

BLOOMBERG TRADING FACILITY LIMITED

BMTF RULEBOOK

1 January 2021

CHAPTER 1. GENERAL.....	1
RULE 101. The Rules	1
RULE 102. Definitions.....	1
CHAPTER 2. PARTICIPANTS	8
RULE 201. Application Procedure	8
RULE 202. Eligibility	8
RULE 203. Continuing Obligations of Participants.....	9
RULE 204. Information	10
RULE 205. Authorised Traders.....	11
RULE 206. Trader IDs	11
RULE 207. Required Disclosures of Participants	12
RULE 208. Suspension or Termination	13
RULE 209. Algorithmic Trading	14
RULE 210. Clock Synchronisation	15
CHAPTER 3. TRADING	15
RULE 301. BMTF Instruments and Eligibility.....	15
RULE 302. Methods of Execution on BMTF Markets	15
RULE 303. Confirmations	16
RULE 304. Prohibited Trading Practices	16
RULE 305. Market Surveillance	17
RULE 306. BMTF Risk Controls.....	17
RULE 307. Trade Cancellation and Amendment	18
RULE 308. Execution, Clearing and Settlement	19
RULE 309. Trade/Transaction Reporting.....	20
RULE 310. Taxation	20
RULE 311. Sponsored or Direct Market Access Restricted.....	21
RULE 312. CSDR Compliance	21
CHAPTER 4. MISCELLANEOUS	21
RULE 401. Notices	21
RULE 402. Timely Publication of Information, Waivers and Deferrals	21
RULE 403. Market Data	22
RULE 404. BTF Compliance with Applicable Law; Cooperation with Regulatory Authorities.....	22
RULE 405. Confidentiality	23
RULE 406. LIMITATION OF LIABILITY, NO WARRANTIES	24
RULE 407. Indemnification by BTF.....	26
RULE 408. Force Majeure	27
RULE 409. Extension or Waiver of BMTF Rules	27
RULE 410. Amendment, Repeal or New Rule	27
RULE 411. Governing Law and Jurisdiction.....	28

BMTF MARKET ANNEX A — RFQ AND RFT FUNCTIONS

CHAPTER 1. GENERAL

RULE 101. The Rules

(a) The Rules set out the terms and conditions of each Participant's and Authorised Trader's access to, and use of, BMTF and have been established to facilitate fair and orderly trading on BMTF.

(b) The Rules supplement and form part of the Participant Documentation in respect of access to, and use of, BMTF. In the event of any conflict between the Rules and any of the Participant Documentation, or any other agreement that references, is incorporated into, or that otherwise applies to a Person's access to, or use of, BMTF, the Rules shall prevail.

RULE 102. Definitions

When used in this BMTF Rulebook (the "**Rulebook**") the following terms shall have the respective meanings as follows:

"Affiliate" means, with respect to any Person, any Person who, directly or indirectly, Controls, is controlled by, or is under common Control with, such other Person.

"Agent" means a Person acting as agent on behalf of another Person to send RFQs, Firm Quotes and Orders, enter into Trades on or otherwise use BMTF.

"AIOI" means a firm offer to buy or sell or enter into an Instrument.

"Algorithmic Trade" means a Trade arising from Algorithmic Trading.

"Algorithmic Trading" has the meaning assigned to it in Regulation 2(1) of the MiFID Regulations.

"Applicable Law" means, with respect to any Person, any applicable law, statute, regulation or directive, including the laws of any jurisdiction applicable to an RFQ, response to an RFQ, AIOI or Trade and to any use or attempted use of BMTF, any rule, requirement, order, notice or guideline of any Regulatory Authority, market rules and judgments, orders and rulings of any governmental authority or self-regulatory organisation, authority, agency, court or body, applicable to such Person, including FSMA and Data Protection and Privacy Laws and laws with respect to recording messages of Participant employees and officers.

"Applicant" means a Person applying to become a Participant.

"Authorised Trader" means any natural person designated by a Participant pursuant to Rule 205(a) who (i) has Trading Access to BMTF acting for and on behalf of a Participant and (ii) is assigned a valid Trader ID.

"BTF" means Bloomberg Trading Facility Limited, a UK investment firm authorised and regulated by the FCA, with permission to operate an MTF.

“**BMTF**” means the multilateral trading facility (as defined in Article 2(1)(14) of MiFIR) operated by BTF, and in respect of which BTF is authorised and regulated by the FCA.

“**BMTF Market**” means the functionality upon which Instruments are available for trading on BMTF as set forth in a “**BMTF Market Annex**,” in each case forming part of this Rulebook.

“**Business Day**” means a day on which BMTF is open for trading.

“**Cleared Instrument**” means a Derivative Instrument that both Participants involved in a proposed Trade intend to submit to a Clearing House for clearing.

“**Clearing House**” means a central clearing counterparty for Derivative Instrument trades that provides clearing services with respect to Instruments traded on BMTF.

“**Clearing Member**” means a member of a Clearing House that is authorised to clear Trades in Instruments for a Participant or its Principal.

“**Confirmation**” has the meaning given in Rule 303.

“**Control**” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities, by Instrument, or otherwise. The terms “controlling” or “controlled” shall have meanings correlative to the foregoing.

“**Counterparty**” means a Person that is legally responsible for performance of contractual obligations in connection with the Trade.

“**CSDR**” means the UK version of Regulation No 909/2014 of the European Parliament and of the Council of 24 July 2014 on improving securities settlement in the European Union and on central securities depositories, as amended by the UK Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (SI 2018/1320) which is part of UK law by virtue of the EUWA.

“**Danish Mortgage Bonds**” means covered bonds which are (a) collateralised against a pool of mortgages; and (b) issued by a Danish bank or mortgage institution.

“**Data Protection and Privacy Laws**” means applicable data protection laws relating to the processing, privacy, use and transfer of personal data, as applicable to BMTF, including without limitation the UK Data Protection Act 2018, the UK version of EU Regulation 2016/679 (“GDPR”) which is part of UK law by virtue of the EUWA, the Privacy and Electronic Communications (EC Directive) Regulations 2003, SI 2003/2426 (“PECR”), and any equivalent, replacement or similar laws or regulations implemented in the United Kingdom, whether in light of the United Kingdom's withdrawal from the European Union or otherwise.

“**Derivative**” has the meaning assigned to it in the UK version of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (EMIR), as amended by the Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations (SI 2019/335) which is part of UK law by virtue of the EUWA.

“**EEA**” means the European Economic Area.

“**Eligibility Criteria**” means the criteria set forth in Rule 202.

“**Emergency**” means any occurrence or circumstance that, in the opinion of the BTF board of directors, or a Person duly authorised to issue such an opinion on behalf of the BTF board of directors, requires immediate action and threatens or may threaten the fair and orderly trading in any Instrument, the liquidation or delivery of any Instrument or the timely collection and payment of funds in connection with clearing and settlement, including: (a) any circumstances which may materially affect the performance of Instruments, including failure of the payment system or the bankruptcy or insolvency of any Participant; (b) any action taken by any Regulatory Authority, or any other market or facility which may have a direct impact on trading or clearing and settlement; (c) at the request of the FCA; and (d) any other circumstance which may have a severe, adverse effect upon the functioning of BMTF.

“**EUWA**” means the UK European Union (Withdrawal) Act 2018.

“**FCA**” means the UK Financial Conduct Authority, and any successor or replacement.

“**FCA Handbook**” means the FCA’s handbook of rules and guidance, as amended or replaced from time to time.

“**FCM**” means a futures commission merchant registered with the U.S. CFTC.

“**Force Majeure**” means circumstances that BTF determines, in its sole discretion, may have an adverse effect upon the functions and facilities of BMTF, including but not limited to, acts of God, fire or other natural disasters, bomb threats, acts of terrorism or war or severely inclement weather.

“**FSMA**” means the UK Financial Services and Markets Act 2000, as amended or replaced from time to time.

