FINE FOODS & PHARMACEUTICALS N.T.M. S.P.A.

INTERNAL DEALING PROCEDURE

Updated on 8 May 2025

Introduction

This procedure (**Procedure**) defines the rules for Relevant Parties and those Closely Associated with them (as defined below), and for Fine Foods & Pharmaceuticals N.T.M. S.P.A. (**Fine Foods** or the **Company**), as defined below, to meet the disclosure obligations to the Company, Consob and the market about Relevant Transactions (as defined below), carried out directly or through third parties, involving financial instruments issued by Fine Foods or other related financial instruments.

The legal and regulatory framework of the above disclosure obligations (**Regulations**) is in Article 19 of Regulation (EU) no. 596/2014 of the European Parliament and Council of 16 April 2014, as amended and supplemented (**Market Abuse Regulation**), Delegated Regulation (EU) 2016/522 of the Commission of 17 December 2015 (**Delegated Regulation (EU) 2016/52**2) and Implementing Regulation (EU) 2016/523 of the Commission of 10 March 2016 (**Implementing Regulation (EU) 2016/523**), in Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Financial Intermediation - **TUF**) and the Regulation adopted by Consob with Resolution no. 11971 of 14 May 1999 (**Regulation 11971/1999**).

For matters not expressly provided for in this Procedure, please refer to applicable legal and regulatory provisions.

Article 1
Definitions

1. In addition to the terms defined in other parts of this Procedure, those indicated below have the following meanings:

   Shares or **Fine Foods Shares**: Company's ordinary shares listed on Euronext STAR Milan, organised and managed by Borsa Italiana S.p.A.

   Board of Statutory Auditors: the Company Board of Statutory Auditors in office.

   Board of Directors: the Company Board of Directors in office.

   Control, Controlling or Subsidiary: has the meaning outlined in Art. 2359 of the Italian Civil Code and Art. 93 of TUF.

   Execution Date: is the date when:

   (a) the securities purchase, sale, exchange or lending or repurchase contract was executed;

   (b) the allocation of Financial Instruments (as defined below) due following the exercise of listed and unlisted instruments which attribute the right to subscribe, purchase or sell Shares, and the exercise of the conversion right connected to convertible bonds, including *cum warrants*, was executed;

   (c) the assignment of Financial Instruments following the execution of capital transactions was carried out.

   Inside Information: under Art. 7, paragraph 1, letter a) of the Market Abuse Regulation, is precise information, which has not been made public, and directly or indirectly relates to the Company or one of its Subsidiaries or one or more Company Financial Instruments, and which, if made public, would be likely to have a significant effect on the prices of such Financial Instruments.

   For definition purposes:

   - information is "*precise*" if:

(a) it refers to circumstances that exist or might happen or an event which has occurred or might occur; and

(b) it is specific enough to allow conclusions to be drawn on the possible effect of the circumstances or event under (a) on the Financial Instruments' prices.

During a prolonged process that determines a certain circumstance or event, this circumstance or event and all the related steps between can be considered precise information. An intermediate step in a prolonged process is Inside Information if it meets the criteria set out in the "Inside Information" definition;

- *"If the information made public is likely to have a significant effect on the Financial Instruments' prices"* refers to information that a reasonable investor would likely use as part of their investment decisions.

Relevant Parties: under Art. 3, paragraph 1, point 25) of the Market Abuse Regulation:

(a) each member of the Board of Directors and Board of Statutory Auditors;

(b) each Company top manager who, although not a member of the bodies referred to in (a) above, has regular access to Inside Information relating directly or indirectly to the Company and has the power to take management decisions that may affect the Company's future development and prospects;

Relevant Transactions: transactions subject to disclosure under Article 2 of this Procedure carried out by, or on behalf of: Relevant Parties or those Closely Associated with them concerning Fine Foods Shares or other related Financial Instruments (including transactions covered by Art. 19, paragraph 7 of the Market Abuse Regulation and Art. 10 of Delegated Regulation (EU) 2016/522), excluding transactions below € 20,000 (*twenty thousand*) by the end of the calendar year (**Relevant Amount**), or different amount defined by the Regulations. Once the Relevant Amount has been exceeded, the transactions subsequently carried out by the end of the year must be reported. The Relevant Amount is calculated by adding together, without adjustment, all Relevant Transactions carried out on behalf of each Relevant Party and those carried out on behalf of those Closely Associated with them. The Derivative Financial Instruments amount is calculated by referring to the underlying Financial Instruments.

Those Closely Associated with Relevant Parties: under Article 3, paragraph 1, point 26) of the Market Abuse Regulation, are the following:

(a) the spouse or a partner treated as a spouse under Italian law;

(b) dependent children under Italian law;

(c) a relative who has shared the same household for at least a year at the date of the Relevant Transaction;

(a) a legal person, trust or partnership with management responsibilities held by a Relevant Party or a Closely Associated Party falling within the categories referred to in letters a), b) or c) above, or directly or indirectly controlled by one of the above parties, or is constituted for their benefit, or whose financial interests are equivalent to the interests of one of the above parties.

SDIR *(Servizio per la diffusione dell'informativa regolamentata): "Service for the dissemination of regulated information"* under Consob regulations.

Appointed Manager: the Investor Relations function or other person identified by the Company's Board of Directors as responsible for receiving, managing and disclosing information on Relevant Transactions to the market.

Derivative Instruments: any financial instrument defined in Article 4, paragraph 1, point 44) letter c) of Directive 2014/65/EU and referred to in Annex I, Section C, points 4 to 10 of the Directive.

Financial Instruments: the Company's collective financial instruments listed on a regulated market, as defined in Article 4, paragraph 1 point 15) of Directive 2014/65/EU, including Shares.

Related Financial Instruments: financial instruments related to Fine Foods Shares as identified by the Regulations, specifically, those referred to in the *"Related Instruments"* definition in Art. 3, paragraph 2 of the Market Abuse Regulation;

Article 2
Disclosure obligations to Consob and Fine Foods

1. Under the Regulations, Relevant Parties and those Closely Associated with them must report Relevant Transactions carried out by them or others on their behalf

   (a) to Consob[1] **within 3 (three) working days** from the transactions' Execution Date (excluding Saturday, Sunday and any other public holidays);

   (b) to the Company's Appointed Manager (a) **within 3 (three) working days** starting from the Execution Date so that the Company may publish them on its website and using SDIR, **within 2 (two) working days** of receipt of the notification from the Relevant Parties or those Closely Associated with them (excluding Saturday, Sunday and any other public holidays).

2. The notifications to Consob under Art. 2.1.(a) above shall be made by Fine Foods, on behalf of the Relevant Party or those Closely Associated with them if they - also on behalf of those Closely Associated with them - conferred a special assignment to Fine Foods, under Article 4 below.

