

Décision du 12 décembre 2017 relative aux règles de fonctionnement du système organisé de négociation « AUREL BGC - OTF »

L'Autorité des marchés financiers,

Vu le règlement général de l'Autorité des marchés financiers en vigueur à compter du 3 janvier 2018, notamment les articles 531-7 et suivants ;

Vu la demande d'AUREL BGC - OTF ;

Décide :

Article 1^{er}

Sont approuvées les règles de fonctionnement du système organisé de négociation « AUREL BGC - OTF » telles qu'annexées à la présente décision.

Elles entreront en vigueur à la date du 3 janvier 2018.

Article 2

La présente décision sera notifiée à AUREL BGC et publiée sur le site Internet de l'Autorité des marchés financiers.

Fait à Paris, le 12 décembre 2017

Le Président de l'AMF

Robert Ophèle



ORGANISED TRADING FACILITY RULE BOOK (THE “RULE BOOK”)

This Rule Book is the formal codification of Operator’s current trading practices with which Clients will be familiar. Clients trading on Operator’s trading facilities remain subject to the regulation of their usual home or host jurisdiction as appropriate.

Where Operator’s trading facilities are made available in the European Economic Area (EEA) they are classified as an Organised Trading Facility.

This Rule book has been approved by the AMF

Version: 3rd January 2018

Updated versions of our venue rule books and other venue documentation and policies can be found online at: www.bgcpartners.com/disclaimers/mifid-ii/aurel

1. DEFINITIONS

Affiliate	Means any company, person, partnership or entity controlled by or controlling or in common control with that party. A person, company, partnership or entity shall be deemed to control another person, company, partnership or entity if the former person, company, partnership or entity possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the other person, company, partnership or entity whether through ownership of voting securities or partnership interests, representation on its board of directors or similar governing body, by contract or otherwise;
All-or-None/AON	As defined in clause 3.6(c)(ii) of this Rule Book;
Applicable Law And Regulations	<p>In the case of Operator in respect of the operation of the System, the laws, rules and regulations in force from time to time which apply to Operator and the System, as updated and amended from time to time; and</p> <p>In the case of each Client the applicable rules or instructions of their Regulator and all other applicable laws, rules and regulations in force as applicable to the Client and which apply to their Participation as updated and amended from time to time;</p>
Authorised Trader	An individual who is authorised by a Client to use the System in accordance with the Client Agreement and/or these Rules;
BGCB LP	BGC Brokers LP, an investment services provider registered in the UK and regulated by the FCA.
Business Day	<p>As determined at Operator's sole discretion, a day on which the System is available, which may be a day:</p> <p>(a) on which financial institutions are agreed to be open for business in the principal financial centre of the country concerned;</p>

	<p>(b) on which, settlement of payments and the clearing of transactions is possible in the principal financial centre of that country; and</p> <p>(c) that is not a bank holiday or public holiday in that country;</p>
Client	An entity that has met and continues to meet the Eligibility Criteria, which is: (i) either subject to a Client Agreement with Operator or is permitted by Operator to use the System pursuant to clause 2.1(d) and subject to these Rules; and (ii) which is approved by Operator to be a Client of the System. Insofar as a Client is trading on an Organised Trading Facility in the EEA, all Clients, whether they are MiFID or non MiFID entities, will have been onboarded as a Professional Client or Eligible Counterparty;
Client agreement	One or more agreements between Operator and the Client that relates to the provision of the System or parts thereof, as is updated or amended by Operator from time to time;
Content	Means any and all research reports, statements, confirmations, account information and materials, market data, news, documents provided in electronic format and other information (including, without limitation, identifying information), reports, analytics, calculators, data, valuations, ratings and content, in each case, emanating directly or indirectly from the System whether provided by or for Operator or input or communicated using User IDs;
Customer	A customer of a Client;
Deferral	The deferral of Operator's obligation to make public certain post-trade information as close to real-time as technically possible and in compliance with rules and regulations.
Eligibility Criteria	The criteria set out in clause 2.1(b) of this Rule Book;

Good-Until-Bettered-Orders	As defined in clause 3.6(a)(i) of this Rule Book;
Good-Until-Cancelled	Where a specific order on the System is valid until withdrawn, which may be done at a time pre-arranged by automated timer up until the end of the applicable Business Day; also known as ‘Good For Day’ or ‘Good Until Time’. All orders are automatically cancelled at the end of a trading session and will not be automatically reinstated in the next trading session;
Immediate-or-Cancel Orders/IOC	As defined in clause 3.6(a)(iv) of this Rule Book;
Inside Information	<p>Information relating to a security or orders pending or contemplated in an Instrument or other security which:</p> <ul style="list-style-type: none"> (i) is of a precise nature; (ii) is not generally available; (iii) relates directly or indirectly to an Instrument or other security or issuer of a security; and <p>would, if generally available, be likely to have a significant effect on the price of an Instrument or other security or related securities;</p>
Insider Dealing	Shall mean any use of Inside Information in relation directly or indirectly to the System;
Insolvency	In respect of a Client where: (i) it or they makes a composition or arrangement with its creditors; or (ii) it or they becomes bankrupt; or (iii) it or they makes a proposal for a voluntary arrangement for a composition of debts; or (iv) it or they has a provisional liquidator appointed; or (v) it or they has a winding-up order made; or (vi) it or they passes a resolution for voluntary winding up; or (vii) it or they has an administrator or an administrative receiver appointed; or (viii) any procedure equivalent to the above occurs in any other

	jurisdiction; or (ix) it or they is otherwise unable to meet its debts as they fall due;
Instrument	An instrument or security of any nature available for trading on the System as made available by Operator from time to time;
Intended Purpose	The sole purpose of a Client and its Authorised Trader(s) using the System and/or Content for trading with or via Operator and/or on a Market operated by Operator and/or other purpose(s) authorised by Operator from time to time and in compliance with Operator's instructions from time to time whether under a Participation Agreement, this Rule Book or otherwise and during the time that a Client is a customer of Operator or Operator permits a Client to use the System, whichever is longer;
Limit-Orders	As defined in clause 3.6(a)(ii) of this Rule Book;
Market	Categories of Instrument as are available for trading on the System in respect of a particular market as amended by Operator from time to time;
Market Price	As defined in clause 4.2(a);
Matching Session	The auction commenced by Operator at the end of the Opening Period;
Max Display Order	As defined in clause 3.6 (b) for this Rule Book;
No Review Range	The range as determined in accordance with clause 4.2 of this Rule Book;
One-Cancels-the-Other/OCO	As defined in clause 3.6(c)(i) of this Rule Book;
Opening Hours	The hours which are both: <ul style="list-style-type: none"> (i) between the period of time each week from 0700 Monday local time in Tokyo, Japan, through to 1800 Friday local time in New York, USA; and (ii) during a Business Day,

