

15 May 2023

ON\_15/2023

# New organisational structure in Euronext Milan – Business Operations

Attention to:

**Issuers**

Subject:

**New Organisational structure**

Dear client,

We are pleased to announce that, with the aim of enhancing the focus on some of our “core” activities, with effect from 5 June 2023, the Business Operations area of Euronext Securities Milan is undergoing a change in its organisational structure:

- a new “**Corporate Actions**” office is established, with a mandate to manage reorganisations of domestic and international securities together with all activities related to the management of government securities.
- A new “**Income & Fiscal Services**” office is established with a mandate to manage “cash distribution and fiscal services” for domestic and international securities.
- Responsibility for FIS (Standardised Information Flows) support and communications regarding shareholders’ meeting events is assigned to the “**Register & AGM Services**” office.
- Responsibility for registration of domestic and international securities is assigned to the “**Membership**” office.
- Responsibility for the placement of domestic issues is assigned to the “**Settlement**” office.

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## Contacts and email addresses

Please note the following changes in contacts and email addresses:

- Communications concerning reorganisations (see attached "*Reorganisations*" list) should be sent to the following email address:

[ES-MIL-CorpAction@euronext.com](mailto:ES-MIL-CorpAction@euronext.com)

- Communications concerning government securities should be sent to the following email address:

[TitolidiStato@euronext.com](mailto:TitolidiStato@euronext.com)

- Communications concerning "cash distribution" events (see attached "*Cash Distribution Events*" list) should be sent to the following email address:

[ES-MIL-Income@euronext.com](mailto:ES-MIL-Income@euronext.com)

- Communications concerning FIS and shareholders' meeting events (see attached "*Shareholders' Meeting Events*" list) should be sent to the following email addresses:

[ES-MIL-ServizioFis@euronext.com](mailto:ES-MIL-ServizioFis@euronext.com)

[ES-MIL-ProxyServices@euronext.com](mailto:ES-MIL-ProxyServices@euronext.com)

- Communications concerning the registration of domestic securities should be sent to the following email address:

[Ammissione.Titoli@euronext.com](mailto:Ammissione.Titoli@euronext.com)

- Communications concerning the placement of domestic securities should be sent to the following email address:

[Issuance.settlement@euronext.com](mailto:Issuance.settlement@euronext.com)

## Capital Operations

CAEV	Operation	Description
ATTI	Attachment	Combination of different security types to create a unit. Units are usually comprised of warrants and bonds or warrants and equities. Securities may be combined at the request of the security holder or based on market convention.
BIDS	Repurchase Offer/Issuer Bid/Reverse Rights	Offer to existing holders by the issuing company to repurchase its own securities. The objective of the offer is to reduce the number of outstanding securities.
BONU	Bonus Issue/Capitalisation Issue	Bonus or capitalisation issue. Security holders receive additional assets free of payment from the issuer, in proportion to their holding.
BPUT	Put Redemption	Early redemption of a security at the election of the holder subject to the terms and condition of the issue with no reduction in nominal value.

<b>BRUP</b>	Bankruptcy	Legal status of a company unable to pay creditors. Bankruptcy usually involves a formal court ruling. Securities may become valueless.
<b>CERT</b>	Non-US TEFRA D Certification	Non-US beneficial owner certification requirement for exchange of temporary to permanent notes.
<b>CHAN</b>	Change	Information regarding a change further described in the corporate action details.
<b>CLSA</b>	Class Action/Proposed Settlement	Situation where interested parties seek restitution for financial loss. The security holder may be offered the opportunity to join a class action proceeding and would need to respond with an instruction.
<b>CONS</b>	Consent	Procedure that aims to obtain consent of holder to a proposal by the issuer or a third party without convening a meeting. For example, consent to change the terms of a bond.
<b>CONV</b>	Conversion	Conversion of securities (generally convertible bonds or preferred shares) into another form of securities (usually common shares) at a pre-stated price/ratio.
<b>COOP</b>	Company Option	A company option may be granted by the company, allowing the holder to take up shares at some future date(s) at a pre arranged price in the company. A company may not grant options which enable the holder to take up unissued shares at a time which is five or more years from the date of the grant. Option holders are not members of a company. They are contingent creditors of a company and hence may, in some instances, be entitled to vote on and be bound by a scheme of arrangement between the creditors and the company. As many options have multiple exercise periods a company option will either lapse or carry on to the next expiry date.
<b>CREV</b>	Credit Event	An occurrence of credit derivative for which the issuer of one or several underlying securities is unable to fulfill its financial obligations (as defined in terms and conditions).
<b>DECR</b>	Decrease in Value	Reduction of face value of a single share or the value of fund assets. The number of circulating shares/units remains unchanged. This event may include a cash payout to holders.
<b>DETI</b>	Detachment	Separation of components that comprise a security, for example, usually units comprised of warrants and bond or warrants and equity. Units may be broken up at the request of the security holder or based on market convention.
<b>DFLT</b>	Bond Default	Failure by the company to perform obligations defined as default events under the bond agreement and that have not been remedied.
<b>DRIP</b>	Dividend Reinvestment	Dividend payment where holders can keep cash or have the cash reinvested in the market by the issuer into additional shares in the issuing company. To be distinguished from DVOP as the company invests the dividend in the market rather than creating new share capital in exchange for the dividend.
<b>DTCH</b>	Dutch Auction	An action by a party wishing to acquire a security. Holders of the security are invited to make an offer to sell, within a specific price range. The acquiring party will buy from the holder with lowest offer.
<b>DVOP</b>	Dividend Option	Distribution of a dividend to shareholders with a choice of benefit to receive. Shareholders may choose to receive shares or cash. To be distinguished from DRIP as the company creates new share capital in exchange for the dividend rather than investing the dividend in the market.

