



GENERAL TERMS AND CONDITIONS (JUNE 2011 EDITION)





General Conditions

1. - DEFINITIONS

Capitalised terms used in these General Conditions are to be understood – unless otherwise indicated – as having the meanings specified in the definitions contained in MTS Rules.

- **“Authorised Persons”**: shall mean the persons in charge of direct trading on the MTS Market within the Dealer’s organisational structure;
- **“Central Counterparty Service”** shall mean the guarantee service managed by one or more third companies (i.e. “Central Counterparty(ies)”);
- **“Membership Documentation”**: shall mean the contract between MTS and the Dealer relating to the provision of Service(s) indicated in the relevant Application to Participate and is made up of the Request for Service, the General Conditions and relevant Schedules, as well as by any documents included by reference;
- **“Dealer”**: shall mean a person admitted to trading on the MTS Market, who signs the Membership Documentation with MTS for the use of one or more Services;
- **“Electronic System”** or **“System”** shall mean the electronic trading system through which the financial instruments are traded in the MTS Market;
- **“End User”**: shall mean a Dealer of the BondVision Market qualified to make listing requests;
- **“General Conditions”**: shall mean these General Conditions;
- **“Market Data”**: shall mean the elementary and/or aggregate data and information entered into the MTS Market by the Dealer for the purpose of the trades and/or generated in the MTS Market, as well as all the data relating to the MTS Market and the financial instruments made available to the Dealer in the framework of the provision of the Service. The Market Data are the property of MTS;
- **“MTS Market”**: shall mean, as the case may be, the wholesale Electronic Market of Government bonds (**“MTS Government bonds”**), the wholesale Market of non-government bonds and instruments issued by International bodies participated by governments (**“MTS Corporate”**), the wholesale market of Government bonds connected via Intranet or Intranet referred to as “BondVision” (the **“BondVision Market”**) and the multilateral trading facility market **“MTF BondVision”** (each of them hereinafter referred to, individually as the **“MTS Market”**);
- **“MTS”**: shall mean MTS S.p.A. or a company owner of the Service to which the relevant Application to Participate is sent.
- **“Parties”**: shall mean the Dealer and MTS;
- **“Rules”**: shall mean, as the case may be, the MTS Government Bonds Rules, the MTS Corporate Rules, the MTS Government Bond Instructions, the BondVision Rules, the MTS BondVision Rules and the BondVision Instructions which govern the performance and use of the requested Service(s);
- **“Schedules”**: shall mean the Rules, Price List, Privacy Form and Settlement Schedules
- **“Service(s)”**: shall mean, as the case may be, one or more services indicated in the relevant Application to Participate and provided to the Dealer by MTS or by companies appointed by MTS for the participation in the MTS Market, aimed at enabling the Dealer to trade financial instruments on the MTS Market;
- **“Settlement Schedules”**: shall mean, insofar as applicable, the Clearing and Settlement Form, the power of attorney, Participation Statement in the Settlement Service, and the CCP User Application Form;
- **“Settlement Service”** shall mean the clearing and settlement service of financial instruments;

2. – OBJECT AND EXECUTION OF THE MEMBERSHIP DOCUMENTATION

2.1 The object of the Membership Documentation shall be the supply, against payment of a consideration, of the Service(s) requested by the Dealer.





- 2.2 In the event of conflict and/or incompatibility, including when these derive from subsequent amendments, the contents of the Rules shall prevail over the General Conditions.
- 2.3 The General Conditions, including the Schedules as applicable from time to time, shall always be available on the website of MTS (www.mtsmarkets.com).
- 2.4 The Membership Documentation shall be understood to have been executed at the time when the Dealer receives a written communication from MTS of the acceptance of the relevant Application to Participate containing, *inter alia*, an indication of the day from which the Service will be supplied to the Dealer. However, from the time the Dealer receives a written communication from MTS with confirmation of receipt of the relevant Application to Participate and an invitation to complete the Settlement Schedules, dealings between the Dealer and MTS shall be governed by the General Conditions and the relevant Schedules insofar as they are applicable.

3. – OBLIGATIONS AND PERFORMANCE OF MTS

- 3.1 The Service provided by MTS to the Dealer shall consist in:
 - (a) enabling the Dealer, upon payment of a consideration pursuant to Article 12.1 below, to trade the financial instruments handled on the MTS Market;
 - (b) the provision, pursuant to the General Conditions and the Rules, of the Market Data and information relating to the MTS Market, including information relating to trades;
 - (c) the management of the information relating to the contracts entered into between the Dealer in the MTS Market for the purpose, if any, of transmitting it to the Settlement Services and, should this be the case, to the Central Counterparty Services.

