



RULEBOOK

Derivative Markets and Securities Markets

PM MTF LTD.

July 2025

Contents

1. DOCUMENT HISTORY	4
2. SCOPE	5
3. DEFINITIONS AND INTERPRETATION	5
4. CAPACITY AND STATUS	12
5. BECOMING A MEMBER	12
6. OPERATIONAL CRITERIA	16
7. ALGORITHMIC TRADING	16
8. DIRECT ELECTRONIC ACCESS	19
9. TERMINATION, AMENDMENT AND SUSPENSION OF MEMBERSHIP	20
10. ADMISSION OF FINANCIAL INSTRUMENTS TO TRADING	22
11. SUSPENSION AND REMOVAL OF FINANCIAL INSTRUMENTS FROM TRADING	23
12. TRADING HOURS	25
13. MATCHING PRINCIPLES /TRADING RULES	25
14. MARGIN REQUIREMENTS	26
15. CONCLUSION OF TRANSACTIONS	28
16. TRADING OF FINANCIAL INSTRUMENTS WITHOUT AN ORDINARY RIGHT FOR TERMINATION	28
17. TRADING WITH REQUESTS FOR QUOTES ("RFQ")	28
18. SETTLEMENT OF TRANSACTIONS FOR FINANCIAL INSTRUMENTS NOT SUBJECT TO CLEARING OBLIGATION	29
19. LIQUIDATION OF POSITIONS	29
20. CLEARING OF TRANSACTIONS FOR FINANCIAL INSTRUMENTS SUBJECT TO CLEARING OBLIGATION	31
21. NETTING	33
22. PRE TRADE INFORMATION, POST TRADE CONFIRMATION	34
23. MARKET SURVEILLANCE	34
24. CANCELLATION OF ORDERS OR QUOTES BY MEMBERS	35
25. REJECTION OR CANCELLATION OF ORDERS OR QUOTES BY THE COMPANY	36
26. REVERSAL OF TRANSACTIONS	36
27. SAFEGUARDING OF MEMBER FUNDS AND FINANCIAL INSTRUMENTS	37
28. FEES	42
29. CO-LOCATION SERVICES	42
30. PROVISION OF DATA	42
31. REPORTING	43
32. RECORD KEEPING	43
33. MEMBERS' ONGOING OBLIGATIONS	44
34. DEFAULT OF A MEMBER	45
35. DISCIPLINARY SANCTIONS	46

36. WARRANTIES	47
37. COMPLAINTS	48
38. CONFLICTS OF INTEREST	49
39. ELECTRONIC COMMUNICATIONS	49
40. NO FURTHER FIDUCIARY DUTY	49
41. LIABILITY & INDEMNITY	49
42. AMENDMENTS TO THE RULES	50
43. FORCE MAJEURE	51
44. MEMBERS' FEEDBACK	52
45. INFORMATION ON INSTRUMENT RISKS	52
46. GOVERNING LAW	53

1. DOCUMENT HISTORY

Date	Version	Description
11 July 2025	1.0	Approval of Version 1.0 and implementation as binding to the Company

2. SCOPE

- 2.1. This Rulebook forms part of the Rules which set out the rules that apply to the membership in, access to, use of and trading of Financial Instruments on the Platform operated by PM MTF Ltd (hereinafter called the "**Company**") that all Members must abide by. It also sets out the powers of the Company (in its capacity as operator of the Platform) with respect to the activity on the Platform and the Company's procedures with respect to the operation of the Platform.
- 2.2. The Rules, including this Rulebook, are applicable to each Member (including any Authorised User) and the Company as well as in between each Member. Each Member has read and understood the Rules and has agreed to comply with the Rules.
- 2.3. This Rulebook (as amended from time to time by the Company) is supplemented and forms part of the following agreements:
 - Membership Agreement; and
 - Market Maker Agreement.
- 2.4. In the event of a conflict between this Rulebook and any other Rules, this Rulebook will take precedence.

3. DEFINITIONS AND INTERPRETATION

- 3.1. **Account Margin** means total assets available (i.e. funds that do not count towards the Maintenance Margin of Positions) in the Member's account.
- 3.2. **Agreement(s)** means the Membership Agreement and/or the Market Maker Agreement.
- 3.3. **Algorithmic Trading** means trading in financial instruments where a computer algorithm automatically determines individual parameters of orders such as whether to initiate the order, the timing, price or quantity of the order or how to manage the order after its submission, with limited or no human intervention, and does not include any system that is only used for the purpose of routing orders to one or more Trading Venues or for the processing of orders involving no determination of any trading parameters or for the confirmation of orders or the post-trade processing of executed transactions.
- 3.4. **Algorithmic Trading ID** means the identification criteria that are given to a Member deploying Algorithmic Trading.

- 3.5. **Applicable Laws** means all applicable laws, regulations, regulatory requirements including (but not limited to), any public guidance, orders, or other public directions of a regulatory authority, market rules and/or market conventions.
- 3.6. **Applicant** means any person applying to become a Member.
- 3.7. **Authorised User** means any individual duly and validly authorised by a Member to have access to and place orders, RFQs and responses to RFQs on the Platform on the Member's behalf.
- 3.8. **Auto Deleveraging Candidates** mean Members with Positions on the same market as the Position that is subject to the Auto Deleveraging Process with a positive profit.
- 3.9. **Auto Deleveraging Process** is the process outlined in paragraph 19.4 of the Rulebook.
- 3.10. **Available Funds** mean funds relevant for the Initial Margin and Maintenance Margin calculation.
- 3.11. **Business Day** means a day (other than Saturday or Sunday) on which commercial banks in Cyprus are open for general business.
- 3.12. **CCP** means Central Counterparty Clearing House.
- 3.13. **Cleared Transaction** means a transaction concluded on the Platform and submitted to a Central Counterparty Clearing House for clearing.
- 3.14. **Corporate Event** is something that will result in a change to one or more financial instruments. Examples of Corporate Events include, but are not limited to, share consolidations, share splits, reorganisations, mergers, take-over offers (and similar), name changes and rebranding, dividend distributions, insolvency, delistings and changes to Applicable Law or regulation.
- 3.15. **Collateral** means the collateral a Member has available to cover potential future losses from its position and open orders and constitutes of (i) the fiat a Member has deposited into its trading account, (ii) the Member's realised profit or loss from past transactions conducted through that trading account that have not been withdrawn, and (iii) the Profit & Loss from the Member's position in the trading account.
- 3.16. **Company** means PM MTF Ltd, the operator of the Platform.
- 3.17. **Counterparty** means the Member(s) with whom another Member(s) conclude(s) a transaction on the Platform, each Member on each side of the transaction being the counterparty of the other Member.

- 3.18. **Credit Institution** means a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013.
- 3.19. **CySEC** means the Cyprus Securities and Exchange Commission.
- 3.20. **Defaulting Member** means a Member or another entity of the Member's group of companies that defaults on its obligations or files for insolvency, bankruptcy or similar proceedings.
- 3.21. **Direct Electronic Access or DEA** means an arrangement where a Member of the Platform permits a person to use its trading code so the person can electronically transmit orders relating to a financial instrument directly to the Platform and includes arrangements which involve the use by a person of the infrastructure of the Member or any connecting system provided by the Member to transmit the orders (Direct Market Access) and arrangements where such an infrastructure is not used by a person (Sponsored Access).
- 3.22. **Disorderly Trading Conditions** means situations where the Company determines in its sole discretion that the maintenance of fair, orderly and transparent execution of trades is or is likely to be compromised, for example by the following non-exhaustive list in each case, whether or not introduced by the Member: (a) significant delays and interruptions in the performance of the Platform; (b) multiple erroneous orders or transactions on the market; or (c) insufficient system capacity to cope with adverse events (such as a significant increase in volatility).
- 3.23. **Distributor** means a firm that offers, recommends or sells a financial instrument and service to a client - Distributors will be Members on the Platform who trade for and/or on behalf of their clients.
- 3.24. **EEA** means European Economic Area.
- 3.25. **Financial Instruments** means the categories of financial instruments as set out in Part III of the First Appendix of the Law.
- 3.26. **Force Majeure** means an event which is not foreseeable, not avoidable and extraordinary (as determined by the Company in its reasonable opinion) where an emergency or exceptional market condition exists that prevents the Company from maintaining an orderly market in one or more Financial Instruments listed on the Platform or in respect of the Platform. Such event includes, inter alia: (a) an Act of God, earthquake, tsunami, hurricane, typhoon, accident, storm, flood, fire, epidemic or other natural disaster making it impossible for the Company to operate the Platform; (b) any breakdown, or interruption of power supply, or failure of transmission or communication or computer facilities; (c) hacker attacks or other illegal actions against Company's electronic trading Platform or the equipment of the Company; (d) Government actions, the outbreak of war or hostilities, the threat of

war, acts of terrorism, national emergency, riot, civil disturbance, sabotage, requisition, or any other international calamity or political crisis that in the Company's opinion, prevents it from maintaining an orderly market in one or more of the Financial Instruments listed on the Platform; (e) postal or other strikes or similar industrial action or disputes; (f) Labor disputes and lock-out which affect the operations of the Company; (g) A financial services moratorium having been declared by appropriate regulatory authorities or any other acts or regulations of any regulatory, governmental, or supranational body or authority; (h) the failure of any relevant exchange, liquidity provider, execution venue, clearing house and/or broker for any reason to perform its obligations; (i) the non-availability of a clearing house, where relevant; (j) any action taken by a competent authority/regulator/court/other person which may have an effect on trading/clearing/settlement on the Platform.

- 3.27. **Initial Margin** means the amount of collateral that is required to open a Position or submit an Order that may increase a Member's existing Position.
- 3.28. **Insolvency Event** means where a Member or another entity of the Member's group of companies is: (a) unable to pay its debts or is liable to be wound up by a court of competent jurisdiction; (b) enters into a composition or arrangement with its creditors or a moratorium is declared in respect of any of its indebtedness or any creditor action; (c) takes any action to appoint, to request the appointment of, or suffers the appointment of, a receiver, administrative receiver, administrator, trustee or similar officer over all or a material part of its assets or undertaking; (d) passes a resolution for the winding up of the relevant company; (e) has a winding-up petition presented in relation to it before a Court of competent jurisdiction, is dissolved or enters into liquidation, administration, administrative receivership, receivership, a voluntary arrangement, a scheme of arrangement with creditors, (f) any analogous or similar procedure in any jurisdiction or any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction.
- 3.29. **Investment Firm** has the meaning given to the term in the Law.
- 3.30. **Law** means the Investment Services and Activities and Regulated Markets Law 87(I)/2017, as amended from time to time.
- 3.31. **Maintenance Margin** means the amount of collateral that is required at all times to maintain an existing position.
- 3.32. **Market Abuse** means to engage in any type of behaviour which constitutes insider dealing, market manipulation, attempted market manipulation, or attempted insider dealing, money laundering, bribery or corruption;
- 3.33. **Market Maker Agreement** means the agreement entered into between the Company and a Member who is a market maker which sets out the legal obligations between the Market Making Member and the Company.