	as determined by Operator at any time in its discretion and as may be determined by Operator in conjunction with other industry bodies and associations from time to time;
Opening Period	The period in which the System gathers indications of interest from Market Clients with respect to volume, bids or offers as part of the Volume Match Trading Session;
Operator	Aurel BGC, an investment services provider registered in the France and regulated by the ACPR and the AMF.
Order Book	The stack of bids and offers displayed in the System;
Participation	Admission to the System as a Client and any and all activity of such a Client in relation to the System;
Regulations	As defined in clause 6(b).
Regulator	In the case of Operator in respect of the operation of the System the applicable regulator of Operator in relation to its operation of the System; and In the case of each Client, the applicable regulator(s) the Client is regulated by in relation to their Participation from time to time;
Relevant Transaction	A transaction that takes place on the System;
Rule Book	This document as may be amended and updated by Operator from time to time;
Rules	This Rule Book, issued by Operator as it may be updated or amended from time to time;
Sources	Means collectively the direct and indirect third party or affiliated licensors, vendors, service providers, subcontractors and sources of any content, Market, system or other service whether the same is provided directly to a Client or through Operator or any third party;
System	The discretionary hybrid multilateral system(s) (including without limitation any hardware, software and/or communications link furnished by Operator from time to time) operated by Operator as

	provided and varied from time to time in Operator's discretion (through which a Client may electronically send to Operator information including prices, bids, offers and executions) and the services provided in relation to it (which may include but not be limited to any exchanges, markets, electronic trading networks, multilateral trading facilities, alternative trading systems or order matching systems owned, operated, leased or provided by or on behalf of Operator). The above is defined under European Economic Area (EEA) legislation as an Organised Trading Facility.
System Security Criteria	The criteria in relation to system security set out in clause 2.5 of this Rule Book as amended or updated by Operator from time to time;
Trading Notice	Any notice issued by Operator in respect of a Market or Instrument or to one or more Clients in relation to Participation from time to time;
User Guide	The documents, in conjunction with other forms of instruction, which may be made available to Clients and as may be updated from time to time which relate to, amongst other things, global help desk contact details, access to the trading system, placing of orders on the trading system, functionality of the trading system, trading system settings and related functional descriptions;
User ID	A unique identifier code assigned by Operator to each Authorised Trader of a Client;
Waiver	The waiver of Operator's obligation to make public certain pre-trade information.

2. PARTICIPATION

2.1 Admission

- (a) Prospective Clients shall be required:
- (i) prior to executing a Client Agreement or using the System pursuant to clause 2.1(d), to provide any information as required by Operator;

- (ii) to “on-board” in accordance with the Operator process as required by Operator;
 - (iii) to validly execute a Client Agreement or to comply with Operator’s required procedures for using the System pursuant to clause 2.1(d); and
 - (iv) to agree to be bound by and comply with the Rules at all times during its Participation (which may be changed from time to time at the discretion of Operator).
- (b) It is the prospective Client’s responsibility to ensure at any and all times during its Participation that:
- (i) it can demonstrate that its Authorised Traders have sufficient experience to trade in particular Instruments and Markets;
 - (ii) it has undertaken (and procures that its Authorised Traders have undertaken) the appropriate System training and that its prospective Authorised Traders are otherwise sufficiently trained and have adequate experience and, knowledge of and competency in the Markets and Instruments;
 - (iii) it meets the System Security Criteria;
 - (iv) it and its Authorised Traders comply with the Rules, and Applicable Law and Regulations;
 - (v) its technical processes and front-end interface or computer program for automated order entry connecting to the System are in compliance with Operator’s reasonable technical requirements (as may be amended or updated by Operator from time to time);
 - (vi) it meets Operator’s credit requirements (as may be amended or updated by Operator from time to time) based on Operator’s risk policy that has non-discriminatory credit risk criteria;
 - (vii) it has adequate internal procedures and controls to minimise trading errors and to prevent breaches of the Rules and Applicable Law and Regulations;
 - (viii) it has adequate execution, voice recording, order management and settlement, and, if applicable, clearing arrangements in place;
 - (ix) it has one or more personnel identified to Operator in writing from time to time, who are contactable by and responsible to Operator in relation to all aspects of the Client’s Participation;

- (x) it meets such other objective criteria that may impact the Client's situation as Operator may impose and notify to the Client from time to time;
- (xi) it seeks and obtains Operator's consent prior to operating any execution, market-making, statistical arbitrage algorithm or smart order router which optimises execution processes by determining parameters of the order; and
- (xii) it and its Authorised Traders only use the System and Content for the Intended Purpose

together, the "**Eligibility Criteria**".

- (c) Participation for each Client shall become effective on such date and at such time as Operator may notify the Client (where such date is at the full discretion of Operator)
- (d) After onboarding by Operator, Operator may permit Clients to use the System where they have not executed a Client Agreement provided they meet the Eligibility Criteria (to the extent applicable) and otherwise comply with Operator's required procedures and terms for using the System (as amended by Operator from time to time). By being given access to the System Client agrees to be bound by and comply with the Rules at all times during its Participation (which may be changed from time to time at the discretion of Operator).

2.2 **Role of Operator**

- (a) Operator acts as the operator of the System and in that capacity Operator engages in matched principal trading in bonds, structured finance products, and certain derivatives only where the client has consented to the process, including dealing on own account in sovereign debt instruments where there is not a liquid market, subject to satisfying the Eligibility Criteria, other Rules, and Applicable Law and Regulations.
- (b) Operator may (in its absolute discretion) admit Instruments to the System, including but not limited to, Instruments traded on a regulated market, that would belong to the below assets class list. Operator will maintain a list of Instruments available for trading in the System on its website. Operator will allow any Instrument to be made available for trading provided the Instrument is compatible with Operator's systems and not otherwise prohibited from trading. The Venue Control Team will be responsible for adding new instruments to be traded and ensuring that details of these instruments are made available to the public (via the company's web site).