“**Insolvency**” means, in respect of a Participant: (i) that an order is made by a court of competent jurisdiction, or a resolution is passed, for the liquidation, bankruptcy or administration of the Participant or a notice of appointment of a bankruptcy trustee or administrator of the Participant is filed with a court of competent jurisdiction; (ii) the appointment of a manager, receiver, administrative receiver, administrator, liquidator, trustee or other similar officer of the Participant or in respect of it or all or any part of its assets; (iii) the Participant convenes a meeting of its creditors for the purpose of considering a proposal for a composition in satisfaction of the Participant’s debts or a scheme of arrangement or analogous proceeding; (iv) the Participant makes or proposes any arrangement, reorganisation or composition with, or any assignment for the benefit of, its creditors generally (otherwise than in the course of a reorganisation or restructuring previously approved in writing by BTF); (v) the Participant is unable to pay its debts as they become due or admits in writing its inability to pay its debts as they are due or is insolvent; (vi) a petition is presented for the winding up of the Participant, provided that where the petition is presented by a person other than the Participant, Insolvency shall not be deemed to have occurred due to the filing of a winding-up petition which is discharged, stayed or dismissed within 30 days

of commencement; (vii) an attachment before judgment or execution is levied over all or any part of the Participant's property; (viii) a moratorium is agreed, declared or otherwise obtained in respect of or affecting all or any material part of the Participant's indebtedness; (ix) the Participant is subject to the exercise of any stabilisation powers in Part 1 of the UK Banking Act 2009; or (x) any action occurs in respect of the Participant in any jurisdiction which is analogous to any of those set out in sub-paragraphs (i) through (ix).

"Instrument" means a financial instrument made available by BTF for trading on BMTF.

"LEI" means a legal entity identifier.

"Market Abuse" means any behaviour which constitutes market abuse (as defined in the FCA Handbook), insider dealing, market manipulation or any similar or analogous behaviour prohibited by Applicable Law.

"MiFID" means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Council Directives 2002/92/EC and 2011/61/EU (recast).

"MiFIR" means the UK version of Regulation (EU) 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) 648/2012, as amended by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations (SI 2018/1403) which is part of UK law by virtue of the EUWA.

"MiFID Regulations" means the UK Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (SI 2017/701).

"MTF" means a multilateral trading facility (as defined in Regulation 2(1) of the MiFID Regulations).

"MTF Data" has the meaning set given Rule 403(a).

"Original Trade" has the meaning given in Rule 307(f).

"Package Order" means an AIOI priced as a single unit: (a) for the purpose of executing an exchange for physical; or (b) in two or more Instruments for the purpose of executing a Package Transaction.

"Package Transaction" means: (a) an exchange for physical; or (b) a transaction involving the execution of two or more component transactions in financial instruments and which fulfils all of the following criteria:

- (i) the transaction is executed between two or more counterparties;
- (ii) each component of the transaction bears meaningful economic or financial risk related to all the other components;
- (iii) the execution of each component is simultaneous and contingent upon the execution of all the other components.

“Participant” means any Person that has signed the Participant Documentation and has been granted, and continues to have, Trading Privileges in accordance with the Rules.

“Participant Documentation” means the agreements and other documents (together with any applicable schedules, exhibits or appendices thereto required by BTF) in form and substance acceptable to BTF, that are required to be executed and delivered to BTF before a Person may access BMTF as a Participant, including the Bloomberg Trading Facility Limited MTF Participant Agreement and any information required by BTF to be provided to BTF electronically via a BMTF screen.

“Permitted Amendment” has the meaning given in Rule 307(f).

“Person” means a natural person or an entity.

“Principal” means a Counterparty (whether or not disclosed to BTF) on behalf or in the name of which an Agent sends RFQs, places AIOL, enters into Trades on or otherwise uses BMTF.

“Professional Client” has the meaning given in the FCA Handbook.

“Prohibited Trading Practice” means an activity described in Rule 304(a).

“Process Negotiated Trade” has the meaning given in Rule 302(b).

“Regulatory Authority” means the FCA, the UK Prudential Regulatory Authority, the European Securities and Markets Authority, any authority designated by a member state of the European Union in accordance with Article 67 of MiFID and any other relevant regulatory or competent authority, government (or political subdivision), agency, court, commission or entity (whether governmental or non-governmental) having jurisdiction over BTF or the trading of, or Persons engaged in the trading of, Instruments available for trading on BMTF.

“Request for Quote” or **“RFQ”** means an electronic message sent by a Participant for the purposes of soliciting quotes for an Instrument for such Participant.

“RTS 1” means the UK version of the Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial instruments and on transaction execution obligations in respect of certain shares on a trading venue or by a systematic internaliser, as amended by the FCA's Technical Standards (MiFIR Transparency) (EU Exit) (No 1) Instrument 2019 which is part of UK law by virtue of the EUWA.

“RTS 2” means the UK version of the Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives, as amended by the FCA's Technical

Standards (MiFIR Transparency) (EU Exit) (No 1) Instrument 2019 which is part of UK law by virtue of the EUWA.

“**RTS 6**” means the UK version of 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, as amended by the FCA's Technical Standards (Markets In Financial Instruments Directive) (EU Exit) (No 2) Instrument 2019 which is part of UK law by virtue of the EUWA.

“**RTS 25**” means the UK version of the 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, as amended by the FCA's Technical Standards (Markets In Financial Instruments Directive) (EU Exit) (No 1) Instrument 2019 which is part of UK law by virtue of the EUWA.

“**Rules**” means, with respect to any Person, the rules of such Person and the interpretations, resolutions, orders, directives and procedures of the Person thereunder as in effect from time to time, and if no Person is specified, means the rules of BMTF set out in this Rulebook and the interpretations, resolutions, orders and directives and procedures of BMTF thereunder as in effect from time to time.

“**Securities Financing Transaction**” or “**SFT**” has the meaning assigned to it in the UK version of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as amended by the Transparency of Securities Financing Transactions and of Reuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/542) which is part of UK law by virtue of the EUWA.

“**Service Provider**” in relation to a Participant means any person through whom that Participant accesses BMTF or to whom that Participant delegates or outsources any activities in connection with its use of BMTF.

“**Swap**” means an Instrument defined as “swap” in Section 1a of the U.S. CEA that is a Cleared Instrument.

“**Terms Incorporated by Reference**” has the meaning given in Rule 303(b).

“**Trade**” means any purchase or sale of an Instrument or entering into an Instrument on BMTF.

“**Trade Communication**” has the meaning given in Rule 303(b).

“**Trader ID**” means a unique identifier issued to each Authorised Trader which enables BTF to identify the individual entering RFQs, responses to RFQs and AIOI into or otherwise using BMTF for and on behalf of a Participant.

“**Trading Access**” means the right granted to an Authorised Trader to send RFQs, send responses to RFQ, post AIOIs and enter into Trades on or otherwise use BMTF.

“Trading Account” means, with respect to each Participant, each account established and maintained by such Participant at BTF through which the Participant will trade Instruments and, as applicable, each account through which the Participant will present a cleared Derivative Instrument for clearing to a Clearing House.

“Trading Arrangement” means an underlying previously negotiated freestanding agreement(s) that governs the performance and settlement of an Instrument and applicable credit support and default provisions, including, without limitation, ISDA master agreements, other master agreements, terms supplements and master confirmation agreements incorporating industry definitions.

“Trading Privileges” means the right granted to a Participant to use BMTF.

“Trading Venue” means any regulated organised trading platform or system, but shall not include any bilateral system on which a single Person enters into each trade for its own account.

“Transferable Securities” has the meaning given in Article 2(1)(24) of MiFIR.

“U.S. CEA” means U.S. Commodity Exchange Act

“UTC” means Coordinated Universal Time.

“Website” means the website of BTF at <http://www.bloombergmtf.com>

“Written” means printing, lithography, photography, and other modes of representing or reproducing words or data in a visible form, including electronic transmissions.

