



Consob
Net Short Positions (“NSP”)
Notification System

User Manual

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NSP Notification System quick-links:

Initial registration & Lost password regeneration (paragraphs no. 1-2):

<https://www.sai.consob.it/ShortSellingWebReg>

NSP management & All other functionalities (paragraphs no. 3-8):

<https://www.sai.consob.it/ShortSellingWeb>

Technical note:

The system has been optimized for Firefox, Safari and Chrome internet browsers. The system will automatically recognize your browser language and adapt accordingly. However, only Italian and English versions have been optimized. Please note that you can change your browser language in the browser settings.

Si.Co.PNC v.1.3

1. Registration of a new user

The NSP notification system involves four roles, as follows:

Entity	Role
Position Holder	The natural person or legal person who has assumed the NSP. In the case of managed assets, it will be the management company that has adopted the investment decision.
Position Holder Contact	The natural person, connected with the Position Holder, who can be contacted by Consob to provide further information on the NSP.
Reporting Person	The natural person or legal person who reports the NSP to Consob on behalf of the Position Holder (e.g. a parent company, a services provider, etc). The Position Holder and the Reporting Person may be the same person.
Reporting Person Contact	The natural person, connected with the Reporting Person, who can be contacted by Consob to provide further information on the NSP.

Before starting the initial registration service, please be sure to have ready available copies (only *pdf files accepted; max dimension allowed: 10 MB) of the following documents, as the system will require their upload during the registration process:

- A passport or driving license or another identification document of both the Position Holder Contact and the Reporting Person Contact;
- A passport or driving license or another identification document of the Position Holder and/or of the Reporting Person - only if they are natural persons;
- A signed letter on the Position Holder's headed paper that identifies the Reporting Person who will be notifying positions on their behalf. A mandate agreement or a power of attorney are accepted as well- only if Position Holder and Reporting Person are different persons.

Please note that the system allows only one account for the same Position Holder.

During the registration process, you will be required to input some data on the four entities above-mentioned. Information marked with a "!" is mandatory; other data is optional.

In case two or more of the four abovementioned entities coincide, you will be able to indicate it by ticking the appropriate box; this will allow you to skip one or more forms.

The registration process should take few minutes. Follow the indications on the screen and fill in the forms where needed.

At the end of the registration process, the system will require you to choose and enter your access codes, i.e.: **username; password; registration email**. The password must be 8-15 characters long and must include at least one number and one capital letter. Please keep them in a safe place.

Please note that the same email address cannot be used for more than one account.

Consob personnel will check your registration request. In the meanwhile, you can immediately submit to Consob one or more NSP (see para 4).

After registration has been accepted by Consob personnel, you can update the data on any of the four entities using the dedicated functionality in the system (see par. 3).

2. Lost password regeneration

In case you lose your password, please go to the Registration system and click on the button “Forgot Password?”

The system will require you to enter the registration email used during the registration process and will send a new password to that email address.

If you have lost both username and password, please contact us (see para 10).

3. Changing user details

After registration has been accepted by Consob personnel, you can update the data using the dedicated functionality in the system, as follows:

1. Go to “Information Management” box on your left;
2. Select the dataset to be updated among the following: Position Holder, Position Holder Contact, Reporting Person, Reporting Person Contact, Funds registry, Legal documents.

“Funds registry” is an optional dataset where you can enter the name(s) of fund(s) on behalf of which the NSP is declared. “Legal documents” allows to update the documents submitted in the registration process (passport, driving license, mandate agreement, etc).

3. Update the information directly in the form on the screen;
4. Click the button “Update” to submit the new information or “Restore” to undo the changes.

The modifications will be submitted to Consob approval. Until the changes are approved, you cannot make any further amendment on the same dataset.

4. NSP management – overview

After completing registration, you can submit NSPs and subsequently variations, as provided for in the EU Short Selling Regulation no. 236/2012, you can check which NSPs are currently present on your account and you can also search for “historical” (i.e. previously-submitted) NSPs.

