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# Operational Notice

26 March 2018  
ON\_20/2018

## Penalties System

### Adjustment of parameters for penalty sanctions

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For the attention of:

Re:

DCPs, ICPs

Penalties System

Adjustment of parameters for penalty sanctions

Dear Client,

We are pleased to inform you that, with reference to Operational Notice [ON\\_15/2018](#) of 6 March 2018, and following the successful outcome of internal and external tests, the process of calculation of the penalties/bonuses which, in accordance with Delegated Regulation (EU) No 2017/389, provides for the gradual adjustment of the parameters established by the CSDR, will be released into the production on 9 April 2018.

Note that the process of debiting and crediting penalties will include the following activities on a daily basis:

- I. Calculation of penalties
- II. Sending of reports to the Authorities
- III. Communication of penalties and failed settlements to intermediaries concerned
- IV. Logging of processed data



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## 1.0 Reactivation procedure

As previously announced, the application of the penalties remains suspended, while daily reporting for participants and the supervisory authorities for the purposes of constant monitoring of the process will be maintained.

Nevertheless, the penalty system may be reactivated at any time, including at the request of the Authorities. In such an event, Monte Titoli hereby guarantees that the penalty system will be activated within 48 hours of the date of the request, processing the debit and the credit of calculated penalties and managing the resulting cash movements as provided for in the procedure.

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## 2.0 CONTACTS

For further information please contact the following offices:

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