In addition to the foregoing, MTS may also provide preventive and corrective maintenance services, software upgrades and services of support to the Dealer in relation to the Electronic System equipment located in the facilities of the Dealer, to be provided, subject to prior agreement between the Parties, during business hours through telephone assistance (helpdesk), remote diagnosis and, if necessary, technical assistance at the Dealer's premises.

- 3.2 The Service shall be provided by MTS in compliance with the General Conditions applicable thereto, including the relevant Schedules. MTS obligations represent obligations of means.
- 3.3 MTS shall perform the services it is bound to supply with all due care and professional diligence and shall make all the appropriate interventions with regard to its systems for the purpose of ensuring the continuity of the Service.
- 3.4 If all or part of the performance inherent in the Service is interrupted, suspended, delayed or somehow the subject of anomalies, then MTS – where possible and after informing the Dealer, if deemed necessary – shall do whatever is necessary to resolve the problems.
- 3.5 The Dealer acknowledges and accepts that in order to supply the Service MTS may avail itself of third parties, it being understood that the contractual relationship shall be exclusively between the Dealer and MTS.
- 3.6 For the purposes of the preceding paragraphs, MTS hereby guarantees that it:
 - a) is the owner or has valid title to the tangible and intangible assets used to supply the Service and that such assets are free from claims of third parties;
 - b) has all the technology, expertise, adequately qualified staff and IT facilities needed and suitable for the supply of the Service;
 - c) is the owner of the Service and holds all the related rights;
 - d) has all the authorisations needed to supply the Service.
- 3.7 MTS shall limit, suspend or cease the supply of the Service to the Dealer in the events provided for in the General Conditions and specified in the Schedules.

4. – OBLIGATIONS OF THE DEALER

The Dealer is required to:





- a) comply with all the provisions of the General Conditions from time to time in force including the Schedules, as amended and updated from time to time pursuant to Article 9 below, and to keep continuously abreast of what is published on the website of MTS pursuant to paragraphs 8.2 and 9.5; The Dealer acknowledges that MTS may dispose of all the amendments and supplements relating to the Services, the General Conditions and Schedules, which, at MTS exclusive discretion, are deemed necessary or useful for a better operation of the Electronic System or however deriving from instructions dictated by the competent authorities. The Dealer shall be notified of any amendment and/or supplement with reasonable advance notice with respect to the coming into force of the same;
- b) maintain all accesses and connections required for a correct use of the Electronic System and to execute all the necessary contracts for the use of the Service equipping itself, at its care and expenses, with the necessary hardware, network infrastructure and software for availing itself of the Service, and to make all the necessary electronic connections, ensuring the full functionality thereof during the time when the Service is provided;
- c) where applicable, use the basic and applications software of the Service, licensed and/or sublicensed to the Dealer by MTS, the related documentation and, more in general, the Service itself and the Market Data exclusively for the purposes of the Service;
- d) indicate in the relevant Application to Participate the name of the contract representative of the Dealer as a person in a sufficiently high position, authorised to receive from and submit to MTS, in the name and on behalf of the Dealer, any declaration or instruction provided for in the General Conditions and the Schedules. The replacement of such person shall take effect, unless agreed otherwise by the Parties, from the fifth business day subsequent to that on which the written communication thereof reaches MTS, by fax (to the number +390642120200) or email (monitoring@mtsmarkets.com), or such later date as specified by the Dealer in the communication;
- e) provide the data and information requested under the applicable provisions of law, the General Conditions, including the Schedules, in a truthful, complete and accurate way and in the format established by MTS;
- f) perform the contracts ("**Contracts**") entered into on MTS Market;
- g) notify MTS immediately, or in any case within the time limits established in the Schedules, of any subsequent failure to satisfy the requirements for use of the Service and of any change to its organisational structure, in particular when this negatively affects the correct operativeness in the Market and the performance of the obligations under the contracts;
- h) comply promptly with any request made by MTS in the performance of its duties as the manager of the Service thereof concerning data, information or documents to be transmitted to MTS;
- i) inform MTS promptly by e-mail within the shortest time possible of any problem relating to the Service of which the Dealer becomes aware. The e-mail address to be used pursuant to this clause is: clientservices@mtsmarkets.com;
- j) carry out, under its exclusive responsibility and at its exclusive expense, all the necessary activities for the connection of the Dealer's equipment to the Electronic System;
- k) use the Market Data – except the data entered by the Dealer into the Markets as a result of the trades performed and of which the Dealer shall maintain the broadest availability – exclusively for the performance of the trading activities. The right is, therefore, excluded to copy, record, reproduce, transfer to third parties, market or economically exploit in any other manner such Market Data, in whole or in part. In partial derogation from what provided above, the Dealer has the right to supply the Market Data to the Authorised Persons so that these may use it exclusively for trading in the MTS Market. The Dealer guarantees to MTS that the Authorised Persons will not use the Market Data for