* * * * *

The following rules of construction shall apply to the Rules:

- (i) the headings are for convenience only and do not affect the construction of the Rules;
- (ii) all references to time are to local time in London, England except where expressly provided otherwise;
- (iii) words denoting a singular number include the plural number where the context permits and vice versa;
- (iv) where the context permits or requires, any pronoun shall include the corresponding masculine, feminine and neuter forms;
- (v) forms of the word “include” mean that the inclusion is not limited to the items listed;
- (vi) “or” is disjunctive but not exclusive; and
- (vii) references to statutory provisions include those provisions and any rules or regulations promulgated thereunder, each as amended, updated or replaced from time to time.

CHAPTER 2. PARTICIPANTS

RULE 201. Application Procedure

- (a) Applicants may apply to become Participants by submitting executed Participant Documentation, in the form and manner required by BTF.
- (b) The admission of an Applicant to Participant status shall be subject to:
 - (i) passing required relevant customer due diligence checks, sanctions and anti-money laundering checks, including providing such additional information as BTF may require; and
 - (ii) satisfaction of the Eligibility Criteria.
- (c) BTF may reject an Applicant in its sole discretion if it does not satisfy the requirements in paragraph (b) or if BTF considers that accepting the Applicant as a Participant may prevent BTF's complying with Applicable Law.

RULE 202. Eligibility

- (a) Participation in BMTF is open to Applicants that satisfy the Eligibility Criteria set forth in this Rule 202 and which in each case:
 - (i) provide to BTF the Participant Documentation duly completed and executed; and
 - (ii) meet the technical specifications and standards required by BTF from time to time and available on request from BTF.
- (b) Natural persons, or persons when acting in the capacity of an independent software provider, Trading Venue or unregulated trading platform or system, are not eligible for admission as a Participant.
- (c) An Applicant must satisfy and, if admitted as a Participant, continue to satisfy the following criteria:
 - (i) be categorised by BTF as a Professional Client; and
 - (ii) be (A) authorised as a UK credit institution or UK investment firm; or (B) a Person that has satisfied and will continue to satisfy BTF that it is fit and proper to become a Participant, with adequate organisational arrangements in place and a sufficient level of trading ability and competence.
- (d) Each Applicant represents and warrants that it satisfies the following criteria:
 - (i) it complies, and will ensure that its Authorised Traders comply, and, in each case, will continue to comply, with the Rules and Applicable Law;

- (ii) it has the legal capacity to trade in the Instruments it selects to trade on BMTF;
 - (iii) it, or its Principal, has appropriate systems and arrangements for the orderly clearing and/or settlement, as applicable, of transactions in all Instruments it selects to trade on BMTF;
 - (iv) it has all registrations, authorisations, approvals and/or consents required by Applicable Law in connection with trading in Instruments on BMTF;
 - (v) it, and any Principal other than a natural person for which it will trade on BMTF, has and shall maintain a valid LEI compliant with the ISO 17442 standard and included in the Global LEI database maintained by the Central Operating Unit appointed by the LEI Regulatory Oversight Committee; and
 - (vi) it has adequate experience, knowledge and competence to transact in Instruments.
- (e) Each Applicant must satisfy such other criteria as are specified by BTF from time to time.
- (f) With respect to Cleared Instruments, each Participant and any Principal must either be a Clearing Member of a Clearing House where the Cleared Instruments are cleared or have a clearing account with a Clearing Member with respect to such Cleared Instruments and must provide BTF with evidence of that relationship.
- (g) Each Participant must establish a Trading Account. In addition to all information required by BTF, information in each Trading Account for a cleared Derivative Instrument shall at minimum be sufficient to allow BTF to present a cleared Derivative Trade for clearing to a Clearing House, if applicable. A Participant must keep such information current and up-to-date.

RULE 203. Continuing Obligations of Participants

- (a) Each Participant must at all times:
 - (i) continue to comply with the Eligibility Criteria;
 - (ii) accept responsibility for all RFQs, responses to RFQs, AIOIs, Trades and other actions taken by it and its Authorised Traders;
 - (iii) have appropriate internal systems and controls to ensure that it trades in an orderly manner, to prevent erroneous Trades and to ensure ongoing compliance with, and prevent breaches of, Applicable Law and these Rules;
 - (iv) ensure that its use of any Service Provider complies with the Rules; and
 - (v) pay all applicable fees at the rates and within the time specified by BTF in its fee schedule.

(b) Each Participant must comply with all requirements set forth in each applicable BMTF Market Annex.

(c) Each Participant must undertake such conformance testing relating to BMTF system changes as may be specified by BTF, and in the manner and in the time specified by BTF.

(d) Each Participant must provide BTF with the information necessary for BTF to establish Trading Accounts as instructed by BTF from time to time and in a form specified by BTF, and keep such information up-to-date at all times.

(e) The Trading Privileges granted to a Participant or the Trading Access granted to an Authorised Trader pursuant to the Rules may not be transferred, assigned, sold or leased.

(f) Each Participant must obtain, maintain and provide to BTF in the time and manner specified by BTF such information as may be necessary to enable BTF to operate BMTF in accordance with Applicable Law, including, where applicable, any information necessary to enable BTF to file a compliant transaction report, with respect to any Trade, to the FCA in accordance with Article 26 MiFIR. Such information shall include, without limitation, whether or not the Participant is itself required to transaction report in accordance with MiFIR. Each Participant shall at all times ensure that the information provided is full, accurate and kept up-to-date. Where a Participant is required to provide underlying client details, this information must be provided by noon (London time) on the business day following the day of Trade execution.

(g) A Participant shall be responsible for acts or omissions of any Person that the Participant uses to access BMTF or to which a Participant outsources or delegates any activity during the course of accessing BMTF.

RULE 204. Information

(a) Subject to Rule 204(c), BTF may require a Participant to disclose information or produce documents in its possession, custody or control, whether located on Participant's system or premises or on a system or premises of a third party, in each case relevant to its activity on BMTF, for the purposes of determining compliance with these Rules, or in response to a legal obligation or request by a Regulatory Authority.

(b) A Participant shall provide all reasonable assistance to BTF regarding a possible breach of these Rules. Subject to Rule 204(c), such assistance may include providing access to information and individuals reasonably within the control of the Participant with such reasonable advance notice by BTF as is practicable under the circumstances.

(c) Nothing in this Rulebook shall oblige a Participant to provide information or documents to BTF: (i) that reveal the identity of a Participant's clients for which the Participant is not acting as an agent on BMTF; (ii) that is confidential to a third party and disclosure by a Participant of that information or documents would result in Participant's breach of an existing obligation of confidentiality to such third party; (iii) that is the subject of Participant's attorney-client privilege or attorney work product privilege (or any equivalent protection under Applicable Law); or (iv) where it would be contrary to the Applicable Law to do so; unless such information is required by BTF to meet its obligations under Applicable Law or the relevant Regulatory

Authority instructs BTF that such information must be obtained by BTF and/or submitted to the Regulatory Authority by BTF. To the extent the information in the forgoing sentence is required to be disclosed to a relevant Regulatory Authority in accordance with the Applicable Law and BTF is not obliged to make such disclosure, Participant will disclose such information directly to the relevant Regulatory Authority in response to that relevant Regulatory Authority's request rather than disclosing to BTF. Where a Participant is not obliged, pursuant to this Rule 204(c), to submit to BTF information requested by BTF, the Participant shall provide to BTF as soon as possible a written explanation of the reasons why it cannot satisfy the request and a list of alternative documentation that would satisfy the request.

RULE 205. Authorised Traders

- (a) Each Participant shall designate one or more individuals as Authorised Traders.
- (b) Each Participant shall ensure that each of their Authorised Traders:
 - (i) is a natural person;
 - (ii) satisfies any other requirements as may be prescribed by BTF from time to time; and
 - (iii) has a Trader ID.
- (c) Each Participant shall ensure on an ongoing basis that each of its Authorised Traders:
 - (i) is sufficiently trained and adequately supervised in accordance with any applicable requirements of the relevant Regulatory Authority and maintains any approvals required by and is duly authorised under Applicable Law to trade on BMTF;
 - (ii) is technically proficient and holds appropriate qualifications; and
 - (iii) conducts its business in accordance with the Rules.
- (d) To designate an Authorised Trader, a Participant must follow the procedures established by BTF.