3. Relevant Parties:

   (a) acquire the information necessary to meet disclosure obligations under Articles 2.1. above from those Closely Associated with them if the latter do not do so directly;

   (b) notify those Closely Associated with them in writing of their obligations under the Regulations and keep a copy of the notification;

   (c) acquire from those Closely Associated with them the data necessary for inclusion in the list of Relevant Parties and those Closely Associated with them, kept by the Company under Article 6.1.(c) below.

Article 3
Notifications to Consob and public disclosure methods

1. If they do not use the option under Article 4 below, Relevant Parties and those Closely Associated with them shall make the disclosure referred to in Article 2.1. by sending Consob[2] the notification and

[1] See Article 3 below and Annex A to this Procedure for disclosure methods

[2] By certified email to consob@pec.consob.it (if the sender must have a certified email address) or email to protocollo@consob.it. Specify "Ufficio Informazione Mercati" (Market Information) as recipient and "MAR Internal Dealing" as subject.

disclosure form in the annex to the Implementing Regulation (EU) 2016/523 set out under letter A (**Annex A**) attached to this Procedure;

Article 4
Appointing Fine Foods to forward Relevant Transaction notifications to Consob

1. Relevant Parties (also on behalf of those Closely Associated with them, if authorised), may grant Fine Foods a mandate (**Assignment**) to notify Consob of the Relevant Transactions on behalf of the Relevant Parties or those Closely Associated with them within the deadlines.

2. The Assignment is given to Fine Foods by signing Section II of the Form attached to this Procedure under letter B (**Annex B**).

3. Relevant Parties who appointed Fine Foods shall inform the Company's Managing Director and the Appointed Manager for each Relevant Transaction that has reached the Relevant Amount, and which has been carried out by them or those Closely Associated with them **within 2 (two) working days** from the Execution Date to allow the Company to notify Consob within **3 (three) working days** from the Execution Date. This is without prejudice to the deadline for public disclosure by the Company referred to in the last sentence of Art. 2.1.(b);

4. The notification to Fine Foods under Art. 4.3 above shall be made by the Relevant Party by sending the form in **Annex A** to this Procedure, correctly completed, by e-mail and prior telephone notice to the Appointed Manager at the Company's e-mail address (ir@finefoods.it). The Appointed Manager will provide immediate acknowledgement of receipt, by e-mail to the address that the Relevant Party will provide.

   The Company Managing Director or Appointed Manager shall notify Consob on behalf of the Relevant Party or those Closely Associated with them, under the Regulations, of the transactions disclosed by the above parties no later than **3 (three) working days** from the transactions' Execution Date;

5. Without prejudice to applicable legal provisions and Article 7 below, Fine Foods shall not assume any liability for incorrect, incomplete or untimely disclosure of Relevant Transactions by the Relevant Parties or those Closely Associated with them. If there is any direct responsibility by the Relevant Parties or those Closely Associated with them, Fine Foods has the right to proceed against them for compensation for any damage suffered.

Article 5
Restrictions on transactions by Relevant Parties ("black-out periods")

1. Under Article 19, paragraph 11 of the Market Abuse Regulation, Relevant Parties may not carry out, on their own account or on behalf of third parties, direct or indirect transactions involving Fine Foods Financial Instruments and Related Financial Instruments during the 30 (*thirty*) calendar days preceding the announcement[3] of an interim or year-end financial report that the Company is required to make public under applicable laws and regulations (**Black-out period**).

[3]The day of the announcement is the 30th day of the Black-out period.

1. If the Company publishes preliminary data, the Black-out period only applies to the preliminary data publication date (and does not refer to the final data), provided that the preliminary data contains the main information that should be included in the final results.

2. The prohibition does not apply: (i) to exceptional situations of subjective necessity, to be assessed on a case-by-case basis, for example, serious financial difficulties requiring the immediate sale of shares or financial instruments other than shares; (ii) when due to the transactions' negotiation nature, where they are carried out simultaneously, or in connection with, employee share ownership plans, savings schemes, or employee incentive plans involving financial instruments other than shares, guarantees or rights to shares, or other financial instruments—or where the beneficial ownership of the security does not change; (iii) where the transaction or trading activity does not concern an active investment decision by a Relevant Party, or arises solely from external factors, third-party actions, or is a transaction or a negotiation including the exercise of rights attached to derivative instruments based on pre-established terms; (iv) to circumstances and conditions referred to in Article 9 of Delegated Regulation (EU) 2016/522 as set out in **Annex C** to this Procedure.

3. In addition to the provisions of paragraph 5.1 above, the Board of Directors, with a specific resolution, or the Company's Managing Director in urgent cases, may establish additional periods during which some or all Relevant Parties are prohibited or restricted from carrying out all or some of the transactions referred to in paragraph 1 above, for the time necessary, subject to prior written notice of the start and end date of the period to the parties referred to above and the Appointed Manager.

4. The Party involved must provide written justification of the transaction to the Company, describing it and the exceptional nature of the circumstances, explaining why the transaction cannot be carried out at any other time but during the Black-out period.

5. Circumstances are considered exceptional if they are extremely urgent, unforeseen and compelling, cannot be attributed to the Relevant Party and are beyond their control.

6. In examining whether the circumstances described in the written request are exceptional, the Board of Directors (or the Managing Director) assesses several indicators, and if and to which extent the Relevant Party:

    i. must fulfil a legally enforceable financial obligation or a claim at the time the request is submitted;

    ii. must fulfil or is in a situation created before the beginning of the Black-out period that requires the payment of an amount to a third party, including tax obligations, and such person cannot reasonably fulfil a financial obligation or fulfil a claim other than by immediately selling the Company's Financial Instruments.

Article 6
Disclosure-Subscription

1. The Appointed Manager shall:

    (a) notify the Relevant Parties in writing that they are subject to the obligations covered by the Procedure;

    (b) inform each Relevant Party in writing of the Procedure contents so that they:

(i) confirm that they have read and acquired full knowledge of the Procedure, by signing Section I of the Form set out in **Annex B**;

(ii) formalise any Appointment by signing Section II of the Form set out in **Annex B**;

(iii) send a written notification to those Closely Associated with them of the existence of the conditions under which they are bound to the disclosure obligations under the Regulations;

(iv) consent to the processing of personal data under applicable privacy laws;

(v) draw up and update the list of names of the Relevant Parties and those Closely Associated with them and keep the declarations of acknowledgment and acceptance of the Relevant Parties, and a record of notifications received and made to the market and Consob.

2. The Procedure is applicable to Relevant Parties even if they have not returned the notice of acknowledgement and acceptance referred to in paragraph 6.1(b) above to the Appointed Manager.

Article 7
Penalties

1. Failure to comply with the Procedure by the Relevant Parties that may result in non-compliance with applicable regulatory provisions by the Company, may result in the application of penalties to the Company under the Market Abuse Regulation and the TUF, and any additional legal and regulatory provisions.

