executed;
- total quantities and values traded;
- minimum and maximum prices of the trades executed;
- average weighted price about trades.

Vorvel Sim S.p.A. it also makes available on its website the “*information sheet*” relating to each financial instrument admitted to trading on the market.

Vorvel informs the public and the Participants of the market of the changes made to the list of Operators admitted to negotiation on Vorvel and the financial instruments traded, as a result of admissions, revocations and exclusions, through the IT structures and / or through the website www.vorvel.eu

Vorvel shows on its website the name of the Market Makers with the relative obligations for each financial instrument. The information referred to in this article will be published on the Vorvel Sim S.p.A. (www.vorvel.eu)

Vorvel spreads information on the functioning of the market through IT structures and / or through the website www.vorvel.eu.

Vorvel publishes data on the quality of execution of transactions on its website, as required by the Delegated Regulation (EU) 2017/575.

Vorvel Green Section:

The financial instruments of an ESG nature are included for reporting purposes in the Vorvel Green Section.

For the classification as green, social or sustainability bond or for other classifications that may be used, Vorvel Sim can refer to the classification:

- a) of the Issuer;
- b) of another Regulated Market or EU MTF;
- c) made public by associations or specialized international bodies of high standing, commonly followed by Operators in the field of sustainable finance.

Vorvel Sim does not carry out ESG classifications independently.

With a notice published on the website www.vorvel.eu, Vorvel Sim indicates the Regulated Markets, MTFs, associations and international bodies to which Vorvel Sim refers.

The list of financial tools included in the Vorvel Green Section are made available on the website www.vorvel.eu. The ESG classification is also made available for these financial instruments

Chapter 2 POST-TRADING SERVICES

Article 74 General conditions

Market segments are characterized by different Post-Trading systems.

The Vorvel Market Vorvel Bonds displays for each security the following settlement methods:

- automatic, the Market forwards the contracts to the X-TRM daily matching and correction service;
- manual, the Participant Subjects manage independently the settlement of transaction concluded on the Market.

The settlement services of financial instruments are services managed by:

- Monte Titoli (T2S)
- Euroclear and from Clearstream Banking Luxembourg.

Vorvel Sim S.p.A. provides each Participating Entity with a detailed daily report, in order to help them to control operations on the contracts executed on the Market, including the following information:

- Financial instrument Isin code
- Execution date and time
- Settlement Currency
- Transaction sign (buy/sell)
- Price
- Quantity
- Counterparty
- Prop. Trading vs Third Party Trading
- Settlement date
- Settlement amount

Vorvel Sim S.p.A. will levy the sanctions prescribed in these Regulations against Participating Subjects if it finds any anomalies for which the said Entities are to blame in the correct and efficient settlement of transactions.

Participating Subjects, therefore, must report any problem that is likely to give rise to such anomalies to Vorvel Sim S.p.A.

Contracts executed on the Market can only be cancelled by Vorvel Sim S.p.A., as stated by these Regulations. Vorvel contracts cancellation will also impact the settlement system.

Article 75 Arrangements for the checking, rectification, offsetting and settlement systems adopted by Vorvel Sim S.p.A.

Vorvel Sim S.p.A. sends the information necessary for settling contracts executed on the Market to the centralized management system. The times and manner of the transmission of the information are governed by arrangements made with each centralized management system.

Vorvel Sim S.p.A. decides what method to use to transmit the information to the centralized management system.

Checking and rectifying contracts and their subsequent settlement are carried out in accordance with arrangements made with each centralized management system.

In order to facilitate the work of checking and rectifying contracts executed on the Market, Vorvel Sim S.p.A. may use services dedicated to specific functions provided that they work in harmony with the centralized management systems.

As regards trades executed on the types of security referred to in Article 76, Cassa di Compensazione e Garanzia acts as central counterparty from the time that the contracts are executed on the Vorvel Market, to the effects laid down in CC&G Regulations.