RULE 206. Trader IDs

- (a) BTF shall issue each Authorised Trader a Trader ID.
- (b) Each RFQ, response to an RFQ, or AIOI entered into BMTF by an Authorised Trader must contain such Authorised Trader's Trader ID.
- (c) Each Participant must ensure that use of any Trader ID is limited to its Authorised Traders and shall adopt, implement and enforce access control procedures that limit access to BMTF to its Authorised Traders.

(d) No Person may use a Trader ID to send an RFQ, respond to an RFQ or submit an AIOI except as permitted by these Rules, nor may any Person knowingly permit or assist the unauthorised use of a Trader ID.

(e) Each Participant shall ensure the accuracy of the registration information of its Authorised Traders at all times.

(f) Each Participant shall notify BTF promptly upon becoming aware of:

(i) any unauthorised disclosure or use of any Trader ID assigned to it or any of its Authorised Traders; and

(ii) any unauthorised access to BMTF by any Person using a Trader ID assigned to its Authorised Traders.

(g) Each Participant shall be bound by any actions taken through the use of a Trader ID assigned to its Authorised Traders, including the submission of RFQs, responses to RFQs, or AIOIs and resulting Trades, whether or not such actions were taken or authorised by such Participant or Authorised Trader, as the case may be.

(h) Each Participant must ensure that it makes and retains records sufficient to enable it to provide to BTF the full audit trail of each Trade, including all deal tickets and telephone records, indications of interest, and names of Authorised Traders that placed each indication of interest, RFQ, response to an RFQ, or AIOI.

RULE 207. Required Disclosures of Participants

Except to the extent prohibited by Applicable Law, each Participant shall promptly notify BTF upon becoming aware of any of the following events:

(a) such Participant or any of its Authorised Traders has breached or is otherwise unable to comply with the Rules;

(b) any material change to any information previously provided to BTF, including information in the Participant Documentation, any change to the LEI of the Participant or any of its Principals and information relating to Chapter 2 of the Rules;

(c) any damage to, or failure or inadequacy of, the systems, facilities or equipment of the Participant to effect Trades pursuant to the Rules or to perform in a timely manner the Participant's financial obligations under or in connection with any Trades of such Participant;

(d) any revocation, suspension or conditioning of any registration or license of a Participant necessary to trade on BMTF granted by any relevant Regulatory Authority;

(e) any conviction of or civil law judgement against the Participant for any offence involving fraud, dishonesty, misleading statements or misleading impressions or Market Abuse;

(f) the commencement of enforcement or other proceedings whether before any court or tribunal by any Regulatory Authority to the extent that such action or proceedings could impair, restrict or prevent the Participant's complying with the Rules except to the extent that such notification or disclosure is prohibited by Applicable Law or any relevant Regulatory Authority;

(g) any investigation by a Regulatory Authority relating to use of BMTF of which BMTF would reasonably expected to be notified except to the extent that such notification or disclosure is prohibited by Applicable Law or any relevant Regulatory Authority;

(h) suspension from trading or termination of access to, or trading privileges on, any Trading Venue regulated by the FCA where such suspension or termination was a result of a breach of a rule of the Trading Venue by a Participant; or

(i) the occurrence of an event of Insolvency with respect to the Participant or the 10% owner or greater owner of the Participant.

RULE 208. Suspension or Termination

(a) BTF may, in its sole discretion, issue a Written warning, suspend, impose conditions on or terminate a Participant's or Authorised Trader's ability to access BMTF in the following circumstances:

- (i) such Participant and/or any of its Authorised Traders are in breach of the Rules, Applicable Law or the Participant Agreement;
- (ii) such Participant has failed to pay any amounts due to BTF within 30 calendar days of the date of the applicable invoice;
- (iii) such Participant does not meet the Eligibility Criteria;
- (iv) in the event of an Emergency or Force Majeure;
- (v) the Participant does not enter into Trades on BMTF for a period of one year or longer;
- (vi) any event listed in Rule 207(c), (d), (e), (f), (h) or (i) has occurred;
- (vii) at the request of a relevant Clearing Member, Clearing House, where provided for in the Rules of the Clearing House, or Regulatory Authority;
or
- (viii) such action is, in BTF's reasonable opinion, necessary to preserve the security or integrity of BMTF, to ensure orderly market conditions and/or to protect Participants or ensure compliance with Applicable Law.

(b) A Participant may cease to be a Participant by terminating the Participant Documentation in accordance with its relevant terms or otherwise by providing notice to BTF in accordance with such procedures as may be established by BTF for such purpose.

(c) To request the termination or suspension of an Authorised Trader, the Participant must notify BTF following the procedures established by BTF. BTF will terminate access of such Authorised Trader to BMTF promptly upon receipt of such notice from the Participant. From the time when an Authorised Trader's suspension or termination on BMTF is effective, BTF will disable access of such Authorised Trader to BMTF.

(d) From the time when a Participant's suspension, termination or withdrawal is effective:

(i) all rights and Trading Privileges of such former Participant and all Trading Access granted to its Authorised Traders shall be suspended or terminated, as applicable;

(ii) the former Participant must immediately withdraw all RFQs, responses to RFQs, AIOIs and/or quotes submitted by such former Participant and its Authorised Traders, failing which BTF shall promptly cancel such RFQs, responses to RFQs, AIOIs and/or quotes;

(iii) such former Participant shall remain liable for:

(A) any contractual obligations relating to any Trades entered into by such former Participant and its Authorised Traders prior to such suspension, termination or withdrawal;

(B) the payment of any fees, costs, or charges incurred prior to such suspension, termination or withdrawal;

(C) its and its Authorised Traders' acts done and omissions made during its tenure as a Participant; and

(iv) such former Participant must comply with any reasonable requests for information from BTF in relation to its tenure as a Participant.

(e) BTF will notify a Participant of a decision to take any action under this Rule 208 unless it is prohibited from doing so by Applicable Law.

RULE 209. Algorithmic Trading

(a) Each Participant engaging in Algorithmic Trading on BMTF shall (in such manner as may be specified by BTF to Participants from time to time) flag each RFQ or Algorithmic Trading AIOI in such a way as to enable BTF to be able to identify:

(i) the algorithm used for the creation of an AIOI ; and

(ii) the person(s) responsible for the algorithm.

(b) Each Participant engaging in Algorithmic Trading on BMTF shall meet, and continue to meet to the satisfaction of BTF, the relevant standards set out in Chapter II ("Resilience

of Trading Systems”) of RTS 6 and any other requirements specified by BTF in relation to that Participant's use of Algorithmic Trading including in particular, if required by BTF, conformance testing prior to any substantial change to or the introduction of a new Participant trading system, trading algorithm or trading strategy.

RULE 210. Clock Synchronisation

Each Participant shall synchronise the business clocks it uses to record the date and time of any RFQ, response to RFQ, AIOI or Trade (each being a “reportable event” for the purpose of RTS 25) according to the standards set out in RTS 25.

CHAPTER 3. TRADING

RULE 301. BMTF Instruments and Eligibility

(a) BTF shall determine the Instruments eligible for trading on each BMTF Market and shall set out the Instrument eligibility criteria in the relevant BMTF Market Annex. BTF may amend the Instrument eligibility criteria at its sole discretion and at any time.

(b) A Participant may at any time identify whether an Instrument is eligible for trading on a BMTF Market by using functionalities provided by BTF.

(c) A Package Order may only be placed for the purpose of executing a Package Transaction.

RULE 302. Methods of Execution on BMTF Markets

(a) Methods of execution for each BMTF Market are set forth in the corresponding BMTF Market Annex. BMTF may impose limits on the operation of each BMTF Market as set out in each BMTF Market Annex and/or by notice to Participants.

