

CREDITEX BROKERAGE LLP

Multilateral Trading Facility Rulebook

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CHAPTER 1: DEFINITIONS

Except where the context requires otherwise, as used herein, (i) use of the singular shall include the plural and vice versa; (ii) the term “include” means “include(ing) without limitation”; (iii) reference to the masculine, feminine or neuter gender includes each other gender; (iv) any reference to a number of days shall mean calendar days unless Business Days are specified; (v) any reference to a time shall mean the local time in London, England unless otherwise specified; (vi) any reference to a Rule, Chapter, Appendix or Exhibit refers to a Rule, Chapter, Appendix or Exhibit of these Rules; and (vii) any reference to these Rules, and the words herein, hereof, hereto and hereunder and words of similar import refer to these Rules as a whole and not to any particular Rule.

The following terms shall have the following meanings when used herein:

Affiliate

With respect to a particular Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with, that particular Person.

Applicable Law

Means all applicable federal, state, provincial and local laws, statutes rules and regulations, judicial orders or decisions, and the rules, regulations, interpretations and protocols of or by any Regulatory Authority or clearing organization, , including the FSMA and the FCA Handbook, as amended from time to time.

Authorized Jurisdiction

The United Kingdom and such other jurisdictions in which the MTF may be authorized or permitted under Applicable Law to provide services from time to time, as identified by Circular.

Business Day

Any day on which the MTF is available for trading, as determined by CB LLP from time to time.

CB LLP

Creditex Brokerage LLP or its successor.

Circular

The meaning specified in Rule 602.

Confirmation

The meaning specified in Rule 303.

Control

With respect to a Person, such Person's ability to direct the management or policies of another Person, whether by voting or directing the voting of more than 50% of the voting securities of such Person, by electing a majority of the board of directors or other governing body of such Person, by contract or otherwise.

Credit Products

Single name credit default swaps (CDS), CDS indices, structured CDS products or any other CDS-related contracts that may be traded using the MTF or through use of the MTF Services.

Error Trade Policy

The MTF's error trade policy, as in effect and published by CB LLP from time to time.

FCA

The UK Financial Conduct Authority, and any successor thereto.

FCA Handbook

The FCA's rules and guidance, as amended from time to time.

Fees

The meaning specified in Rule 601.

Fixed Income Products

Mortgage backed securities, asset backed securities, bonds or debentures of corporations, governments, governmental or semi-governmental agencies or municipal authorities. Notwithstanding anything to the contrary herein, for Australian Users, the term "Fixed Income Products" includes only Specified Bonds.

Force Majeure Event

A delay or failure that is the result of act of God, lightning, earthquake, fire, epidemic, landslide, drought, hurricane, tornado, storm, explosion, flood, nuclear radiation, act of a public enemy or blockade, insurrection, riot or civil disturbance, strike or labor disturbance, or any other cause beyond CB LLP's reasonable control (whether or not similar to any of the foregoing).

FSMA

The UK Financial Services and Markets Act 2000.

Insolvency Event

The meaning specified in Rule 302.

MiFID

The Directive of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments amending Directives 2002/92/EC and Directive 2011/61/EU.

MTF

The non-discretionary electronic, voice and other trading systems provided by CB LLP for the trading of MTF Products that constitute a “multilateral trading facility” as defined in Article 4(1)(22) of MiFID and the operation of which is subject to regulation by the FCA.

MTF Activity

Activity conducted on the MTF, including the submission of Orders and the execution of Transactions.

Non-MTF Products

A financial instrument(s) offered by CB LLP for trading through the Non-MTF Services.

Non-MTF Product Market

An organized category of Non-MTF Products arranged through the Non-MTF Services.

Non-MTF Services

All electronic, voice and other trading systems provided or supported by CB LLP for the trading of financial instruments, other than those provided through the MTF.

Order

An actionable bid or offer of an eligible type entered into the Order Book; or with respect to another execution method, a bid, offer or response as specified by CB LLP. CB LLP may specify different types of eligible Orders for particular MTF Products and/or execution methods from time to time in these Rules or by Circular.

Order Book

The book of Orders maintained by the MTF with respect to a particular MTF Product.

Participant

A Person that satisfies the Participant criteria as described in Rule 203 and has entered into and has in effect the applicable Participant Documentation.