<b>DVSC</b>	Scrip Dividend/Payment	Dividend or interest paid in the form of scrip.
<b>DVSE</b>	Stock Dividend	Dividend paid to shareholders in the form of equities of the issuing corporation.
<b>EXOF</b>	Exchange	Exchange of holdings for other securities and/or cash. The exchange can be either mandatory or voluntary involving the exchange of outstanding securities for different securities and/or cash. For example "exchange offer", "capital reorganisation" or "funds separation".
<b>EXRI</b>	Call on Intermediate Securities	Call or exercise on nil paid securities or intermediate securities resulting from an intermediate securities distribution (RHDl). This code is used for the second event, when an intermediate securities' issue (rights/coupons) is composed of two events, the first event being the distribution of intermediate securities.
<b>EXTM</b>	Maturity Extension	As stipulated in the security's Terms and Conditions, the issuer or the holder may prolong the maturity date of a security. After extension, the security details may differ from the original issue. An issuer initiated extension may be subject to holder's approval.
<b>EXWA</b>	Warrant Exercise	Option offered to holders to buy (call warrant) or to sell (put warrant) a specific amount of stock, cash, or commodity, at a predetermined price, during a predetermined period of time (which usually corresponds to the life of the issue).
<b>INCR</b>	Increase in Value	Increase in the face value of a single security. The number of circulating securities remains unchanged.
<b>INFO</b>	Information	Information provided by the issuer having no accounting/financial impact on the holder.
<b>MRGR</b>	Merger	Exchange of outstanding securities, initiated by the issuer which may include options, as the result of two or more companies combining assets, that is, an external, third party company. Cash payments may accompany share exchange.
<b>NOOF</b>	Non-Official Offer	Offers that are not supervised or regulated by an official entity and being offered by a party, for example a broker, usually at a discount price, for example broker offer, mini-tender, mini odd lot offer or third party offer.
<b>ODLT</b>	Odd Lot Sale/Purchase	Sale or purchase of odd-lots to/from the issuing company, initiated either by the holder of the security or through an offer made by the issuer.
<b>OTHR</b>	Other Event	Other event, use only when no other event type applies, for example, a new event type.
<b>PARI</b>	Pari-Passu	Occurs when securities with different characteristics, for example, shares with different entitlements to dividend or voting rights, become identical in all respects, for example, pari-passu or assimilation. May be scheduled in advance, for example, shares resulting from a bonus may become fungible after a pre-set period of time, or may result from outside events, for example, merger, reorganisation, issue of supplementary tranches, etc.
<b>PINK</b>	Pay In Kind	Interest payment, in any kind except cash, distributed to holders of an interest bearing asset.
<b>PRIO</b>	Priority Issue	Form of open or public offer where, due to a limited amount of securities available, priority is given to existing shareholders.
<b>REDO</b>	Redenomination	Event by which the unit (currency and/or nominal) of a security is restated, for example, nominal/par value of security in a national currency is restated in another currency.

<b>REMK</b>	Remarketing Agreement	Purchase and sale of remarketed preferred equities/bonds through the negotiation of interest rate between the issuers and the holders.
<b>RHDI</b>	Intermediate Securities Distribution	The distribution of intermediate securities that gives the holder the right to take part in a future event.
<b>RHTS</b>	Rights Issue/Subscription Rights/Rights Offer	Offer to holders of a security to subscribe for additional securities via the distribution of an intermediate security. Both processes are included in the same event.
<b>SOFF</b>	Spin-Off	A distribution of securities issued by another company. The distributed securities may either be of a newly created or of an existing company. For example, spin-off, demerger, unbundling, divestment.
<b>SPLF</b>	Stock Split/Change in Nominal Value/Subdivision	Increase in a corporation's number of outstanding equities without any change in the shareholder's equity or the aggregate market value at the time of the split. Equity price and nominal value are reduced accordingly.
<b>SPLR</b>	Reverse Stock Split/Change in Nominal Value	Decrease in a company's number of outstanding equities without any change in the shareholder's equity or the aggregate market value at the time of the split. Equity price and nominal value are increased accordingly.
<b>TEND</b>	Tender/Acquisition/Takeover/Purchase Offer	An offer made to holders by a third party, requesting them to sell (tender) or exchange their securities.
<b>WRTH</b>	Worthless	Booking out of valueless securities.