The buy in and sell out procedures prescribed in the CC&G Regulations are applied in the interests of Direct Members, Direct Members “Gold” and Market Makers that have not been able to settle the contracts executed on the Vorvel Market, due to non-fulfilment by their market counterparties if the contracts are guaranteed by the central counterparty and guarantee system referred to in Article 76.

With regard to securities traded on Vorvel that cannot be guaranteed by CC&G, based on agreed contracts, Market Participants independently take care of sending, to the relevant centralized management systems, the information necessary to regulate the transactions concluded on the Market.

In this case, the terms, the manner in which the information is transmitted, the transfer of the information to the centralized management system, the receipt, the correction of the contracts and the subsequent liquidation follow the provisions agreed by the participants in Vorvel with the individual systems Centralized management.

Chapter 3 **CONTRACT GUARANTEES**

Article 76 **Central counterparty and guarantee system**

Vorvel Sim S.p.A. adopts a central counterparty guarantee system managed by Cassa di Compensazione e Garanzia S.p.A. for securities settled either on T2S or on the foreign ICSD's (International Central Securities Depositories).

Cassa di Compensazione e Garanzia (CC&G) operates in compliance with these Regulations and with the provisions of its own Regulations.

Chapter 4 **RECORDING TRANSACTIONS**

Article 77 **Recording transactions and offers**

All the contracts executed on Vorvel are recorded in a special database in which at least the following identifying data appear:

- contract identification number;
- time offer recorded;
- time transaction executed;
- code number of the security traded;
- quantity involved;
- unit price;
- particulars of the parties (seller and buyer);
- account: own or third party

Similarly, information regarding all Orders and Quotes entered by the Participating Subjects in Vorvel is also recorded.

TITLE 8 FINAL PROVISIONS

Article 78 Applicable law

These Regulations, the technical arrangements and the relations with the Participating Subjects in Vorvel are subject to and governed by Italian law.

TITLE 9 GLOSSARY

Direct Market Access

According to the contents of the "Definitions" pursuant to art. 4 paragraph 1 of the European Directive 2014/65/EU, is a "direct access to the market": an agreement under which a member of a trading venue or a participant or client allows a person to use their own code negotiation in order to electronically submit orders relating to a financial instrument directly to the trading venue and includes arrangements involving the use of the infrastructure of the member, participant or client, or any linking system provided by the member, participant or customer to send orders.

Market making agreement

Indicates the market making agreements that Vorvel Sim S.p.A. is required to offer, in accordance with the Delegated Regulation 2017/578 (EU), to the Participating Subjects that pursue a market making strategy in line with the typical activity carried out by the market makers of the Vorvel Market.

Direct Member

The Participating authorized Subject joining Vorvel and send Client Orders (for trading in third party).

Direct Member "Gold"

The Participating authorized Subject joining Vorvel and send Proprietary Orders on a limited number of financial instruments indicated by him.

Observer Member

The Participating Subject authorized to receive the same information flow as the Direct Member without being able to send Orders for trading on third party (Client Orders).

Direct or indirect adhesion to Cassa di Compensazione e Garanzia

Indicates participation in the Compensation and Guarantee System, in accordance with the Regulation of Cassa di Compensazione e Garanzia.

Settlement Agent

The subject (s) appointed by the Direct Member for the settlement of transactions concluded on Vorvel by the same Member.

General Manager

The General Manager of Vorvel Sim S.p.A.

Admission to trading

Means the admission of a security to trading on Vorvel.

Book or Trading Book

All the buy and ask trading proposals regarding a security, specifying their characteristics.

Buy-in

A request by a Member for the compulsory execution of one or more contracts executed on the Vorvel market when the securities have not been delivered.

Trading calendar

The days on which trading on Vorvel is allowed.

Cassa di Compensazione e Garanzia

Stands for Cassa di Compensazione e Garanzia S.p.A. (CC&G), which is the central counterparty guarantee system for the settlement of transactions on the securities traded on Vorvel.