- 3.34. **Market Maker Member** means a Member who meets, in addition to the Membership Requirements, the market maker requirements set out below and has entered into a Membership Agreement and a Market Maker Agreement with the Company.
- 3.35. **Market Maker Schemes** means those market making incentive schemes that the Company offers from time to time, under which Market Maker Members can pursue a market making strategy with respect to a specific Financial Instrument under specific terms, which are posted on the Website.
- 3.36. **Member** means either a Standard Member or a Market Maker Member, as applicable.
- 3.37. **Membership Agreement** means the agreement entered into between the Company and each Member which sets out the legal agreement between the Members and the Company.
- 3.38. **MiFID II** means Directive 2014/65/EU on Markets in Financial Instruments.
- 3.39. **MiFID II Firm** means a Member of the Platform that is considered an “Investment Firm” under MiFID II and is authorised by a competent authority of a member state to conduct investment activities.
- 3.40. **MTF or Multilateral Trading Facility** has the meaning set out in Article 4(1)(22) of MiFID II.
- 3.41. **Personal data** means any information relating to an identified natural person or a natural person who can be identified directly or indirectly, by any means reasonably likely to be used by the controller of the information, or any other natural or legal person, provided to the Company for the provision of the Platform services.
- 3.42. **Platform** means the trading platform provided by the Company to its Members for the conclusion of Transactions, including the APIs and frontend as well as any other features necessary for the operation of the trading platform.
- 3.43. **Position** means any non-zero balance in one or more Financial Instruments listed on the Platform held by a Member.
- 3.44. **Position Margin** means the total assets in a segregated sub-account of the Member’s account with a dedicated amount available for the specific position margin.
- 3.45. **Professional Client** has the meaning given to the term in the Law.
- 3.46. **Request for Quotes or RFQ** means an electronic message sent by a Member to the Platform for the purposes of soliciting quotes for a Financial Instrument for such Member.

- 3.47. **Qualifying Money Market Fund** means a collective investment undertaking authorised under Directive 2009/65/EC, or which is subject to supervision and, if applicable, authorised by an authority under the national law of the authorising Member State, and which satisfies all of the following conditions: (a) its primary investment objective must be to maintain the net asset value of the undertaking either constant at par (net of earnings), or at the value of the investors' initial capital plus earnings; (b) it must, with a view to achieving that primary investment objective, invest exclusively in high quality money market instruments with a maturity or residual maturity of no more than 397 days, or regular yield adjustments consistent with such a maturity, and with a weighted average maturity of 60 days. It may also achieve this objective by investing on an ancillary basis in deposits with credit institutions; (c) it must provide liquidity through same day or next day settlement. For the purposes of point (b), a money market instrument shall be considered to be of high quality if the management/investment company performs its own documented assessment of the credit quality of money market instruments that allows it to consider a money market instrument as high quality. Where one or more credit rating agencies registered and supervised by ESMA have provided a rating of the instrument, the management/investment company's internal assessment should have regard to, inter alia, those credit ratings.
- 3.48. **Regulator** means any competent authority that supervises the activities of a Member.
- 3.49. **RTS 6** means the Commission Delegated Regulation (EU) 2017/589 of 19 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the organisational requirements of investment firms engaged in algorithmic trading.
- 3.50. **RTS 25** means Commission Delegated Regulation (EU) 2017/574 of 7 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the level of accuracy of business clocks.
- 3.51. **Rules** means this Rulebook, and any supplementary agreement, the Membership Agreement, the Market Maker Agreement, technical specifications, manuals, policies and any website notices posted by the Company on the Website, all as amended from time to time.
- 3.52. **Rulebook** means the rules and procedures set out in the present document.
- 3.53. **Standard Member** means any member that is a party to the Membership Agreement.
- 3.54. **Trader ID** means a unique identifier issued to each Authorised User.
- 3.55. **Trading Venue** means a Regulated Market, an MTF or an OTF, as per the definitions in MiFID II.

- 3.56. **Transaction(s)** means a binding legal agreement or a transaction for the purchase and sale of one or more Financial Instrument(s) entered into via the Platform in accordance with the Rules.
- 3.57. **Transaction Reporting** means the submission of Transaction Reports to the appropriate competent authority as defined in MiFIR Article 26 or other applicable laws.
- 3.58. **Transaction Reports** means regulatory transaction reports as required by MiFIR Article 26.
- 3.59. **Transferable Securities** means those classes of securities which are negotiable on the capital market, with the exception of instruments of payment, such as: (a) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares; (b) bonds or other forms of securitised debt, including depositary receipts in respect of such securities; (c) any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures.
- 3.60. **UTC** means Coordinated Universal Time.
- 3.61. **Website** means the Company's website at www.perpetuals.com.
- 3.62. Paragraph headings are included for convenience and ease of reference only and shall not affect the interpretation hereof.
- 3.63. References in the Rules to any statute or statutory instrument or Applicable Laws include any modifications, amendments or re-enactment thereof, as in force from time to time.
- 3.64. A reference in the Rules to a "document" shall be construed as a reference to any such document as amended, varied, restated or supplemented from time to time as a reference to any such document as amended, varied, restated or supplemented from time to time and also to include any electronic document.
- 3.65. The singular includes the plural and vice versa as the context requires.

4. CAPACITY AND STATUS

- 4.1. The Company is regulated by CySEC and is authorised under the Law to operate the Platform on which Members may trade listed Financial Instruments.
- 4.2. The Company provides its Members a fully automated electronic trading platform for the conclusion of Transactions. The trading infrastructure includes the matching

engine for the electronic submission and automatic execution for orders and/or quotes, the APIs and frontend as well as any other features in connection with the Platform. The Company sets the conduct of business and operations when Members make use of the Platform.

- 4.3. For more information in relation to the Company and the Platform, please visit the Website.
- 4.4. Members agree to comply with this Rulebook and the Rules, issued by the Company from time to time.
- 4.5. The Company is not a party to, and will not have any liability, or maintain any trading accounts with respect to, Transactions conducted on the Platform.
- 4.6. The Company is not responsible for and shall not be liable for the default of any Member on any Transaction.

5. BECOMING A MEMBER

- 5.1. A Member is eligible to participate in and will be granted access to the Platform if the membership requirements set out in paragraph 5 are met (the “**Membership Requirements**”). Members of the Platform need to:
 - 5.1.1. satisfy the Membership Requirements at all times. Members must be able to demonstrate this by providing reasonable documentation in order to enable the Company to assess a Member’s eligibility to its full satisfaction, and
 - 5.1.2. comply with and be bound by the Rules at all times.
- 5.2. An entity may apply to become a Member of the Platform (“**Applicants**”) by completing and submitting the relevant application form available on the Website and must satisfy the following conditions:
 - 5.2.1. be an Investment Firm, a Credit Institution or another person who:
 - 5.2.1.1. is of sufficient good repute;
 - 5.2.1.2. has sufficient level of trading ability, competence and experience;
 - 5.2.1.3. has, where applicable, adequate organisational arrangements;
 - 5.2.1.4. have sufficient resources for the role it is to perform, taking into account the different financial arrangements that the Company may have established in order to guarantee the adequate settlement of transactions.

- 5.2.2. pass any relevant “know your customer” checks, including sanction checks and anti-money laundering checks, in accordance with Applicable Laws and Rules and as applied by the Company in its own discretion;
- 5.2.3. enter into the Membership Agreement with the Company, including acknowledging that it has read, understood and agrees to be bound by the Rules and Applicable Laws, and, if applicable, the Market Maker Agreement;
- 5.2.4. meet the following operational conditions for access to the Platform:
 - 5.2.4.1. have adequate systems and controls in place to ensure ongoing compliance with the Rules and Applicable Laws;
 - 5.2.4.2. meet at all times any technical specifications and standards required by the Company for maintaining its membership status on the Platform;
 - 5.2.4.3. have in place appropriate technology and systems to enable it to access the Platform and appropriate security measures;
 - 5.2.4.4. have staff members in key positions with adequate qualifications, i.e. knowledge and experience with trading models and trading venues and a minimum of two years trading experience;
 - 5.2.4.5. undertake any conformance testing that the Company may require, from time to time; and
 - 5.2.4.6. have appropriate arrangements in place to ensure the timely clearing and settlement of Financial Instruments (where applicable), which are satisfactory to the Company.
- 5.3. Natural persons, sole proprietorships or tied agents are not eligible to become Members.
- 5.4. Applicants must provide onboarding documentation, along with additional information the Company may require in order to assess that the Applicant meets the Membership Requirements as well as any additional information which the Company shall use to carry out the necessary transaction reporting under Applicable Laws.
- 5.5. Applicants and Members must at all times provide accurate, genuine and up to date information and/or documentation and shall ensure that the Company is provided with updated documentation without undue delay upon their own initiative and without the Company specifically requesting it. The Company may request additional documentation within its sole discretion at least on an annual basis.

- 5.6. Members that do not provide the information required, either during the onboarding process with the Company, or at a later stage during ongoing due diligence, whether or not specifically requested, will not be permitted to access the Platform.
- 5.7. Each Member undertakes to meet the following requirements at all times and without exception:
 - 5.7.1. it is of sufficient good repute, as determined by the Company in its sole discretion;
 - 5.7.2. it has a sufficient level of trading ability, competence and experience;
 - 5.7.3. it has, where applicable, adequate organisational arrangements and systems to ensure their ongoing compliance with the Rules and management of their trading activities;
 - 5.7.4. it has sufficient resources for the role they are to perform, taking into account the different financial arrangements that the Platform may have established in order to guarantee the adequate settlement of transactions;
 - 5.7.5. it has the legal and regulatory authority and capacity to transact on the Platform, either for its own account, on its own behalf for the account of third parties or as an intermediary regarding the purchase and sale, in each case with respect to instruments capable of being traded on a Trading Venue;
 - 5.7.6. it accesses the Platform from an establishment in a jurisdiction in which the Company is permitted to provide access to the Platform, or from an establishment maintained in a jurisdiction which does not prohibit the provision of cross-border services by the Company or for which the Company, in its sole discretion, has not elected not to conduct business in;
- 5.8. In addition to the above requirements, in order for the Company to designate a Market Making Member as such so that it can pursue a market making strategy under any applicable Market Maker Scheme, a Market Making Member must satisfy the following requirements:
 - 5.8.1. be willing to continuously deal on own account by buying and selling financial instruments against proprietary capital at prices defined by itself;
 - 5.8.2. be a credit institution or investment firm authorised or regulated by a Regulator (where applicable) with the power and capacity to carry on activities on the Platform or be such other person who is otherwise licensed by a Regulator to the extent necessary (including in each relevant jurisdiction) to conduct business on the Platform or does not require any such licence/authorisation in its jurisdiction of establishment; as well as

- 5.8.3. have entered into a Market Maker Agreement with the Company and the relevant Market Maker Scheme.
- 5.9. Members on the Platform may (i) trade on their own account, using proprietary capital; and/or (ii) trade by executing orders on behalf of their clients, using client's capital. Members undertake to use segregated subaccounts for each capacity and represent not to commingle the two capacities in one account or subaccount.
- 5.10. Each Member will be provided with a unique Trader ID(s) which will allow access to its account on the Platform to one or more Authorised Users. Each Member will provide information about each Authorised User. Trader ID(s) are not assignable and cannot be used by any person other than the relevant Authorised User that these are assigned to.
- 5.11. Each order, RFQ and response to RFQ entered into the Platform by an Authorised User must contain such Authorised User's Trader ID.
- 5.12. Each Member must ensure that the use of any Trader ID is limited to its Authorised Users and shall adopt, implement and enforce access control procedures that limit access to the Platform to its Authorised Users.
- 5.13. The relevant Authorised User(s) must be adequately trained and fully conversant with the Rules. The Company may impose requirements (and publish such requirements on the Website) in respect of training and competence of Authorised User(s).
- 5.14. Each Member shall ensure the accuracy of the registration information of its Authorised Users at all times.
- 5.15. Each Member shall be bound by any actions taken through the use of a Trader ID assigned to its Authorised Users, including the submission of orders, RFQs, and responses to RFQs and resulting Transactions, whether or not such actions were taken or authorised by such Member or Authorised User, as the case may be.
- 5.16. Each Member undertakes to retain records sufficient to enable it to provide to the Company the full audit trail of each Trade and names of Authorised Users that placed each order, RFQ and response to an RFQ.
- 5.17. Any failure of a Member to comply with the Membership Requirements set out in this section, as relevant, at any time will constitute a cause for either a temporary or long-term suspension of the Member from carrying out any trading on the Platform.