purposes other than the trading in the MTS Market, and that they will not copy, record, reproduce, transfer to third parties, market, or economically exploit the Market Data, in whole or in part, in any other manner. To such purpose, the Dealer shall adopt suitable technical-organisational and contractual solutions for the control and monitoring of the use of the Market Data by the Authorised Persons;

- l) arrange for and maintain operational adequate automatic control systems of prices, quantities and frequency of the orders entered into the MTS Market;
- m) adopt all the necessary measures for the purpose of preventing unauthorised uses of the Electronic System and ensure that the orders transmitted were not generated by unauthorised sources or activities;
- n) cooperate with MTS, or third persons designated by MTS, also allowing their employees or collaborators to access the Dealer's premises, for the purpose of enabling (a) the performance, subject to reasonable prior notice, of controls aimed at checking the status of provisions of the Service(s) and/or use of the Market Data; and (b) the performance of testing operations in compliance with the guidelines provided by MTS, as well as communicate, if requested by MTS following alleged irregularities in the use of the Market Data, a list of the fixed or portable terminals, able to receive or view the Market data used by the Dealer;
- o) ensure that any computer systems directly connected to the System and realised by the Dealer or provided by third parties are in compliance with the Rules and have passed the compatibility test with the System and with the subsequent versions of the same issued by MTS.

5. – Suspensions, Interruptions and Delays in the Execution of the Services

- 5.1 The Dealer hereby acknowledges and accepts that MTS is bound to comply with all directives issued by the authorities and parties having jurisdiction over the organisation and operation of the MTS Market, the Clearing and Settlement Systems and Central Counterparty Services. This may involve the suspension or interruption of the service or its performance according to particular procedures, but will not affect the persisting Participant's obligation with respect to the payment of the Fee.
- 5.2 MTS Services shall also be suspended as a result of the causes provided under the contract between the Dealer and its Settlement Agent as well as in the suspension events provided under the Regulations;
- 5.3 In the event of malfunctions, breakdowns or other causes of delay in the provision of or failure to provide the services, which MTS supplies to the Dealer hereunder, MTS shall:
 - if possible and considered necessary by MTS, notify the Dealer by e-mail of the faulty service as soon as practicable after becoming aware of the same;
 - take steps to resume the Service as soon as possible; and
 - supply technical information regarding the manner in which the Services will be resumed as soon as is reasonably practicable.

6. – Security of Access to the System

- 6.1 The Dealer undertakes to protect its encrypted keys and relevant conservation media, its identification codes ("PINs") and access codes ("passwords") of authorised persons and to notify MTS immediately of the existence of possible risk situations deriving from any default in the performance of the obligations listed in the paragraphs below. MTS has the right, but not the obligation, to cancel public and/or private keys or to take any other measure that it deems necessary for the purpose of ensuring an appropriate control of the access to the System, as well as the security, integrity and secrecy of the same. MTS shall not be liable, from any standpoint, for the cancellation of the keys or passwords caused by





