

29/04/2021

# Proposed Guarantee in Favour of Cassa di Compensazione e Garanzia

To:

Cassa di Compensazione e Garanzia S.p.A.

Piazza Affari, 6

20123 - Milano

Name / Corporate name ..... (hereinafter, the "Guarantor"),  
with registered office in ..... Address .....  
..... Post code ..... VAT number  
..... Tax code .....

First name and family name of Legal Representative .....

Position held in the Company .....

ACKNOWLEDGES THAT

a) Cassa di Compensazione e Garanzia (hereinafter: "CC&G") manages a central counterparty guarantee System (hereinafter: the "System"), organized in Sections, in accordance with the Regulations of the Governor of the Bank of Italy concerning the regulation of central counterparty guarantee systems for operations on financial instruments, adopted by agreement with Consob pursuant to articles 68, 69, paragraph 2, and 70 of Legislative Decree no. 58 of 24th February 1998;

b) the rules for the functioning of the System are contained in the CC&G Regulations (hereinafter: the "Regulations"), the relevant Instructions (hereinafter: the "Instructions") and in the General Conditions for the provision of services by CC&G (hereinafter, the "General Conditions") - in particular but not exclusively with regard to Members' obligations and in cases of foreclosure of the guarantees provided, and the provisions on the use of the means necessary for management of default procedures – provisions and clauses that the Guarantor undertakes to fully respect;

c) pursuant to the aforementioned documents, those who intend to join one or more Sections of the System in the capacity of clearing members or individual clearing members (clearing members, as defined in the Regulations) must possess, inter alia certain capital requirements, including as a guarantee of the fulfilment of obligations to CC&G deriving from membership of the System;

d) the requirements set out in letter c) are indicated by the Regulations as amounts vary according to both the membership category (general or individual clearing member), and the Section(s) of the System that an individual clearing member joins, and in accordance with the number of trading clients that use a general clearing members' services;

e) in accordance with the provisions of the Regulations, and in addition to the necessary capital requirements, each clearing member, where they do not possess Supervisory Capital at least equal to the amount indicated in the Regulations, must deposit a guarantee provided by a single legal person possessing the requirements indicated in the Regulations;

f) (Name / Corporate name) ..... (hereinafter: the "Member"), with registered office in  
.....

VAT number ..... Tax code .....

has joined/intends to join:

- the Share Section in the capacity of
- General    Individual Clearing Member

the Bond Section in the capacity of

General  Individual Clearing Member

the ICSD Bond Section in the capacity of

General  Individual Clearing Member

the Equity Derivatives Section in the capacity of

General  Individual Clearing Member

the Energy Derivatives Section in the capacity of

General  Individual Clearing Member

the Agricultural Commodity Derivatives Section in the capacity of

General  Individual Clearing Member

and needs to supplement the necessary capital requirements in order to operate.

g) the Guarantor has been granted provisional approval by CC&G and has been authorized to forward this proposal;

ALL THIS BEING CONSIDERED

and forming an integral and substantial part of this proposal

the undersigned Guarantor warrants and covenants that it will comply with the provisions contained herein established by CC&G, with registered office at Rome, Via Tomacelli, 146, VAT

code No. 10977060960 for all legal purposes, consequently assuming responsibility to CC&G to all legal effects of law.

1. The Guarantor guarantees to CC&G, within the limits indicated at points 3 and 17, that it will comply in a punctual and timely fashion with all its obligations, past and future, arising or that shall arise for the Member as a result of membership of the System for the Section(s) in the capacity or capacities indicated at letter f) of the Preamble, in any manner – including as accessory, and, where necessary, for obligations assumed by or related to trading clients that use its services – with the exception of Members’ obligations with regard to payments to the Default Fund (as governed by the Regulations).

2. “Past obligations” is understood as those already entered into, although not yet liquid and/or collectable, relating to relations, operations, and events that had already occurred at the time the guarantee contract relating to this application shall have effect, and “future obligations” is understood as those that take place subsequently.

3. In consequence of the above, the Guarantor assumes the obligation to pay CC&G, up to a maximum of € ....., by the methods and under the terms indicated hereinafter, and including in the event of appeals by the Member, the sums that are requested of it under this document and declared due to CC&G by the Member on the basis of CC&G documents.

4. This document shall have the value of an irrevocable contractual proposal, pursuant to Article 1333 of the Civil Code, from the moment it shall be received by CC&G. The related contract – unless CC&G notifies the Guarantor of its rejection of the proposal by the fifth “CC&G open day” (as defined in the Regulations) following the proposal's receipt – shall be considered as concluded at CC&G at 24:00 hours on that day. CC&G may expressly accept this proposal by means of e-mail, confirmed by registered letter with return receipt, prior to the execution of the contract.

5. If the Member still temporarily benefits from other guarantees with the same effect, at the time at which the contract indicated in this proposal shall be understood as entered into (point 4), the said contract shall have effect from 24.00 hours on the day the previous guarantee

ceases to have effect. From that moment, the Guarantor shall be responsible for all past and future obligations as indicated in point 1, with the exception of those for which protracted liability of the previous guarantee exists, according to the provisions of point 17. CC&G shall promptly notify the Guarantor, by e-mail confirmed by registered letter with return receipt, of the withdrawal of the previous guarantor, it remaining understood that knowledge of this event on the part of the Guarantor shall not constitute a condition for the effect of the set out in this proposal.

6. The guarantee set out in this document may be levied, including partially and/or with further renewals, remaining in effect for the residual amount, subject to any reinstatement agreed between the Guarantor and CC&G.

7. CC&G shall not be required to levy the Member prior to the requests indicated in points 3 and 19, nor may the Guarantor subordinate its own payment to the said foreclosure.