6. OPERATIONAL CRITERIA

- 6.1. Members using an API to access the Platform must undertake conformance testing using the Platform's test environment to ensure the functioning of their trading systems to properly communicate and interact with, and are in compliance with the Platform's conditions, prior to deployment or a substantial update.
- 6.2. The Platform's conformance testing environment is separate from the production environment.

7. ALGORITHMIC TRADING

- 7.1. A Member may engage in Algorithmic Trading on the Platform as specified in this clause, provided it obtains the prior written consent of the Company. Any Investment Firm has to comply with all organisational requirements as set out in MiFID II and any applicable European regulations, acts and instruments when engaging in Algorithmic Trading.
- 7.2. Members are required to meet the following minimum conditions in order to operate an algorithm on the Platform:
 - 7.2.1. Members must ensure all key staff (such as, without limitation, compliance, risk, traders, and senior management) responsible for the trading on the Platform are suitably qualified and possess proper relevant experience;
 - 7.2.2. Members must be in compliance with the conformance testing (outlined below) relating to technical and functional conformance testing and rules on order record keeping;
 - 7.2.3. Members must promptly complete, upon request, a periodic self-certification for each trading algorithm deployed on the Platform as part of the Company's risk assessment;
 - 7.2.4. Members must provide evidence upon request that they continue to satisfy the Membership Requirements;
 - 7.2.5. Investment Firms must have a policy in place relating to the use of kill functionality, which is reasonably designed to limit use of kill functionality to emergency situations, as outlined in Articles 2 and 12 of RTS 6; and
 - 7.2.6. Investment Firms must have pre-trade controls on price, volume and value of orders and usage of the system and post trade controls on trading activities in place. Pre-trade controls must be reasonably designed to comply with Article 15

of RTS 6. Post trade controls should be reasonably designed to comply with Article 17 of RTS 6.

- 7.3. Members that operate or plan to operate Algorithmic Trading, algorithm or strategy must, prior to the deployment or substantial update, and at such other times as the Company may require:
 - 7.3.1. Provide evidence that it complies with the conditions and rules in relation to Algorithmic Trading set out in this section;
 - 7.3.2. Certify to the Company that the algorithm to be deployed has been tested so as to avoid contributing to or creating Disorderly Trading Conditions; and provide a short code identifier for each algorithm once tested; and
 - 7.3.3. Notify the Company immediately if it is no longer in compliance with any of the above requirements.
- 7.4. Each Member wishing to deploy an Algorithmic Trading system, algorithm or strategy either directly or through DEA on the Platform must successfully test conformance of their trading system, algorithm or strategy with the systems of the Platform:
 - when accessing the Platform as a Member;
 - when connecting to the Platform through a DEA for the first time;
 - where there is a material change in the systems of the Platform;
 - before the deployment or material update of an Algorithmic Trading system or algorithm or strategy of that Member; or
 - upon the request of the Company.
- 7.5. The conformance testing carried out by each Member shall verify the functioning of the following:
 - 7.5.1. the ability of the system or algorithm to interact as expected with the Platform's matching logic and the adequate processing of the data flows from and to the Company;
 - 7.5.2. the basic functionalities such as submission, modification or cancellation of an order or an indication of interest, static and market data downloads and all business data flows; and
 - 7.5.3. the connectivity, including the cancel on disconnect command, market data feed loss and throttles, and the recovery, including the intra-day resumption of trading and the handling of suspended instruments or non-updated market data.
- 7.6. The Company shall provide a conformance testing environment to its Members or prospective Members which:

- 7.6.1. is accessible on conditions equivalent to those applicable to the Platform's other testing services as outlined on the Website;
- 7.6.2. provides a list of Financial Instruments which can be tested and which are representative of every class or instruments available in the production environment;
- 7.6.3. is available during market hours; and
- 7.6.4. is supported by staff with sufficient knowledge.
- 7.7. Each Member shall remain fully responsible for the aforementioned testing of conformance of the system, algorithm or strategy and for making any changes to its systems following such testing, if so required. No Member shall be able to engage in Algorithmic Trading until all required testing has been completed successfully.
- 7.8. The Company shall deliver a report of the results of the conformance testing to its Members or prospective Members only.
- 7.9. Members shall certify to the Company in writing that the algorithms they deploy have been tested to avoid contributing to or creating Disorderly Trading Conditions prior to the deployment or substantial update of a trading algorithm or trading strategy and explain the means used for that testing. Members must provide their testing certifications proactively and must reconfirm their certification in respect of their algorithms annually.
- 7.10. Members deploying Algorithmic Trading are obliged to (i) mark the orders/RFQs/responses to RFQs generated through Algorithmic Trading when entered into the Platform by using their Algorithmic Trading ID and (ii) identify the persons initiating the orders or quotes. The trading algorithms used in each case must be identified when orders or quotes resulting from the trading algorithms are entered into the Platform and when such orders or quotes are modified or cancelled, by using the appropriate input options of the Platform.
- 7.11. The Company shall, at least annually, conduct a risk-based assessment of the compliance of any Members engaged in Algorithmic Trading on the Platform with the Rules and any Applicable Laws.
- 7.12. Members who intend to engage in Algorithmic Trading to pursue a market making strategy in accordance with Article 17(3) of MiFID II and Article 1 of Commission Delegated Regulation (EU) 2017/578, in addition to meeting the above requirements on algorithmic trading shall also enter into a Market Maker Agreement with the Company which will specify their obligations in relation to market making and meet the Market Making Member requirements outlined in this Rulebook. Moreover, such Members should have in place effective systems and controls to ensure that they fulfil their obligations as specified by the Company in writing.

8. DIRECT ELECTRONIC ACCESS

- 8.1. Members which are Investment Firms or Credit Institutions may provide their clients with Direct Electronic Access (DEA) to the Platform. All orders submitted through DEA must be marked as DEA orders and if necessary, the Company should stop orders or trading by a person using DEA without such mark.
- 8.2. The Member remains responsible at all times for any orders executed via DEA. Members providing DEA to their clients should ensure that each client granted DEA complies with the Rules when trading on the Platform via the DEA at any time. The Member must comply with the requirements for the provision of Direct Electronic Access and those required under Delegated Regulation (EU) 2017/589 and any Applicable Laws.
- 8.3. Members wishing to provide DEA to their clients must conduct a due diligence assessment to ensure that prospective DEA clients meet the requirements of Applicable Laws and the Rules. The due diligence assessment must cover:
 - 8.3.1. the governance and ownership structure of the prospective DEA client;
 - 8.3.2. the types of strategies to be undertaken by the prospective DEA client;
 - 8.3.3. the operational set-up, the systems, the pre-trade and post-trade controls and the real time monitoring of the prospective DEA client. The Member offering DEA and allowing DEA clients to use third-party trading software for accessing the Platform shall ensure that the software includes pre-trade controls that are equivalent to the pre-trade controls set out in the Applicable Laws;
 - 8.3.4. the responsibilities within the prospective DEA client for dealing with actions and errors;
 - 8.3.5. the historical trading pattern or behaviour of the prospective DEA client;
 - 8.3.6. the level of expected trading and order volume of the prospective DEA client;
 - 8.3.7. the ability of the prospective DEA client to meet its financial obligations to the Member; and
 - 8.3.8. the disciplinary history of the prospective DEA client, where available.
- 8.4. Additionally, Members wishing to provide DEA to their clients should have in place effective systems and controls which ensure:
 - 8.4.1. a proper assessment and review of the suitability of clients having a DEA;

- 8.4.2. that clients using the service are prevented from exceeding appropriate pre-set trading and credit thresholds; and
- 8.4.3. that trading by clients using the service is properly monitored and that appropriate risk controls prevent trading that may create risks to the Member itself or that could create or contribute to a disorderly market or could be contrary to Regulation (EU) No 596/2014 or the Rules.
- 8.5. Provision of DEA is subject to the Company's approval and firms having Sponsored Access shall be subject to pre-trade and post trade controls used by the Company as well as pre-trade and post-trade controls necessary for their members to access the Platform. The Company reserves its right to limit the number or volume of DEA orders. In case such limits are imposed, the Company will publish them on its Website.
- 8.6. The Company reserves the right to request information from any Member or user of Sponsored Access on their organisational arrangements and trading controls.
- 8.7. The Company reserves the right to suspend or terminate the provision of direct electronic access by a Member to its client in the case of non-compliance with the Rules.

9. TERMINATION, AMENDMENT AND SUSPENSION OF MEMBERSHIP

- 9.1. The Company may amend, suspend or terminate a Member's access to the Platform or membership, and notify the Member of such decision, if:
 - 9.1.1. so requested by the Member, provided the Member gives the relevant notice in accordance with the provisions of the Membership Agreement;
 - 9.1.2. a Member fails or is in the reasonable opinion of the Company likely to fail to comply with any of its obligations under the Rules or applicable Agreement;
 - 9.1.3. a Member is subject to any proceedings by its regulatory/competent authority;
 - 9.1.4. a Member no longer meets the operational conditions for access to the Platform as outlined in the Rules and Applicable Laws;
 - 9.1.5. a Member no longer meets the Membership Requirements as defined in these Rules;
 - 9.1.6. a Member objects to or does not accept an amendment to the Rules;
 - 9.1.7. an Insolvency Event has occurred with respect to a Member or another entity of the Member's group of companies;

- 9.1.8. a Force Majeure event has occurred, as outlined in the Rules;
 - 9.1.9. a Member refuses to provide information or records requested by the Company to carry out any investigations or for monitoring purposes or any other reasonable request or interest of the Company;
 - 9.1.10. in the reasonable opinion of the Company, a Member is not compliant with Applicable Laws and or the Rules, including engaging in Market Abuse or in any type of behaviour which could adversely affect the fair and orderly trading on the Platform; or
 - 9.1.11. the Company, in its sole discretion, deems it necessary to ensure a fair and orderly market on the Platform and to uphold integrity of the Platform or to comply with Applicable Laws, or if so required by a Regulator.
- 9.2. The Company may, in its absolute discretion and acting in the best interests of its Members and orderly functioning of the Platform, decide to set a grace period for the Member to remedy an action or omission, prior to terminating its membership on the Platform. Access rights to the Platform may be suspended during the time of the grace period.
- 9.3. A Member whose membership has been terminated shall remain subject to and comply with the Rules in respect of acts and omissions which took place when it was a Member. A Member whose access to the Platform has been suspended (but not terminated) shall remain subject to the Rules but will not be able to trade on the Platform.
- 9.4. A Member whose access has been suspended or terminated will also remain subject to the Rules in respect of any outstanding obligations with respect to transactions it has entered into or otherwise, under the Rules.

10. ADMISSION OF FINANCIAL INSTRUMENTS TO TRADING

- 10.1. The Company determines the Financial Instruments that are available for trading on the Platform from time to time and according to its sole discretion.
- 10.2. The Financial Instruments admitted to trading on the Platform and their specifications will be published on the Website of the Company at all times.
- 10.3. A person may propose the admission of a Financial Instrument to trading on the Platform. In order to do so, it must contact the Company via the email address as shown on its Website. It must provide all documents as requested by the Company in order to assess whether or not it admits the Financial Instrument. After satisfying all requests for information by the Company, the Company shall decide within 10

Business Days whether or not it will admit the proposed Financial Instrument to trading. The decision whether or not to admit the proposed Financial Instrument is subject to the sole discretion of the Company. The Company is not obliged to give any reasons for its decision. The person has no right for admission and cannot claim any damages whatsoever. Following the admission of the Financial Instrument, any information or other documents in relation to the Financial Instruments must be provided without undue delay.