- any unauthorised access to the System that is a consequence of a behaviour or omission of the Dealer.
- 6.2 The Dealer undertakes to notify MTS in writing within the shortest time possible of the loss, if any, of private keys, their conservation means, the PINs, the suspected wrongful use, loss of secrecy and integrity defect of the same.
 - 6.3 The Dealer undertakes to access the System exclusively through Authorised Persons and to notify MTS of their personal data. The Dealer is responsible for any order, contract or other use of the System by its personnel or representatives, regardless of whether these were authorised or not by it to use the System. Equally, the Dealer is responsible for the observance and compliance by its personnel and representatives with the applicable laws and Regulations, this Membership Documentation and any other document connected with the use of the System and the software that is necessary for using the Service and, therefore, it acknowledges that it is its responsibility to inform its personnel of the obligations deriving from the Membership Documentation. Consequently, the Dealer acknowledges and agrees that the violation by its personnel and its representatives of any provision of the Membership Documentation shall represent a violation by the Dealer itself.
 - 6.4 The Dealer undertakes to implement such security measures as to prevent any unauthorised or wrongful use of the System. This comprises, at least, the adoption of any reasonable measure and the maintenance of any reasonable procedure for the purpose of ensuring that the System is accessible only by Authorised Persons and that the transactions carried out on the System are not altered, lost or destroyed.
 - 6.5 The Dealer undertakes to interrupt immediately the use of the System on MTS's notice or if it suspects or is aware of a technical dysfunction or a violation of the System's security, or upon the occurrence of any of the events listed in paragraphs 6.1 and 6.2 above. The Dealer undertakes to notify MTS in writing immediately of the existence of such circumstances.
 - 6.6 On request of MTS, the Dealer shall promptly interrupt any individual access to the System in the event that MTS reasonably considers that such person is violating or, however, using the System in a wrongful manner. The Dealer acknowledges and agrees that MTS shall have the right, at its discretion, to adopt any measures that are considered necessary for the purpose of preventing the access to the System by such person and the Dealer.

7. - CONFIDENTIALITY

- 7.1 Each of the Parties, acknowledging the confidential nature of the information and documentation pertaining generally to the Services, shall guarantee the other Party, for the duration of this contractual relationship and for one year after the termination or withdrawal due to any reason whatsoever of this Membership Documentation, that the information and documentation acquired in relation to the performance of the Membership Documentation will be treated confidentially.
- 7.2 The obligation referred to in the previous paragraph shall not prevent the communication or disclosure by MTS in anonymous and aggregate form of such data and information or the communication, after explicit request, to public and judicial authorities.

8. - COMMUNICATIONS

- 8.1 MTS shall send to the Dealer communications of a general nature and individual communications in the ways specified in the following paragraphs.
- 8.2 Communications of a general nature (e.g. Notices) shall be made by means of the website of the MTS, except in case of malfunctioning or unavailability of the website. In particular, in case of the obligation referred to in paragraph 4.1a) above, what communicated by means of such website shall be considered to be known by the Client from the time it is posted on the website and shall become effective on the later date specified in the communication.





- 8.3 Without prejudice to specific procedures laid down in the Schedules for particular communications, individual communications shall be made by MTS or the Dealer in writing and sent by registered letter with return receipt, fax, courier service or any other means permitting documentation evidencing receipt.
- 8.4 Communications of an operational nature regarding the ordinary functioning of the Service may also be sent between the Parties electronically unless specified otherwise in the Schedules.
- 8.5 Individual communications shall be sent by each of the Parties to the other Party to the addresses expressly specified by the Dealer in the relevant Application to Participate and those of an operational nature regarding the ordinary functioning of the Service to the addresses specified in the relevant Application to Participate.
- 8.6 Communications referred to in paragraphs 8.3 and 8.4 above shall be understood to be known by the other Party from the time of their receipt and shall become effective at the time specified in the General Conditions and the Schedules or, in the absence thereof, on the later date specified in the communication.

9. – AMENDMENTS TO THE GENERAL CONDITIONS AND RELEVANT SCHEDULES

- 9.1 The Dealer acknowledges and accepts that MTS may modify or supplement any provision of the General Conditions, including the Schedules, without prejudice to the provisions of paragraph 13.3 below.
- 9.2 MTS shall inform the Dealer of such amendments by sending the text via email at the address indicated in the relevant Application to Participate, or, by posting the text thereof on its website pursuant to paragraph 8.2 above, in both cases at least 15 (fifteen) calendar days before the effective date of the amendments. In such communication MTS shall specify the time within which the Dealer may exercise the right of withdrawal referred to in paragraph 13.3 below.
- 9.3 As a matter of urgency arising as a consequence of measures adopted by the competent authorities or for duly explained technical or operational reasons that shall be given, the time referred to in paragraph 9.2 above may be reduced by MTS to a minimum of 5 (five) calendar days.
- 9.4 Changes to the Price List, except for those in the Dealer's favour, shall be communicated in the manner specified in paragraph 9.2 above with advance notice of not less than 30 (thirty) calendar days. MTS shall determine and communicate the effective date of changes to the Price List in the Client's favour.
- 9.5 Without prejudice to the provisions of paragraphs 9.2 and 9.4 above, MTS shall send an e-mail to the Dealer, to the address provided in the relevant Application to Participate, as amended and communicated to MTS, containing the notification of the changes on the website. In case of changes to the Rules, MTS shall send the e-mail on the same day of the notification of the changes through the website. In the event of changes to the General Conditions, the e-mail shall be sent at least 1 (one) day before the notification of the changes through the website.
- 9.6 In the cases referred to in the preceding paragraphs the Dealer may exercise the right of withdrawal from the Membership Documentation within the time and in the manner and with the effects specified in Article 13, paragraphs 3, 4 and 5.
- 9.7 Additions to the General Conditions or to the Schedules concerning the introduction and offer of new non-mandatory services shall not constitute amendments pursuant to and for the purposes of this article.