Participant Documentation

An agreement or other documentation that CB LLP may require a Participant to execute in order to access the MTF for the purpose of executing Transactions, in the form specified by the CB LLP from time to time. For the avoidance of doubt, the CB LLP Terms of Business constitute Participant Documentation for the purposes of the Rules.

Participant User Administrator

The individual or individuals designated as such pursuant to Rule 208.

Person

An individual, corporation, partnership, limited partnership, limited liability company, joint venture, association, trust, estate, unincorporated organization or other entity. , as the context may require.

Price

The rate or amount that a Participant is willing to pay or receive for entering into a Transaction or group of related Transactions, based on the applicable pricing or quoting convention for the relevant Product.

Products

A financial instrument as described in Rule 401.

Product Specifications

The terms and conditions of any Product listed for trading, as specified by CB LLP pursuant to Rule 401.

Qualified Party

An “investment firm”, as such term is defined in MiFID.

Regulatory Authority

Any national, supra-national, federal, state, municipal or other governmental entity, agency, commission, court or instrumentality (or other sub-division thereof) exercising executive, legislative, judicial, regulatory or administrative functions, including the FCA, and including any governmental or non-governmental self-regulatory organization, agency or authority, or any arbitrator or arbitral tribunal or regulatory entity with authority or jurisdiction over the trading of, or Persons engaged in the trading of, Products listed for trading on the MTF.

Representatives

An entity's directors, managers, officers, employees, members of any standing or ad hoc committee formed by that entity, shareholders, board members, agents, consultants and licensors.

Rule(s)

This Rulebook and any trading notice, Circular, guidance or other publication, to include the User Guidelines and Error Trade Policy, or other requirement implemented by CB LLP pursuant to this Rulebook, each as amended from time to time.

Statutory Disqualification

A disqualification under any Applicable Law (unless an appropriate exemption has been obtained with respect thereto).

Supervised Persons

With respect to a Participant, any directors, managers, officers, employees, agents or representatives thereof.

Terms of Business

The CB LLP Terms of Business as provided to the Participant, as may be amended from time to time.

Trading Hours

The meaning specified in Rule 402.

Trading Privileges

The meaning specified in Rule 206.

Transaction

A transaction in a Product that is executed on the MTF.

User

A natural person who is either employed by or is an agent of a Participant and who is duly authorized by such Participant hereunder to access the MTF and transact on the MTF on behalf of the Participant.

User ID

With respect to a User, the identifier and/or password provided to such User by CB LLP for the purpose of accessing the MTF on a Participant's behalf.

Violations

The meaning specified in Rule 403.

CHAPTER 2: ACCESS

Rule 201. CB LLP Markets and Services.

- (a) CB LLP provides a forum for trading Products and will permit access to eligible Participants to the following:
 - (i) the MTF; and
 - (ii) the Non-MTF Services.
- (b) CB LLP shall identify to each Person conducting business with CB LLP whether such Person is accessing:
 - (i) the MTF, in respect of a Product or an MTF Product Market; or
 - (ii) the Non-MTF Services, in respect of a Non-MTF Product or a Non-MTF Product Market.

Rule 202. Applicability of Rules.

EACH PARTICIPANT, USER OR ANY OTHER PERSON ENTERING INTO OR SUBMITTING ANY ORDER TO THE MTF (I) SHALL BE BOUND BY AND SUBJECT TO, AND AGREES TO COMPLY WITH, THE RULES RELATING TO SUCH STATUS OR ITS ACTIONS OR OMISSION WITH RESPECT TO SUCH STATUS OR USE OR ACCESS TO THE MTF; (II) CONSENTS TO AND SHALL BE SUBJECT TO THE RULES OF THE MTF WITH RESPECT TO ALL MATTERS ARISING OUT OF OR RELATING TO SUCH STATUS OR ITS ACTIONS OR OMISSIONS WITH RESPECT TO SUCH STATUS AND USE OF OR ACCESS TO THE MTF; (III) SHALL ASSIST THE MTF IN COMPLYING WITH ITS LEGAL AND REGULATORY OBLIGATIONS AND COOPERATE WITH THE MTF, AND ANY REGULATORY AUTHORITY IN ANY INQUIRY, INVESTIGATION, AUDIT, EXAMINATION OR PROCEEDING; AND (IV) AUTHORIZES THE MTF TO PROVIDE INFORMATION WITH RESPECT TO IT TO ANY REGULATORY AUTHORITY, IF REQUIRED PURSUANT TO APPLICABLE LAW.