- 10.4. The Company shall assess the following for the admission of Transferable Securities or other Financial Instruments:
 - 10.4.1. if the Financial Instrument is capable of being traded in a fair and orderly manner;
 - 10.4.2. if historical information is publicly available;
 - 10.4.3. if there is sufficient information publicly available about the issuer;
 - 10.4.4. if there is sufficient information publicly available to provide a business overview;
 - 10.4.5. if the terms of the Financial Instrument are clear and unambiguous and allow for a correlation between the price of the Financial Instrument and the price or the value measure of the underlying;
 - 10.4.6. if the price or other value measure of the underlying is reliable and publicly available;
 - 10.4.7. if the arrangements for determining the settlement price of the Financial Instrument are such that the price properly reflects the price or other value measures of the underlying; and
 - 10.4.8. where the settlement of the derivative requires or provides for the possibility of the delivery of an underlying security or asset rather than cash settlement, if there are adequate arrangements to enable Members to obtain relevant information about that underlying as well as adequate settlement and delivery procedures for the underlying.
- 10.5. Whenever there is an admission or delisting of a Financial Instrument, the Company shall make this public by posting the relevant announcement on the Website.
- 10.6. The Company shall notify, without delay and where applicable, the Regulator of any Financial Instrument for which a request for admission to trading on the Platform is made, which is admitted to trading, which is traded for the first time, or which has been delisted.

11. SUSPENSION AND REMOVAL OF FINANCIAL INSTRUMENTS FROM TRADING

- 11.1. The Company may at any time, without prior notice and according to its reasonable discretion, suspend trading in, or remove from trading one or more Financial Instruments (unless such suspension or removal would be likely to cause significant damage to investors' interests or the fair and orderly functioning of the market), in cases where:
- 11.1.1. the Financial Instrument no longer complies with the Rules;
 - 11.1.2. the orderly conduct of trading and settlement is no longer met;
 - 11.1.3. the Regulator has requested the suspension or the removal from trading of a Financial Instrument;
 - 11.1.4. the Financial Instrument, or where applicable, its underlying has been suspended or removed from trading on another Trading Venue (rendering impossible or impracticable the orderly determination of prices on the Platform);
 - 11.1.5. the market volatility of the Financial Instrument needs to be prevented or halted to ensure fair and orderly trading on the Platform and prevent disorderly trading (for example if there is a significant price movement indicating disorderly conditions during a short period in an instrument on the Platform or a related trading venue or otherwise in accordance with Applicable Laws);
 - 11.1.6. there is suspicion of market abuse or a takeover bid or non-disclosure of inside information with regard to the Financial Instrument, or where applicable, with respect to the underlying to which a Financial Instrument relates; or
 - 11.1.7. in the reasonable opinion of the Company, an event has occurred which constitutes a substantial reason for suspending or removing from trading of one or more Financial Instruments.
- 11.2. For the purposes of assessing the likelihood to cause significant damage to the Members' interests or the orderly functioning of the markets in any particular case, the Company shall consider all relevant factors, including but not limited to:
- 11.2.1. the relevance of the market in terms of liquidity, whereas the consequences of the actions are likely to be more significant when those markets are more liquid than other markets;
 - 11.2.2. the nature of the envisaged action where actions with a sustained or lasting impact on the ability of members to trade a Financial Instrument on Trading

Venues, such as removals, are likely to have a greater impact on investors than other actions;

- 11.2.3. the knock-on effects of a suspension or removal of sufficiently related derivatives, indices or benchmarks for which the removed or suspended instrument serves as an underlying or constituent; or
 - 11.2.4. the effects of a suspension on the interests of market end users who are not financial counterparties, such as entities trading in Financial Instruments to hedge commercial risks.
- 11.3. A suspension or removal from trading of a Financial Instrument shall be deemed likely to cause significant damage to Members' interests or the orderly functioning of the market at least in the following circumstances:
- 11.3.1. where it would create a systemic risk undermining financial stability, such as where the need exists to unwind a dominant market position, or where settlement obligations would not be met in a significant volume;
 - 11.3.2. where the continuation of trading on the market is necessary to perform critical post-trade risk management functions when there is a need for the liquidation of financial instruments due to the default of a clearing member under the default procedures of a CCP and a CCP would be exposed to unacceptable risks as a result of an inability to calculate margin requirements; or
 - 11.3.3. where the financial viability of the issuer would be threatened, such as where it is involved in a corporate transaction or capital raising.
- 11.4. The Company may also suspend without prior notice all trading on the Platform in response to system disruptions, network issues, Disorderly Trading Conditions, adverse market events, excessive volatility or excessive price moves which are likely to cause significant damage to the interests of the Members or the orderly function of the Platform.
- 11.5. The Company may, in its reasonable discretion, remove Financial Instruments from trading on the Platform by giving at least six weeks notice on its Website.
- 11.6. Subject to Applicable Law, the Company will notify Members, where possible in advance, of any suspension or removal by posting an announcement on its website. The same applies to the extent a suspension of trading is lifted and trading resumes.
- 11.7. No orders or RFQs will be submitted during suspension or upon removal from trading of any Financial Instrument and no Transactions shall be entered into. Additionally, any outstanding orders or quotes may be cancelled during suspension or will be cancelled upon removal of a Financial Instrument from trading on the Platform. Any new orders will be rejected by the Platform.

- 11.8. In case a market is removed from trading, all positions will be closed and settled according to the relevant market rules.
- 11.9. The Company will make public via its Website its decision to suspend or remove a Financial Instrument.

12. TRADING HOURS

- 12.1. The trading hours are determined for each market individually and are published on the Website.

13. MATCHING PRINCIPLES /TRADING RULES

- 13.1. Orders and quotes can be submitted by any Member through the web interface or the APIs.
- 13.2. The Company will display the last price (i.e. the last matched price), the best bid (i.e. the highest price a buyer is willing to pay) and the best ask (i.e. the lowest price a seller is willing to accept).
- 13.3. Orders and quotes will be ranked and filled/matched based on price-time-priority. This means that orders and quotes will be sorted in the order book primarily based on their price. Orders or quotes for the same price will be ranked by the time of their submission to the orderbook, whereas the oldest orders or quotes will be ranked first. Stop orders will be submitted to the order book once the stop price has been reached.
- 13.4. The Company uses network time protocol servers or better (such as Precision Time Protocol, PTP) in its local area network in order to synchronise the clocks of the Members and the Platform. All system logs and any other reportable events are timestamped with UTC. Each Investment Firm shall synchronise the business clocks it uses to record the date and time of any order, RFQ or response to RFQ (each being a "reportable event" for the purposes of RTS 15) according to the standards set out in RTS 25.
- 13.5. Any amendment or change of an order or quote is treated as a new order or quote, unless such amendment concerns a reduction of the lot sizes of the order or quote.
- 13.6. The Company will match orders automatically without discretion and in accordance with the Rules. Upon matching/filling an order, the parties conclude a binding contract based on the applicable Rules to the extent the order is filled. No further action from either side is necessary.

- 13.7. The Company does not guarantee the execution of an order.
- 13.8. The Company may impose parameters and/or limits on the number of orders or quotes that a Member can submit to the Platform on any one day, including the total value of those orders or quotes, and the number of messages (order throttle) that can be submitted to the Platform. The Company shall notify the Members of any such parameters and/or limits via its Website and API.
- 13.9. The Company may halt or constrain trading in a Financial Instrument listed on the Platform or in one or more Financial Instruments, by putting in place any circuit breakers or by any other means, in case there is a significant price movement indicating disorderly conditions in such Financial Instrument or its underlying instrument, or if required to manage volatility.
- 13.10. Generally, Members will be matched with all available counterparties. As a deviation thereof, Members may also deselect certain counterparties. In such a case, Members will not be matched against those counterparties that have been deselected. It is up to the discretion of each Member whether or not to deselect certain Members as potential counterparties.

14. MARGIN REQUIREMENTS

- 14.1. In order to enter into a position relating to a Financial Instrument that requires collateral, the Member must ensure that its trading account holds sufficient collateral to meet the Initial Margin for that position. A Member will only be able to conclude a transaction or submit an order that could increase an existing position, to the extent that the Member's collateral exceeds the Initial Margin. Orders that are not backed by the Initial Margin will be cancelled.
- 14.2. Members shall constantly monitor their collateral and ensure that their collateral held in their trading account is equal to or higher than their Maintenance Margin (i.e. by allocating additional collateral to their trading account or closing out part or all of their positions).
- 14.3. The funds relevant for the Initial Margin and Maintenance Margin calculation (the "**Available Funds**") can be either:
 - 14.3.1. the total assets available (i.e. funds that do not count towards the Maintenance Margin of Positions) in the Member's account ("**Account Margin**"), or
 - 14.3.2. the total assets in a segregated sub-account of the Member's account with a dedicated amount available for the specific position margin ("**Position Margin**"). For sub-accounts, the Member decides how much funds shall be allocated to the specific Initial Margin or Maintenance Margin of the Position. Those

dedicated funds will be subtracted from the Account Margin. For example, the Member can decide that the position margin (the isolated margin for the position) shall be limited to €5.000 when the total account of the Member has a higher available balance. In such a case, the maximum margin available for the respective position is €5.000 and this amount is used for all calculations relevant for that Position.

- 14.4. To the extent that any Transaction requires a Member to place collateral to meet an Initial Margin or a Maintenance Margin, such collateral shall be deposited in the clients' account.
- 14.5. Notwithstanding that the Members acknowledge that as between a Member and a counterparty the Member shall not be able to conduct any Transactions unless sufficient collateral has been placed. The Company shall in no circumstance bear responsibility either towards the Member or the counterparty in the event that a Transaction is not backed by sufficient Initial Margin or Maintenance Margin.
- 14.6. Any amount which is held in the account of a Member and represents Initial Margin or Maintenance Margin given by such Member to secure its obligations towards a counterparty shall be held by the Company for the benefit of and in trust for such counterparty and not for the benefit of the Member until such time the obligations are settled.
- 14.7. In the event that the Company requests the payment of Initial Margin or Maintenance Margin, the Company will execute such request without any responsibility or liability towards the Member or the counterparty.
- 14.8. The Company shall publish on its Website the Initial Margin and Maintenance Margin parameters as applicable from time to time. Members shall be responsible for ensuring that they are aware of the prevailing margin parameters at any time.

15. CONCLUSION OF TRANSACTIONS

- 15.1. Any order submitted by a Member to the orderbook is considered a binding offer and each Member agrees to enter into a binding contract with any other Member ("**Counterparty**") to the extent the order is matched in accordance with the matching principles. The Company does not act as a counterparty in any transaction occurring on the Platform and will not have a liability or maintain any trading accounts with respect to transactions conducted on the Platform.