2. If the Company incurs financial penalties for violation of the provisions on corporate disclosure resulting from non-compliance with the principles outlined in the Procedure or applicable laws or regulations, the Company shall act in recourse against the parties responsible for such violations, to obtain reimbursement of such penalties.

3. Violation of the provisions under this Procedure, even if it does not result in conduct sanctioned by the relevant judicial or supervisory authorities, may cause a significant damage to the Company and its reputation, with considerable financial consequences. The violation entitles the Company to claim compensation for damages from the perpetrator.

4. If the violation was committed by a Company director, they may not take part in the decision on penalties. If the Board of Directors' majority took part in the violation, the Board of Auditors will be responsible for taking the appropriate measures.

5. If the violation was committed by a Relevant Party or those Closely Associated with them and these are employees, this may result in a disciplinary offence and, in the most serious cases, dismissal.

Article 8
Amendments and additions

1. If the Procedure's provisions need to be amended based on applicable laws or regulations or requests from Borsa Italiana S.p.A., this can be done by the Managing Director with later ratification of the amendments by the Board of Directors.

2. The Appointed Manager shall promptly notify the Relevant Parties in writing of the amendments or additions to this Procedure and obtain their acceptance of the new contents in the manner outlined in Article 6 above. The notification shall specify the new or amended provisions' effective date.

* * * *

Annexes:

Annex A; Form to be used for disclosure by Relevant Parties and those Closely Associated with them of Relevant Transactions and related instructions for completion (Attached to Regulation 2016/523)

Annex B: Form for the declaration of acknowledgement of the Procedure and any Assignment under Article 4 of the Procedure.

Annex C: Regulatory reference.

ANNEX A

FORM FOR NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY RELEVANT PARTIES

1	**Details of the person discharging managerial responsibilities/person closely associated**	
a)	Name	*[For natural persons: the first name and the last name(s).]* *[For legal persons: full name including legal form as provided for in the register where it is incorporated, if applicable.]*
2	**Reason for the notification**	
a)	Position/status	*[For persons discharging managerial responsibilities: the position occupied within the issuer, emission allowances market participant/auction platform/auctioneer/auction monitor should be indicated, e.g. CEO, CFO.]* *[For persons closely associated,* *— An indication that the notification concerns a person closely associated with a person discharging managerial responsibilities;* *— Name and position of the relevant person discharging managerial responsibilities.]*
b)	Initial notification/ Amendment	*[Indication that this is an initial notification or an amendment to prior notifications. In case of amendment, explain the error that this notification is amending.]*
3	**Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor**	
a)	Name	*[Full name of the entity.]*
b)	LEI	*[Legal Entity Identifier code in accordance with ISO 17442 LEI code.]*
4	**Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted**	
a)	Description of the financial instrument, type of instrument Identification code	*[— Indication as to the nature of the instrument:* *— a share, a debt instrument, a derivative or a financial instrument linked to a share or a debt instrument;* *— an emission allowance, an auction product based on an emission allowance or a derivative relating to an emission allowance.* *— Instrument identification code as defined under Commission Delegated Regulation supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities adopted under Article 26 of Regulation (EU) No 600/2014.]*
b)	Nature of the transaction	*[Description of the transaction type using, where applicable, the type of transaction identified in Article 10 of the Commission Delegated Regulation (EU) 2016/522 [1] adopted under Article 19(14) of Regulation (EU) No 596/2014 or a specific example set out in Article 19(7) of Regulation (EU) No 596/2014.* *Pursuant to Article 19(6)(e) of Regulation (EU) No 596/2014, it shall be indicated whether the transaction is linked to the exercise of a share option programme.]*

c)	Price(s) and volume(s)	<table><tr><th>Price(s)</th><th>Volume(s)</th></tr><tr><td></td><td></td></tr></table> *[Where more than one transaction of the same nature (purchases, sales, lendings, borrows, …) on the same financial instrument or emission allowance are executed on the same day and on the same place of transaction, prices and volumes of these transactions shall be reported in this field, in a two columns form as presented above, inserting as many lines as needed.* *Using the data standards for price and quantity, including where applicable the price currency and the quantity currency, as defined under Commission Delegated Regulation supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities adopted under Article 26 of Regulation (EU) No 600/2014.]*
d)	Aggregated information — Aggregated volume — Price	*[The volumes of multiple transactions are aggregated when these transactions:* *— relate to the same financial instrument or emission allowance;* *— are of the same nature;* *— are executed on the same day; and* *— are executed on the same place of transaction.* *Using the data standard for quantity, including where applicable the quantity currency, as defined under Commission Delegated Regulation supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities adopted under Article 26 of Regulation (EU) No 600/2014.]* *[Price information:* *— In case of a single transaction, the price of the single transaction;* *— In case the volumes of multiple transactions are aggregated: the weighted average price of the aggregated transactions.* *Using the data standard for price, including where applicable the price currency, as defined under Commission Delegated Regulation supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities adopted under Article 26 of Regulation (EU) No 600/2014.]*
e)	Date of the transaction	*[Date of the particular day of execution of the notified transaction.* *Using the ISO 8601 date format: YYYY-MM-DD; UTC time.]*
f)	Place of the transaction	*[Name and code to identify the MiFID trading venue, the systematic internaliser or the organised trading platform outside of the Union where the transaction was executed as defined under Commission Delegated Regulation supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities adopted under Article 26 of Regulation (EU) No 600/2014, or* *if the transaction was not executed on any of the above mentioned venues, please mention 'outside a trading venue'.]*

(1) Commission Delegated Regulation (EU) 2016/522 of 17 December 2015 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards an exemption for certain third countries public bodies and central banks, the indicators of market manipulation, the disclosure thresholds, the competent authority for notifications of delays, the permission for trading during closed periods and types of notifiable managers' transactions (see page 1 of this Official Journal).

ANNEX B

Form for the declaration of acknowledgement of the Procedure and any Assignment under Article 4 of the Procedure

Section I

To
Fine Foods & Pharmaceuticals N.T.M. S.p.A.
Via Berlino no. 39
24040 Zingonia-Verdellino (BG)

I, the undersigned _____ born in _____, on _____, resident in _____, Address _____ no. _____, in my capacity as _____(Relevant Party) of Fine Foods & Pharmaceuticals N.T.M. S.p.A.

declare and certify

- that I have received a copy of the "Internal Dealing Procedure" adopted by Fine Foods & Pharmaceuticals N.T.M. S.p.A. (**Procedure**), that I have read and accept its contents in full and without reservation;
- that I am aware that I have been included in the list of Relevant Parties under Article 1 of the Procedure and I am subject to the disclosure obligations under the Procedure and applicable Regulations (as defined in the Procedure);
- that I undertake to comply with the obligations under the Procedure, including informing those Closely Associated with me, as defined in Article 1 of the Procedure, of their obligations under applicable Regulations.