Exceptional Circumstances

Indicate the cases governed by article 54 of these Regulations and established in article 4 of Delegated Regulation n. 578/2017/EU.

Central counterparty

Indicates Cassa di Compensazione e Garanzia S.p.A. (CC&G), designated as the central counterparty for the settlement of transactions on securities traded on Vorvel.

Board of Directors

The Vorvel Sim S.p.A. Board of Directors.

Circuit Breaker

Volatility management mechanism referred to in Article 19 of the Delegated Regulation (EU) 2017/584

Consob

The Italian Companies and Stock Exchange Commission.

CSD (Central Securities Depository)

Indicates the legal subject authorized to operate a securities settlement system, according to Regulation 2014/909 (EU)

Compliance Function

The Vorvel Sim S.p.A. Compliance Function supervises the observance of laws and regulations and the observance and correct application of internal procedures

Risk Management Function

The Risk Management Function collaborates in defining the risk management system, presides over the operation of the risk management system and verify its compliance by the intermediary and the subjects, verifies the adequacy and effectiveness of the measures taken to remedy the shortcomings found in the risk management system

Listing Function

The Listing Function has the task of verifying the eligibility requirements of financial instruments, in the context of the pre-listing activities; it also identifies highly tradable securities.

Monitoring and Market Supervision Function

The duty of the Vorvel Sim S.p.A. Monitoring and Market Supervision Function is to ensure that the instructions issued by Vorvel Sim are applied and obeyed. In this framework, it carries out all the activities related to and necessary for the smooth and efficient functioning of the Market.

Operations Function

The Vorvel Sim S.p.A. Function responsible for IT activities and for the organization and management of Vorvel, also responsible for preparing and updating internal procedures in the light of current legislation.

Market trading day

Means a day on which the Vorvel market is open for trading.

Vorvel Sim S.p.A. (Vorvel Sim)

The Company that organizes and manages the multilateral trading facility named Vorvel

Agent Intermediary

The Participant in the Market, authorized to place proposals for sale at the fixed offer price, both in continuous negotiation phase and during the auction phase.

Trading batch

The minimum quantity and its multiples negotiable on Vorvel for each financial instrument

Market Maker

The Subject participating in Vorvel that assumes the obligation, on a continuing basis, to display both bid and ask quotations (Quotes) regarding securities traded on Vorvel.

Vorvel Market

The multilateral trading facility market managed by Vorvel Sim S.p.A.

Regulated market

A regulated market as defined by the Community and domestic legislation governing the matter.

Algorithmic trading

Pursuant to the contents of the "Definitions" according to art. 4 paragraph 1 of the European Directive 2014/65/EU is a negotiation of financial instruments in which a computerized algorithm automatically determines the individual parameters of orders, such as whether to initiate the order, timing, price or quantity of the order or how to manage the order after its presentation, with minimal or no human intervention and does not include the systems used solely to transmit orders to one or more trading venues, to process orders that do not involve the determination of trading parameters, to confirm orders or to perform post-trade processing of the operations performed.

High frequency algorithmic trading

In accordance with the contents of the "Definitions" pursuant to art. 4 paragraph 1 of the European Directive 2014/65/EU is an algorithmic negotiation technique characterized by:

- a) infrastructures designed to minimize network and other latencies, including at least one of the algorithmic ordering facilities: co-location, proximity hosting or high-speed direct electronic access;
- b) determination by the system of the initialization, generation, transmission or execution of the order without human intervention for the individual order or negotiation
- c) high intraday traffic of messages consisting of orders, quotations or cancellations.

Continuous trading

A method of trading involving entering and cancelling bid or ask quotes with the aim of executing contracts.

Bond or other debt security

A security that represents the debt capital of an issuer that guarantees the repayment of its nominal value on maturity.

Structured bond

A bond with an innovative process for calculating yield and/or the repayment of capital characterized by the presence within the structure of elements based on taking up positions in derivatives.