16. TRADING OF FINANCIAL INSTRUMENTS WITHOUT AN ORDINARY RIGHT FOR TERMINATION

- 16.1. In the case of Financial Instruments that do not provide for an ordinary right for termination (e.g. Perpetual Contracts), the following shall apply for entering into a transaction (i.e. forming a Position) and exiting from the transaction (i.e. exiting from that Position):
 - 16.1.1. Party A submits an order in the order book in relation to the Financial Instrument that has no ordinary right for termination.
 - 16.1.2. Party A's order is matched with Party B's order and a contract is formed.
 - 16.1.3. Party B wants to exit the contract. To do this, Party B must submit a reverse order in the orderbook (i.e. if Party B is long, it needs to submit a short order as a reverse order).
 - 16.1.4. Party B's reverse order will be matched in accordance with the matching rules with Party C.
 - 16.1.5. Party A, Party B and Party C agree that the contract between Party A and Party B will be novated, and a new contract will be formed whereby the rights and obligations of Party B to Party A will be undertaken by Party C, under the same terms as the original contract between Party A and Party B.

17. TRADING WITH REQUESTS FOR QUOTES ("RFQ")

- 17.1. Members may use the RFQ functionality on the platform. RFQs are executed on-exchange and off-order-book. The Platform will automatically switch to the RFQ session if the market is tight.
- 17.2. Once the RFQ session is triggered, the requester sends an RFQ to the responders. Responders may accept the RFQ by sending a firm quote, or reject it, modify it, or do nothing at all. A modification to an RFQ is considered a rejection and the request of a new RFQ.
- 17.3. Any responder quote must be accepted by the requester to conclude a binding Transaction.

18. SETTLEMENT OF TRANSACTIONS FOR FINANCIAL INSTRUMENTS NOT SUBJECT TO CLEARING OBLIGATION

- 18.1. Each Member is obligated to settle all Transactions concluded on the Platform in accordance with the Rules. Each Member must ensure at all times that it has the ability (including legal and regulatory capacity) to settle its Transaction in compliance with this Rulebook, regulatory requirements and market practice.
- 18.2. For Financial Instruments that are not subject to clearing obligation, the Company provides the settlement of the Transactions. The Company shall initiate settlement of Transactions in response to any Transaction occurring that results in the closing out of some or all of the Member's position, whether as a result of a Transaction that occurred according to the matching principles outlined herein, or the Auto-Deleveraging Process. The Company will settle positions by:
 - 18.2.1. calculating the profit and loss of a close out transaction based on the last prices at which the position being closed out was opened and closed, the size of that position and the contract specifications of the Financial Instrument in which the position was held;
 - 18.2.2. adding the profit to or deducting the loss from, as the case may be, the collateral allocated to the trading account in which the position resided.
- 18.3. The Members agree and acknowledge that the Company's calculations and decisions associated with operating the Platform, in particular, but not limited to, the calculation of the profit and loss of open positions, and the calculation of collateral are binding and final.

19. LIQUIDATION OF POSITIONS

- 19.1. In case a Member's Maintenance Margin is running low, the Company will inform the Member and request the Member to provide more collateral.
- 19.2. If the Available Funds for the Maintenance Margin become insufficient, the liquidation system will send a market order for 20% of the Position to the Order Book to close out those 20%. As long as the Available Funds are below the Maintenance Margin or fall again below the Maintenance Margin another Market Order for 20% of the remaining Position will be sent to the Order Book until either the Available Funds are above the Maintenance Margin level or the whole Position is liquidated.
- 19.3. Once initiated, the Auto Deleveraging Process performs the following actions in relation to the Member's account for which it has been triggered, and the Member's

consent to allow the Company to undertake the following actions on the Member's behalf, without any further consent or approval:

- 19.3.1. Cancel the Members' unfilled orders;
- 19.3.2. Members with Positions on the same market as the Position that is subject to the Auto Deleveraging Process with a positive profit are so called "Auto Deleveraging Candidates";
- 19.3.3. Auto Deleveraging Candidates will be prioritized according to their leverage ratio, whereas the Auto Deleveraging Candidates with the highest leverage ratio will be auto deleveraged first by realizing their profits on a pro-rata basis. Auto-Deleveraging Candidates with lower leverages will only be participating in the process if the profits of the others are not sufficient to cover the loss of the defaulting Member;
- 19.3.4. The Auto Deleveraging Process continues until the account deficit is fully covered or all profitable positions in the relevant market and price level have been closed. The profits that are subject to the Auto Deleveraging Process will be locked in the clients' accounts;
- 19.3.5. A Member remains obliged to provide any additional funds to cover its negative balance;
- 19.3.6. In case the Member defaults on that obligation, the Auto Deleveraging Candidates authorize the Company to claim any negative balance from the defaulting Member in its own name and on behalf of the Auto Deleveraging Candidates;
- 19.3.7. If the defaulting Member provides additional collateral at any later point in time, these funds will be credited on a pro rata basis to the Members that had participated in the Auto-Deleveraging Process.
- 19.4. The rules and procedures the Company applies regarding the determination of profit and loss, collateral, Initial Margin, Maintenance Margin, and Auto Deleveraging Process are identical for all Members.

20. CLEARING OF TRANSACTIONS FOR FINANCIAL INSTRUMENTS SUBJECT TO CLEARING OBLIGATION

- 20.1. Where applicable, Transactions on the Platform that are subject to clearing according to Regulation (EU) 648/2012 will be cleared by a Central Counterparty Clearing House ("**CCP**") ("**Cleared Transactions**").

- 20.2. Each Member is responsible for:
- 20.2.1. determining which transactions executed by it on the Platform are required to be cleared,
 - 20.2.2. submitting such transactions for clearing; and
 - 20.2.3. executing all applicable agreements and arrangements necessary for clearing such transactions in accordance with Applicable Laws.
- 20.3. The Company is not responsible or liable for the clearing of transactions executed by a Member on the Platform. The Company may assist Members upon request by providing additional functionality on the Platform and the details of any such transaction to the chosen clearing member, CCP or middleware provider in order to facilitate the clearing of transactions.
- 20.4. For Cleared Transactions, each Member must designate a CCP that it wishes to use for trading on the Platform.
- 20.5. Prior to submitting a Transaction in relation to a potential Cleared Transaction, the Member must procure, where necessary, pre-conclusion screening on an instruction-by-instruction basis against the limits set and maintained by the relevant clearing member in accordance with EU Regulation 2017/589.
- 20.6. In the event that a Transaction in relation to a potential Cleared Transaction fails the pre-conclusion screening undertaken by a Member, the Member should not submit such Transaction on the Platform.
- 20.7. The clearing services provided by each CCP with respect to any Transaction accepted for clearing, and the rights and obligations of purchasers and sellers under such Transaction (including rights and obligations in respect of clearing and settlement, variation payments and performance at maturity), will be governed by the rules of the relevant CCP.
- 20.8. Each Member permits the Company to pass information concerning the Member's use of the Platform, including any relevant trade data to relevant CCPs, clearing Member(s), third party middleware providers and the counterparty that executes the contract with the Member to the extent reasonably necessary for the clearing or settlement of Transactions entered into by such Member. The Member expressly licenses the Company to provide this information to such entities and acknowledges and agrees that the Company is simply acting on behalf of the Member in transmitting such information.
- 20.9. Where the Company provides the functionality on the Platform for the clearing of Cleared Transactions, a Member must provide such information as the Company may require in the format specified by the Company in order for the Company to

submit the transaction to the relevant clearing house for clearing. Such information must be provided to the Company during the onboarding process for setting clearing access.

- 20.10. Where the Company provides the functionality on the Platform for the clearing of Cleared Transactions, the Company will provide facilities to route information relating to such Cleared Transactions to those CCPs that have established operational links to the Platform either directly or through a middleware provider.
- 20.11. Where a Cleared Transaction that is concluded on the Platform and submitted for clearing is not accepted for clearing in accordance with the rules and procedures of the relevant CCP, the Company will take reasonable steps to notify Members of the non-acceptance of the Transaction and the Company will use reasonable endeavours to determine the reason for the non-acceptance.
- 20.12. Where the Cleared Transaction was not accepted for clearing as a result of a credit issue, the Cleared Transaction will be deemed void and the Company will provide notice of such determination to the relevant Members as soon as reasonably practicable.
- 20.13. Where the Company determines that the Cleared Transaction was not accepted for clearing as a result of a technical or clerical problem, the Company will assess whether it can resubmit the Cleared Transaction to the CCP. Where the Company considers that it is able to correct the technical or clerical problem, the Company may re-submit to the CCP the Cleared Transaction in question (in the form of a new transaction but with the same economic terms) within a reasonable timeframe and the counterparties to the Cleared Transaction will be deemed to have consented to and shall be bound by the re-submission of the transaction by the Company. Where the Company considers that it cannot correct the technical or clerical problem, it may seek guidance from the counterparties to the Cleared Transaction in question. Where the Company considers that it cannot correct the technical or clerical problem and the Cleared Transaction is not able to be resubmitted for clearing, then the Cleared Transaction will be deemed void and the Company will take reasonable steps to notify Members accordingly. The parties to a Cleared Transaction that is deemed void must not resubmit the transaction to the Platform. Where a Cleared Transaction that is concluded on the Platform is deemed void, neither party to the void transaction will have any recourse to the other or will be liable to the other for any losses, costs, expenses or charges suffered with respect to the void transaction.
- 20.14. When a trade in a relevant interest rate swap or other Financial Instrument that is executed by a U.S. Person on the Platform is subject to the Commodity Exchange Act ("CEA") section 4d, the trade must be cleared through a futures commission merchant registered with the Commodity and Futures Trading Commission ("CFTC") at a clearing house that is also registered with the CFTC. When a trade in a relevant interest rate swap or other financial instrument that is executed by a U.S. Person on

the MTF is a "proprietary" position under the CFTC Regulation 1.3(y), the trade must be cleared either through a clearing house registered with the CFTC or a clearing organization that has been exempted from registration as a derivatives clearing organization by the CFTC pursuant to the CEA section 5b(h); and when a trade in a relevant interest rate swap or other financial instrument that is subject to the CFTC's clearing requirement under Part 50 of the CFTC's regulations, and is entered into by a U.S. Person that, pursuant to CEA section 2(h)(l), is subject to such clearing requirement the trade must be cleared either through a clearing house registered with the CFTC or an Exempt DCO; provided that if the trade is a "customer" position subject to CEA section 4d, it must be cleared through an futures commission merchant at a clearing house registered with the CFTC, and cannot be cleared through an Exempt DCO.

21. NETTING

- 21.1. If on any date amounts would be payable by each Member according to the Rules to the other, then, on such date, each Member's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one Member exceeds the aggregate amount that would otherwise have been payable by the other Member, replaced by an obligation upon the Member by which the larger aggregate amount would have been payable to pay to the other Member the excess of the larger aggregate amount over the smaller aggregate amount.
- 21.2. The Members may elect in respect of two or more Transactions that a net amount and payment obligation will be determined in respect of all amounts payable on the same date in the same currency in respect of those Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in writing to the Company by specifying that "Multiple Transaction Payment Netting" applies to the Transactions identified as being subject to the election (in which case the paragraph above will not apply to such Transactions). If Multiple Transaction Payment Netting is applicable to Transactions, it will apply to those Transactions with effect from the starting date specified in the notice, or, if a starting date is not specified in the notice, the starting date otherwise agreed by the parties in writing. This election may be made separately for different groups of Transactions.