Following specific actions from the user, the system can issue green “warning” messages or red “error” messages. In both cases, click on the message to proceed. Red error messages will prevent further actions until the error has been corrected. In specific situation, the system will provide you with tooltips; just keep the cursor over a specific field.

If a NSP reaches the 0.5%, it will be automatically published on Consob website by the system.

In particular, NSP can be managed in the notification system using the “Net Short Position management” box on your left.

If you want to see which NSPs are currently existing in your account (i.e. NSPs with a value equal to or greater than 0.2%), please click on the “Current Situation” link. The list of all active NSPs will appear on screen. To look for a specific ISIN, please use the browser search engine (i.e. press Ctrl+f and enter the name or the ISIN of the share, the browser should highlight the NSP on that share – if existing). To have more details on a specific NSP, please select it and click on “Position Detail” button.

Otherwise, if you want to notify:

- the first NSP on a specific share, see para. 5;
- an update/closure to an active NSP, see para. 6;
- an error in an active NSP, see para. 7.

To search for historical NSPs, see para. 8.

5. Entering a new NSP

In order to enter your first NSP on a share, please follow these steps:

1. Go to “Net Short Position management” box on your left; click on the “Notification” link below; a pop-up message will appear, click on “New Notification” (*see image no. 1 below, arrow 1*);
2. Move in the middle/left of the webpage, under “Net short position” and click on the “New” button (*see image no. 1 below, arrow 2*);
3. The system will present you a form where you can enter the NSP details;
4. Select the share, by inserting the name of the issuer in the “Issuer” box (please put the name of the issuer within %, e.g.: %ENI%) or the ISIN code of the common stock in the “Ordinary share” box below, then click on the relevant “Search” button and select the resulting issuer (*see image no. 2 below, arrows 3a/b or 4a/b*);
5. Enter the mandatory position details (*see image no. 2 below, arrow 5*), which are:
 - a. % NSP, i.e. the percentage ratio between the number of share composing the NSP and the total issuer share capital (including all classes of shares), approximated at the second decimal;
 - b. No. Shares, i.e. the number of share composing the NSP;
 - c. Position date, i.e. the trading date on which the NSP was reached;
6. If you want, you can fill in the optional information (i.e. “Comment” and “List of funds¹”);
7. Click on the “Confirm” button to save the draft NSP or on “Close” to cancel it (*see image no. 2 below, arrow 6*);

¹ “List of funds” is an optional dataset where you can enter the name(s) of fund(s) on behalf of which the NSP is declared. Information can be retrieved from the Funds registry dataset, or new data can be entered.

8. The system will bring you back to the “Notification” webpage and will show your draft NSP in the middle of the page; Check that the data entered is correct and then move to the middle/right of the webpage, under the “Notification” box and click on the “Submit” button (see image no. 1 below, arrow 7);
9. A pop-up window will open and the system will require you to confirm the submission of the NSP. If you click on “Send it” the draft notification will be send to Consob; otherwise, click on “Keep editing”. After confirmation, the NSP will be sent to Consob and you will be able to download a pdf file as receipt - you can also get this receipt using the “Research historical NSP” feature (see para 8 below).

Entering a new NSP - Image no. 1

Options

- Information Management
 - Position Holder Information
 - Funds Registry
 - Legal Documents
- Net Short Position Management
 - Current Situation
 - Notification**
 - Search For
 - Net Short Positions
 - Notifications

Special Operation

User: 63K8ZW6N

Logout

Modify password

Notification nr. 100426

Start Date: 17-10-2016

Current Net Short Positions

Operation accomplished	Nr. position	Consob Code of Issuer	Tax Code of Issuer	Name of Issuer	ISIN Code of Ordinary Share	Name of Ordinary Share	Current Percentage	Current share num
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Net Short Position: New, Modify, Correct