The list of instruments available for trading will be part of below assets class list:

- Bonds, notes and structured finance product
 - Equity derivatives
 - Interest rates derivatives
 - Foreign exchange derivatives
 - Commodities derivatives
- (c) Provided Operator complies with Applicable Law and Regulation, its Best Execution Policy and Client Order handling rules, Operator may exercise discretion at order level and/or execution level.:

Order Discretion

Decision exercised by the OTF operator whether to place the order at all on the OTF, whether to place the whole order or just a portion of it on the OTF, and when to do so;

Decision as to whether and when an order should be retracted from the OTF. This may be the case e.g. where more favourable outcome would be obtained by executing the order on another execution venue (as outlined in the best execution policy);

Where clients provide a specific instruction to the operator of the OTF, the OTF operator would not be considered as exercising order discretion when complying with that specific instruction.

Execution Discretion:

Decision as to if, when, and how much of two matching orders in the system should be matched based on objective and non-discriminatory criteria.

- (d) Operator has pre and post-trade transparency obligations, and may have been granted regulatory approval of Waivers and Deferrals. Details of any such Waivers or Deferrals will be set out on Operator's Website and/or Schedule 2. When appropriate, pre-trade transparency will be provided by a registered APA and Post-trade transparency by a dedicated proprietary Web site. Given the nature of its activities, Operator is not required to comply with a tick size regime.
- (e) Operator will not execute Client orders against the proprietary capital of Operator and its Affiliates or other BGC group entities.

2.3 Continuing Obligations

- (a) Clients must at all times:

- (i) ensure that they continue to meet the Eligibility Criteria; and
- (ii) be entirely responsible for any and all obligations and liabilities arising (directly or indirectly) from the entry, deletion and execution of all orders and trades submitted to the System by or on behalf of the Client and any and all Relevant Transactions arising as a result.

2.4 System Security Obligations

- (a) Each Client shall:
 - (i) be solely responsible for controlling and monitoring the use of all User IDs issued to it and its Authorised Traders by Operator; and
 - (ii) ensure that each User ID is used only by Authorised Traders;
 - (iii) ensure that each Authorised Trader accessing the System using such User ID is assigned a unique password and that each password is used only by the person to whom it is assigned; and
 - (iv) ensure that User IDs are only used as permitted by the Rules.
- (b) Each Client shall be bound by any actions taken through the use of its User IDs or passwords, including, without limitation, the execution and settlement of Relevant Transactions, whether or not such actions were authorised by the Client or any of its employees, consultants, agents or those acting on its behalf or Authorised Traders.

2.5 System Security Criteria

- (a) Clients must have in place policies, procedures, systems and practices consistent with both appropriate industry standards and acceptable to Operator, which:
 - (i) restrict access to any system capable of submitting orders to the System only by Authorised Traders;
 - (ii) creates, maintains and records accurate and complete records regarding any and all activity on the System via User ID's; and
 - (iii) require that each Authorised Trader that is issued or authorised to use a unique User ID:
 - (A) protects and maintains the security of the individual User ID provided; and
 - (B) prohibits the use of such User ID by any other person.

together, the “System Security Criteria”.

- (b) Operator will provide on Client's reasonable request multiple User IDs to enable Client to provide access to the System as is reasonably required for the Client's trading and internal business identification and organisational purposes,

2.6 Notifications

- (a) All notifications under the Rules by Clients shall be made as soon as is reasonably practicable to Operator. Where a Client's notification is initially made verbally the Client must confirm the notification in writing.
- (b) Client must notify Operator in writing as soon as reasonably possible:
 - (i) of a change in the Client contacts and/or the list of Authorised Traders;
 - (ii) if an Authorised Trader ceases to be authorised by the Client to conduct business on the System;
 - (iii) of any significant changes that are likely to increase the Client's credit risk for Operator, the System and/or other Clients, including, but not limited to, if Insolvency occurs or is likely to occur;
 - (iv) upon the commencement of enforcement or other proceedings by any Regulator to the extent that such action or proceedings could relate to Relevant Transactions and/or compliance with the Client Agreement and/or the Rules, save to the extent that such notification or disclosure is prohibited by Applicable Law And Regulations;
 - (v) if the Client becomes aware of any (or any potential) unauthorised disclosure or use of: (i) a User ID; or (ii) access to the System; and
 - (vi) if the Client is unable to ensure efficient and correct settlement of trades concluded on the System.

2.7 Transaction Records

- (a) Clients must retain a record of each Relevant Transaction for the relevant period required under Applicable Law And Regulation from the date of entry on to the System. Records must be stored in an unalterable format or otherwise in compliance with Applicable Law And Regulations.
- (b) On Operator's request, the Client shall supply (within such time limit as may be required by a relevant Regulator or under Applicable Law And Regulations or otherwise as soon as reasonably practicable) records or other accurate information concerning Relevant Transactions in a format, electronic or otherwise, as specified by Operator in order to assist Operator in ensuring

compliance with the Rules, Applicable Law And Regulation or requirement of a Regulator (as the case may be).

- (c) Operator's records in relation to any Relevant Transaction shall be the authoritative record of the Relevant Transaction.

2.8 **Misleading Acts, Conduct, and Prohibited Practices**

- (a) A Client shall not whether by itself, or in collusion with others, and shall ensure that its Authorised Traders shall not without limitation:
 - (i) commit any act or engage in any course of conduct which creates, or is likely to create, a false or misleading impression of one or more Markets, or the price, demand, supply, or value of any Instrument;
 - (ii) cause or enter into any artificial transaction on the System;
 - (iii) submit an order with a fictitious quantity or price onto the System;
 - (iv) commit any act or engage in any course of conduct which is likely to damage the fairness or integrity of the System;
 - (v) commit any act or engage in any course of conduct which causes, or contributes to, a breach of the Rules;
 - (vi) effect a pre-arranged transaction that is designed to give a false view of supply, demand or pricing of an Instrument or Market;
 - (vii) disseminate any information likely to affect or distort any Market or Instrument;
 - (viii) post orders which, taking account of the relevant market circumstances, appear to have the primary purpose of frustrating the orderly operation of the electronic market and other Clients' use of the System and/or to mislead or cause market confusion;
 - (ix) perform Insider Dealing;
 - (x) put Operator in breach of any Applicable Law And Regulation or obligation to a Regulator; nor
 - (xi) move or de-stabilise the price of an Instrument or any part of it (including without limitation an index).