(b) Where BMTF makes the functionality available, Participants may arrange outside a trading venue a potential Trade between themselves and submit it to BMTF for execution pursuant to the Rules of BMTF (a “**Process Negotiated Trade**”), provided that:

- (i) for non-equity Instruments that are not subject to the trading obligation set forth in Article 28 of MiFIR, the Process Negotiated Trade is not subject to pre-trade transparency obligations by virtue of BMTF applying either: the large in scale waiver (Article 9(1)(a)) of MiFIR, the waiver for instruments that do not have a liquid market (Article 9(1)(c) of MiFIR), or the package order waiver (Article 9(1)(e) of MiFIR);
- (ii) for non-equity Instruments subject to the trading obligation set forth in Article 28 of MiFIR, the Process Negotiated Trade is not subject to pre-trade transparency obligations by virtue of BMTF applying either: the large in scale waiver (Article 9(1)(a)) of MiFIR, or the package order waiver (Article 9(1)(e) of MiFIR); and

- (iii) for equity Instruments, the Process Negotiated Trade is not subject to pre-trade transparency obligations by virtue of BMTF applying the large in scale waiver (Article 4(1)(c) of MiFIR).

The terms of a Process Negotiated Trade must be submitted to BMTF in a manner prescribed from time to time by BTF as soon as technologically practicable, but in any event within 15 minutes of the Process Negotiated Trade's being arranged. A Process Negotiated Trade will not be deemed to become a Trade on BMTF until concluded by BMTF.

RULE 303. Confirmations

(a) BTF shall promptly, following execution of a Trade, provide each Participant or its Agent that is involved in such Trade with a Written record of the Trade (the "**Confirmation**"). Subject to the Rules, and any other agreement between the counterparties to such Trade, the Confirmation shall be conclusive evidence of those counterparties having entered into a valid, legally binding contract.

(b) A Confirmation shall consist of the Trade Communication and, if applicable, the Terms Incorporated by Reference. In the event of any conflict between (x) the Trade Communication and (y) the Terms Incorporated by Reference, the Trade Communication shall prevail to the extent of any inconsistency and the Trade Communication will state the same.

"**Trade Communication**" shall mean a Written communication provided by BTF to each Participant involved in a Trade containing the economic terms of the Trade agreed by the Participants on BMTF.

"**Terms Incorporated by Reference**" shall mean the Trading Arrangements governing the Trade memorialised in the Trade Communication.

(c) A Participant or its Agent must notify BTF as soon as possible upon receipt if it is not in agreement with any details of the Confirmation.

RULE 304. Prohibited Trading Practices

(a) It shall be a violation of the Rules for a Participant or any of its Authorised Traders to engage, directly or indirectly, in any of the following activities:

- (i) any act or omission that would constitute fraud;
- (ii) making any fraudulent or misleading communication in relation to one or more Instruments or BMTF Markets;
- (iii) breaching or causing BMTF or BTF to be in breach of any Applicable Law;
- (iv) any action or omission resulting in disorderly trading conditions, the disruption of fair and orderly trading or system functionality;

- (v) engaging in any action for the purpose of employing a “high-frequency algorithmic trading technique” as defined in Regulation 2(1) of the MiFID Regulations;
- (vi) entering any RFQ, response to RFQ, AIOI or any message into BMTF for the purposes of testing or workflow validation;
- (vii) engaging in any action which is likely to damage the fairness, stability or integrity of BMTF or to bring BMTF or BTF into disrepute; or
- (viii) any act or omission that would constitute Market Abuse.

(b) No Participant or Authorised Trader shall make any knowing misstatement of material fact to BTF or any of BTF’s directors, officers, employees or agents.

RULE 305. Market Surveillance

(a) BTF shall monitor compliance with the Rules and shall have procedures and arrangements to identify disorderly trading conditions and any conduct that may be in violation of these Rules. In determining whether conduct or a Trade breaches these Rules, BTF may utilise such information and consult with any relevant parties that it deems appropriate.

(b) BTF may take such actions as permitted by these Rules to facilitate fair and orderly trading on BMTF.

RULE 306. BMTF Risk Controls

(a) BTF may at any time suspend, postpone or extend trading on BMTF as a whole, or in respect of one or more Instruments or BMTF Markets, where BTF reasonably considers such action necessary:

- (i) to maintain the stability or integrity of BMTF;
- (ii) to ensure fair and orderly trading;
- (iii) to avoid violation of Applicable Law;
- (iv) to prevent erroneous execution of Trades; and/or
- (v) as otherwise required by Applicable Law or pursuant to an order or request of a Regulatory Authority or court of competent jurisdiction.

(b) If trading in an Instrument or on a BMTF Market is suspended in whole or in part pursuant to paragraph (a) of this Rule 306, no new AIOIs or RFQs may be submitted to the relevant BMTF Market in respect of such Instrument or BMTF Market for the duration of the suspension and all unfilled and outstanding AIOIs at the time of suspension shall be cancelled.

(c) BTF shall, to the extent practicable, promptly notify Participants of any decision to suspend, postpone or extend trading pursuant to paragraph (a) of this Rule 306.

(d) BTF may cancel an RFQ, response to RFQ or AIOI which is clearly erroneous, or is of a size or at a price that BMTF not unreasonably considers may damage the fairness, stability or integrity of a BMTF Market.

RULE 307. Trade Cancellation and Amendment

(a) BTF may cancel a Trade executed on BMTF if:

- (i) both affected Participants agree to cancel such Trade and provide to BTF consent to cancel in Writing; and
- (ii) the Trade was a result of clerical or operational error by one or both affected Participants.

(b) BTF may cancel a Trade executed on BMTF which is clearly erroneous, or is of a size or at a price that BMTF not unreasonably considers may damage the fairness, stability or integrity of a BMTF Market.

(c) BTF reserves the right to require the parties to cancel any Trade executed on BMTF if BTF not unreasonably considers that:

- (i) the Trade was a result of a BMTF system error;
- (ii) the Trade appears to be Market Abuse or otherwise manipulative or indicative of system abuse or misuse;
- (iii) the Trade appears to be deceptive or fraudulent;
- (iv) such cancellation is necessary to preserve the integrity of the market and maintain fair and orderly trading; or
- (v) the Trade is contrary to Applicable Law.

(d) Each Participant acknowledges and agrees that if BTF determines that a Trade should be cancelled in accordance with this Rule 307, the affected Participants shall take such steps as may be necessary to effect such cancellation in accordance with normal market convention.

(e) A Trade can only be cancelled by BTF. Each Participant must notify BTF of any alleged error Trade as soon as possible but in no event later than the end of the Business Day following the execution of such alleged error Trade. Should a Participant wish to cancel a Trade, the Participant must submit a request to BTF that the Trade be cancelled and provide the grounds for such request.

(f) Subject to subsection (b) of this Rule 307, a Trade may be amended if both Participants involved in the Trade agree and all requirements set forth in this subsection are satisfied. Participants that intend to amend a Trade (the “**Original Trade**”) must obtain BTF’s consent to the amendment prior to amending the Trade. The Participants may amend any attribute of the Original Trade except: (i) an element of a description of the Instrument that is the subject of the Original Trade; (ii) an element of a description of a counterparty, other than the account allocations; or (iii) an element of a description of an Authorised Trader involved into the Original Trade (a “**Permitted Amendment**”). Any Permitted Amendment must be completed using the facilities of BTF and must be completed by the end of the Business Day following the date of the execution of the Original Trade. For the avoidance of doubt, BTF will permit amendments only if BMTF offers a protocol supporting an amendment.

(g) With respect to Cleared Instruments, if BTF is notified that the relevant Clearing House has not accepted a Trade, BTF shall void the Trade *ab initio* and notify each relevant Participant.

(h) Where a bond is traded ahead of its issuance date, any failure of the issuer to release the bond on the scheduled date will result in any Trades in such bond being cancelled by BTF *ab initio*. For avoidance of doubt, this Rule will only apply to Trades in bonds traded ahead of its issuance date and not to Trades in issued bonds.