Rule 203. MTF Participant Eligibility Criteria.

Consistent with Applicable Law, CB LLP provides MTF access to eligible Persons (“**Participants**”) on a fair and non-discretionary basis. No Person shall be admitted as a Participant, or permitted to remain a Participant, unless it satisfies the following criteria:

- (i) It is a Qualified Party at such time as it is admitted as a Participant and on an ongoing basis with respect to each Transaction that it enters into, and it provides written confirmation of such status or otherwise reasonably demonstrates such status to the satisfaction of the CB LLP.
- (ii) It demonstrates business integrity and sound reputation satisfactory to CB LLP.

- (iii) It demonstrates, in a manner satisfactory to CB LLP, that it has sufficient financial resources to perform its obligations in connection with its activity related to and its execution of Products on the MTF.
- (iv) It has legal capacity and authority to enter into Transactions.
- (v) It is not subject to Statutory Disqualification.
- (vi) If it is required to be registered in any capacity under Applicable Law, it has duly registered in such capacity and such registration is in effect and has not lapsed, been revoked, suspended or withdrawn.
- (vii) It is not legally or otherwise prohibited from using the MTF or entering into Transactions on the MTF.
- (viii) It demonstrates operational capacity to execute Transactions.
- (ix) It is accessing the MTF solely for purposes of entering into Transactions as principal.
- (x) It satisfies such other criteria as the MTF may specify from time to time, subject to Applicable Law.

Rule 204. Users.

- (a) Each Participant shall designate from time to time one or more Users. Such designated Users will be the sole Persons authorized to enter into Transactions on behalf of the Participant.
- (b) Each User must satisfy the following criteria:
 - (i) It must be a natural person located in an Authorized Jurisdiction.
 - (ii) It must be an employee of or otherwise designated as an agent of the relevant Participant.
 - (iii) It must comply with such technical access procedures and security protocols (including identification requirements) as CB LLP may specify from time to time.
 - (iv) It is not subject to Statutory Disqualification.
 - (v) It meets such standards of technical proficiency and business integrity as are satisfactory to CB LLP.
 - (vi) If it is required to be registered in any capacity under Applicable Law, it has duly registered in such capacity and such registration is in effect and has not lapsed or been revoked, suspended or withdrawn.
 - (vii) It must satisfy such other criteria as CB LLP may specify from time to time.

Rule 205. Application, Withdrawal and Termination of Participant/User Status.

- (a) A Person that wishes to become a Participant or User must satisfy the following:
 - (i) Provide such information and documentation as may be requested by CB LLP.
 - (ii) Follow the application procedures designated by CB LLP.
 - (iii) In the case of an applicant for Participant, execute the applicable Participant Documentation and any other documentation that may be required by CB LLP from time to time.
 - (iv) In the case of an applicant for Participant, designate one or more Participant User Administrators, and such Participant User Administrator shall identify to CB LLP, if desired, one or more initial Users.
- (b) CB LLP may terminate the status of a Participant or a User if (i) such Person is unable to demonstrate its ability to satisfy the applicable criteria set forth in Chapter 2 of these Rules, (ii) such Person is unable to demonstrate its compliance with all other applicable Rules, (iii) such Person's acting or continued acting as such would bring the MTF (or CB LLP) into disrepute or cause the MTF (or CB LLP) to fail to be in compliance with Applicable Law, as determined by CB LLP; (iv) such Person (or any of its Supervised Persons, if applicable) has committed a Violation; or (v) other good cause is shown as CB LLP may reasonably determine.
- (c) Any Participant may withdraw from its status as such by terminating the relevant Participant Documentation in accordance with their respective terms or otherwise providing notice to CB LLP in the form specified by CB LLP. Such withdrawal shall not affect the obligations of the Participant incurred prior to the effective date of such withdrawal with respect to matters occurring or arising prior to the effective date of such withdrawal.
- (d) From the time that a Participant's termination or withdrawal is effective:
 - (i) all rights and privileges of such former Participant terminate and its and its User's ability to access the MTF terminate;
 - (ii) the former Participant must immediately withdraw all Orders submitted by such former Participant; provided that CB LLP shall promptly do so in the event that such Participant fails to promptly cancel such Orders;
 - (iii) such former Participant remains liable for (A) any Transactions relating to any Products entered into by such Participant; and (B) the payment of any Fees incurred prior to such termination or withdrawal; and
 - (iv) such former Participant must comply with any reasonable requests for information from CB LLP with respect to the time period in which it was a Participant.