2.9 **Suspension and Termination**

- (a) Without prejudice to Operator's rights under any Participation Agreement or under clause 2.1(d) and relevant Schedules hereto, if, at any time, a Client or an Authorised Trader does not comply with the Rules, Operator may suspend, restrict or terminate that Client's or Authorised Trader's access to the System in any way that Operator deems reasonably necessary. Operator shall send notice of such termination or suspension to the Client or Authorised Trader as soon as is reasonably practical.
- (b) If, at any time, a Client, in Operator's reasonable opinion, poses a credit risk to Operator, the System and/or other Clients, Operator may suspend, restrict or terminate that Client's access to the System.
- (c) Operator reserves the right to restrict a Client's or Authorised Trader's receipt of Content or access to and use of the System.
- (d) Operator reserves the right to delete any order submitted to the System where Operator believes it necessary in order to preserve market orderliness.

2.10 Further to clause 2.9, in the event of: (i) suspension of a Client and during the period of suspension, (ii) termination of a Client Agreement in respect of a Client; or (iii) a Client's usage being terminated for Volume Match, Volume Match Plus or for "view only" access, the entity which was formerly a Client:

- (i) shall not be permitted to access the System, submit any orders and/or execute or settle any Relevant Transactions;
- (ii) shall remain liable and responsible to the System and other Clients for acts and omissions committed by the Client and its Authorised Traders during any period of Participation;
- (iii) will remain subject to the terms and conditions of the Client Agreement and Rules in relation to their Participation to the extent provided or required; and
- (iv) shall continue to comply with any reasonable requests for information that Operator may make in relation to the Participation of the Client.

2.11 **Sanctions**

- (a) In the interests of maintaining a fair and orderly market, based on objective criteria, Operator will have absolute discretion in applying any or all of the following sanctions to a Client or Clients for breach of the Rules:
 - (i) written warning;
 - (ii) temporary suspension;

- (iii) publication of details of the offender and rule infringement;
- (iv) reporting details to a Regulator;
- (v) termination of Participation; and/or
- (vi) such other actions as Operator deems reasonably necessary.

2.12 Content

Each Client shall ensure that only Authorised Traders may access any Content and use it solely for trading on the System or with or via Operator as the case may be (or as otherwise directed by Operator from time to time), fully comply with all of the agreements, requirements and restrictions of Operator and any applicable third parties which provide data or other Source(s) relating to such Content and the use, access, storage and redistribution thereof, and all Applicable Law And Regulations. In order to ensure compliance with contractual restrictions and obligations imposed by Operator, any applicable third parties and other Source(s) regarding such Content, a Client shall promptly respond to any and all requests for information from Operator, such third parties or Source(s), allow Operator, those representing the third parties and/or Source(s) access to premises and distribution networks, and shall cooperate with other measures Operator may take in good faith to fulfil its obligations to the third parties and / or Source(s). Content may not be aggregated with other content, used for any purpose other than trading on the System or with or via Operator or redistributed to anyone who is not an Authorised Trader and in particular not outside the Client. If a Client becomes aware of any unauthorised use, access to, storage or redistribution of Content, it shall notify Operator in writing immediately. Operator reserves the right to provide, amend or restrict the provision of Content and the terms thereof in its discretion.

2.13 Commodity Derivatives

- (a) In order to manage a Client's' open interest positions in commodity derivatives, Operator may monitor such positions and may require a Client to:
 - (i) terminate or reduce a position or exposure;
 - (ii) provide liquidity back into the market at an agreed price and volume on a temporary basis;
 - (iii) provide access to any information under Client's control relating to the size and purpose of a position entered into, information about the beneficial or underlying owners, any concert arrangements and any related assets or liabilities in the underlying market.

- (b) In the event a commodity derivative is subject to the rules of the System, the spot month identification rule will be specified in the relevant commodity derivative contractual specifications.

3. PRODUCTS AND ORDER PLACEMENT

3.1 Product Groups

The System currently offers access to a wide variety of products within multiple asset classes. Operator reserves the right to amend the product groups and Markets to which it offers access at any time. .

3.2 Applications

The System can be accessed through various applications, using software which has been developed by Operator (or its Affiliates) or by third parties. The interface provided to Clients and Authorised Traders may vary depending on the product and the method of access used. This interface may refer to applications of the System.

3.3 Order Placement

- (a) Orders may be entered into the System only:
 - (i) in such form and during such times as Operator shall prescribe; and
 - (ii) by a Client and its Authorised Traders.
- (b) Orders may contain such limitations and shall have such effect as determined and published by Operator from time to time.
- (c) Each order entered into the System must be in the form and contain the information Operator requires. Any order not complying with the System requirements shall not be accepted.
- (d) A Client shall not submit orders or amend orders in an Instrument or Market which is subject to suspension by Operator. Orders in such an Instrument or Market may be deleted by Operator.
- (e) All orders entered into the System are executable and available for execution (in full) and, when executed, will be binding on the Client placing the order (unless otherwise provided in the Rules) even if the order was placed on behalf of a third party.
- (f) All orders entered into the System shall remain open in the System until executed, withdrawn or cancelled. Such open orders constitute the 'Order Book'. Orders entered into the System may be changed by the Client or the Operator broker authorised to enter orders on behalf of the Client, but any

change in the price or increase in quantity shall be treated as a new order for the purpose of time price priority. For the avoidance of doubt the use of a MaxDisplay order will also cause the updated amount on the balance of the order to be treated as a new order for the purpose of time price priority.

- (g) When carrying on electronic business each Client's connection to the System is set to a maximum number of messages per second per matching session. If a Client exceeds the message limit, then the exceeding orders/modifications/cancels will be held until the next second and then released into the matching session.
- (h) Authorised Traders will not be allowed to execute on their own bid/offer. The System provides an order management function where in the event an Authorised Trader attempts to execute on their own resting order in the Order Book the Authorised Trader may choose through an account setting whether the incoming order or the resting bid or offer is cancelled:
 - (i) When set to Yes, the Authorised Trader's own passive order stays in the book, and the unexecuted aggressive size gets cancelled;
 - (ii) When set to No, the Authorised Trader's unexecuted aggressive size stays in the order book, and the original passive order gets cancelled.