I specify

- the following names of those Closely Associated with me who have received a copy of the Procedure and been informed of their obligations under the Procedure:

Name and surname / Company name	Relationship	Telephone number	E-mail address

Place and date _____

Signature _____

I declare that I have received the following information from Fine Foods & Pharmaceuticals N.T.M. S.p.A. and undertake to provide, if required, a copy to those Closely Associated with me, as defined in Article 1 of the Procedure:

PRIVACY POLICY

Under Article 13 of the European General Data Protection Regulation no. 679/2016 (**GDPR**) and relating to your personal data you provided under the "Internal Dealing Procedure" (**Procedure**), we inform you of the following:

1. The processing of your personal data will take place for Procedure purposes under legal obligations.

2. The processing will be carried out also using electronic or automated means.

3. Providing personal data under the Procedure is mandatory.

4. Your personal data will be disclosed, under Regulation (EU) 596/2014 of the European Parliament and Council of 16 April 2014, Legislative Decree no. 58 of 24 February 1998 and the Regulation adopted by Consob with Resolution no. 11971 of 14 May 1999 and subsequent amendments and additions, to Consob and the public.

5. You have the right to know what data is held about you by the Data Controller and how it is used. You may exercise your rights as a data subject under Articles 15 et seq. of the GDPR. To exercise your rights, and for detailed information about the subjects or categories of subjects who treat your data as data processors or those in charge, you may send a written notice to the Data Controller Fine Foods & Pharmaceuticals N.T.M. S.p.A. – Via Enrico Conti, 5 – 50018 Scandicci (FI).

6. The Data Controller is Fine Foods & Pharmaceuticals N.T.M. S.p.A. – Via Berlino no. 39 - 24040 Zingonia-Verdellino (BG).

Fine Foods & Pharmaceuticals N.T.M. S.p.A.

Section II
(Applicable to Relevant Parties under the Procedure)

I declare the following:

- I appoint Fine Foods & Pharmaceuticals N.T.M. S.p.A. (**Fine Foods**) under Article 4 et seq. of the Procedure so that it may carry out, on my behalf and on behalf of those Closely Associated with me, upon their express authorisation, under the Procedure conditions and terms, the notification to Consob and the public of the Relevant Transactions carried out by me and those Closely Associated with me, under the Fine Foods "Internal Dealing Procedure" (**Procedure**);
- I undertake to notify Fine Foods, under Art. 4.3 of the Procedure, of any Relevant Transaction that has reached the Relevant Amount, carried out by me or on my behalf, or by those Closely Associated with me or on their behalf, **within 2 (two) working days**, starting from the Execution Date, by correctly completing and sending the form in Annex A to the Procedure to the Appointed Manager;
- the Appointment is valid from the date of receipt by Fine Foods of this Form until it is terminated by me or Fine Foods, by written notification **at least 5 (five) working days** before the termination date;
- Fine Foods may deem this Appointment terminated immediately, without any notice, if I fail to comply with the above terms and conditions and notification methods under the Procedure;
- for anything not provided for in this Form, the Procedure shall apply.

Place and date _____

Signature _____

ANNEX C

REGULATION (EU) No 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 16 April 2014

on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC

(...)

Article 1

Subject matter

This Regulation establishes a common regulatory framework on insider dealing, the unlawful disclosure of inside information and market manipulation (market abuse) as well as measures to prevent market abuse to ensure the integrity of financial markets in the Union and to enhance investor protection and confidence in those markets.

Article 2

Scope

1. This Regulation applies to the following:

(a) financial instruments admitted to trading on a regulated market or for which a request for admission to trading on a regulated market has been made;

(b) financial instruments traded on an MTF, admitted to trading on an MTF or for which a request for admission to trading on an MTF has been made;

(c) financial instruments traded on an OTF;

(d) financial instruments not covered by point (a), (b) or (c), the price or value of which depends on or has an effect on the price or value of a financial instrument referred to in those points, including, but not limited to, credit default swaps and contracts for difference

This Regulation also applies to behaviour or transactions, including bids, relating to the auctioning on an auction platform authorised as a regulated market of emission allowances or other auctioned products based thereon, including when auctioned products are not financial instruments, pursuant to Regulation (EU) No 1031/2010. Without prejudice to any specific provisions referring to bids submitted in the context of an auction, any requirements and prohibitions in this Regulation referring to orders to trade shall apply to such bids.

2. Articles 12 and 15 also apply to:

(a) spot commodity contracts, which are not wholesale energy products, where the transaction, order or behaviour has or is likely or intended to have an effect on the price or value of a financial instrument referred to in paragraph 1;

(b) types of financial instruments, including derivative contracts or derivative instruments for the transfer of credit risk, where the transaction, order, bid or behaviour has or is likely to have an effect on the price or value of a spot commodity contract where the price or value depends on the price or value of those financial instruments; and

(c) behaviour in relation to benchmarks

3. This Regulation applies to any transaction, order or behaviour concerning any financial instrument as referred to in paragraphs 1 and 2, irrespective of whether or not such transaction, order or behaviour takes place on a trading venue.

4. The prohibitions and requirements in this Regulation shall apply to actions and omissions, in the Union and in a third country, concerning the instruments referred to in paragraphs 1 and 2.

Article 3

Definitions

1. For the purposes of this Regulation, the following definitions apply:

(1) 'financial instrument' means a financial instrument as defined in point (15) of Article 4(1) of Directive 2014/65/EU;

(...)

21) 'issuer' means a legal entity governed by private or public law, which issues or proposes to issue financial instruments, the issuer being, in case of depository receipts representing financial instruments, the issuer of the financial instrument represented;

(...)

25) 'person discharging managerial responsibilities' means a person within an issuer, an emission allowance market participant or another entity referred to in Article 19(10), who is:

(a) a member of the administrative, management or supervisory body of that entity; or

(b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to inside information relating directly or indirectly to that entity and power to take managerial decisions affecting the future developments and business prospects of that entity;

26) 'person closely associated' means:

(a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;

(b) a dependent child, in accordance with national law;

(c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or

(d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (a), (b) or (c), or which is directly or indirectly controlled by such a person, or which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person;

(...)

2. For the purposes of Article 5, the following definitions apply:

(a) 'securities' means:

(i) shares and other securities equivalent to shares;

(ii) bonds and other forms of securitised debt; or

(iii) securitised debt convertible or exchangeable into shares or into other securities equivalent to shares.

(b) 'associated instruments' means the following financial instruments, including those which are not admitted to trading or traded on a trading venue, or for which a request for admission to trading on a trading venue has not been made:

(i) contracts or rights to subscribe for, acquire or dispose of securities;

(ii) financial derivatives of securities;

(iii) where the securities are convertible or exchangeable debt instruments, the securities into which such convertible or exchangeable debt instruments may be converted or exchanged;

(iv) instruments which are issued or guaranteed by the issuer or guarantor of the securities and whose market price is likely to materially influence the price of the securities, or vice versa;

(v) where the securities are securities equivalent to shares, the shares represented by those securities and any other securities equivalent to those shares;

(...)