Rule 206. Trading Limitations and Suspension.

Upon the occurrence of any of the following events, CB LLP may impose limitations, conditions and restrictions on any Person with the ability to enter Orders on the MTF (“**Trading Privileges**”) to include by (i) declining to accept new Orders from that Person, (ii) limiting the types of Transactions that may be entered into by such Person, or (iii) suspend such Trading Privileges:

- (i) such Person fails to satisfy the criteria for obtaining or retaining its status with respect to the MTF;
- (ii) such Person is in material breach of any of its obligations under its Participant Documentation, the Rules or Applicable Law;
- (iii) such Person is subject to Statutory Disqualification; or
- (iv) such Person is subject to an Insolvency Event.

In the event of a suspension under the circumstances described in this 206, each of Participant and its Users rights and obligations described in Rule 205(d)(ii)-(iv) attach in the same manner.

Rule 207. Sanctions.

At any time, CB LLP, in its sole discretion, may initiate any of the following actions against a Participant (or any of its Users), with or without advance notice to the Participant, if such action is necessary or advisable (a) in the interests of maintaining a fair and orderly market; (b) for the protection of or if in the best interest of the MTF (or CB LLP); or (c) for a breach of the Rules:

- (i) issue a written warning to a Participant and/or User;
- (ii) temporarily suspend a Participant and/or User;
- (iii) terminate the status of a Participant and/or User;
- (iv) report to the appropriate Regulatory Authorities; and/or
- (v) take such other action as CB LLP deems reasonably necessary under the circumstances.

Rule 208. Participant User Administrators and Passwords.

- (a) Each Participant shall have at all times one or more “**Participant User Administrators**”. CB LLP will issue to a Participant with access to the MTF and their respective Users, User IDs for access to the MTF. The Participant User Administrator shall be responsible for requesting User IDs for its Users and notifying CB LLP of the need to terminate any previously issued User IDs to a User of that Participant.
- (b) The Participant User Administrator shall be responsible for all communications between CB LLP and the Participant with respect to User IDs and access to the MTF, and any

notices or other communications sent to the Participant User Administrator by CB LLP relating to User IDs and other related administrative matters shall be binding on Participant. The Participant will promptly notify CB LLP of any change in its Participant User Administrators.

- (c) Each Participant with access to the MTF acknowledges and agrees that it will be bound by any actions taken through the use of User IDs of any of its Users, whether or not such actions were actually authorized (except through the fault or gross negligence CB LLP in its capacity as the operator of the MTF). In addition, each Participant with access to the MTF acknowledges that CB LLP may rely upon, and will be fully released and discharged by Participant for acting upon, any information, data, Transaction details, Orders, acknowledgements or instructions that are (i) entered, imported, transmitted or otherwise communicated under its User's User ID (whether or not such action was actually authorized by Participant), or (ii) are otherwise reasonably believed by CB LLP to be genuine and to have been communicated or presented on behalf of Participant by a User, whether via the MTF or otherwise. Each Participant with access to the MTF acknowledges and agrees that in no event will such Participant provide a User ID to anyone other than a User of Participant identified as such by a Participant User Administrator. Participant is solely responsible for controlling and monitoring the use of the User IDs. Participant will immediately notify CB LLP of any unauthorized disclosure, unauthorized use of a User ID or access to the MTF, or of the need to deactivate any User ID. In the event CB LLP becomes aware that a Participant or a User's User ID has become lost, stolen, or compromised, CB LLP shall promptly cancel or suspend such User ID and notify the party of such action.
- (d) Any request for the deactivation of a User ID received by CB LLP from a Participant User Administrator shall be deemed effective no later than the end of the next Business Day after CB LLP receives written notice of such request. For the purposes of this Rule 208(d), any request to deactivate a User ID shall be in writing and sent by a Participant User Administrator to operations@creditex.com. Such request shall be deemed received by CB LLP when sent from the Participant User Administrator's electronic email address reflected in the records of CB LLP.
- (e) User IDs may only be used to access and use the MTF from an Authorized Jurisdiction. For the avoidance of doubt, no Participant shall have the right to permit access to the MTF to any User or any other individuals who are located in jurisdictions outside an Authorized Jurisdiction, even if Participant is based in an Authorized Jurisdiction.
- (f) Participant agrees to provide CB LLP with information related to Participant's Users' use of the MTF upon CB LLP's written request, if such information is reasonably necessary in order to enable CB LLP to assess the identity of persons or entities that are accessing the MTF through a User ID, in order to maintain the integrity of the MTF, or to comply with Applicable Law.