22. PRE TRADE INFORMATION, POST TRADE CONFIRMATION

- 22.1. Prior to placing an order, Members may review relevant information in relation to a Financial Instrument listed on the Platform through the API and/or the Website including, but not limited to:

- 22.1.1. Contract specifications;
 - 22.1.2. Current orderbook i.e. collection of unmatched bid and ask orders at which the Member could transact;
 - 22.1.3. Recent Transactions in the Financial Instrument; and
 - 22.1.4. Recent transaction volumes in the Financial Instrument.
- 22.2. Where the Company has been granted an exemption from making public the orders and quotes before the execution of a transaction by the Regulator in relation to a listed Financial Instrument, certain pre-trade information might remain undisclosed. Information in relation to any Waivers shall be made available to the Members on the Website.
- 22.3. Following a Transaction, Members shall be notified immediately of the details of the transaction including:
- 22.3.1. the listed Financial Instrument that was transacted;
 - 22.3.2. the quantities that were transacted;
 - 22.3.3. the prices at which these quantities were transacted;
 - 22.3.4. the UTC timestamps at which these quantities were transacted; and
 - 22.3.5. the Member ID of the counterparties.

23. MARKET SURVEILLANCE

- 23.1. The Company will monitor that the Members of the Platform comply with the Rules on an ongoing basis. Additionally, the Company will monitor, on an ongoing basis, the orders or quotes (including amendments and cancellations) submitted and Transactions undertaken by Members in order to identify infringements of the Rules or Applicable Laws, Disorderly Trading Conditions, conduct that may indicate Market Abuse or system disruptions in relation to a Financial Instrument listed on the Platform.
- 23.2. The Company may investigate any breach of the Rules or Applicable Laws or Disorderly Trading Conditions or suspected Market Abuse or any type of behaviour which could adversely affect the fair and orderly trading on the Platform.
- 23.3. Members hereby agree to co-operate and provide any information requested by the Company or the Regulator where there is an enquiry or investigation (either

conducted by the Company or the Regulator) in respect of any of the Member's orders or quotes, Transactions or other behaviour.

- 23.4. The Company will report any findings or reasonable suspicions of Market Abuse, breach of the Rules or breach of Applicable Laws, which the Company reasonably believes the Member has undertaken to the Regulator responsible for the investigation or prosecution of such breach, assist in any such investigation and supply any relevant information requested by the Regulator. The Members hereby waive any duty of confidentiality regarding the information the Company is required to disclose.
- 23.5. Where the Company concludes that a Member is in breach of the Rules or Applicable Laws or has engaged in Market Abuse or disorderly trading behaviour, the Company may in its reasonable discretion, take any course of action that the Company deems reasonable and appropriate, as outlined in the Rules. The Company shall, upon request by the Regulator, make available to the Regulator data relating to the orderbook or give the Regulator access to the orderbook so that it is able to monitor trading.

24. CANCELLATION OF ORDERS OR QUOTES BY MEMBERS

- 24.1. A Member may cancel an order to the extent it has not been executed.
- 24.2. In order to cancel an order, the Member must use the cancel functionality on the Platform or through the API. The cancellation will be performed automatically. The Company does not assume any liability for the effective cancellation of the order.
- 24.3. Where a Member is unable to cancel the order, then the Member may request the Company to cancel it.
- 24.4. The Member may also use the kill functionality which cancels all open orders, including stop orders.

25. REJECTION OR CANCELLATION OF ORDERS OR QUOTES BY THE COMPANY

- 25.1. The Company may reject or cancel an order or a quote (kill functionality) fully or partially if in its opinion it considers that:
 - 25.1.1. the order or quote may impair the orderly functioning of the market;
 - 25.1.2. the order or quote is erroneous or otherwise unintended by the Member;

- 25.1.3. the margin provided by the Member is exhausted or insufficient;
 - 25.1.4. position limits or order submission limits or parameters have been reached; or
 - 25.1.5. the suspension of the Financial Instrument from trading has been initiated either by the Company or the Regulator.
- 25.2. The rejection of the order or quote shall be communicated to the Member without undue delay.

26. REVERSAL OF TRANSACTIONS

- 26.1. The Company reserves its right but has no duty to reverse executed Transactions in cases where:
- 26.1.1. it considers the upholding of such Transactions severely impacting the orderly functioning of the market and/or the reliance in the market by other Members, including where the Company reasonably suspects Market Abuse or otherwise indicative or manipulative behaviour of system abuse or misuse;
 - 26.1.2. the Transaction appears to be deceptive or fraudulent;
 - 26.1.3. the Platform suffers a technical malfunction that results in erroneous Transactions;
 - 26.1.4. the Transaction was caused by erroneous orders or quotes, including obvious significant price deviations, and this circumstance should have been apparent for a reasonable Member; or
 - 26.1.5. the Transaction is contrary to Applicable Laws.
- 26.2. The Company may give both parties an opportunity to be heard before taking its decision to reverse the Transaction. The Company will inform all parties of the reversal of the Transaction and the affected Members shall take such steps as may be necessary to effect such reversal.
- 26.3. The Company may also reverse a Transaction where both parties to a Transaction request to reverse the Transaction from the Company.
- 26.4. In case a Transaction is reversed, the parties to the Transaction will be put in a position they would have been in without the execution of such Transaction. The Company will charge applicable trading fees in cases where both parties request the reversal of the Transaction. No party to a Transaction may claim damages or lost profit from the Company for reversed Transactions.

27. SAFEGUARDING OF MEMBER FUNDS AND FINANCIAL INSTRUMENTS

- 27.1. The Company safeguards funds and Financial Instruments which it holds on behalf of Members in segregated accounts. Any funds and Financial Instruments will be held by the Company on behalf of the Members in accordance with the Law.
- 27.2. Members' funds shall be safeguarded by the Company in segregated omnibus accounts in the name of the Company held with a European Economic Area ("EEA") Credit Institution or a bank authorised in a third country or a Qualifying Money Market Fund. When Members' funds are held with a bank authorised in a third country, different rules, regulations and laws may apply to these banks, which means that in the event of an insolvency, money in a client money account held with that bank may be treated differently from money held with EEA Credit Institutions. Moreover, when Member's funds are held with a Qualifying Money Market Fund, the units or shares in that Qualifying Money Market Fund will be held in accordance with the requirements for holding financial instruments belonging to clients.
- 27.3. The Company will not be responsible for the insolvency, acts or omissions of any institution, although the Company will take reasonable care when choosing which institution to open a segregated omnibus account with.
- 27.4. The Company will be holding such funds on behalf of its Members in accordance with the Applicable Law. The Company undertakes to take all necessary steps in accordance with the Applicable Law to safeguard such funds, including keeping records and accounts as to enable the Company at any time and without delay to distinguish funds held for one Member from funds held for any other Member in the segregated omnibus accounts. The Company will at all times maintain and use distinct corporate accounts for its own funds. The Company will not pay any interest on any funds held on the Members' behalf, regardless of whether it receives interest on those deposits from the institution(s) which the Company holds the funds or not. It may, to the extent applicable, however, pass on any negative interest charged by the institution(s).
- 27.5. The Company may allow another third party to hold Members' funds for the purpose of clearing (i.e. where a clearing house is involved). If this is done, the Company will take reasonable steps to make sure that the Member's funds are treated as client money where applicable but the Company cannot be responsible for any acts or omissions of that third party. In the event of insolvency or any other analogous proceedings in relation to a third party which has been appointed to hold Member's funds, the Company will only have an unsecured claim against the party on behalf of the Members. Members hereby acknowledge that in such circumstances they will be exposed to the risk that the money received by the Company from such a party may be insufficient to satisfy their claims in respect of the relevant account.

- 27.6. The Company will keep records and accounts of Members' open derivative positions and profits and losses at all times.
- 27.7. Where the Company safeguards Members' Transferable Securities, the Company shall arrange for those Transferable Securities to be held on behalf of the Member under custody in accordance with Applicable Laws, or may arrange for the custody services to be provided by another custodian ("sub-custodian"). The Company will not use Financial Instruments for its own account except with the Member's express consent.
- 27.8. The Company may deposit Members' Transferable Securities with a sub-custodian, only where the sub-custodian is established in a jurisdiction where the safekeeping of financial instruments for the account of another person is subject to specific regulation and supervision and that sub-custodian is subject to this specific regulation and supervision.
- 27.9. The Company shall not deposit financial instruments held on behalf of Members with a sub-custodian established in a third country that does not regulate the holding and safekeeping of financial instruments for the account of another person, unless one of the following conditions is met:
- 27.9.1. the nature of the financial instruments or of the investment services connected with those instruments requires them to be deposited with a third party established in that third country; or
 - 27.9.2. where the financial instruments are held on behalf of a Professional Client, that client has requested the Company in writing to deposit them with a third party in that third country.
- 27.10. When holding Transferable Securities in custody on behalf of a Member, the Company shall take measures to ensure their protection and safeguard the Member's ownership rights, including:
- 27.10.1. keeping records and accounts enabling the Company at any time and without delay to distinguish assets held for the Member from assets held for any other Members;
 - 27.10.2. maintaining records and accounts in a way that ensures their accuracy and, in particular, their correspondence to the Transferable Securities held for the Member;
 - 27.10.3. conducting, on a regular basis, reconciliations between the Company's internal accounts and records and those of sub-custodians; and

- 27.10.4. taking steps to ensure that any Transferable Securities deposited with a sub-custodian are identifiable separately from any of the other Members' assets or any of the sub-custodian's assets.
- 27.11. The Company will keep at all times detailed records of all the Members' Transferable Securities held by the Company or sub-custodian, to show that the Members' securities are held on the Members' behalf, for the Members' benefit and do not belong to the Company or any sub-custodian.
- 27.12. Where the Company will place the Members' Transferable Securities with a sub-custodian, the Members' Transferable Securities will be pooled together in an omnibus account with a third party sub-custodian in the name of the Company on behalf of the Members. In such a case, it may not be possible to separate the securities of each Member. In the event of the insolvency or any other analogous proceedings in relation to that third party, the Company may only have an unsecured claim against the third party on behalf of the Members, and the Members will be exposed to the risk that the money received by the Company from the third party is insufficient to satisfy the claims of the Members with claims in respect of the relevant account. The Company accepts no liability or responsibility for any resulting losses.
- 27.13. Additionally, if the Company or any third-party sub-custodian becomes insolvent, the Members' securities may not be immediately identifiable by separate certificates, physical documents, or equivalent electronic entries on the register. Instead, any claim will be against the omnibus account, and therefore more time might be needed for the Company to identify which securities belong to each Member, increasing the risk of the Member losing money. In case there is a shortfall caused by the default of the third party sub-custodian, the Member will need to participate proportionately in that shortfall.
- 27.14. Due to the nature of applicable laws or market practices in overseas jurisdictions, the Members understand and agree that it may be in their best interest for the securities to be registered or recorded in the Company's name or in the name of the sub-custodian, the nominee or any applicable delegate. If it is not possible for the Company to do this, then: (a) the securities may be registered or recorded in the name of the company/issuer, sub custodian, the nominee or any applicable delegate as the case may be; (b) the securities may not be segregated and separately identifiable from the securities of the company/issuer, sub-custodian, the nominee or any applicable delegate; and (c) as a consequence, in the event of a failure, the securities may not be as well protected from claims made on behalf of the Company's general creditors.
- 27.15. The Members undertake not to sell, mortgage or otherwise deal in or part with the securities which the Company holds under custody.
- 27.16. If a Corporate Event impacts a security in a Member's account, the Company will use reasonable endeavours to adjust the securities in the Member's account in a way that is fair and which aligns with market practice, depending on the circumstances of

each event and according to the Company's sole discretion, although the Company is not obliged to do this. Adjustments may include changing the price or quantity of securities, to reflect the economic equivalent of such rights.