Subordinated bond

The financial instrument representative of the issuer's debt capital in which the payment of the coupons and the repayment of the capital depend on the preliminary satisfaction of the non-subordinated creditors.

Offering Circular

A prospectus drawn up in accordance with international standards for the distribution of securities abroad.

Market hours and phases

Indicates those adopted by Vorvel

Order

A request to buy or sell entered into the Vorvel system by a Direct Member, Direct Member "Gold" containing all the data necessary for trading and for displaying in the book.

Post-Trading

All the activities that take place after contracts on Vorvel have been executed

Temporal priority

The principle whereby, at the same price conditions, the first trade entered first on trading book is executed.

Trading proposal

Quotes or Orders placed on Vorvel

Limited proposal or with price limit proposal

A trading proposal entered on Vorvel specifying the maximum price at which it can be executed if it is a bid to buy or the minimum price at which it can be executed if it is an offer to sell.

Proposal without price limit or "Best" proposal

A negotiation proposal entered on Vorvel without indication of the price.

Minimum quantity

This is the minimum quantity of each security that the Market Maker is obliged to display during continuous trading hours in order to assure liquidity on Vorvel.

Compulsory Quote

A bid or ask price which is entered into the Vorvel system by a Market Maker and which is subjected to quotation obligations set by Vorvel Sim S.p.A.

Data sheet

The document that summarizes the main characteristics of the securities admitted for trading on Vorvel.

Sell out

A request by a Member for the compulsory execution of one or more contracts executed on the Vorvel market when cash has not been delivered in settlement of a trade.

Central counterparty guarantee system

It refers to the contracts executed on the Vorvel Market, for which the settlement through central counterparty is applicable, the guarantee system in which Cassa di Compensazione e Garanzia assumes the role of Central Counterparty. The Centralized Management System Indicates a system, or a set of connected systems, for the centralized management of financial instruments, such as

joint-stock companies authorized to exercise such activity according to Part III, Title II of the Testo Unico della Finanza or foreign systems subject to equivalent supervision

Participant Subjects

Indicates the Market Makers, Direct Members, Direct Members “Gold” and Intermediaries Agents. These parties, subjects to prudential supervision, as their nature, are recognized as a Qualified Counterparty.

Market volatility situation

Indicates the market situation in which Vorvel Sim S.p.A. provides the reduction of obligation of the Market Makers.

Sponsored Access

Mechanism by which an investment management firm that is a trading platform member or user, permits to specific clients (among which the eligible counterparts) the direct and electronic transmission of orders to a specified platform with the trading ID of the management firm himself, not letting orders to transit through the investment management firm’s electronic trading system.

Spread

The difference in price, expressed in percentage terms, between bid and ask prices.

Security

A financial instrument as defined in Article 1, paragraph 2, of the Testo Unico della Finanza (T.U.F.), traded on Vorvel.

T.U.F. or Consolidated Financial Services Law

Italian Legislative Decree n. 58 of 24 February 1998 as subsequently amended and added to.

Throttling

FTX market’s technological platform functionality that limits the transmission frequency of transactions from participating subjects to the market.

Tick

For each category of security admitted for trading on Vorvel, the smallest possible fluctuation in buy or ask prices.

Debt securitization notes

These are securities issued as a result of securitization transactions that envisage the utilization of both present and future receivables and other assets intended to satisfy rights embedded in the financial instrument issued and, if applicable, intended to cover the costs of the securitization transaction.

Guaranteed securities

The set of securities for which the contracts, executed on the Vorvel market, are subject to the guarantee system whereby Cassa di Compensazione e Garanzia acts as central counterparty.

Middle office unit

The Middle Office unit performs ex-post analysis to support first-level controls of Specialist Operators in order to monitor compliance with the obligations arising from this Regulation, from the applicable legislation, and to find inappropriate behavior on suspicious transactions that can represent market abuse.

X-TRM

Indicates the daily matching and correction service through which transactions involving financial instruments are sent to post-trading phase.