CHAPTER 3: OBLIGATIONS OF PARTICIPANTS

Rule 301. Duties of Participants.

Each Participant shall, and shall cause its Users to:

- (i) Ensure that the MTF is used in a responsible manner and not for any improper purpose.
- (ii) Ensure that all activity conducted by it on the MTF is performed in a manner consistent with the Rules and the relevant Participant Documentation.
- (iii) Observe high standards of commercial integrity, market conduct, fair dealing and just and equitable principles of trade while conducting any activity on the MTF.
- (iv) Solely with respect to Participants, and subject to the Error Trade Policy, be fully liable for all Orders and Transactions effected by it on the MTF.
- (v) Comply with Applicable Law, and the Rules and technical standards for access to the MTF's systems, including security protocols.
- (vi) In accordance with Applicable Law, maintain books and records of its trading activity on the MTF.
- (vii) Subject to Applicable Law, upon request of CB LLP, a Participant shall provide such information concerning the Participant's (and its Users') use of and activities on the MTF as CB LLP may reasonably request.
- (viii) At any time upon request of CB LLP, Participant agrees that it shall provide sufficient written evidence that the Participant continues to qualify as a Qualified Party.

Rule 302. Required Disclosures.

Participant shall notify CB LLP, as soon as reasonably practicable, following the occurrence or, if applicable, upon becoming aware of any of the following events:

- (i) Participant, or its Users, has breached or is otherwise unable to comply with the Rules.
- (ii) Any material changes to the information provided to CB LLP by Participant, including the identity of its User(s).
- (iii) Participant or any User becomes subject to Statutory Disqualification.
- (iv) Participant ceases to be a Qualified Party.
- (v) Any material system failure, or damage to its systems, facilities or equipment used to effect Transactions on the MTF.

- (vi) any refusal of admission to, or involuntary withdrawal of any application for membership in any regulated market, multilateral trading facility or other trading platform involving, arising from, or relating to, the trading of any Product or any financial instrument that is related to, the economic equivalent of, or the underlying product or asset that is the subject of, a Product;
- (vii) Participant becoming insolvent or the subject of a voluntary or involuntary bankruptcy or similar petition or proceeding, or the appointment of a receiver, conservator, trustee or administrator for the Participant or all or a substantial portion of its assets, or the presenting of a petition or passing a resolution or commencement of a proceeding for the winding up or dissolution of Participant (an “**Insolvency Event**”).

Rule 303. Certain Acknowledgements of Participants.

- (a) Without prejudice to the Error Trade Policy, each Participant and its Users agree that it will not contest the legally binding nature, validity or enforceability of any Transaction executed on the MTF based on the fact that it was entered, executed and confirmed electronically (a “**Confirmation**”), and expressly waives any and all rights it may have to assert any such claim.
- (b) Each Participant and its Users acknowledge that all bids, offers, and Transactions entered into the MTF or otherwise may be recorded by CB LLP and monitored among the books and records of CB LLP.
- (c) Each Participant and User acknowledges that any telephone conversation and any electronic messaging, whether via the MTF or otherwise, between it and the CB LLP will be recorded, and expressly consents to such recording and agrees that, to the extent permitted by Applicable Law, such recordings may be submitted in evidence in any proceedings. Each Participant shall obtain any necessary consent of, and give any necessary notice of, such recording to its Users.

CHAPTER 4: TRADING PRACTICES AND BUSINESS CONDUCT

Rule 401. MTF Products.