### Cash Distribution Events

CAEV	Operation	Description
<b>ACCU</b>	Accumulation	Funds related event in which the income (for example accumulation units) that accrues during an accounting period is retained within the fund instead of being paid away to investors. The retained income is nonetheless deemed to have been distributed to investors for tax purposes.
<b>CAPD</b>	Capital Distribution	The corporate event pays shareholders an amount in cash issued from the capital account. There is no reduction to the face value of a single share (or the share has no par value). The number of circulating shares remains unchanged.
<b>CAPG</b>	Capital Gains Distribution	Distribution of profits resulting from the sale of company assets, for example, Shareholders of Mutual Funds, Unit Trusts, or Sicavs are recipients of capital gains distributions which are often reinvested in additional shares of the fund.
<b>CAPI</b>	Capitalisation	Increase of the current principal of a debt instrument without increasing the nominal value. It normally arises from the incorporation of due but unpaid interest into the principal. This is commonly done by increasing the pool factor value, for example, capitalisation, and negative amortisation.
<b>DRAW</b>	Drawing	Securities are redeemed in part before the scheduled final maturity date. It is done without any pool factor reduction. The redemption is reflected in a debit of the face amount (FAMT). Drawing is distinct from partial call since drawn bonds are chosen by lottery. Therefore, not every holder is affected in the same way.
<b>DRCA</b>	Cash Distribution From Non-Eligible Securities Sales	Distribution to shareholders of cash resulting from the selling of non-eligible securities, for example, in the frame of a depositary receipt program.
<b>DVCA</b>	Cash Dividend	Distribution of cash to shareholders, in proportion to their equity holding. Ordinary dividends are recurring and regular. Shareholder must take cash and may be offered a choice of currency.
<b>INTR</b>	Interest Payment	Interest payment distributed to holders of an interest bearing asset.
<b>LIQU</b>	Liquidation Dividend/Liquidation Payment	A distribution of cash, assets or both. Debt may be paid in order of priority based on preferred claims to assets specified by the security.
<b>MCAL</b>	Full Call/Early Redemption	The redemption of an entire issue outstanding of securities, for example, bonds, preferred equity, funds, by the issuer or its agent, for example, asset manager, before final maturity.
<b>PCAL</b>	Partial Redemption Without Pool Factor Reduction	Securities are redeemed in part before their scheduled final maturity date. It is done without any pool factor reduction. The redemption is reflected in a debit of the face amount (FAMT).
<b>PDEF</b>	Partial Defeasance/Pre-Funding	Issuer has money set aside to redeem a portion of an issue and the indenture states that the securities could be called earlier than the stated maturity.
<b>PPMT</b>	Instalment Call	An instalment towards the purchase of equity capital, subject to an agreement between an issuer and a purchaser.
<b>PRED</b>	Partial Redemption With Pool Factor Reduction	Securities are redeemed in part before their scheduled final maturity date. The redemption is reflected in a pool factor reduction. No movement of securities occurs.
<b>REDM</b>	Final Maturity	The redemption of an entire issue outstanding of securities, for example, bonds, preferred equity, funds, by the issuer or its agent, for example, asset manager, at final maturity.
<b>SHPR</b>	Shares Premium Dividend	This corporate event pays shareholders an amount in cash issued from the shares premium reserve. It is similar to a dividend but with different tax implications.
<b>TNDP</b>	Tax On Non-Distributed Proceeds	Taxable component on non-distributed proceeds, for example, Australian deemed income or US 871m income regulation.
<b>TREC</b>	Tax Reclaim	Event related to tax reclaim activities.
<b>WTRC</b>	Withholding Tax Relief Certification	Certification process for withholding tax reduction or exemption based on the tax status of the holder.

### **Shareholders' Meeting Events**

<b>CAEV</b>	<b>Operation</b>	<b>Description</b>
<b>BMET</b>	Bond Holder Meeting	Physical meeting of bond holders.
<b>CMET</b>	Court Meeting	Announcement of a meeting at a Court.
<b>DSCL</b>	Disclosure	Requirement for holders or beneficial owners to disclose their name, location and holdings of any issue to the issuer.
<b>MEET</b>	Annual General Meeting	Annual general meeting.
<b>OMET</b>	Ordinary General Meeting	Ordinary general meeting.
<b>XMET</b>	Extraordinary or Special General Meeting	Extraordinary or special general meeting.

\* CAEV lists are taken from:

[https://www2.swift.com/knowledgecentre/publications/us5mc\\_20220722/2.0?topic=con\\_ifld\\_HVqkHelYEeuYlf8G2SgDog\\_1954983252fld.htm](https://www2.swift.com/knowledgecentre/publications/us5mc_20220722/2.0?topic=con_ifld_HVqkHelYEeuYlf8G2SgDog_1954983252fld.htm)