Article 19

Managers' transactions

1. Persons discharging managerial responsibilities, as well as persons closely associated with them, shall notify the issuer or the emission allowance market participant and the competent authority referred to in the second subparagraph of paragraph 2:

(a) in respect of issuers, of every transaction conducted on their own account relating to the shares or debt instruments of that issuer or to derivatives or other financial instruments linked thereto;

(b) in respect of emission allowance market participants, of every transaction conducted on their own account relating to emission allowances, to auction products based thereon or to derivatives relating thereto.

Such notifications shall be made promptly and no later than three business days after the date of the transaction.

The first subparagraph applies once the total amount of transactions has reached the threshold set out in paragraph 8 or 9, as applicable, within a calendar year.

1.a. The notification obligation referred to in paragraph 1 shall not apply to transactions in financial instruments linked to shares or to debt instruments of the issuer referred to in that paragraph where at the time of the transaction any of the following conditions is met:

(a) the financial instrument is a unit or share in a collective investment undertaking in which the exposure to the issuer's shares or debt instruments does not exceed 20 % of the assets held by the collective investment undertaking;

(b) the financial instrument provides exposure to a portfolio of assets in which the exposure to the issuer's shares or debt instruments does not exceed 20 % of the portfolio's assets;

(c) the financial instrument is a unit or share in a collective investment undertaking or provides exposure to a portfolio of assets and the person discharging managerial responsibilities or person closely associated with such a person does not know, and could not know, the investment composition or exposure of such collective investment undertaking or portfolio of assets in relation to the issuer's shares or debt instruments, and furthermore there is no reason for that person to believe that the issuer's shares or debt instruments exceed the thresholds in point (a) or (b).

If information regarding the investment composition of the collective investment undertaking or exposure to the portfolio of assets is available, then the person discharging managerial responsibility or person closely associated with such a person shall make all reasonable efforts to avail themselves of that information.

2. For the purposes of paragraph 1, and without prejudice to the right of Member States to provide for notification obligations other than those referred to in this Article, all transactions conducted on the own account of the persons referred to in paragraph 1, shall be notified by those persons to the competent authorities.

The rules applicable to notifications, with which persons referred to in paragraph 1 must comply, shall be those of the Member State where the issuer or emission allowance market participant is registered. Notifications shall be made within three working days of the transaction date to the competent

authority of that Member State. Where the issuer is not registered in a Member State, the notification shall be made to the competent authority of the home Member State in accordance with point (i) of Article 2(1) of Directive 2004/109/EC or, in the absence thereof, to the competent authority of the trading venue

3. The issuer or emission allowance market participant shall make public the information contained in a notification referred to in paragraph 1 within two business days of receipt of such a notification.

The issuer or emission allowance market participant shall use such media as may reasonably be relied upon for the effective dissemination of information to the public throughout the Union, and, where applicable, it shall use the officially appointed mechanism referred to in Article 21 of Directive 2004/109/EC.

Alternatively, national law may provide that a competent authority may itself make public the information.

4. This Article shall apply to issuers who:

(a) have requested or approved admission of their financial instruments to trading on a regulated market; or

(b) in the case of an instrument only traded on an MTF or an OTF, have approved trading of their financial instruments on an MTF or an OTF or have requested admission to trading of their financial instruments on an MTF.

5. Issuers and emission allowance market participants shall notify the person discharging managerial responsibilities of their obligations under this Article in writing. Issuers and emission allowance market participants shall draw up a list of all persons discharging managerial responsibilities and persons closely associated with them.

Persons discharging managerial responsibilities shall notify the persons closely associated with them of their obligations under this Article in writing and shall keep a copy of this notification.

6. A notification of transactions referred to in paragraph 1 shall contain the following information:

(a) the name of the person;

(b) the reason for the notification;

(c) the name of the relevant issuer or emission allowance market participant;

(d) a description and the identifier of the financial instrument;

(e) the nature of the transaction(s) (e.g. acquisition or disposal), indicating whether it is linked to the exercise of share option programmes or to the specific examples set out in paragraph 7;

(f) the date and place of the transaction(s); and

(g) the price and volume of the transaction(s). In the case of a pledge whose terms provide for its value to change, this should be disclosed together with its value at the date of the pledge.

7. For the purposes of paragraph 1, transactions that must be notified shall also include:

(a) the pledging or lending of financial instruments by or on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1;

(b) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1, including where discretion is exercised;

(c) transactions made under a life insurance policy, defined in accordance with Directive 2009/138/EC of the European Parliament and of the Council, where:

(i) the policyholder is a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1,

(ii) the investment risk is borne by the policyholder, and

(iii) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy.

For the purposes of point (a), a pledge, or a similar security interest, of financial instruments in connection with the depositing of the financial instruments in a custody account does not need to be notified, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility.

For the purposes of point (b), transactions executed in shares or debt instruments of an issuer or derivatives or other financial instruments linked thereto by managers of a collective investment undertaking in which the person discharging managerial responsibilities or a person closely associated with them has invested do not need to be notified where the manager of the collective investment undertaking operates with full discretion, which excludes the manager receiving any instructions or suggestions on portfolio composition directly or indirectly from investors in that collective investment undertaking.

Insofar as a policyholder of an insurance contract is required to notify transactions according to this paragraph, an obligation to notify is not incumbent on the insurance company.

8. Paragraph 1 shall apply to any subsequent transaction once a total amount of EUR 20,000 has been reached within a calendar year. The threshold of EUR 20,000 shall be calculated by adding without netting all transactions referred to in paragraph 1.

9. A competent authority may decide to increase the threshold set out in paragraph 8 to EUR 50,000 or to reduce it to EUR 10,000 and shall inform ESMA of its decision and the justification for its decision, with specific reference to market conditions, to adopt the higher threshold prior to its application. ESMA shall publish on its website the list of thresholds that apply in accordance with this Article and the justifications provided by competent authorities for such thresholds.

10. This Article shall also apply to transactions by persons discharging managerial responsibilities within any auction platform, auctioneer and auction monitor involved in the auctions held under Regulation (EU) No 1031/2010 and to persons closely associated with such persons in so far as their transactions involve emission allowances, derivatives thereof or auctioned products based thereon. Those persons shall notify their transactions to the auction platforms, auctioneers and auction monitor, as applicable, and to the competent authority where the auction platform, auctioneer or auction monitor, as applicable, is registered. The information that is so notified shall be made public by the auction platforms, auctioneers, auction monitor or competent authority in accordance with paragraph 3.