- 27.17. Notwithstanding the above, the Company reserves the right to close out any open positions impacted by a Corporate Event (including delistings and insolvency) in a fair way and taking into account the treatment the Company may receive from its counterparty and/or any relevant third party. In this respect, the Company may make any required adjustment (price, quantity or any other adjustment) resulting from the Corporate Event as may be applicable. The Company may close out open positions prior to or following such Corporate Events, at its sole discretion.
- 27.18. The actions that may be taken by the Company to adjust the securities in a Member's account after a Corporate Event may create tax liabilities for the Member. The Company will not deduct tax when making adjustments, but it will be the Member's responsibility to satisfy these liabilities. The Company may claim or reclaim tax credits on dividends or other income on securities.
- 27.19. The Company will pay any dividend received on your securities into your account upon receipt by the Company. The Company will not deduct from this any applicable tax. It is the Member's responsibility to satisfy these liabilities.
- 27.20. Where a Corporate Event results in a fractional entitlement to part of a security, the Company may, but is not obliged to use, reasonable endeavours to aggregate those fractional entitlements, and sell those fractional securities and credit the Member's account with a cash value which may be subject to certain fees and charges.
- 27.21. Where a Corporate Event, such as partial redemptions, affect some but not all products held in an omnibus account, the Company may, but is not obliged to, use reasonable endeavours to allocate the products which are affected to relevant Members in a fair way and in accordance with market practice.
- 27.22. For certain securities, the Company may, through a third-party service provider, support the exercise of the right to participate in general meetings and vote, including by proxy. For other securities, currently, the Company will not notify the Members of or arrange attendance at any annual general meetings or extraordinary general meetings applicable to your securities, and/or arrange the exercise of any voting rights attaching to securities the Company holds on the Members' behalf, whether exercisable at an annual general meeting or otherwise. The Company is also not obliged to inform the Members of any class action or group litigation that is being proposed or taken concerning securities that the Company is holding on the Members' behalf. The Company will never take discretionary action to vote securities which the Company holds on Members' behalf, irrespective of whether the Company is able to facilitate the Members' voting of such securities.
- 27.23. Where Corporate Events affect some but not all securities held in a pooled account, the Company shall allocate the securities which are affected to the relevant

Members in a fair and equitable manner, as the Company reasonably considers appropriate.

- 27.24. As Members' securities are held in one or more pooled accounts, the Members acknowledge and agree that they may receive dividends or distributions net of applicable taxes which have been paid or withheld at rates that are less beneficial than those that might apply if the securities were held in their own name or not pooled.
- 27.25. Subject to Applicable Law, upon the occurrence of certain Corporate Events, there is the possibility that the Members' securities or related products may be subject to forced conversion into an alternative financial product. The Company is not obliged to facilitate such conversions, but will act reasonably and will take into account the treatment the Company receives from its relevant counterparties, such as sub-custodians, regulatory constraints, and relevant risks and costs while seeking to achieve the Members' fair treatment.
- 27.26. The Company will carry out reconciliation of funds and Financial Instruments (including Transferable Securities) on a regular basis as per Applicable Laws.
- 27.27. The Company shall, where relevant, inform the Member where Financial Instruments or funds of that Member are held (i.e. name of the entity and its registered seat). Profits and losses will be settled in real time in the accounts of the respective counterparties. The Company will disclose to the Member without undue delay the institution with which the funds are kept. After closing and settling the positions, it is possible for the Member to reconcile its funds with the sub-custodian or institution of its choice. Reconciliation will be carried out by the Company once a day. Transfers between custodians or institutions may take several days to settle. The Company will inform the Member without undue delay when the transfer is settled.
- 27.28. Where the law applicable to the relationship between the custodian or sub-custodian or institution and the Member or the Company is different from the Rules, the rights of the Member and/or the Company vis-a-vis the third party may differ accordingly.
- 27.29. Each Member bears the counterparty risk of the party which is safeguarding its assets, irrespective of whether or not the custodian or sub-custodian or institution holds the assets in the name of the Member or in the name of the Company. The Company does not assume any liability for the default of any third party safeguarding Members' assets or Company's assets held on behalf of Members. In case of an insolvency of a third party, the Members may lose all or parts of their assets. Compensation Schemes may not be applicable to Members or the Company or may be limited in coverage.

28. FEES

- 28.1. Members shall pay the fees and charges at the rates and within the time specified in the f. The fee schedule is published on the Website. It may be amended, updated or otherwise modified from time to time. The Company shall give notice before modifying the fee schedule.
- 28.2. All fees payable to the Company shall be deducted from the Member's balance directly upon execution of a trade. Unless there is sufficient balance to cover the fees, a Member's Transaction will not be executed.

29. CO-LOCATION SERVICES

- 29.1. Details of the rules and fees for the co-location services are published on the Website.

30. PROVISION OF DATA

- 30.1. Members agree to provide the Company with all information it reasonably requires in order to satisfy the requirements of Applicable Law or perform its obligations under the Rules or as the Company may reasonably require. This includes any information, data, records or audit trails requested by the Company in connection with an investigation into a potential breach of the Rules, including Personal Data. In addition, all Members are required to provide the Company with certain Personal Data (as required under MiFID II) before access to the Platform is granted. Such Personal Data is required for the Platform's recordkeeping obligations and, where applicable, for transaction reporting.
- 30.2. Members must nominate and report an Authorised User in respect to all Transactions executed on the Platform.
- 30.3. Members are responsible to keep all Personal Data provided to the Company current and correct and must update any amendments to the Personal Data Provided. Additionally, Members must ensure that, when trading on behalf of their clients, they obtain any required consents from those clients before providing Personal Data to the Company.
- 30.4. Members are responsible for ensuring that legal entity identifiers they have provided to the Company are at all times up to date and correct and must notify the Company in writing if there is an amendment to the legal entity identifier associated with the Member that is trading on the Platform within 3 working days of such amendment.

- 30.5. The Company will at all times process Personal Data in accordance with applicable laws and regulations covering the processing of such Personal Data.
- 30.6. The Members confirm that any Personal Data disclosed to the Company (irrespective of the method used) is disclosed in accordance with the laws and regulations applicable to the Members.
- 30.7. Personal Data is processed in accordance with the Company's Privacy Policy, available on the Website.

31. REPORTING

- 31.1. MiFID II Firms are responsible for fulfilling their own Transaction Reporting requirements.
- 31.2. Members are responsible for fulfilling their own (if any) reporting requirements according to applicable laws, with respect to any Transactions executed on the Platform.
- 31.3. The Company shall only submit Transaction Reports to CySEC in respect of Members that are not MiFID II Firms.

32. RECORD KEEPING

- 32.1. Members are obliged to keep records of their orders and transaction activity in order to meet their regulatory record keeping obligation at all times.
- 32.2. The Company will record and maintain records of all transactions effected through the Platform for a minimum of seven years. The retention period shall commence on the date that the record is created. These records will be stored in a durable medium that allows them to remain unaltered, to be replayed or copied and will be made available to Members upon request.

33. MEMBERS' ONGOING OBLIGATIONS

- 33.1. Members are obliged to give notice to the Company in any of the following events or the likely occurrence of any of the following events:
 - 33.1.1. any change in its ability to meet the Membership Requirements, and any change of data that was submitted in the course of the onboarding, in particular but not limited to:

- 33.1.1.1. change of name;
 - 33.1.1.2. change of legal status;
 - 33.1.1.3. change of form of incorporation;
 - 33.1.1.4. changes in personnel of managing directors or senior management of the Member;
 - 33.1.1.5. change of contact information (address etc.);
 - 33.1.1.6. change of LEI;
 - 33.1.1.7. material change of the group structure of the Member (if applicable); or
 - 33.1.1.8. material changes in the shareholding structure.
- 33.1.2. any change to any other information the Member provided the Company in the course of its business relationship;
 - 33.1.3. any material change in the regulatory status of the Member;
 - 33.1.4. any breach of the Rules or any act, omission or event which may cause a breach of the Rules;
 - 33.1.5. any erroneous trade without undue delay;
 - 33.1.6. any investigation, measure, fine or other action by a governmental authority in relation to the Member, in particular investigations by the regulatory authority;
 - 33.1.7. any conviction of or judgment against the Member for any offence involving fraud, dishonesty, misleading statements or misleading impressions or Market Abuse;
 - 33.1.8. any suspicion of compromised or other unauthorised account usage of the Member;
 - 33.1.9. any information that may impact the orderly functioning of the Platform and that reasonably is in the interest of the Company and/or other Members;
 - 33.1.10. any malfunctioning of the Member's systems which could impact the orderly functioning of the Platform;
 - 33.1.11. any material litigation the Member is involved in;
 - 33.1.12. any occurrence of an Insolvency Event; or

- 33.1.13. any other material event, action or matter that the Company reasonably may expect to be notified of.
- 33.2. Notwithstanding the DEA rights, Members are not allowed to give any third party or other unauthorised person access to their account on the Platform.
- 33.3. Members are obliged, where necessary, to assist and enable the Company in its reporting obligations under the Applicable Law.
- 33.4. The Member undertakes to provide any assistance and documentation requested by the Company from time to time to meet its obligations under the Applicable Law, in particular, where such request is directed, requested, advised or suggested by the Regulator.
- 33.5. Members are required to provide to the Company any document, file, tape or other information that the Company reasonably requests in order to investigate any breaches of the Rules and/or Applicable Law. The Members are also obliged to make available relevant personnel to be interviewed by the Company.
- 33.6. If a Member acts as Distributor of any Financial Instruments traded on the Platform, it shall ensure to comply with the regulatory requirements for distributors at all times.

34. DEFAULT OF A MEMBER

- 34.1. If a Member or another entity of the Member's group of companies defaults on its obligations or files for insolvency, bankruptcy or similar proceedings ("**Defaulting Member**"), the Company may take reasonable actions to prevent any damages or flaws to the integrity and functioning of the market. Such actions may be, but are not limited to:
 - 34.1.1. cancellation of any open orders;
 - 34.1.2. close and settle all or some open positions;
 - 34.1.3. cancel any fiat withdrawal requests;
 - 34.1.4. suspend or terminate the Member's access to or usage of the Platform; or
 - 34.1.5. inform all other Members about the Member's default.
- 34.2. The Company shall take into consideration any reasonable interest of the Defaulting Member and the circumstances known to the Company before taking an action as described above.

35. DISCIPLINARY SANCTIONS

- 35.1. The Company may take disciplinary action against a Member in circumstances including but not limited to:
- 35.1.1. breach by a Member of the Rules;
 - 35.1.2. engagement by the Member in conduct indicative of Disorderly Trading Conditions or any other conduct which may involve Market Abuse, market manipulation or insider trading; or
 - 35.1.3. poor conduct and/or derisory, aggressive behaviour of a Member towards the Company or other Members.
- 35.2. The Company may take any action that it deems necessary or appropriate in the circumstances and in order to preserve a fair and orderly market and the integrity of the Platform, including but not limited to:
- 35.2.1. cancellation of suspicious transactions; and/or
 - 35.2.2. cancellation or rejection of all and any outstanding orders to the extent technologically possible; and/or
 - 35.2.3. if so required in accordance with Applicable Law, reporting any circumstances concerning a Member's conduct on the Platform to the Regulator; and/or
 - 35.2.4. suspending or terminating the defaulting Member's right to use or access the Platform; and/or
 - 35.2.5. private written warning or censure.
- 35.3. A Member may appeal a decision made by the Company under this section giving its reasons for appealing and any information relevant to the appeal. Any appeal must be made in writing (providing sufficient particulars of the basis for the appeal) and submitted to the Company within a reasonable time of receiving notice from the Company of its decision under this section. An appropriate member of the senior management of the Company (i.e. a member of the board of directors, or equivalent) shall consider the decision of the Company which is the subject of the appeal and shall notify the Member of its decision within 15 business days of reaching a decision. The decision of the senior management of the Company shall be final.
- 35.4. The Company shall not be liable for any losses that any Member suffers as a result of a decision to use, or not to impose, any disciplinary action.