3.4 Order Entry Controls (UST Instruments)

- (a) Controls in place for size of order.
 - (i) A maximum quantity size by user and by room where the benchmark issue is unavailable (2/3yr, 5yr, 7/10yr, 30yr) is in effect for all orders.
 - (ii) The maximum quantity may be reduced on the buy side or sell side as the credit limit is approached.
- (b) Controls in place for orders placed away from the prevailing market price via a customisable check on the number of price increments such order is away from the price displayed at the time the order is submitted.
- (c) Each order is compared against the last market activity (trade or best bid/offer) upon entry against a maximum number of price increments. Authorised Traders may choose a lesser number of price increments.
- (d) Controls in place for price formats and instruments. Each order is checked for price formats and instrument name on entry.
- (e) Controls in place for duplicative orders. Operator may reject orders from any Authorised Trader, Client or Customer who sends 50 duplicate orders (same side, size, price, and instrument) in a row within 1/2 second.
- (f) Controls in place to prevent the entry of orders that exceed appropriate pre-set credit thresholds. Via an automatically adjusting quantity control with a synchronous credit check. Each order will be checked in real time against the

credit of the entire Client's Credit Limit and individual Authorised Trader limits (if required).

- (g) Controls in place to prevent the entry of orders that exceed appropriate pre-set credit thresholds given the risk adjusted open orders, via the above control with the credit usage of the open orders set by historical fill ratio in the book.

3.5 **General System Order Cancellation**

- (a) All orders open at the end of the Business Day are cancelled.
- (b) All orders for Authorised Traders on a particular connection are cancelled upon the termination, loss or unexpected connection activity unless the Authorised Trader has requested an account setting allowing his/her order to stand in the event of such activity.
- (c) Cancels for certain products are subject to a rule whereby an order that becomes the lone bid or offer in an Instrument will have all sizes cancelled but minimum order size which will be held for a further second.

3.6 **General System Types of Orders and Order Attributes**

- (a) The following orders may be entered by a Client and/or its Authorised Traders into the System:
 - (i) *Good-Until-Bettered-Orders.* A Good-Until-Bettered Order is an order to buy or sell a stated amount of an Instrument to be executed at the displayed price until bettered by another order (whether from the original Client or another Client) or cancelled. Provided, however, its validity may also be made subject to the condition that the order is Good-Until-Cancelled¹.
 - (ii) *Limit-Orders.* A Limit-Order is an order to buy or sell a stated amount of an Instrument to be executed at the price stated in the order or better, such that the order will persist even if bettered and until cancelled. Provided, however, its validity may be made subject to the condition that the order is Good-Until-Cancelled.
 - (iii) *Order at Best.* An Order at Best is an order to buy or sell a stated amount of an Instrument to be executed at the price stated in the order or better, but will only execute at the top price level in the Instrument with the unexecuted amount placed as a bid or offer at the top level such that the order will persist even if bettered and until cancelled.

¹ Please note that OCO functionality could possibly be subject to additional executions under certain race conditions.

- (iv) *Immediate-Or-Cancel Orders/IOC*. An IOC is a request to buy or sell an Instrument on the System at a pre-determined price that, if matched, may initiate a trade and persist for the duration of that trade until fully executed, cancelled or the trade ends. If no contra-price is immediately available the order is immediately cancelled in its entirety.
- (b) *MaxDisplay*: A MaxDisplay order (which may otherwise be commonly known as an iceberg order) is a limit order in which the total amount to be executed is specified but the amount displayed by the System is set by the Authorised Trader as a specific quantity or a quantity to be set randomly by the System between two quantity parameters (high and low) set by the Authorised Trader. Upon execution of the displayed quantity a new quantity is displayed with the time priority of an order and thus repeated until the entire quantity is executed or cancelled.
- (c) The Good-Until-Bettered and Limit-Order types may also be used with the following order attributes:
 - (i) *One-Cancels-The-Other/OCO*. OCO provides protection to the Client so that if a Client has the choice to connect multiple bid and/or offer orders to other orders (normally configured to be within specific set sub-groups) and one of the Client's orders is executed upon, then the Client's remaining orders attached to the executed bid or offer will be cancelled immediately.
 - (ii) *All-Or-None/AON*. AON provides Clients with the facility to restrict execution to all of the chosen order size, or none at all, such that partial execution is disallowed. Users of AON as an order type may be bypassed in some order matching scenarios where the System cannot match with the AON order due to the size restriction but can match with other Clients instead who are posting bids or offer orders in other amounts.

3.7 Allocation and Priority of Orders and No Withholding of Orders

A Client shall not withhold or withdraw from the System any order, or any part of an order, for the benefit of any Customer other than the Customer on behalf of whom the order was entered.

3.8 Broker-assisted Order Entry

- (a) Operator acting on behalf of a Client may, upon request of the Client, assist a Client in the entry or withdrawal of orders into or out of the System via an authorised managed account. An authorised managed account specifically permits the Operator broker to enter or withdraw orders into and out of the System on behalf of a Client.

- (b) Upon Operator's receipt of a specific request from a Client for voice assistance in the entry or withdrawal of an immediately executable order directly into or out of the System, the Operator broker will use reasonable endeavours to enter or withdraw the executable order promptly into or from the System.
- (c) Any request by a Client to Operator for voice assisted order entry of an order that is not immediately executable may be entered into the System by Operator as soon as practicable. The Operator broker will use reasonable endeavours to record the time at which the request for assistance was first received and the time that the order was entered into the System.

3.9 **Information Regarding Orders**

- (a) In addition to Pre and Post-trade Transparency, Operator will make information regarding orders (including, but not limited to, prices bid or offered), trades and any other matters it may deem appropriate available to Clients, Authorised Traders and other permitted persons at such times and in such manner as it may consider reasonable from time to time.
- (b) Each Client, Authorised Trader and other permitted person receiving any such information through the System may redistribute such information only to such extent and in such manner as may be permitted by Operator from time to time.

3.10 **Prohibited or Suspended Instruments**

Based on objective criteria, including but not limited to regulatory suspension, Orders creating risks as to fair and orderly market, technical breakdowns, Operator may (in its absolute discretion) admit Instruments to the System and may suspend or remove any Instrument, and any derivatives related to or referenced to that Instrument, from the System at any time for any reason. Any decision to: (i) suspend or remove Instruments from trading; or (ii) to lift such suspension or removal will be made public by Operator.