- (a) CB LLP offers trading on the MTF in Fixed Income Products and Credit Products, and such other products as CB LLP may add from time to time, as notified to the Participant. Fixed Income Products and Credit Products are collectively the “**Products**”.
- (b) CB LLP may establish Product Specifications for each Product listed for trading on the MTF. Such Product Specifications may be based on, or incorporate, the applicable Product Specifications of any relevant clearing house for such Product.

Rule 402. Business Days and Trading Hours.

CB LLP shall establish from time to time the hours for which the MTF is available for trading (“**Trading Hours**”). CB LLP will notify Participants of the Trading Hours (and changes therein) by Circular.

Rule 403. Rule Violations; Prohibited Trading Activity; Prohibitions on Fictitious Transaction, Fraudulent Activity and Manipulation.

- (a) Without limiting CB LLP’s rights under Rule 206 and 207, CB LLP shall have the power to discipline Participants (including their Users), including by suspension or revocation of Trading Privileges, for engaging in conduct inconsistent with just and equitable principles of trade, acts detrimental to the welfare of the MTF or for any act or practice, or the omission thereof, that violates the Rules or violates Applicable Law (together, “**Violations**”).
- (b) No Person shall engage in any of the following activity in connection with or related to any MTF Activity:
 - (i) any fraudulent act or scheme to defraud, deceive, trick or mislead;
 - (ii) front running;
 - (iii) fraudulent trading;
 - (iv) entry of Orders for the purpose of entering into Transactions without a net change in either party’s open positions but a resulting profit to one party and a loss to the other party, commonly known as a “money pass”;
 - (v) trading ahead of customers;
 - (vi) accommodation trading;
 - (vii) fictitious transactions;
 - (viii) wash sales or wash transactions;

- (ix) manipulation or attempted manipulation of the price of any Product or underlying interest;
 - (x) cornering, or attempted cornering, of any Product;
 - (xi) spoofing;
 - (xii) insider dealing;
 - (xiii) knowingly making any bid or offer for the purpose of making a market Price that does not reflect the true state of the market; or
 - (xiv) other conduct that constitutes a disruptive trading practice, market abuse or is otherwise prohibited under Applicable Law.
- (c) Orders entered into the MTF for the purpose of upsetting the equilibrium of the market in any Product or creating a condition in which Prices do not or will not reflect fair market values are prohibited, and any Person who makes or assists in entering any such Order with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such Order, will be deemed to have engaged in an act detrimental to the welfare of the MTF.

Rule 404. Use of Trading Privileges.

No Person may use its Trading Privileges or access the MTF in any way that could be expected to bring disrepute upon such Person, any other Person or the MTF. Each Person with Trading Privileges shall be identified to the MTF, in the manner prescribed by the MTF, and shall be subject to the Rules.

Rule 405. Supervision.

A Participant shall be responsible for establishing, maintaining and administering reasonable supervisory procedures to ensure that its Users comply with Applicable Law and the Rules, and such Participant may be held accountable for the actions of such Users with respect to the MTF.

Rule 406. Misuse of the MTF.

Misuse of the MTF is prohibited. It shall be deemed an act detrimental to the welfare of the MTF to engage in unauthorized use of the MTF, to assist any Person in obtaining unauthorized access to the MTF, to alter the equipment associated with the MTF, to interfere with the operation of the MTF, to intercept or interfere with information provided thereby, or in any way to use the MTF in a manner contrary to the Rules.

Rule 407. Market Surveillance.

- (a) CB LLP shall monitor compliance with the Rules and to identify disorderly trading conditions and any conduct that may be in violation of Rule 403, such other Rules relating to market conduct and Applicable Law.

- (b) CB LLP will enforce compliance with the Rules and may take such actions as permitted by the Rules to facilitate fair and orderly trading on the MTF.

Rule 408. Cooperation with Regulatory Authorities.

- (a) CB LLP shall report any breaches of the Rules, disorderly trading and/or market abuse to the extent that such reporting is required pursuant to Applicable Law to the relevant Regulatory Authorities.
- (b) Each Participant agrees that it shall provide all reasonable assistance to such Regulatory Authority in connection with any investigation of alleged market abuse or breach of Applicable Law.