10. - LIABILITY

- 10.1 The liability of MTS shall exist, for any claim deriving from this Membership Documentation, only for losses that are the immediate and direct consequence of wilful misconduct or gross negligence on the part of MTS.





- 10.2 The Dealer must send MTS a report within 10 (ten) calendar days, under penalty of foreclosure, from the day on which it became aware, or should have become aware using due diligence of the occurrence of a loss-producing event it deems should be indemnified by MTS. Failure to meet such time limit shall entail lapse of the Dealer's rights in this regard. The report shall contain a precise indication of the time at which the loss-producing event occurred, the circumstances under which it occurred and an assessment of the loss produced. The related supporting documentation, including in relation to the size of the loss incurred and consequent claim, must be received by MTS within 20 (twenty) calendar days of the expiration of the deadline referred to above.
- 10.3 Without prejudice to any liability that MTS may have vis-à-vis the Dealer, the Dealer hereby indemnifies and holds MTS harmless, in the event of claims for damages deriving from actions by third parties, including other dealers, from any claim for compensation of damages made in relation to deeds or actions relating to the performance of the Membership Documentation and hereby authorises MTS as of now to file a third-party claim against it pursuant to Article 106 of the Italian Code of Civil Procedure.
- 10.4 The Parties agree that no liability shall exist for non-performance of obligations deriving from the Membership Documentation if such non-performance is due to events beyond the control of the non-performing Party, including, but not limited to those caused by:
- wars, rebellions, terrorist attacks, earthquakes, floods, fires or other causes of force majeure;
 - national or local strikes (including at company level);
 - electrical outages or interruptions and/or malfunctioning of electronic data carrier services due to faults in data transmission lines provided by persons other than MTS or provided by third parties referred to in paragraph 3.4;
 - impediments or obstacles caused by legislative or administrative measures or judicial acts.
- 10.5 MTS is required to give effect to all the instructions issued by the authorities and/or by other persons they have authorised. This may lead to temporary suspensions and delays in the performance of the obligations of MTS or in their performance in special ways; the Dealer shall nonetheless be required to perform the obligations deriving from the Membership Documentation and pay the sums due to MTS.

11. - INTELLECTUAL AND/OR INDUSTRIAL PROPERTY RIGHTS

- 11.1 The Service and relevant Market Data, as well as all that is licensed or sub-licensed by MTS, shall be used by the Dealer respecting all the intellectual and/or industrial property rights of MTS or third parties, as better specified in these General Conditions.
- 11.2 The Dealer agrees that (i) it may be identified by name as a "MTS Dealer" in press releases regarding MTS, (ii) the Dealer's name and logo may be used for the purposes of identifying the Dealer as a MTS Dealer on the MTS website (www.mtsmarkets.com) and in MTS marketing brochures and presentational materials subject to the Dealer's approval of the use of its name and logo. MTS shall not change the manner in which it uses the Dealer's name and/or logo without the prior written approval of the Dealer, such approval not to be unreasonably withheld or delayed. Except in the circumstances contemplated above, MTS shall not, without the prior written consent of the Dealer in each instance, (i) use in advertising, publicity or otherwise the name of the Dealer nor any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by the Dealer or any of its affiliates, or (ii) represent, directly or indirectly, that any product or any service provided by MTS in connection with MTS has been approved or endorsed by the Dealer or any of its affiliates.