Notification: Submit

Entering a new NSP - Image no. 2

Consob Nazionale
della Borsa

Entering a new Net Short Position

Issuer

Consob Code: 0 Tax Code: Search

Name of Issuer: %eni% Search

Ordinary Share ISIN: Search

Operation

New Update Close

Values

% NSP: 0

No Shares: 0

Position Date: [Calendar Icon]

Comment

List of funds associated with the Net Short Position

Fund Code	Fund Denomination

Selected Fund: [Dropdown]

Erase Add Selected

Restore Erase Confirm Close

6. Update/Closure of a NSP

In order to report a change to an existing NSP, please follow these steps:

1. Go to “Net Short Position management” box on your left; Click on the “Notification” link below; a pop-up message will appear, click on “New Notification”;
2. Select the NSP to be modified from the list on screen; Move in the middle/left of the webpage, under “Net short position” and click on the “Modify” button;
3. The system will present you a form containing the details of the NSP previously selected;
4. Specify the type of modification under the “Operation” box, choosing between “Update” (i.e. the NSP remains equal to or greater than the 0.2% threshold) or “Close” (i.e. the NSP drops below the 0.2% threshold); the system will automatically select the issuer, do not modify it;
5. Enter the mandatory updated position details (% NSP, No. Shares, Position date);
6. If you want, you can fill in the optional information (i.e. “Comment” and “List of funds”);
7. Click on the “Confirm” button to save the draft changes to the NSP or on “Close” to cancel them;
8. Follow the same indications of para 5 above, steps 8-9.

7. Errors handling

The system provides for enhanced functionalities to correct errors in reported NSP. In particular, the following kind of errors may be corrected:

- *Between*. Use this functionality if you have forgotten to report an update to a NSP which falls before to or between two reported updates of the NSP on the same share. The “Between” function allows you to report this missing update;
- *Correct*. Use this functionality if data of the last reported NSP is not correct (e.g. wrong percentage, etc). The “Correct” function allows you to amend the wrong data;
- *Erase*. Use this functionality if the last reported NSP is totally wrong (e.g. wrong share). The “Erase” function allows you to delete the last NSP. The system will automatically restore the previously reported NSP on the same share (if any).

In order to make any one of the above-mentioned correction, please follow these steps:

1. Go to “Net Short Position management” box on your left; Click on the “Notification” link below; a pop-up message will appear, click on “New Notification”;
2. Select the NSP to be corrected from the list on screen; Move in the middle/left of the webpage, under “Net short position” and click on the “Correct” button;
3. The system will present you a form containing the details of the selected NSP. In the “Correction” box you can specify the type of correction, i.e. *Between*, *Correct*, *Erase*;
4. Enter/correct the NSP details (only in case you selected *Between* or *Correct*); the system will automatically select the issuer, do not modify it;
5. If you want, you can fill in the optional information (i.e. “Comment” and “List of funds”);
6. Click on the “Confirm” button to save the correction or on “Close” to cancel it;
7. Follow the same indications of para 5 above, steps 8-9.

Please note that the “Correct” feature does not allow to change a wrong NSP, which is equal to or above than 0.2%, to a value below 0.2%. In such situation, please “Erase” the wrong NSP and then close the NSP (according to para 6).

8. Research historical NSPs

The system allows you to retrieve previously-submitted NSPs. Please go to the “Search for” box, and select one of the two kinds of researches available, which are:

- Search for Net short positions. The system retrieves the last reported NSP on the selected share.

- Search for Notifications. The system retrieves all notifications submitted, in all shares, in the period under examination.

9. Legal notes

Please remember that, pursuant to EU Short Selling Regulation no. 236/2012, you need to notify Consob of any NSP, which reaches or drops below a relevant thresholds, on any share for which Consob is the Competent Authority².

The relevant thresholds are equal to 0.2% of the issued share capital and each subsequent 0.1% increase (e.g. 0.3%, 0.4%, 0.5%, etc). If a NSP reaches the 0.5%, it will be published automatically on Consob website by the system.