3.11 **Fees and Charges**

Operator reserves the right in relation to the System to charge such amounts as per the Terms of Business and the rate card.

3.12 **Taxes**

- (a) The Client shall be liable for the payment of any applicable taxes that arise from the trading of Instruments including, but not limited to, inter alia, stamp duty reserve tax.
- (b) It is the obligation of the Client to determine whether taxes arise from the trading of Instruments on the System, and to apply for any exemptions from or other appropriate treatment in relation to such taxes.

4. GLOBAL TRADING RULES

4.1 Trade Cancellations and Price Adjustments

- (a) *Trade Cancellation Authority.* Operator's trade cancellation policy in respect of each Market is set out in in this clause 4 Operator may review a trade based on its analysis of market conditions or upon a request for review by a Client or Authorised Trader. Operator is authorised to adjust trade prices or cancel trades in respect of a Market (i) when such action is necessary to mitigate market disruptive events caused by the improper or erroneous use of the System or by system defects, or (iii) if Operator determines that allowing the trade to stand as executed may have an adverse effect on the integrity of the market or to comply with relevant regulatory requirements (which may include the circumstances set out in clause 2.8).
- (b) *Review of Trades.* A request for review must be made within a reasonable time period from the execution of the trade. Operator shall promptly determine, in accordance with this clause 4 whether the trade will be subject to review and upon deciding to review a trade, Operator will promptly issue an alert to all relevant (as determined by Operator) Clients on the System indicating that the trade is under review. When reviewing a trade the rules in clause 4.2 below shall only apply in relation to the prices to be reviewed.
- (c) In the course of its review of any trade, Operator may, but is not obligated to, inform any of the parties to the trade of the identity and contact information of any other party to the trade.

4.2 Trade Price Adjustment and Cancellation Process.

Trade Price Adjustment and/or Cancellation shall be carried out in accordance with the following:

- (a) *Standard No Review Range.* In determining the No Review Range, Operator shall determine the market price for that Instrument immediately before the trade under review (the "**Market Price**"). Operator may consider any relevant information, including but not limited to the existing market conditions, the volatility of the market, the prices of related Instruments in other markets, the last trade price on the System, a better bid or offer price, a more recent price in a related Instrument, the price of the same or related

Instrument established in reported voice facilitated trading and any other factors that Operator deems relevant.

- (b) Subject to clause 4.2(d)(iv), the No Review Range for a trade shall generally and normally be where the difference in price between the mid-market price at the time of the trade and the price where the trade is executed is outside the range set out in the table below. Operator reserves the right to determine the No Review Range at its sole discretion from time to time. Client
- (c) *Trade Price Inside the No Review Range.* If Operator determines that the price of the trade was inside the No Review Range, Operator will promptly issue an alert to all relevant (as determined by Operator) Clients and Authorised Traders on the System indicating that the trade shall stand.
- (d) *Trade Price Outside the No Review Range.*
 - (i) *Price Calculation.* Subject to clauses 4.2(d)(ii) and 4.2(d)(iii), if Operator determines that a trade price is outside the applicable No Review Range, the trade price shall be adjusted by the Clients (and Operator if appropriate) to either:
 - (A) a price within the No Review Range as agreed upon between the Clients to the trade; or
 - (B) a price that equals the Market Price for that Instrument at the time of the questioned trade, plus or minus the standard or adjusted No Review Range as determined by Operator.
 - (ii) *Trade Outside Business Day.* In relation to liquid products (as determined by Operator), in the event that the adjusted price under clause 4.2(d)(i)(A) would be outside the trading range of the Business Day during which the trade in question occurred, then such adjustment shall be limited to the trading range of that Business Day.
 - (iii) *Alteration of Standard No Review Range.* During fast market conditions, upon the release of significant news, or in other circumstances in which Operator determines it is appropriate, Operator may, without prior notice, temporarily increase the published No Review Range, up to an amount that is double the then currently published range.
 - (iv) *Post Trade Determination by Operator.* Operator will promptly issue an alert to all relevant (as determined by Operator) Clients and Authorised Traders on the System indicating that the prices of the trades outside the No Review Range have been adjusted to the No Review Range limit or have been cancelled.

- (v) *Busy or “fast” markets* - Clients are reminded that in busy and/or “fast” markets it may be difficult to establish a mid-market price and that ultimately the Client is responsible for both the prices they enter and the transactions that they execute on the System and any errors they may make in connection with any order or trade.
- (vi) *Trade Adjustment and Cancellation*. Upon notification of a trade which is deemed to meet the above error criteria, Operator will seek to mediate a prompt resolution between Clients. If no agreed resolution is reached, a party to the trade may request that Operator escalate the issue to the head traders of the Clients involved (which Operator may do at its sole discretion).
- (vii) Additionally, Operator has the authority, but not the obligation, to cancel rather than adjust the price of trades and in particular where a trade meets the above error criteria, Operator may, in its discretion, cancel a trade, including in order to comply with relevant regulatory requirements and preserve the integrity of the System.
- (viii) Clients shall abide by Operator’s determination hereunder. Operator shall not bear any liability to any Client including, but not limited to, for any loss or damage suffered by parties to the trade, as a result of Operator’s determination or the adjustment or cancellation of any such trade.

4.3 **Suspension of Automatic or Manual Execution**

- (a) Operator may suspend the execution of orders on the System in one or more Instruments if:
 - (i) Operator determines a system problem has occurred or is likely to occur;
 - (ii) the Instrument is the subject of a suspension by a Regulator; or
 - (iii) Operator, in its absolute discretion, considers it appropriate to do so.
- (b) Operator may apply volatility safeguards (including trading halts) in regard to the execution of orders on the System in the event of excessive market volatility.

5. **MATCHING, SETTLEMENT AND CLEARING**

5.1 **Confirmations and Objections**

- (a) Operator will notify Clients of the matching of bids and offers through the System as follows:

- (i) initial execution notification: following trade execution, the System will send an initial execution message which includes price, size and side (buyer and seller) information (where applicable) to both sides of a trade or of each trade within a series of matched trades;
 - (ii) subsequent trade notification: shortly after initial execution notification, the System will send a trade confirmation message which details any combined executions the price, size and side of the trade for straight through processing purposes; and
 - (iii) final notification: after completion of the transaction, the System will issue a confirmation that includes all material details of the Relevant Transaction.
- (b) Objections to the contents of transaction confirmations must be submitted to Operator, in writing, promptly upon receipt, but no later than the close of that Business Day.

