

X-COM: Eligibility criteria and collateral management parameters
“Government & ABS Euro denominated Basket Repo”
ISIN code: IT0005337669

As of 02 August 2018

Note: new or changed values are indicated in boldface and blue.

ELIGIBILITY CRITERIA

a. Eligible financial instruments

| Government bonds | Supranationals | Corporate bonds | Agencies | Structured bonds |
|------------------|----------------|-----------------|----------|------------------|
| X | X | | | X |

Financial instruments must be eligible for collateralization at the European Central Bank and for the centralization in the Central Securities Depository System of Monte Titoli.

b. Non eligible financial instruments

| Perpetual | Extendible | Certificates | Infungible |
|-----------|------------|--------------|------------|
| Excluded | Excluded | Excluded | Excluded |

c. Eligible Issuer Countries for instrument type

| Issuer country | Government | Supranational | Corporate | Agency | Structured |
|-----------------|------------|---------------|-----------|--------|------------|
| Austria | X | X | | | X |
| Belgium | X | X | | | X |
| Finland | X | X | | | X |
| France | X | X | | | X |
| Germany | X | X | | | X |
| Italy | X | X | | | X |
| Ireland | X | X | | | X |
| The Netherlands | X | X | | | X |
| Spain | X | X | | | X |

d. Minimum Risk Indicator for instrument type

Securities must have at least one rating (among Fitch and Moody's).

For government and supranational bonds reference rating is the issuer rating, while for the other eligible types the issue rating is addressed, where available, otherwise the issuer rating is adopted.

| Government | Supranational | Corporate | Agency | Structured |
|------------|---------------|-----------|--------|------------|
| R10 | R10 | N.A. | N.A. | R10 |

e. Currencies of denomination of the securities

| Currency |
|----------|
| Euro |

f. Maximum maturity

| | |
|------------------------------------|----------|
| Maximum maturity of the securities | 30 years |
|------------------------------------|----------|

g. Valuation Price

| Market price | Theoretical price |
|--------------|-------------------|
| x | X |

h. Maximum price quotation age

| | |
|---------------------------------------|--------|
| Maximum Quotation age of market price | 5 days |
|---------------------------------------|--------|

i. Close link controls

Participants must declare the absence of close links for the Structured bonds made available to X-COM platform sending to CC&G the form available in the Annex B.512A to the Instructions available on CC&G's [website](#).

| | YES/NO |
|---|--------|
| 1) Eligibility of financial instruments where information needed for close link check are not available | NO |

CONCENTRATION LIMITS

- a. Maximum percentage of each issue (ISIN) over the total amount outstanding
40%
- b. Maximum percentage of each issue over the total countervalue of the financial instruments allocated as a guarantee
50%
- c. Maximum percentage for each combination «Security type – Risk Indicator»

| Risk Indicator | Gov/Supr | Corp/Agency | Structured |
|----------------|----------|-------------|------------|
| R1 | 100% | 0% | 60% |
| R2 | 100% | 0% | 60% |
| R3 | 100% | 0% | 60% |
| R4 | 100% | 0% | 60% |
| R5 | 100% | 0% | 55% |
| R6 | 100% | 0% | 55% |
| R7 | 100% | 0% | 55% |
| R8 | 100% | 0% | 55% |
| R9 | 100% | 0% | 55% |
| R10 | 100% | 0% | 55% |

- d. Maximum percentage for each combination «Security type – Issuer Country»

| Issuer Country | Gov/Supr | Corp/Agency | Structured |
|-----------------|----------|-------------|------------|
| Austria | 100% | 0% | 100% |
| Belgium | 100% | 0% | 100% |
| Finland | 100% | 0% | 100% |
| France | 100% | 0% | 100% |
| Germany | 100% | 0% | 100% |
| Italy | 100% | 0% | 100% |
| Ireland | 100% | 0% | 100% |
| The Netherlands | 100% | 0% | 100% |
| Spain | 100% | 0% | 100% |

- e. Maximum percentage for Issuer Country

| Issuer Country | Limit |
|----------------|-------|
| Austria | 100% |
| Belgium | 100% |
| Finland | 100% |
| France | 100% |
| Germany | 100% |

| Issuer Country | Limit |
|------------------------|--------------|
| Italy | 100% |
| Ireland | 100% |
| The Netherlands | 100% |
| Spain | 100% |

f. Maximum percentage for Security type

| Security type | Limit |
|---------------------------|--------------|
| Government/ supras | 100% |
| Corporate/Agency | 0% |
| Structured | 60% |

Collateral management parameters

a. Parameters for the mark-to-market procedure

Thresholds for the integration (Margin Call) or return (Excess Margin) of the securities

| | | |
|---|-------------|---------------|
| Parameters for the mark-to-market procedure | Margin call | Margin excess |
| | 0% | 0.10% |

b. Over-collateralization thresholds

Maximum percentage of exceeding collateral value above the contract value

| | |
|-----------------------------------|-------|
| Over-collateralization thresholds | 0.10% |
|-----------------------------------|-------|

* * *

When changed, new parameters apply also to the open positions.