You are required to calculate your NSP at the end of the trading day and report it – if it reaches or drops below a relevant threshold - by 15.30 hours of the following trading day.

In short, a NSP is the sum of all short positions minus all long positions held by that Position Holder in relation to a certain share and related instruments (derivatives, etc).

By means of illustration, positions stemming from the following transactions, among others, shall be considered in the calculation:

- purchases or sales of shares;
- transactions in options, swaps, futures, contracts for difference, covered warrants, either single stock or index product (where the concerned share is a component of the index).

Positions in derivatives have to be delta adjusted, according to Annex II, Part 1, of Commission Delegated Regulation no. 918/2012. Fixed income instruments or instruments that give an exposure to the creditworthiness of an issuer (such as credit default swap) shall not to be taken into account.

The relevant provisions of EU Short Selling Regulation no. 236/2012 on the calculation of NSP apply (i.e. Article 3 of Regulation no. 236/2012 and Articles 5, 6, 7 and 10 and Annex I and II of Commission Delegated Regulation no. 918/2012 and the relevant ESMA FAQs).

Further information on the EU Short Selling Regulation no. 236/2012 can be found here:

[http://www.consob.it/mainen/markets/short_selling/legal_framework_short_selling.html?symblink=/mainen/markets/short_selling/link_legal_framework.html](http://www.consob.it/mainen/markets/short_selling/legal_framework_short_selling.html?symbblink=/mainen/markets/short_selling/link_legal_framework.html)

The system accepts NSP only on shares under Consob remit; please note that NSP in some shares for which the Italian regulated market is the most liquid market have to be reported to Consob, even if such shares are also traded in other markets (among others, FIAT CHRYSLER AUTOMOBILES, FERRARI, CNH INDUSTRIAL, D'AMICO, STMICROELECTRONICS, EXOR and TENARIS shares).

Special care must be taken in NSP calculation in case of rights issue, convertible bonds or other capital increase operations, as follows:

² Please check the ESMA register (<https://registers.esma.europa.eu/publication>) for information on the Competent Authority of each share admitted to trading on EU regulated markets.

- on the numerator side, remember that subscription rights, convertible bonds and other instruments which give claims to as yet unissued shares must not be considered into the calculation of the NSP. This means that, for instance, the investor who purchases the subscription rights and sells the shares must therefore notify Consob of the NSP arising from the sales made on the shares when it reaches or passes the threshold of 0.2% of the share capital of the issuer involved. While giving this notification it is advisable to indicate, in the space for “Comment”, that the NSP is supported by positions in subscription rights (or convertible bonds or other similar instruments) not included in the notified NSP.
- on the denominator side, it should be pointed out that the pre-increase capital must be taken into consideration until the issuer announces an amendment to the number of shares issued. Following this announcement by the issuer, the denominator used in calculating NSP must be increased to include the new shares issued following the capital increase.

10. Technical information

The length of some fields in the forms proposed on the screen can be re-arranged by the user, like in an excel file.

If you wish, you can add other NSPs (or make other actions on NSPs, like update/closure and errors handling as described in the paragraphs above) in the same notification; you have only to repeat steps no. 2-7 before moving to step no. 8 of paragraphs 5-6-7.

In case you have made modifications to two or more NSPs in the same draft notification, and, before submitting it, you want to undo one (or more) of the draft modification, please select the NSP containing the draft modification, click on the “Continue modifying” or “Continue correcting” button and click on the “Restore” or “Erase” button. The system will cancel the selected modification from the draft notification.

NSPs equal to, or greater than, the 0.5% threshold are disclosed on the following webpage:

<http://www.consob.it/web/area-pubblica/posizioni-nette-corte>

11. Contact us

For any query, of legal or technical nature, please send an email to shortselling-service@consob.it
In case of technical issues, please provide us with a screenshot of the error that you are facing.