5.2 Trade Execution

- (a) The System is a hybrid system into which Members may enter voice or electronic orders. Trading sessions remain open throughout the Business Day. Except as expressly provided for by these Rules, all orders are matched by:
- (A) the action of one Client communicating an executable bid or offer to the Operator for any Instrument made available for trading in the System; and
 - (B) a responding Client accepting a firm bid or offer; or
 - (C) the action of one Client (by voice or otherwise) hitting (or lifting) a displayed bid (or offer); or
 - (D) the electronic matching of two contra orders (i.e. one order to bid or buy and one order to offer or sell) that occur at the same price.
- (ii) *Voice Work-up*. In order to encourage the provision of liquidity to the System, following the execution of an initial transaction either of the parties to the transaction or any other Member may request a work-up trading session. To open a work-up trading session the Operator announces the work-up session and price. Counterparties to the initial transaction may have a priority for additional amounts at the work-up price. Resting bids or offers at the work-up price or better must be included in the work up session. During the work-up session, execution occurs at the time a buyer and a seller agree on the quantity of their respective transaction (the price being the work-up price), such execution being indicated to the counterparties by

communication of the Operator. Separate transactions entered into during the work-up process will not be confirmed or reported as a single aggregate transaction. The work-up shall end when, to the extent possible, all buying and selling interest at that price have been filled. Any unfilled bid or offer at that price at the conclusion of the work-up shall be treated as a resting bid or offer depending upon the instruction of the Member.

- (iii) *Fully Electronic Work-Up.* For certain products, in order to encourage Clients to provide liquidity to the market, during the Regular Trading Session a Client that exhausts all of the bids (or offers) displayed on the System at a single time and at a particular price shall be able to use the System to query the Clients whose bids were hit (or offers lifted) to request them to enter into additional transactions at the same price. The System on behalf of each Client may query the parties to the transaction in the order in which their bids (or offers) were executed. The Client may enter a request to the System for additional volume which shall remain open with each such Client for the number of seconds specified by the System for that particular product, which duration may vary according to the Instrument category and their position in the order stack. Once the time has expired for the original executing parties, all Clients may then be matched with contra-orders for additional size traded.
- (iv) *Additional Trading.* Additional Trading sessions may be structured in the manner that, in the judgment of the Operator, will provide for a robust exchange of indications of interest, or bids and offers by multiple parties. Additional Voice Trading sessions are as follows:

Volume Match:

Volume Match Plus:

For the avoidance of doubt:

bids and offers shall be considered to be firm at the time first communicated to the Operator and subsequently indicative unless the Member confirms to the Operator that the bid or offer remains firm;

where a new bid or offer is bid or offered into the market and it does not match a resting bid or offer, the Client with the resting bid or offer that is closest in price and then oldest in time to the new bid or offer, generally has priority in hitting the new bid or lifting the new offer;

an executed transaction may take place between two responding Members;

the System will display orders based upon price/time priority, so that an order at a better price will always have priority over other orders at inferior prices and resting orders at the same price will be displayed on a time priority basis where orders received at the same price will be displayed and acted upon in the order in which they were received.

5.3 **Obligation to Settle**

- (a) A Client must, in respect of Relevant Transactions, settle all obligations in accordance with the settlement instructions and the settlement process for the relevant Market and all requirements of the relevant settlement facility.
- (b) A Client shall ensure that Instruments delivered in settlement of a transaction are free of any charge or encumbrance.
- (c) Operator will offer the necessary links to clearing and settlement depositories and clearing houses either directly or via industry standard middleware providers.
- (d) Unless agreed otherwise between the parties, a Relevant Transaction in any Instrument shall be settled in the standard place of settlement for that Instrument.
- (e) For matched principal services, BGCB LP will be the settlement party to Transactions. For reception and transmission of orders, settlement will be the sole responsibility of each relevant Client.

5.4 **Cleared Derivatives**

- (a) In order for Operator to submit a Client's transaction to a CCP for clearing, Client must provide the information in (b) below and comply with either (i) or with (ii) and (iii) below. Client must:
 - (i) be a member of a CCP;
 - (ii) enter into a contractual arrangement with a clearing member of the CCP under which the clearing member automatically becomes counterparty to the cleared derivative transaction;
 - (iii) enter into further contractual arrangements with the clearing member whereby Client agrees to become counterparty to the cleared derivative transaction after the transaction is cleared.

- (b) Client must provide Operator with information requested by Operator in writing.
- (c) In the event a third party software provider is used to route a trade from the System to a CCP, Client must not make any amendments to the terms of the transaction post submission to the third party software provider and prior to clearing.
- (d) In the event an electronic trade is not accepted for clearing by the CCP (other than for technical or clerical reasons) the trade will be void.
- (e) In the event a voice trade is not accepted for clearing by the CCP (other than for technical or clerical reasons), Client must identify an alternative mechanism to clear the transaction outside the venue.
- (f) If a trade is not accepted for clearing due to technical or clerical reasons, Operator will re-submit the trade to the CCP as per Applicable Law and Regulations provided relevant Clients consent.

6. CLIENTGENERAL

- (a) Operator may, at its discretion, waive the enforcement of the Rules but any waiver shall not prevent or restrict Operator from taking action to enforce the Rules whether in respect of any other infringement of them (even if related) or against any other Client in relation to a similar breach.
- (b) In the case that the Rules would impose an obligation or requirement upon Operator or any Affiliate that conflicts with any law, rule or regulation (“**Regulations**”) to which they are bound, the Rules are superseded by such Regulations.
- (c) Operator’s interpretation of the Rule Book shall be final and binding upon any Client or Authorised Trader. Operator shall not be liable to any Client or Authorised Trader by reason of its interpretation or application of the Rule Book and its adherence to Applicable Law And Regulations.
- (d) The terms and conditions which by their nature are to survive termination, cancellation, replacement, expiration or modification of the Rules, shall survive.
- (e) If any clause or term of these Rules is found to be illegal, invalid or unenforceable under any Applicable Laws And Regulations, such clause or term shall, insofar as it is severable from the remaining clauses or terms be deemed omitted from these Rules until replaced by Operator and shall in no way affect the legality, validity or enforceability of the remaining clauses and terms.