8. The Guarantor shall provide for the payment of the sums indicated at points 3, and 19 on the same business day that CC&G requests them. If the request is received after 16.00 hours, the payment shall be effected by 09.00 on the immediately subsequent "CC&G open day". Payment shall be effected by crediting PM Account held by CC&G in the Target2 System. CC&G shall notify the Guarantor of any change in the account to be credited.

9. CC&G may, at any time and at its own irrevocable judgement, discontinue the guarantee relating to this application, notifying the Guarantor and the Member with effect from 24.00 hours on the day the said notification is received by the Guarantor.

10. The requests by CC&G indicated at points 3, 6, 8, and 19, and their notifications pursuant to points 4, 5, 8, 9 and 15 shall be addressed to the Guarantor, in the person of (first name and family name) ....., with full effect, to the following e-mail address ..... and subsequently confirmed by registered letter with return receipt to the following address:.....  
..... Post code .....

11. Any changes in the information contained in point 10 shall be previously notified to CC&G by registered letter with return receipt, and shall take effect after two “CC&G open days” from the date of receipt by CC&G of the notification.

12. The Guarantor may not exercise any right of recourse or subrogation in relation to the Member or its co-obligors until all CC&G’s rights against the Member have been entirely satisfied.

13. The Guarantor acknowledges and declares that the obligations indicated at point 1, insofar as they derive from the Member’s membership of Sections of the System indicated at letter f) of the Preamble, pursuant to the Regulations and the Instructions, do not involve any previous evaluation by CC&G of the Member’s credit rating, nor do they derive from CC&G credit operations pursuant to article 1956 of the Italian Civil Code.

14. In relation to the provisions of the Preamble, and subject to the provisions of the following points, the Guarantor states that he is aware, and therefore it shall be understood that, unless otherwise agreed in writing with CC&G, any increases in the Member’s Supervisory Capital – or changes in the category and Section of the Member’s membership of the System that involves a lesser Supervisory Capital requirement or other significant changes – shall not produce a corresponding reduction in the amounts indicated at points 3 and 6, or any loss of validity of the guarantee. The Guarantor declares that it shall remain constantly informed of the Member’s capital.

15. The provisions of points 13 and 14 shall remain applicable in the event that the Member’s Supervisory Capital falls below its value at the time of the execution of the contract pursuant to this application, regardless of whether such an event causes CC&G to suspend or exclude the Member or not. CC&G shall inform the Guarantor if it becomes aware that the said capital falls below the necessary minimum limit for constituting a guarantee pursuant to the Regulations. In such cases, the Guarantor may exercise the right of withdrawal pursuant to point 16, with a notice period shortened to at least 30 calendar days, subject to other conditions for its exercise and the effects indicated at the following points.

16. The Guarantor may withdraw from the guarantee provided by notifying CC&G by registered letter with return receipt. Withdrawal from the guarantee shall have effect, subject to

the provisions of point 17, at 24.00 hours on the day indicated in the notification only if this is received by CC&G not later than the ninetieth calendar day before the date from which the Guarantor wishes the guarantee to cease to be effective, otherwise the notification shall be deemed to be invalid and the guarantee shall continue to have effect. The said term of ninety days may be shortened by mutual agreement, expressed in writing, including separately, among CC&G, the Guarantor, and the Member.

17. In the event of withdrawal of the Guarantor from the agreement pursuant to this proposal, notified in accordance with the previous points, the Guarantor's obligations to CC&G shall remain in effect with respect to the Member's defaults occurring until the moment in which the guarantee ceases to have effect. For this purpose, "default" is understood as any failure to fulfil or partial fulfilment, within the term originally provided for the execution of the contract, of its obligations assumed on the Market of reference for the Section(s) indicated at letter f) of the Preamble.

18. If – within the fifth "CC&G open day" following the moment at which any withdrawal shall have effect – the Member is excluded or suspended from the System or from one or more of the Sections indicated at letter f) of the Preamble, due to failure to forward a new guarantee to CC&G, the Guarantor shall be responsible for all obligations – including those not yet liquid and/or collectable – assumed by the Member up to that time, or arising in relation to its membership of the System, according to the provisions of point 1.

19. CC&G shall notify the Guarantor as soon possible, on one or more occasions, and including after the moment in which the withdrawal shall have effect, of the amount of expenditure sustained and to be sustained as liquidation costs for the Member's positions, and/or costs for the replacement of its liquidated positions. The said amount – which will constitute the amount which the Guarantor must pay to CC&G by the method indicated at point 8 – shall be determined net of the margins and other payments made by the Member and used or usable for their settlement.

20. In the event of the Member's exclusion or suspension from the System, or from one or more Sections, before the Guarantor has exercised its right of withdrawal from the guarantee contract relating to this application or during the notice period, the Guarantor shall be responsible for all the obligations – including those not yet liquid and/or collectable – assumed

by the Member or matured against it (in relation to its membership of the System and according to the provisions of point 1) up to the moment of suspension or exclusion, and the provisions of point 19 shall be rendered applicable.

21. The Court of Milan shall be the competent court for any dispute arising from this contract proposal.

Kind regards,

.....

(The Guarantor)

The Guarantor hereby declares the following conditions approved pursuant to article 1341 of the Civil Code:

3 (payment on simple request including in the event of appeal by the debtor and probative value of CC&G documents); 4 (value of the irrevocable proposal of the guarantee contract); 5 (succession in guarantee contracts); 6 (maintenance of the guarantee in the event of partial foreclosure); 7 (renunciation advance foreclosure of the Member); 9 (right of CC&G to renounce the guarantee); 12 (limitation on the exercise of the right of recourse or subrogation); 15 (reduction of capital): 16 (Guarantor's right of withdrawal); 20 (competent jurisdiction).

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(The Guarantor)

.....

(Place and date)