Rule 409. Orders Entered Prior to MTF Opening.

The MTF will not accept, or act upon, Orders submitted prior to the opening of the Trading Hours. Any such submissions will be disregarded by the MTF.

Rule 410. Rejection of Orders, Cancellation and Error Trade Policy.

- (a) CB LLP may reject any Order submitted to the MTF (whether for the Order Book or another means of execution) consistent with Applicable Law.
- (b) In order to ensure fair and orderly markets, CB LLP may cancel any Order submitted to the MTF and may cancel any Transaction pursuant to its Error Trade Policy.
- (c) Actions taken under this Rule 410 shall be without prejudice to the rights of CB LLP to take other actions under the Rules.

Rule 411. Acceptable Orders.

The following order types are supported and shall be available in such Products as determined by CB LLP from time to time (listed in no particular order):

- (a) “**Limit Orders**” – Limit Orders are Orders to buy or sell a stated quantity at a specified Price, or at a better Price.
- (b) “**Market Orders**” – Market Orders are executed at the best Price or Prices available in the Order Book at the time the Order is received by the MTF.
- (c) “**Spread Orders**” – Spread Orders are Orders to purchase a specified notional of one Product and sell a specified notional of another Product at a stated Price difference. Spread Orders may only trade against other matching Spread Orders and the Prices of the legs can either be generated by an MTF algorithm or bilaterally negotiated between the counterparties.

An Order may contain one (1) or more of the following functionalities:

- (a) “**Reserve Quantity Orders**” – An Order may specify a maximum disclosure volume to be shown to the market for an Order enabling the Order to be released gradually without revealing the full size.
- (b) “**Good For Day Orders**” – Good For Day Orders (“**GFD**”) are Limit Orders which remain active in the Order Book until such Orders are either executed, canceled by the User, or the market in which the Order has been placed closes.

Rule 412. Deactivating and Deleting Orders.

When a User logs off, all of their Orders are deactivated. If for any reason the connection to the MTF is lost, all Orders entered from that location are deactivated.

Rule 413. Execution of Orders.

- (a) A Transaction is executed in the Order Book when the following conditions occur:
 - (i) one Order is a bid and the other is an offer;
 - (ii) the two Orders are for the same Product, or in the case of a Spread Order, the same pair of Products; and
 - (iii) the Price of the bid (offer) equals or is greater (less) than the Price of the offer (bid).
- (b) All Orders entered and activated are queued by the time of acceptance by the Order Book as a valid Order. Order priority is determined based upon the MTF Service that Participant determines to participate in, as further described in the User Guidelines.
- (c) Details of each Transaction executed on the MTF or subject to the Rules will be recorded by the MTF, and confirmation of the Transaction will be displayed on the MTF for each User who is a party to the Transaction.
- (d) Failure of the MTF to broadcast any message, as described in (c) above, in respect of a Transaction on the MTF shall not invalidate such Transaction.
- (e) In the event that the MTF or any part of the MTF fails, CB LLP’s determination that a Transaction has or has not been made shall be conclusive and binding on all parties to the Transaction.

Rule 414. Order Entry.

- (a) It shall be the duty of each User to:
 - (i) Submit Orders that include their User ID; and
 - (ii) Input the Price and Quantity for the respective Product.

- (b) The account designation must be an account number, account name or other identifying notation that is uniquely tied to a specific account owner for whom the Order is placed.

CHAPTER 5: SETTLEMENT AND TRANSACTION REPORTING

Rule 501. Clearing and Settlement.

- (a) With respect to Fixed Income Products, each Participant is responsible for the settlement of each Transaction that has been executed on the MTF using a User ID assigned to one of its Users.
- (b) With respect to Credit Products, upon execution of a Transaction that is to be cleared by a clearing house and acceptance thereof for clearing, such Transaction (or any resulting Transactions) is deemed to be a legally binding obligation of the Participant and will be subject to the rules and regulations of the applicable clearing house.
- (c) With respect to Credit Products, upon execution of a Transaction that is not intended to be cleared by a clearing house, solely as between the parties thereto, such Transaction shall be deemed a legally binding obligation of the Participant at the time the MTF provides notice of acceptance or execution of such Transaction and shall be subject to the applicable master agreement or other documentation agreed between such parties. For the avoidance of doubt, no further action, other than that described in the preceding sentence, need be taken or is otherwise required to be done, in order for such Transaction in such uncleared MTF Product to be deemed a legally binding Transaction as between the parties thereto, and such Transaction will be deemed “confirmed” for all purposes upon delivery of such notice of acceptance or execution by the MTF.