RULE 308. Execution, Clearing and Settlement

(a) In respect of Cleared Instruments:

- (i) BTF will submit each Trade in a Cleared Instrument to a Clearing House mutually selected by the Participants;
- (ii) the relevant Clearing House’s Rules will govern the clearing of such Trades in addition to the remaining provisions of this Rule 308;
- (iii) each Participant shall, or shall cause its Principal to, comply with the Rules of the relevant Clearing House;
- (iv) if BTF is notified that a Trade in a Cleared Instrument is not accepted by a Clearing house, such Trade shall be void *ab initio*;
- (v) where the Rules of the relevant Clearing House conflict with this Rule 308, the Rules of the relevant Clearing House shall take precedence;
- (vi) when a Swap Trade executed by a U.S. Person on BMTF is a “customer” position subject to U.S. CEA section 4d, the Trade must be cleared through an FCM at a Clearing House registered with the CFTC;
- (vii) When a Swap Trade executed by a U.S. Person on BMTF is a “proprietary” position under 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 derivatives clearing organization by the CFTC pursuant to U.S. CEA section 5b(h) (an "Exempt DCO"); and

- (viii) When a Swap Trade is subject to the CFTC's clearing requirement under Part 50 of the CFTC's regulations, and is entered into by a Person that, pursuant to U.S. CEA section 2(h)(1), 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 U.S. CEA section 4d, it must be cleared through an FCM at a Clearing House registered with the CFTC, and cannot be cleared through an Exempt DCO.

(b) With respect to each Instrument that is not a Cleared Instrument, each Participant or its Principal must have a Trading Arrangement with each other Participant with which the Participant intends to enter into Trades in such Instrument or with a Principal of such Participant.

(c) With respect to Trades in Instruments that are not Cleared Instruments, the settlement of all executed Trades shall take place directly between the Participants in accordance with the terms of the Trade and the Trading Arrangement applicable to the Trade.

(d) BTF may specify a default settlement date for certain Instruments in accordance with the CSDR. Participants may agree a different settlement date for a Trade to the extent permitted under the CSDR.

(e) If requested by BTF, a Participant shall provide promptly (and, in any event, by the end of the Business Day following the day on which a request is made by BTF) any details relating to settlement of a Trade.

(f) Except to the extent prohibited by Applicable Law, each Participant shall promptly notify BTF upon becoming aware of any inability by a Participant or any Principal for which it acts as Agent to clear or settle an Instrument in accordance with the Rules, Applicable Law or acceptable industry practice, such as a loss of access to a relevant settlement and/or clearing system.

RULE 309. Trade/Transaction Reporting

(a) Each Participant shall be solely responsible for any trade reporting, transaction reporting or other reporting and/or filing requirements as may be imposed upon the Participant under Applicable Law in connection with the use of BMTF by such Participant.

(b) Where required in accordance with Article 26 MiFIR, BTF shall submit a transaction report for a Trade to the FCA.

RULE 310. Taxation

Each Participant shall be liable for the payment of any taxes, including stamp duty reserve tax, which may arise in connection with trading on BMTF by such Participant.

RULE 311. Sponsored or Direct Market Access Restricted

A Participant shall not permit or allow any third party to access BMTF using the Participant's Trading Privileges via any means, including via sponsored access or direct market access.

RULE 312. CSDR Compliance

A Participant that is subject to the CSDR shall ensure that (from such time as the CSDR comes into force in relation to such obligation):

- (a) Trades in Transferable Securities are recorded in book entry form on or before the intended settlement date; and
- (b) where applicable it takes measures to limit the number of settlement failures, including making arrangements to: (i) ensure prompt allocation, or the communication by a Principal of an allocation, of Transferable Securities to the Trade; (ii) confirm that allocation; (iii) confirm the acceptance or rejection of terms in good time before the intended settlement date; (iv) settle Trades in Transferable Securities on the intended settlement date as required by the CSDR; and (v) comply with any buy-in obligation imposed under the CSDR or other Applicable Law.

CHAPTER 4. MISCELLANEOUS

RULE 401. Notices

(a) Each Participant must provide BTF with its current electronic mail address and telephone number and the electronic mail address and telephone number of any Person who may use a Trader ID associated with such Participant. Each Participant must update the contact information described in this paragraph (a) whenever it changes no later than the end of the Business Day following the change.

(b) Communications from BTF to Participants may be transmitted by electronic mail, posted on the Website or made available in such other formats as may be required by Applicable Law.

(c) Subject to Rule 410(d), a notice from or by BTF posted on the Website shall take effect on the date stated in it. A Participant shall be bound by a notice even if, for any reason, the Participant did not receive it.

RULE 402. Timely Publication of Information, Waivers and Deferrals

(a) BTF shall publish such information relating to BMTF Markets and the Instruments available for trading on BMTF as required by Applicable Law.

(b) BTF shall not publish MTF Data relating to any AIOI which is subject to the transparency obligations under MiFIR and is eligible for the application of a waiver as set forth in

the applicable BMTF Market Annex. A waiver will apply automatically without prior request from a Participant.

(c) BTF shall not publish MTF Data relating to any Trade which is eligible for the application of a post-trade publication deferral as set forth in the applicable BMTF Market Annex until the applicable publication deferral period has expired. Such deferral of publication will apply automatically without prior request from a Participant.

(d) For the avoidance of doubt, a waiver or deferral from publication referred to in paragraphs (b) or (c) above shall only apply subject to FCA approval and where circumstances permit.

RULE 403. Market Data

(a) Subject to each Participant's rights in its own data (and the data of its Principal) as set forth in the Participant Documentation, BTF shall own all rights, title and interest, database rights and trade secret rights in and to all data and other information contained in, displayed on, generated by or derived from BMTF or Trades entered into pursuant to the Rules, including AIOIs, prices and volumes ("**MTF Data**").

(b) Participants and Authorised Traders shall not, and shall cause their Affiliates, Principals, clients and customers not to, distribute, sell or retransmit MTF Data or other information obtained via BMTF, provided that any such restrictions shall not apply to Participant's own data (and the data of its Principals, clients or customers).

(c) BTF may at any time restrict or establish utilisation fees in respect of MTF Data and/or the format and presentation thereof with respect to Participants, Principals, clients and customers, provided that any such fees shall not apply to Participants' use of Participant's own data (and the data of its Principals, clients or customers).

(d) Subject to Rule 405, BTF may make MTF Data and other information it may deem appropriate available to Participants and other Persons at such times and in such manner (whether through BMTF, a ticker, financial information services or otherwise) as it may consider necessary or advisable (to enable BTF to comply with its obligations under Applicable Law or otherwise) from time to time. Each Participant or other Person receiving any such information through BMTF may redistribute such information only to such extent and in such manner as may be permitted by BTF from time to time.

(e) Waivers and deferrals described in the Market Annexes shall apply subject to FCA approval.

RULE 404. BTF Compliance with Applicable Law; Cooperation with Regulatory Authorities

(a) BTF will comply with all Applicable Law and any request of the FCA or other relevant Regulatory Authority.

(b) BTF may provide full assistance to, and will also supply any relevant information without delay to the FCA and, as required by Applicable Law, to any other Regulatory Authority, in connection with any investigation and prosecution of or enforcement action regarding any actual or suspected Prohibited Trading Practice occurring on or through BMTF.

(c) BTF may report to the FCA, and to the extent that such reporting is required pursuant to Applicable Law to any other relevant Regulatory Authority, any breaches of the Rules, disorderly trading, system disruptions in relation to a financial instrument and/or Prohibited Trading Practices.

(d) BTF may disclose information and documents received from any Participant to any Regulatory Authority for any purpose including (without limitation) enabling any Regulatory Authority to commence or pursue any investigation or enquiry, or institute, continue or defend any proceedings.