- 11.3 The End Users are authorised to use the “BondVision” trademark and “BondVision” logo, in the layout provided by MTS, in any event or circumstance aimed at promoting the BondVision Markets among the current or prospective clients. The use of the “BondVision” trademark and logo by Dealers and End Users in the layout provided by MTS, in publications, presentations and advertising material is subject to the condition precedent that in such documents: a) exclusively information is included about the BondVision Markets received from MTS in writing and that b) the words “BondVision™”, “powered by MTS™” are included.

In any event, the trademark Bond Vision cannot be used in such a manner as to damage or cause prejudice in any manner to such trademark or to MTS trademark.

12. – FEES

- 12.1 For the supply of the Service the Dealer shall pay MTS the fees set out in the Price List attached to these General Conditions in the amounts, within the time and in the manner specified therein.
- 12.2 Without prejudice to Article 14 below, if the Dealer fails to pay the fees due within the prescribed time, default interest shall be charged automatically on the outstanding amount without the need for a written notification; such default interest is to be calculated at the highest three-month Euribor recorded in the period the payment is overdue plus a spread equal to two percentage points.
- 12.3 Without prejudice to the right to file a separate action for money had and received, the Dealer may not raise any objections, even in the event of interruptions or suspensions in the supply of the Service, aimed at avoiding or delaying payment of the fees due.
- 12.4 The Dealer shall remain subject to the obligation to pay any penalties applied in accordance with the Rules or these General Conditions. The payment of penalties shall not preclude the possibility for MTS to demand strict performance and/or claim compensation of damages for any additional loss actually suffered.

13. - DURATION OF THE CONTRACT AND WITHDRAWAL

- 13.1 This Membership Documentation shall be for an indefinite term.
- 13.2 The Dealer shall have the right to withdraw from the Membership Documentation at any time by sending a notice, pursuant to paragraph 8.4, indicating the effective date of withdrawal; the notice must arrive at least 90 (ninety) calendar days before such date. Withdrawal shall not exonerate the Dealer, even in part, from the requirement to perform all the obligations undertaken under the Membership Documentation or even indirectly deriving from the use of the Service.
- 13.3 By way of derogation from paragraph 13.2 above, in case of amendments referred to in Article 9, the Dealer may exercise the right of withdrawal from the Membership Documentation in the manner specified in paragraph 13.2 by giving MTS the relevant notice within the time established by MTS in the communication containing the text of the amendments referred to in paragraph 9.2 above. In case of amendments made pursuant to paragraph 9.3 above, the advance notice of withdrawal may be communicated up to 1 p.m. on the trading day for MTS preceding the effective date of the amendment.
- 13.4 In all the cases of withdrawal referred to in paragraph 13.3 – provided, however, that the withdrawal becomes effective before the application of the amendments it is based on – the contractual conditions previously in force shall apply to the Dealer.
- 13.5 If the withdrawal notice is received after the expiration of the time limits specified in the preceding paragraphs, then the withdrawal shall not take effect unless MTS waives the time limit established in its favour. These General Conditions may specify cases in which withdrawal is not effective at the time provided in the withdrawal notice.
- 13.6 Notwithstanding the provisions of the Rules, MTS may exercise the right of withdrawal, giving adequate advance notice, within the time limits and in the manner referred to in





paragraph 8.2, only *erga omnes* and in cases of radical transformation of the Service, including as a consequence of measures adopted by the competent authorities or in case of termination of operation of the Service. In cases of withdrawal pursuant to this paragraph, MTS shall not be required to pay any penalty or indemnity or make any reimbursement.

14. – EXPRESS TERMINATION CLAUSE

The Membership Documentation shall be understood to be terminated *de jure*, as provided for in Article 1456 of the Italian Civil Code, in the following events:

- a) in the event of failure to pay the fees within the prescribed time limits for more than 90 (ninety) calendar days;
- b) in the events of exclusion from the Service provided for in the Rules or these General Conditions;
- c) in the case in which the performance of the Service ceases as a consequence of legislative or administrative measures.