36. WARRANTIES

36.1. Every Member warrants that:

- 36.1.1. all information given to the Company is accurate and true;
- 36.1.2. it adheres (and will ensure that its DEA clients adhere) to the Rules and Applicable Laws and other relevant regulations, in particular but not limited to Market Abuse regulation;
- 36.1.3. it uses the Platform in a lawful and compliant manner;
- 36.1.4. it only grants access to its account for Authorised Users;
- 36.1.5. it trains its Authorised Users adequately;
- 36.1.6. it cooperates with the Company regarding compliance;
- 36.1.7. it informs the Company immediately about any change in its regulatory status, in particular but not limited to the granting, suspension or withdrawal of any regulatory permission;
- 36.1.8. it satisfies such other criteria as specified by the Company from time to time; and
- 36.1.9. it accepts responsibility for all orders, RFQs, responses to RFQs, trades and other actions taken by it and its Authorised Users.

36.2. Additionally, each Member that wishes to engage in Algorithmic Trading on the Platform warrants that:

- 36.2.1. it has in place effective systems and risk controls to ensure that its trading systems are resilient and have sufficient capacity;
- 36.2.2. the algorithms it deploys have been tested to avoid contributing to or creating Disorderly Trading Conditions prior to the deployment or substantial update of a trading algorithm or trading strategy;
- 36.2.3. it has in place effective systems and risk controls to ensure that the Platform cannot be used for any purpose that is contrary to the Applicable Law or to the Rules;
- 36.2.4. it has in place effective systems that prevent the sending of erroneous orders that may create or contribute to a disorderly market;
- 36.2.5. it abides by applicable position limits and Order submission limits.

- 36.2.6. its trading algorithms are compliant with Applicable Laws;
 - 36.2.7. it properly carries out required pre-trade controls on Order entry for all Financial Instruments listed on the Platform;
 - 36.2.8. it has in place effective business continuity arrangements to deal with any failure of its trading systems;
 - 36.2.9. its systems are fully tested and properly monitored to ensure that they meet the requirements of these Rules and Applicable Laws;
 - 36.2.10. it has notified the Regulator about its engagement in Algorithmic Trading on the Platform; and
 - 36.2.11. it keeps suitable records in relation to all requirements outlined in this section for a period of five (5) years.
- 36.3. Any breach of a warranty leads to liability of the Member and indemnity of the Company by the Member.

37. COMPLAINTS

- 37.1. Complaints must be filed by filling out the complaints form on the Website or sending an email to compliance@perpetuals.com.
- 37.2. Information on the Company's complaints handling procedure is published on its Website. The Company will confirm receipt of the complaint within 5 days from receiving the complaint and provide the Member with details of the Company's complaints handling procedure.
- 37.3. Where the Member is not satisfied with the Company's final decision, the Member may submit its complaint to the Financial Ombudsman of the Republic of Cyprus and seek mediation. Further information about the procedures for communicating with the Financial Ombudsman of the Republic of Cyprus can be found at <http://www.financialombudsman.gov.cy/>.
- 37.4. The Company is a member of the Cyprus Investors Compensation Fund. A Member may not be covered by the Investor Compensation Fund in case the Company cannot meet its obligations - depending on its client classification.

38. CONFLICTS OF INTEREST

- 38.1. The Company has a conflict of interest policy in place with respect to the Platform that contains arrangements to prevent actual or potential conflicts of interest. No detriment or otherwise unfair treatment shall arise out of situations that may give rise to a conflict of interest. A summary of the Conflicts of Interest policy of the Company is published on its Website.
- 38.2. Where conflicts of interests cannot be prevented or mitigated, the Company undertakes to disclose such conflicts on its Website. The Company will disclose the nature and reasons for a perceived conflict of interest as well as mitigation measures.

39. ELECTRONIC COMMUNICATIONS

- 39.1. Members agree that the Company may provide relevant information in respect to the Platform and the Company via any electronic means (including, without limitation, via email and the Website).

40. NO FURTHER FIDUCIARY DUTY

- 40.1. The Company does not assume any fiduciary duty towards its Members that goes beyond the Applicable Law and the Rules.

41. LIABILITY & INDEMNITY

- 41.1. The Company is not responsible and shall not be liable for the default of any Member on any Transaction. Transactions that are undertaken on the Platform are generally not subject to any investor compensation schemes.
- 41.2. Each Member is solely responsible and liable for its orders or quotes and the acts and omissions of its personnel and agents. The Company undertakes to apply reasonable efforts to broadcast, execute or cancel the order or quote by the Member. The Company does not assume any further responsibility or liability for orders or the cancellation thereof. It reserves its right to reject orders or quotes at any time and cannot be held liable for any rejection.
- 41.3. The Members will be responsible for any acts or omissions of their clients that have DEA on the Platform. The Company will not be liable for any losses that a client of a Member sustains by accessing the Platform through DEA.

- 41.4. The Company shall not be liable for any losses that a Member suffers as a result of a decision or action taken or inaction by the Company under these Rules, including without limitation:
- 41.4.1. to suspend or remove Financial Instruments from trading on the Platform;
 - 41.4.2. to terminate, amend or suspend a Member's Membership/access to the Platform;
 - 41.4.3. to reject an order or quote; or
 - 41.4.4. to reverse a Transaction.
- 41.5. The Members undertake to indemnify the Company for any loss, liability, costs (including reasonable legal fees), damages or expenses arising from any breach by the Members (including by any Authorised Person or a client with DEA) of the Rules, including any fraudulent, negligent or reckless act, omission or default or misuse of the Platform.

42. AMENDMENTS TO THE RULES

- 42.1. The Company reserves the right to change/amend the Rules at any time by posting a written notice of the relevant amendment in the form of an announcement on the Website. Amendments to the Rules should not apply retrospectively, unless otherwise required by Applicable Laws or by the Regulator.
- 42.2. Where the amendments to the Rules relate to editorial changes and/or changes necessary to comply with Applicable Laws, the Company will post an announcement on its website and such amendments to the Rules will take effect on the date specified in the relevant announcement.
- 42.3. Where the Company deems that amendments to the Rules are material and likely to affect the ongoing business between the Company and the Members, the Company shall, subject to Applicable Law, post an announcement of such amendments at least seven (7) Business Days prior to the respective effective date of the amendment.
- 42.4. Each Member affected by such amendment shall have the right to submit in writing to the Company comments (including its reasoning for such comments) within three (3) Business Days from the date of the announcement. The Company shall assess these comments, taking into account the interests of all Members and consider, at its sole discretion, whether to implement such comments or not. If the Company decides to implement such comments, the Company will post a new announcement and Members will have three (3) Business Days from the date of the new announcement to make their comments.

- 42.5. Where the amendments to the Rules relate to special market conditions and it would be impossible for the Company to comply with the Rules without such amendment, the Company shall explicitly provide for such amendments to have immediate effect in the relevant announcement.
- 42.6. Every Member has the right to terminate the respective Agreement where such Member does not agree with the amendments made. In the same way, the Company reserves the right to terminate the respective Agreement where the Member does not agree with any amendments made.
- 42.7. Each Member accepts the amendments to the Rules, unless it objects in writing and terminates the relevant Agreement.
- 42.8. Any error or omission in any information or document issued by the Company shall be subject to correction provided that the correction does not materially affect the respective Agreement.
- 42.9. It is the responsibility of each Member to remain up-to-date with any amendments/changes made to the Rules by reading the relevant announcement. The applicable version at any time shall be the latest version available on the Company's website. In the event of a dispute, the latest version available at the time of the dispute shall prevail.

43. FORCE MAJEURE

- 43.1. Where the Company determines that a Force Majeure Event has occurred, the Company shall inform as soon as practicable the Regulator and the Members, and the Company may take any action necessary, including:
 - 43.1.1. terminate access to the Platform in accordance with these Rules;
 - 43.1.2. reject orders or quotes;
 - 43.1.3. reverse transactions executed on the Platform;
 - 43.1.4. suspend or remove the listing of Financial Instruments from the Platform;
 - 43.1.5. change or amend the Rules to the extent that a Force Majeure Event makes it impossible for the Company to comply with such Rules;
 - 43.1.6. halt trading on the Platform in accordance with the Rules;
 - 43.1.7. suspend trading on the Platform;
 - 43.1.8. terminate the Membership Agreement; or

43.1.9. any other action according to the reasonable discretion of the Company that mitigates the consequences of a Force Majeure Event.

43.2. The Company will not be liable for any failure to perform any obligation or for any delay in the performance thereof, due to a Force Majeure Event.

44. MEMBERS' FEEDBACK

44.1. Members who wish to discuss their level of service with the Company or any other matters, should discuss the matter with their relationship manager, who, if necessary, will then escalate internally within the Company as appropriate.

44.2. Any queries of a regulatory nature or market conduct should be addressed directly to: compliance@perpetuals.com.

44.3. The formal complaints process is available on the Website.

45. INFORMATION ON INSTRUMENT RISKS

45.1. Members are responsible for understanding the nature and risks of the Financial Instruments associated with their activity on the Platform. The relevant risks are instrument specific, and risk types that should be considered include, inter alia, credit/counterparty, market, operational, compliance, legal, technology, liquidity, currency, interest rate, inflation, political, economic, concentration, volatility, regulatory and valuation risks.

46. GOVERNING LAW

46.1. The Rules, all Transactions and any non-contractual or other obligations arising out of or in connection with them shall be governed by and construed in accordance with the laws of Cyprus.

46.2. Subject to the provisions of this clause, any dispute or difference, present or future, arising out of or in connection with this Agreement, including any question regarding the validity, existence or termination of this Agreement and/or this arbitration clause, shall be referred to and finally resolved by arbitration.

46.3. Prior to arbitration, the dispute shall be submitted to the Financial Ombudsman of the Republic of Cyprus. Only in case the Financial Ombudsman of the Republic of Cyprus cannot settle the dispute, it may be submitted to arbitration.

- 46.4. The arbitration shall be conducted in the English language by three arbitrators pursuant to the LCIA Arbitration Rules, which rules are deemed to be incorporated by reference to this clause.
- 46.5. The seat of arbitration shall be London.
- 46.6. The language to be used in the arbitral proceedings shall be English.
- 46.7. The parties agree that, in all cases, the arbitration costs shall be borne by the party or parties (as the case may be) against whom the award was made, unless the arbitrators decide otherwise.
- 46.8. Before submitting any dispute or difference to arbitration, the parties agree to negotiate in good faith to attempt to resolve such dispute or difference. If the dispute or difference cannot be resolved within 30 days of notice by a party to commence such negotiation, or such further period as the parties may agree in writing, then the parties may refer the dispute to be finally resolved by arbitration in accordance with the provisions of this clause.
- 46.9. Each party irrevocably and unconditionally:
- 46.9.1. waives its right to object to the jurisdiction of the arbitral tribunal on the ground of public policy or otherwise in connection with any dispute;
 - 46.9.2. agrees that a decision of an arbitral tribunal in a dispute is conclusive and binding on that Party and may be enforced against it in the courts of any other jurisdiction or otherwise;
 - 46.9.3. agrees not to claim in any jurisdiction, for itself or in respect of its assets, immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process and waives such present or future immunity, whether claimed or not; and
 - 46.9.4. consents generally to the giving of any relief or the issue of any process in connection with any proceedings, including the making, enforcement or execution against any property of any nature (irrespective of its use or intended use) of any order or judgement which may be made or given in any proceedings.