(e) Each Participant shall provide full assistance to the FCA and any other Regulatory Authority, including providing information and documents directly to the FCA or such Regulatory Authority if such direct provision of information is permitted by FCA or such Regulatory Authority, in connection with: (i) any actual or suspected breach of Applicable Law; and/or (ii) any investigation or prosecution of or enforcement action regarding any actual or suspected Prohibited Trading Practice; in each case, to the extent related to such Participant's MTF activities.

RULE 405. Confidentiality

(a) All material non-public information provided by a Participant or Authorised Trader to BTF shall be held in confidence and shall not be made known to any other Person except as follows:

- (i) with the prior written consent of the Participant providing such information;
- (ii) to Bloomberg Trading Facility B.V. ("**BTF BV**") if the Participant enters into an agreement with BTF BV under which BTF BV will provide MTF services to the Participant;
- (iii) to a Regulatory Authority if BTF is requested or legally required to do so by such Regulatory Authority;
- (iv) pursuant to a lawful discovery request;
- (v) to a Clearing House of which such Participant is a member or in connection with the clearing of a Participant's Trade cleared by such Clearing House;
- (vi) to other Participant(s) to facilitate Participant's trading on BMTF;
- (vii) subject to appropriate confidentiality requirements, to any Person providing services to BTF;

- (viii) subject to appropriate confidentiality requirements, to BTF employees, the board, board committees, attorneys, auditors, and agents, independent contractors or other Persons that have been engaged by BTF, in each case, who require such information in connection with the discharge of their duties to BTF; and
- (ix) as required under Applicable Law or otherwise permitted under these Rules.

(b) All information and data obtained or received by BTF from inspections of accounting and other records will be treated as confidential by BTF; however, this Rule does not supplant Rule 208 (Suspension or Termination), in case of Emergency or Force Majeure to the extent that it is necessary to transfer information or data to another duly appointed and, if applicable, duly authorised entity, or any other requirement of legal process or law.

RULE 406. LIMITATION OF LIABILITY, NO WARRANTIES

(a) NONE OF BTF, ITS AFFILIATES OR ANY CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES RELATED TO BTF OR BMTF, NOR ANY OF THEIR RESPECTIVE SUCCESSORS OR ASSIGNS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, PARTNERS, CONSULTANTS OR LICENSORS (EACH, A “**DISCLAIMING PARTY**”) SHALL BE LIABLE TO ANY PERSON (INCLUDING ANY PARTICIPANT, AUTHORISED TRADER, PRINCIPAL, AGENT OR ANY MARKET PARTICIPANT THAT DIRECTLY OR INDIRECTLY EFFECTS A TRANSACTION ON BMTF) FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:

(i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER EVENT, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF BMTF OR SERVICES OF THE DISCLAIMING PARTY, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH BMTF OR SERVICES, INCLUDING ELECTRONIC MESSAGE ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA, MTF DATA OR INFORMATION, WORKSTATIONS USED BY PARTICIPANTS, AUTHORISED TRADERS, PRINCIPALS, OR AGENTS, PRICE REPORTING SYSTEMS AND ANY AND ALL COMMUNICATIONS NETWORKS, SOFTWARE AND HARDWARE RELATING THERETO;

(ii) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER EVENT, OF BMTF OR ANY SERVICES OF A DISCLAIMING PARTY, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH TRADING SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING INDEPENDENT SOFTWARE VENDORS OR NETWORK PROVIDERS;

(iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE DISCLAIMING PARTY OR IN ANY OF THE DISCLAIMING PARTY'S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES;

(iv) ANY UNAUTHORISED ACCESS TO OR UNAUTHORISED USE OF ANY OF THE DISCLAIMING PARTY'S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES BY ANY PERSON; OR

(v) BTF'S PERFORMANCE OF ITS REGULATORY OBLIGATIONS AS AN OPERATOR OF BMTF OR ANY ACTION TAKEN IN ACCORDANCE WITH THESE RULES OR WITH ITS GOOD FAITH UNDERSTANDING OF APPLICABLE LAW.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM.

(b) NOTWITHSTANDING SUBSECTION (a), (c) or (e) OF THIS RULE 406, IN NO EVENT SHALL ANY AFFILIATE OF BTF ACTING AS MTF TECHNOLOGY SERVICES PROVIDER BE LIABLE TO ANY PERSON NOR SHALL ANY PERSON BRING ANY LEGAL ACTION (WHETHER IN TORT, NEGLIGENCE, OR BREACH OF CONTRACT) FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES INCLUDING LOSS OF PROFITS, LOSS OF USE, DIRECT, SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING FROM THE USE OF BMTF.

(c) WITHOUT LIMITING BTF'S INDEMNIFICATION OBLIGATION UNDER RULE 407, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY ANY DISCLAIMING PARTY RELATING TO ANY SYSTEMS OR SERVICES OF ANY DISCLAIMING PARTY OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES.

(d) ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF ANY DISCLAIMING PARTY OR SERVICES, EQUIPMENT, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE DISCLAIMING PARTY OR DISCLAIMING PARTIES IS A PARTY SHALL BE SUBJECT TO ADJUDICATION AS PROVIDED IN RULE 411 AS IF THE DISCLAIMING PARTY WERE BTF AND THE OPPOSITE PARTY OR PARTIES WERE A PARTICIPANT. ANY ACTIONS, SUITS OR PROCEEDINGS BROUGHT AGAINST ANY DISCLAIMING PARTY MUST BE BROUGHT WITHIN ONE YEAR FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH (d) SHALL IN NO WAY BE CONSTRUED TO CREATE A CAUSE OF ACTION (OR MODIFY THE LIMITATION ON ACTIONS PROVIDED IN RULE 406(a)) AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY THE RULES.

(e) TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE TOTAL COMBINED AGGREGATE LIABILITY OF BTF SHALL NOT EXCEED (i) £ 20 000 (TWENTY THOUSAND POUNDS) FOR ALL LOSSES AND CLAIMS FROM ALL CAUSES SUFFERED ON A SINGLE DAY, (ii) £ 100 000 (ONE HUNDRED THOUSAND POUNDS) FOR ALL LOSSES AND CLAIMS FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR MONTH; AND (iii) £ 1 000 000 (ONE MILLION POUNDS) FOR ALL LOSSES AND CLAIMS FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR.

IN NO EVENT SHALL TOTAL COMBINED AGGREGATE LIABILITY OF BTF FOR ALL CLAIMS AND CLAIMS AGAINST DISCLAIMING PARTIES ARISING OUT OF ANY FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, OR ANY OTHER CAUSES, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF BMTF OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT BTF OR BMTF, OR THE NEGLIGENCE OR GROSS NEGLIGENCE OF BTF EMPLOYEES, AGENTS OR SUBAGENTS EXCEED £ 1 000 000 (ONE MILLION POUNDS) IN ANY GIVEN CALENDAR YEAR.

IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY, SINGLE MONTH OR SINGLE YEAR CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD.

(f) THE LIMITATIONS OF LIABILITY IN THIS RULE 406 SHALL NOT APPLY TO BTF'S INDEMNIFICATION OBLIGATION UNDER RULE 407 AND SHALL NOT PROTECT ANY PARTY FOR WHICH THERE HAS BEEN A FINAL DETERMINATION (INCLUDING EXHAUSTION OF ANY APPEALS) BY A COURT TO HAVE ENGAGED IN FRAUD OR WILLFUL MISCONDUCT.

(g) NOTHING IN THIS SECTION SHALL BE CONSTRUED AS EXCLUDING OR RESTRICTING: (i) ANY DUTY OR LIABILITY OF BTF TO PARTICIPANT UNDER THE REGULATORY SYSTEM (AS DEFINED IN THE FCA HANDBOOK) EXCEPT IF AND TO THE EXTENT THAT EXCLUSION OR RESTRICTION OF LIABILITY IS PERMITTED (AND ACCORDINGLY ANY RIGHTS PARTICIPANT MAY HAVE UNDER THE REGULATORY SYSTEM ARE NOT AFFECTED BY THE PROVISIONS OF THIS AGREEMENT); (ii) ANY LIABILITY OF BTF FOR DEATH OR PERSONAL INJURY INSOFAR AS SUCH DEATH OR INJURY RESULTS FROM THE NEGLIGENCE OF BTF; OR (iii) ANY LIABILITY OF BTF IN CIRCUMSTANCES WHERE OR TO THE EXTENT THAT LIABILITY CANNOT BE EXCLUDED OR RESTRICTED BY LAW.