11. Without prejudice to Articles 14 and 15, a person discharging managerial responsibilities within an issuer shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the shares or debt instruments of the issuer or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the issuer is obliged to make public according to:

(a) the rules of the trading venue where the issuer's shares are admitted to trading; or

(b) national law.

12. Without prejudice to Articles 14 and 15, an issuer may allow a person discharging managerial responsibilities within it to trade on its own account or for the account of a third party during a closed period as referred to in paragraph 11 either of this article:

(a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares or financial insturments other than shares; or

(b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme and employees' schemes concerning financial instruments other than shares, qualification or entitlement of shares and qualifications or entitlements of financial instruments other than shares, or transactions where the beneficial interest in the relevant security does not change.

12.bis Without prejudice to Articles 14 and 15, an issuer shall allow a person discharging managerial responsibilities within it to trade or to make transactions on its own account or for the account of a third party during a closed period as referred to in paragraph 11 of this Article in the case of transactions or trade activities that do not relate to active investment decisions undertaken by the person discharging managerial responsibilities, or that result exclusively from external factors or actions of third parties, or that are transactions or trade activities, including the exercise of derivatives, based on predetermined terms.

13. The Commission shall be empowered to adopt delegated acts in accordance with Article 35 specifying the circumstances under which trading during a closed period may be permitted by the issuer, as referred to in paragraph 12, including the circumstances that would be considered as exceptional and the types of transaction that would justify the permission for trading.

14. The Commission shall be empowered to adopt delegated acts in accordance with Article 35, specifying types of transactions that would trigger the requirement referred to in paragraph 1.

15. In order to ensure uniform application of paragraph 1, ESMA shall develop draft implementing technical standards concerning the format and template in which the information referred to in paragraph 1 is to be notified and made public.

ESMA shall submit those draft implementing technical standards to the Commission by 3 July 2015.

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.

(...)

CHAPTER 5

Administrative measures and sanctions

Article 30

Administrative sanctions and other administrative measures

1. Without prejudice to any criminal sanctions and without prejudice to the supervisory powers of competent authorities under Article 23, Member States shall, in accordance with national law, provide for competent authorities to have the power to take appropriate administrative sanctions and other administrative measures in relation to at least the following infringements:

(a) infringements of Articles 14 and 15, Article 16(1) and (2), Article 17(1), (2), (4) and (5), and (8), Article 18(1) to (6), Article 19(1), (2), (3), (5), (6), (7) and (11) and Article 20(1); and

(b) failure to cooperate or to comply with an investigation, with an inspection or with a request as referred to in Article 23(2).

Member States may decide not to lay down rules for administrative sanctions as referred to in the first subparagraph where the infringements referred to in point (a) or point (b) of that subparagraph are already subject to criminal sanctions in their national law by 3 July 2016. Where they so decide, Member States shall notify, in detail, to the Commission and to ESMA, the relevant parts of their criminal law.

By 3 July 2016, Member States shall notify, in detail, the rules referred to in the first and second subparagraph to the Commission and to ESMA. They shall notify the Commission and ESMA without delay of any subsequent amendments thereto.

2. Member States shall, in accordance with national law, ensure that competent authorities have the power to impose at least the following administrative sanctions and to take at least the following administrative measures in the event of the infringements referred to in point (a) of the first subparagraph of paragraph 1:

(a) an order requiring the person responsible for the infringement to cease the conduct and to desist from a repetition of that conduct;

(b) the disgorgement of the profits gained or losses avoided due to the infringement insofar as they can be determined;

(c) a public warning which indicates the person responsible for the infringement and the nature of the infringement;

(d) withdrawal or suspension of the authorisation of an investment firm;

(e) a temporary ban of a person discharging managerial responsibilities within an investment firm or any other natural person, who is held responsible for the infringement, from exercising management functions in investment firms;

(f) in the event of repeated infringements of Article 14 or 15, a permanent ban of any person discharging managerial responsibilities within an investment firm or any other natural person who is held responsible for the infringement, from exercising management functions in investment firms;

(g) a temporary ban of a person discharging managerial responsibilities within an investment firm or another natural person who is held responsible for the infringement, from dealing on own account;

(h) maximum administrative pecuniary sanctions of at least three times the amount of the profits gained or losses avoided because of the infringement, where those can be determined;

(i) in respect of a natural person, maximum administrative pecuniary sanctions of at least:

  (i) for infringements of Articles 14 and 15, EUR 5.000.000 or in the Member States whose currency is not the euro, the corresponding value in the national currency on 2 July 2014;

  (ii) for infringements of Articles 16 and 17, EUR 1.000.000 or in the Member States whose currency is not the euro, the corresponding value in the national currency on 2 July 2014; and

  (iii) for infringements of Articles 18, 19 and 20, EUR 500.000 or in the Member States whose currency is not the euro, the corresponding value in the national currency on 2 July 2014; and

(j) in respect of legal persons, maximum administrative pecuniary sanctions of at least:

  (i) for infringements of Articles 14 and 15, EUR 15.000.000 or 15% of the total annual turnover of the legal person according to the last available accounts approved by the management body, or in the Member States whose currency is not the euro, the corresponding value in the national currency on 2 July 2014;

  (ii) for infringements of Articles 16 and 17, EUR 2.500.000 or 2% of its total annual turnover according to the last available accounts approved by the management body, or in the Member States whose currency is not the euro, the corresponding value in the national currency on 2 July 2014; and

(iii) for infringements of Articles 18, 19 and 20, EUR 1.000.000 or in the Member States whose currency is not the euro, the corresponding value in the national currency on 2 July 2014.

References to the competent authority in this paragraph are without prejudice to the ability of the competent authority to exercise its functions in any ways referred to in Article 23(1).

For the purposes of points (j)(i) and (ii) of the first subparagraph, where the legal person is a parent undertaking or a subsidiary undertaking which is required to prepare consolidated financial accounts pursuant to Directive 2013/34/EU, the relevant total annual turnover shall be the total annual turnover or the corresponding type of income in accordance with the relevant accounting directives – Council Directive 86/635/EEC for banks and Council Directive 91/674/EEC for insurance companies – according to the last available consolidated accounts approved by the management body of the ultimate parent undertaking.

3. Member States may provide that competent authorities have powers in addition to those referred to in paragraph 2 and may provide for higher levels of sanctions than those established in that paragraph.

Article 31

Exercise of supervisory powers and imposition of sanctions

1. Member States shall ensure that when determining the type and level of administrative sanctions, competent authorities take into account all relevant circumstances, including, where appropriate:

(a) the gravity and duration of the infringement;

(b) the degree of responsibility of the person responsible for the infringement;

(c) the financial strength of the person responsible for the infringement, as indicated, for example, by the total turnover of a legal person or the annual income of a natural person;

(d) the importance of the profits gained or losses avoided by the person responsible for the infringement, insofar as they can be determined;

(e) the level of cooperation of the person responsible for the infringement with the competent authority, without prejudice to the need to ensure disgorgement of profits gained or losses avoided by that person;

(f) previous infringements by the person responsible for the infringement; and

(g) measures taken by the person responsible for the infringement to prevent its repetition.