- (f) This version of the Rule Book terminates and supersedes all prior versions from the date hereof (save in respect of any provisions which are by their nature to continue in full force and effect post termination).
- (g) Operator may amend the Rules from time to time in its discretion. Any change to the Rules is subject to the approval of the AMF. Changes shall be notified in such manner and place as Operator may determine including, but not limited to, by posting on designated websites. Each Client shall be deemed to have accepted such changes by: (i) accepting the changes in accordance with Operator's required procedures; or (ii) 5 Business Days after the posting of such changes ; or (iii) upon either being granted access to the System or continuing to have access to the System and/or trading on the System, whichever is the earlier .
- (h) Operator's rights and remedies and a Client's obligations under the Rules are cumulative and are in addition to Operator's rights and remedies and a Client's obligations under any Participation Agreement and/or, as applicable, any other agreement of Operator's, and any written agreement between a Client and any Source(s), as any of the same may be amended or supplemented from time to time.
- (i) Each Schedule to this Rule Book (as such Schedule may be updated and amended from time to time), forms part of and is incorporated into this Rule Book.
- (j) In the event of any conflict between a Participation Agreement and the Rules, the relevant provisions of the Rules shall govern.

7. CONFIDENTIALITY

Client may not externally reproduce or circulate the Rules without Operator's express permission in writing. Copyright and all other intellectual property rights to the Rules belong to Operator and its Affiliates.

8. COMPLAINTS BY CLIENTS

In the event that a Client is dissatisfied with the service provided by Operator, then the Client should follow the complaints procedure as set out in the Terms of Business.

Schedule 1 – EUROPEAN GOVERNMENT BOND TRADING (INCLUDING IN RELATION TO BASIS TRADES) GUIDELINES

1. ERROR TRADES

1.1 In addition to the provisions of the General Trading Guidelines , trades in European Government Bonds (including in relation to basis trades), may be cancelled in accordance with the following procedures in relation to trades which are “inconsistent” with the market price of the trade:

A Bilateral cancellation

- (a) A request for review of a trade (a “**Request**”) shall be notified by a Client or Authorised Trader (“**Issuer**”) no later than 15 minutes after the execution of the trade. After receiving notification that a trade is in dispute Operator will promptly issue an alert to all relevant (as determined by Operator) Members on the System indicating that the trade is under review (collectively “**Recipient**”). Operator may in exceptional circumstances extend the time for making the Request where the Issuer was unable to send the Request to Operator for example due to circumstances beyond its reasonable control and not for example due to absence from the desk.
- (b) If a Recipient confirms promptly to Operator that it agrees with the Request, the Request shall be treated as a bilateral cancellation (or amendment if applicable) of the trade. Operator shall notify all relevant (as determined by Operator) Members on the System indicating that it has been agreed that the trade will be cancelled and all relevant Operators shall take such steps as are required to cancel the trade including notifying any applicable central counterparty or settlement institution.
- (c) In the event that the Recipient and Issuer do not agree to cancel the Trade then the procedure in B below will apply.

B Manifest error: calculation of an off-Market trade

- (d) Upon receipt of a Request, Operator shall verify whether the Trade in question was executed at a price level which is “inconsistent” with the market value at the time of execution and is therefore “off market”. To be “inconsistent” with the market value, the trade price must have been executed at a price that was greater than 50% outside the then current bid/offer spread on the specific instrument at the time of its execution.
- (e) Verification shall be carried out by Operator requesting up to five (5) dealers, but no less than three (3) dealers (excluding the Issuer and Recipient,) to provide a written (including by email or Bloomberg) firm two-way inter-dealer electronic quote for the specific instrument at the time of execution of the trade. These dealers come from an agreed committee of 10, annually rotating, dealers, appointed by AFME. The list of dealers will be published on

the AFME website.

- (f) As soon as possible after receipt of the request, the selected members of the committee will communicate in writing (including by email or Bloomberg) their current bid/offer *i.e.* the quote of a firm two-way price they entered or would have entered into any inter-dealer electronic platform to Operator for that instrument at that time. After excluding both the highest and lowest price and averaging the remaining quotes in order to determine the average bid/offer spread, the trade will be ‘off-market’ if it is was executed at a price that was 50% wider than the average bid/offer which was calculated.
 - (g) As soon as possible after performing the calculation at paragraph (f) above, Operator shall communicate the calculation (and follow up in writing) to the Receiver and Issuer together with, if it so chooses, the quotes received from the “committee” members. The names of the members of the committee who provided the quotes shall not be given. Operator shall endeavour to make the communication no later than 45 minutes after the time of execution of the trade (but may extend the time period in exceptional circumstances).
 - (h) If the calculation shows that the Trade is “off market” in accordance with paragraph (d) above, then the Issuer, Recipient and Operator should promptly take such steps as are necessary to cancel the Trade without recourse to each other or Operator including notifying any central counterparty or settlement institution. Operator bears no liability or responsibility for cancellation of trades in accordance with these guidelines. If the calculation shows that the Trade is not “off market”, then it will stand and the Operators shall take such steps as are necessary to fulfil their settlement obligations.
 - (i) AFME/Primary Dealers members who are counterparties to the Trade shall not contact any of the agreed committee members concerning the trade dispute.
 - (j) An Authorised Trader or Operator may request that Operator (which may, in its sole discretion) escalate the issue to the head traders of each Operator involved.
- 1.2 The Client (and not Operator) is responsible for both the prices they enter and the transactions that they execute on the System and any errors they may make in connection with any order or transaction.
- 1.3 The Client’s attention is drawn to the fact that:
- (a) attention should be paid to the displayed big figure numbers as well as the decimal places when executing transactions;
 - (b) the System contains “price differential limits” and “second look” features (amongst others) to minimise the above occurring.

Schedule 2 – WAIVERS and DEFERRALS

The following Waivers have been granted to Aurel BGC for all asset classes to which the Operator offers access:

- (a) a large in scale Waiver;
- (b) a size specific to the financial instrument Waiver; and
- (c) an illiquid instruments Waiver.

A Client may request the application of a Waiver. Aurel BGC may at its discretion grant the application of a Waiver following a request from Client or may otherwise apply a waiver at Aurel BGC's discretion provided that doing so is in accordance with the terms of the relevant regulatory approval and not in breach of Regulations.

List of asset classes:

- Bonds, notes and structured finance product
- Equity derivatives
- Interest rates derivatives
- Foreign exchange derivatives
- Commodities derivatives