RULE 407. Indemnification by BTF

BTF, at its expense, shall indemnify, hold harmless and defend Participant against any loss, claim, demand or expense (including reasonable attorneys' fees) ("**Claim**") that BMTF or any portion thereof infringes, misappropriates or violates any intellectual property or proprietary rights of any

third party; provided, however, that BTF shall not be required to indemnify Participant for any Claim to the extent it arises from or in connection with any (a) additions, changes or modifications by Participant to BMTF, which changes were not provided by BTF, (b) use of BMTF in combination with other products or services not provided by BTF, or (c) use of BMTF other than as expressly permitted by the Rules or the Participant Documentation. BTF shall control such defence and all negotiations relative to the settlement of any such Claim. Participant shall promptly provide BTF with Written notice of any claim which falls within the scope of this paragraph (provided that failure to provide such notice shall not relieve BTF of its indemnity obligations hereunder except to the extent it is prejudiced thereby).

RULE 408. Force Majeure

Notwithstanding any other provision of the Rules, BTF shall not be obligated to perform its obligations under the Rules, or any other agreement with a Participant (including the Participant Documentation), or to compensate any Person for losses occasioned by any delay or failure of performance, to the extent a delay or failure of performance is the result of a Force Majeure.

RULE 409. Extension or Waiver of BMTF Rules

BTF may, in its sole discretion, waive, or extend the time period for performing, any act or acts designated by the Rules, but only to the extent such waiver or extension is not inconsistent with the Applicable Law or other applicable regulations.

RULE 410. Amendment, Repeal or New Rule

(a) BTF may in its sole discretion amend or repeal any Rule and/or adopt new Rules. Any such amendment or repeal of a Rule or adoption of a new Rule, shall, upon the effective date of such amendment, repeal or adoption, as applicable, be binding on all Participants and Authorised Traders.

(b) If an amendment or repeal of a Rule or adoption of a new Rule does not materially change the terms or conditions of an Instrument and does not affect the value of open Instruments, then the effective date of any amendment or repeal of a Rule or adoption of a new Rule relating to Instruments is binding on all Instruments entered into before and after the effective date of such amendment, repeal or adoption and, to the extent applicable, before the effective date of such amendment, repeal or adoption.

(c) If an amendment or repeal of a Rule or adoption of a new Rule materially changes the terms or conditions of an open Instrument or affects the value of open Instruments, then the amendment, repeal or adoption of a new Rule shall not affect any open Instruments and shall be binding only on (i) new Instruments listed for trading after the effective date of such amendment, repeal or adoption, and (ii) Instruments listed as of the effective date of such amendment, repeal or adoption with no open positions then in existence, unless, in each case, otherwise specifically provided by the BTF board of directors.

(d) BTF will publish any amendments to this Rulebook, other than those amendments which BTF makes in response to an Emergency, on the Website 10 Business Days prior to the

effective date of such amendments. Any such publication shall specify the date on which the amendment takes effect. Continued participation on BMTF following the effective date of the amendment constitutes deemed acceptance by the Participant of the amendments and acknowledgement of the revised Rulebook.

RULE 411. Governing Law and Jurisdiction

This Rulebook, any matters arising out of this Rulebook and the relationship between BTF and each Participant shall be governed by the laws of the State of New York without regard to choice-of-law principles that would lead to the application of the law of another jurisdiction. The Participants hereto agree to submit to the jurisdiction of each of the federal and state courts located in New York County, New York, in connection with any matters arising out of this Agreement and not to assert a defence of forum non conveniens, sovereign immunity, Act of State or analogous doctrines in connection with any action.

600310950.9

BMTF MARKET ANNEX A— RFQ AND RFT FUNCTIONS

1. Financial Instruments available for trading via RFQ Function and RFT Function:

- (a) Credit Default Swaps (“CDS”)
- (b) Interest Rate Swaps (“IRS”)
- (c) Bonds, including Exchange-Traded Commodities (“ETC”), Exchange-Traded Notes (“ETN”) Bond types and Asset-Backed Securities (“ABS”)
- (d) Securities Financing Transactions (repurchase transactions, buy-sell and sell-buy back transactions) (“SFT”)
- (e) Exchange-Traded Funds (“ETF”)
- (f) Foreign Exchange Derivatives (non-deliverable forwards; non-deliverable swaps; average rate forwards; options; deliverable forwards and deliverable swaps) (“FX”)
- (g) OTC Equity Options and OTC Equity Index Options (“Equity Derivatives”)

2. Method of Execution

- (a) RFQ Functionality.

A Participant may use the RFQ Function to send a Request for Quote to other Participants. A Participant receiving a Request for Quote (the “RFQ Recipient”) can respond to the sender (the “RFQ Requestor”) with a quote. Responses to the RFQ will be displayed to the RFQ Requestor. If it wishes to transact, the Requestor may send or accept an AIOI. If the RFQ Requestor accepts an AIOI, BMTF will execute the Trade. If the RFQ Requestor sends an AIOI in response to an indicative quote, the RFQ Recipient may accept or reject it. If the Recipient accepts the AIOI, BMTF will execute the Trade.

- (b) Request for Trade (“RFT”) Functionality (not available for ETC and ETN Bond types, SFTs, ETFs, and Equity Derivatives).

A Participant (“RFT Sender”) can use the RFT Functionality to send an AIOI to another Participant (“RFT Recipient”). If the RFT Recipient accepts the AIOI, BMTF will execute the Trade.

3. Waivers and Deferrals

- (a) Waivers:

(i) With respect to an AIOI on the RFQ Functionality, BTF will apply waivers as follows:

- CDS, IRS, Bonds, FX, Equity Derivatives: the waivers specified in MiFIR Article 9(1)(a), (b), (c) or (e); and
- ETFs: the waiver specified in MiFIR Article 4(1)(c).

(ii) With respect to AIOI on the RFT Functionality, BTF will apply waivers as follows:

- Bonds, CDS, IRS and FX: the waivers specified in MiFIR Article 9(1)(a), (c), (e)(i) or (e)(ii).

(b) Deferrals:

(i) With respect to ETFs:

- the “large in scale” deferral as specified under MiFIR Article 7(1), RTS 1 Article 15(1)(b) and RTS 1 Annex II Table 5;

(ii) With respect to CDS, IRS, Bonds (except Danish Mortgage Bonds), FX, and Equity Derivatives:

- the “large in scale” deferral under MiFIR Article 11(1)(a), RTS 2 Article 8(1)(a), and for package trades RTS 2 Article 8(1)(d)(ii);
- the “not a liquid market” deferral under MiFIR Article 11(1)(b), RTS 2 Article 8(1)(b), and for package trades RTS 2 Article 8(1)(d)(i);
- the “size specific to the instrument” deferral under MiFIR Article 11(1)(c), RTS 2 Article 8(1)(c), and for package trades RTS 2 Article 8(1)(d)(iii),

in each case as augmented by the extended deferral provided for under MiFIR Article 11(3)(b), (c) and (d) and RTS 2 Article 11(1)(b), (c) and (d), as applicable.

(c) Danish Mortgage Bonds:

- (i) BTF will defer publication of Trades in Danish Mortgage Bonds until 17:00 Copenhagen time on the date when the Trade was executed where the size of the Trade is equal to or above 100 million Danish krone (“**DKK**”).
- (ii) In all other cases, Trades in Danish Mortgage Bonds will be published within three minutes of the execution of the Trade.
- (iii) Where a Danish Mortgage Bond is denominated in euros, BTF will assess the size of the Trade in DKK in accordance with the most recent euro reference exchange rate published by the European Central Bank.