2. In the exercise of their powers to impose administrative sanctions and other administrative measures under Article 30, competent authorities shall cooperate closely to ensure that the exercise of their supervisory and investigative powers, and the administrative sanctions that they impose, and the other administrative measures that they take, are effective and appropriate under this Regulation. They shall coordinate their actions in accordance with Article 25 in order to avoid duplication and overlaps when exercising their supervisory and investigative powers and when imposing administrative sanctions in respect of cross-border cases.

(...)

COMMISSION DELEGATED REGULATION (EU) 2016/522 of 17 December 2015 supplementing Regulation (EU) No 596/2014 of the Euroopean Parliament and of the Council as regards an exemption for certain third countries public bodies and central banks, the indicators of market manipulation, the disclosure thresholds, the competent authority for notifications of delays, the permission for trading during closed periods and types of notifiable managers' transactions

(...)

Article 7

Trading during a closed period

1. A person discharging managerial responsibilities within an issuer shall have the right to conduct trading during a closed period as defined under Article 19(11) of Regulation (EU) No 596/2014 provided that the following conditions are met:

(a) one of the circumstances referred to in Article 19(12) of Regulation (EU) No 596/2014 is met;

(b) the person discharging managerial responsibilities is able to demonstrate that the particular transaction cannot be executed at another moment in time than during the closed period.

2. In the circumstances set out in Article 19(12)(a) of Regulation (EU) No 596/2014, prior to any trading during the closed period, a person discharging managerial responsibilities shall provide a reasoned written request to the issuer for obtaining the issuer's permission to proceed with immediate sale of shares of that issuer during a closed period.

The written request shall describe the envisaged transaction and provide an explanation of why the sale of shares is the only reasonable alternative to obtain the necessary financing.

Article 8

Exceptional circumstances

1. When deciding whether to grant permission to proceed with immediate sale of its shares during a closed period, an issuer shall make a case-by-case assessment of a written request referred to in Article 7(2) by the person discharging managerial responsibilities. The issuer shall have the right to permit the immediate sale of shares only when the circum- stances for such transactions may be deemed exceptional.

2. Circumstances referred to in paragraph 1 shall be considered to be exceptional when they are extremely urgent, unforeseen and compelling and where their cause is external to the person discharging managerial responsibilities and the person discharging managerial responsibilities has no control over them.

3. When examining whether the circumstances described in the written request referred to in Article 7(2) are exceptional, the issuer shall take into account, among other indicators, whether and to the extent to which the person discharging managerial responsibilities:

(a) is at the moment of submitting its request facing a legally enforceable financial commitment or claim;

(b) has to fulfil or is in a situation entered into before the beginning of the closed period and requiring the payment of sum to a third party, including tax liability, and cannot reasonably satisfy a financial commitment or claim by means other than immediate sale of shares.

Article 9

Characteristics of the trading during a closed period

The issuer shall have the right to permit the person discharging managerial responsibilities within the issuer to trade on its own account or for the account of a third party during a closed period, including but not limited to circumstances where that person discharging managerial responsibilities:

(a) had been awarded or granted financial instruments under an employee scheme, provided that the following conditions are met:

(i) the employee scheme and its terms have been previously approved by the issuer in accordance with national law and the terms of the employee scheme specify the timing of the award or the grant and the amount of financial instruments awarded or granted, or the basis on which such an amount is calculated and given that no discretion can be exercised;

(ii) the person discharging managerial responsibilities does not have any discretion as to the acceptance of the financial instruments awarded or granted;

(b) had been awarded or granted financial instruments under an employee scheme that takes place in the closed period provided that a pre-planned and organised approach is followed regarding the conditions, the periodicity, the time of the award, the group of entitled persons to whom the financial instruments are granted and the amount of financial instruments to be awarded, the award or grant of financial instruments takes place under a defined framework under which any inside information cannot influence the award or grant of financial instruments;

(c) exercises options or warrants or conversion of convertible bonds assigned to him under an employee scheme when the expiration date of such options, warrants or convertible bonds falls within a closed period, as well as sales of the shares acquired pursuant to such exercise or conversion, provided that all of the following conditions are met:

(i) the person discharging managerial responsibilities notifies the issuer of its choice to exercise or convert at least four months before the expiration date;

(ii) the decision of the person discharging managerial responsibilities is irrevocable;

(iii) the person discharging managerial responsibilities has received the authorisation from the issuer prior to proceed;

(d) acquires the issuer's financial instruments under an employee saving scheme, provided that all of the following conditions are met:

(i) the person discharging managerial responsibilities has entered into the scheme before the closed period, except when it cannot enter into the scheme at another time due to the date of commencement of employment;

(ii) the person discharging managerial responsibilities does not alter the conditions of his participation into the scheme or cancel his participation into the scheme during the closed period;

(iii) the purchase operations are clearly organised under the scheme terms and that the person discharging managerial responsibilities has no right or legal possibility to alter them during the closed period, or are planned under the scheme to intervene at a fixed date which falls in the closed period;

(e) transfers or receives, directly or indirectly, financial instruments, provided that the financial instruments are transferred between two accounts of the person discharging managerial responsibilities and that such a transfer does not result in a change in price of financial instruments;

(f) acquires qualification or entitlement of shares of the issuer and the final date for such an acquisition, under the issuer's statute or by-law falls during the closed period, provided that the person discharging managerial responsi- bilities submits evidence to the issuer of the reasons for the acquisition not taking place at another time, and the issuer is satisfied with the provided explanation.

Article 10

Notifiable transactions

1. Pursuant to Article 19 of Regulation (EU) No 596/2014 and in addition to transactions referred to in Article 19(7) of that Regulation, persons discharging managerial responsibilities within an issuer or an emission allowance market participant and persons closely associated with them shall notify the issuer or the emission allowance market participant and the competent authority of their transactions.

Those notified transactions shall include all transactions conducted by persons discharging managerial responsibilities on their own account relating, in respect of the issuers, to the shares or debt instruments of the issuer or to derivatives or other financial instruments linked thereto, and in respect of emission allowance market participants, to emission allowances, to auction products based thereon or to derivatives relating thereto.