15. – GENERAL PROVISIONS

- 15.1 The Membership Documentation, including the General Conditions and the Schedules, shall constitute the totality of the terms and conditions governing the Service and shall cancel and replace any earlier agreement and any oral or written communication made prior to the execution of the Membership Documentation.
- 15.2 The Membership Documentation and/or the rights and obligations deriving therefrom may not be transferred by the Parties to third parties. The Dealer shall hereby authorise MTS to transfer the Membership Documentation and/or the rights and obligations deriving therefrom in the event of the merger of MTS with another company or the transfer of the business segment comprising the Service. Should this be the case, MTS shall give the Dealer adequate advance notice.
- 15.3 In the event of the merger or acquisition of the Dealer with another company or the transfer of the business segment comprising the Service, the Dealer undertakes to give MTS at least 30 (thirty) calendar days advance notice of the effective date of the merger or transfer for the purposes of the Membership Documentation. The Dealer shall remain liable – and likewise the company merging through incorporation, the company resulting from the merger or the transferee – for any delay in giving such advance notice to MTS, including the case in which such delay leads to MTS having to suspend the Dealer, the company merging through incorporation, the company resulting from the merger or the transferee, as the case may be, for the time needed for the performance of the tasks for which it is competent.
- 15.4 The omitted or late exercise of one or more of the rights pertaining to a Party under the Membership Documentation may not be understood to mean that the Party in question has waived the exercise of such rights.
- 15.5 The version in the English language available on the web site of the relevant Application to Participate and the General Conditions, including the Schedules, are translations of the version in the Italian language. It is understood that in the event of a discrepancy between the two versions, the version in the Italian language shall prevail.

16. – SETTLEMENT OF DISPUTES AND ARBITRATION CLAUSE

- 16.1 Save as provided by Article 23 and following of the Rules, the Dealer and MTS shall attempt to resolve any problems that arise between them consequent upon the Membership Documentation through formal notices and bilateral meetings to find possible solutions.
- 16.2 Disputes concerning fees and penalties referred to in Article 12 shall be settled by the Italian courts, with the Courts of Rome enjoying exclusive jurisdiction in this regard.





- 16.3 Save as provided by Article 23 and following of the Rules and by paragraph 2 above, any dispute between MTS and the Dealer that concerns or derives directly or indirectly from the Membership Documentation (including claims for damages) shall first be submitted to an Arbitration Board made up of three arbitrators. The Party requesting arbitration shall send the other Party, in the manner provided for in the first paragraph of Article 810 of the Italian Code of Civil Procedure, a document containing the declaration of its intention to begin arbitration proceedings, with an indication of the disputed matter and the name of its arbitrator. Within 20 (twenty) days of such notification the other Party must designate the second arbitrator in the same manner; in the event of its failing to do so, the second paragraph of Article 810 of the Italian Code of Civil Procedure shall apply. Within 20 (twenty) days of the service on the Party requesting arbitration of the document containing the designation of the second arbitrator, the arbitrators so designated – each duly informed by the Party that designated him/her – shall proceed by mutual consent to appoint the third arbitrator, who shall act as chairman. In the event of delay and/or failure to agree within the time referred to above, either of the Parties may apply to the Chief Judge of the Court of Rome to designate the second arbitrator and/or the third arbitrator. Arbitrators shall be substituted in the same way as they are appointed. The proceedings before the Arbitration Board must begin, under penalty of being considered null and void, within 30 (thirty) days of receipt of the notification referred to in paragraph 6.
- 16.4 The seat of the Arbitration Board shall be in Rome at the place established by its chairman. The Board of Arbitration may nonetheless hold its meetings in the place it establishes in the Italian Republic. It is ritual and it shall decide in accordance with Italian law. The arbitrators must render their award within 90 (ninety) days of the acceptance by the chairman of the Board of his/her appointment; this time may be extended for not more than 90 (ninety) days only where the Arbitration Board considers that expert evidence needs to be obtained. The award shall also determine and allocate the arbitration costs and the arbitrators' fees. The arbitration proceedings shall be conducted in the Italian language.
- 16.5 It is understood that the Parties may apply for the award to be filed and enforced in accordance with the applicable provisions of the Italian Code of Civil Procedure. The award may be challenged based on ground of incorrect application of law pursuant to Article 829, paragraph 3, of the Italian Code of Civil Procedure.
- 16.6 For matters not expressly provided for in this article, the rules laid down in Article 806 *et seq.* of the Italian Code of Civil Procedure shall apply.

17. – Governing Law and Jurisdiction

Without prejudice to Article 16 above, both the Dealer and MTS accept the jurisdiction of the Courts of Rome for any matter or act that must be submitted to the courts of law and agree on the Italian law as the law governing the Membership Documentation, including, but not limited to, any matter regarding the form, the interpretation and the requirements for the validity of the agreement, the obligations deriving there under (including those relating to the compensation of damages) and their performance.