2. Those notified transactions shall include the following:

(a) acquisition, disposal, short sale, subscription or exchange;

(b) acceptance or exercise of a stock option, including of a stock option granted to managers or employees as part of their remuneration package, and the disposal of shares stemming from the exercise of a stock option;

(c) entering into or exercise of equity swaps;

(d) transactions in or related to derivatives, including cash-settled transaction;

(e) entering into a contract for difference on a financial instrument of the concerned issuer or on emission allowances or auction products based thereon;

(f) acquisition, disposal or exercise of rights, including put and call options, and warrants;

(g) subscription to a capital increase or debt instrument issuance;

(h) transactions in derivatives and financial instruments linked to a debt instrument of the concerned issuer, including credit default swaps;

(i) conditional transactions upon the occurrence of the conditions and actual execution of the transactions;

(j) automatic or non-automatic conversion of a financial instrument into another financial instrument, including the exchange of convertible bonds to shares;

(k) gifts and donations made or received, and inheritance received;

(l) transactions executed in index-related products, baskets and derivatives, insofar as required by Article 19 of Regulation (EU) No 596/2014;

(m) transactions executed in shares or units of investment funds, including alternative investment funds (AIFs) referred to in Article 1 of Directive 2011/61/EU of the Euroopean Parliament and of the Council (1), insofar as required by Article 19 of Regulation (EU) No 596/2014;

(n) transactions executed by manager of an AIF in which the person discharging managerial responsibilities or a person closely associated with such a person has invested, insofar as required by Article 19 of Regulation (EU) No 596/2014;

(o) transactions executed by a third party under an individual portfolio or asset management mandate on behalf or for the benefit of a person discharging managerial responsibilities or a person closely associated with such a person;

(p) borrowing or lending of shares or debt instruments of the issuer or derivatives or other financial instruments linked thereto.

(...)

Legislative decree no. 58 of 24 february 1998

Article 193

Fines regarding corporate disclosures and the duties of auditors, statutory auditors and auditing firms

1. Unless the fact is an offence against companies, entities or associations held to make the disclosures contemplated by Articles 114 paragraphs 5, 7 and 9, 114-bis, 115, 116, paragraph 1-bis, 154-bis, 154-ter and 154-quater for non-compliance with the provisions of the said articles or the relative implementation provisions, one the following administrative sanctions are applied:

a) a public statement indicating the legal person responsible for the breach and the nature of the same, when it is characterised by low-level offence or danger and the infringement noted has ceased;

b) an order to eliminate the infringements charged, with possible indication of the measures to be adopted and of the term for compliance, and to refrain from repeating the offence, when the said infringements feature scarce offensiveness or danger;

c) a financial administrative sanction from Euro five thousand to Euro ten million, or up to five per cent of sales volume when that amount is more than Euro ten million and sales volume can be determined pursuant to Article 195, paragraph 1-bis.

1.1. If the disclosures indicated in paragraph 1 are required of a natural person, unless the fact is a criminal offence, in the event of infringement, one of the following administrative sanctions are applied against the said person:

a) a public statement indicating the person responsible for the breach and the nature of the same, when it is characterised by low-level offence or danger and the infringement noted has ceased;

b) an order to eliminate the infringements charged, with possible indication of the measures to be adopted and of the term for compliance, and to refrain from repeating the offence, when the said infringements feature scarce offensiveness or danger;

c) a financial administrative sanction from Euro five thousand to Euro two million.

1.2. For the breaches indicated under paragraph 1, the subjects who perform administrative, direction or control functions as well as the personnel, always if their behaviour has contributed to determining the said breach on the part of the legal person, are subjected, in the cases contemplated by Article 190-bis, paragraph 1, letter a), to the administrative sanctions contemplated by paragraph 1.1.

1-bis. ...omissis...

1-ter. ...omissis...

1-quater. The same sanctions indicated under paragraphs 1, 1.1 and 1.2 are applied,, in cases of failure to observe the enactment provisions issued by CONSOB pursuant to article 113-ter, paragraph 5, paragraphs b) and c), to persons authorised by CONSOB to provide disclosure and archiving services in relation to regulatory information..

1-quinquies. ...omissis...

1-sexies. A fine from ten thousand to one hundred thousand euros shall be applied to the subject referred to in article 123-ter, paragraph 8-bis who fails to verify the preparation of the second section of the report.

2. Unless the fact is a criminal offence, in the case of failure to disclose major shareholdings and shareholders' agreements as envisaged respectively by Article 120, paragraphs 2, 2-bis, 4 and 4-bis, and 122, paragraphs 1, 2 and 5, and violation of the prohibitions established by Articles 120, paragraph 5, 121, paragraphs 1 and 3, and 122, paragraph 4, one of the following administrative sanctions are imposed on companies, entities and associations:

a) a public statement indicating the subject responsible for the breach and the nature of the same, when it is characterised by low-level offence or danger and the infringement noted has ceased;

b) an order to eliminate the infringements charged, with possible indication of the measures to be adopted and of the term for compliance, and to refrain from repeating the offence, when the said infringements feature scarce offensiveness or danger;

c) a financial administrative sanction from Euro ten thousand to Euro ten million, or up to five per cent of sales volume when that amount is more than Euro ten million and sales volume can be determined pursuant to Article 195, paragraph 1-bis.

2.1. Unless the fact is a criminal offence, if the disclosures referred to under paragraph 2 are required of a natural person, in the case of breach one of the following administrative sanctions is applied:

a) a public statement indicating the person responsible for the breach and the nature of the same, when it is characterised by low-level offence or danger and the infringement noted has ceased;

b) an order to eliminate the infringements charged, with possible indication of the measures to be adopted and of the term for compliance, and to refrain from repeating the offence, when the said infringements feature scarce offensiveness or danger;

c) a financial administrative sanction from Euro ten thousand to Euro two million.

2.2. For the breaches indicated under paragraph 2, the subjects who perform administrative, direction or control functions as well as the personnel, always if their behaviour has contributed to determining the said breach on the part of the legal person, are subjected, in the cases contemplated by Article 190-bis, paragraph 1, letter a), to the administrative sanctions contemplated by paragraph 2.1.

2.3. In the case of a delay in making the disclosures contemplated by Article 120, paragraphs 2, 2-bis and 4, of no more than two months, the minimum statutory amount of the financial administrative sanctions indicated in paragraphs 2 and 2.1 is Euro five thousand.

2.4. If the benefit obtained by the perpetrator of the breach as a result of the breach itself is above the maximum statutory limits set out in Articles 1, 1.1, 2 and 2.1, of this Article, the financial administrative sanction is increased up to twice the amount of the benefit obtained, provided that this amount can be determined.

2-bis. ...omissis....

3. A financial administrative sanction from Euro ten thousand to Euro one million five hundred thousand is applied:

a) members of boards of auditors, supervisory boards and management control committees who commit irregularities in performing the duties provided for in Articles 149(1), 149/(4-bis) and 149(4-ter) or omit the notifications referred to in Article 149(3);

b) ...omissis...

3-bis. Unless the act constitutes a crime, members of internal control bodies who fail to make the communications referred to in Article 148(2-bis) within the prescribed time limits shall be punished by a pecuniary administrative sanction equal to twice the annual compensation provided for the position in relation to which the communication was omitted. The measure imposing the sanction shall also announce disqualification from the position.

3-ter. ...omissis...