Rule 502. Transaction Reporting.

CB LLP does not carry out any Transaction reporting on behalf of Participants. CB LLP places reliance on the reports of the Participant for meeting the requirements of Applicable Law as it relates to Transaction reporting. Each Participant shall be solely responsible for any such reporting and/or filing requirements as may arise under Applicable Law in connection with the use of the MTF and is required to promptly notify CB LLP of any failure of Participant to file the applicable reports to the appropriate Regulatory Authority.

Rule 503. Publication of Transaction Information.

CB LLP shall publish such Transaction information relating to Products listed for trading on the MTF as required by Applicable Law.

CHAPTER 6: MISCELLANEOUS

Rule 601. Dues, Assessments and Fees.

CB LLP may establish fees and other charges (“**Fees**”) for the provision of its services or with respect to Transactions executed on the MTF from time to time and each Participant shall be responsible for paying all such Fees.

Rule 602. General Notices to Participants.

The CB LLP may issue notices to Participants generally (including of matters arising under the Rules or the operation of the MTF) from time to time in a form and manner reasonably designed to enable each Participant to become aware of the matters set forth therein. Without limiting the foregoing, CB LLP may provide such notice by way of a circular published via electronic mail or otherwise disseminated to Participants (“**Circular**”).

Rule 603. Governing Law.

- (a) The Rules, and all matters arising out of or relating thereto, shall be governed by and construed in accordance with the laws of England and Wales, without regard to the conflicts of law provisions.
- (b) The courts of England and Wales shall have exclusive jurisdiction to settle any disputes which may arise out of, or in connection with, the Rules. Nothing in this Rule 603 shall restrict CB LLP’s right to take proceedings against a Participant or User in any other court of competent jurisdiction.

Rule 604. Limitation on Liability.

- (a) EXCEPT AS OTHERWISE SET FORTH IN THE RULES OR OTHERWISE UNDER APPLICABLE LAW, NEITHER CB LLP NOR ANY OF ITS REPRESENTATIVES, AFFILIATES OR AFFILIATES’ REPRESENTATIVES SHALL BE LIABLE TO PARTICIPANT, USER OR ANY OTHER PERSON, FOR ANY LOSS, DAMAGE, INJURY, DELAY, COST, EXPENSE, OR OTHER LIABILITY OR CLAIM, WHETHER IN CONTRACT, TORT OR RESTITUTION, OR UNDER ANY OTHER CAUSE OF ACTION, SUFFERED BY OR MADE AGAINST THEM AS A RESULT OF THEIR USE OF SOME OR ALL OF THE MTF. BY MAKING USE OF THE MTF, SUCH PERSONS EXPRESSLY AGREE TO ACCEPT ALL LIABILITY ARISING FROM THEIR USE OF SAME.
- (b) EXCEPT AS OTHERWISE SET FORTH IN THE RULES OR OTHERWISE UNDER APPLICABLE LAW, NEITHER CB LLP NOR ANY OF ITS REPRESENTATIVES, AFFILIATES OR AFFILIATES’ REPRESENTATIVES SHALL BE LIABLE TO ANY PARTICIPANT, USER OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE, INJURY, DELAY, COST, EXPENSE, OR OTHER LIABILITY OR CLAIM WHETHER IN CONTRACT, TORT OR RESTITUTION, OR UNDER ANY OTHER CAUSE OF ACTION, SUFFERED BY OR MADE AGAINST THEM ARISING FROM: (A) ANY FAILURE OR NON-AVAILABILITY OF THE MTF; (B) ANY ACT

OR OMISSION ON THE PART OF THE MTF OR CB LLP, AND ITS REPRESENTATIVES, AFFILIATES OR AFFILIATES' REPRESENTATIVES INCLUDING WITHOUT LIMITATION A DECISION OF CB LLP TO SUSPEND, HALT, OR TERMINATE TRADING OR TO VOID, NULLIFY OR CANCEL ORDERS OR TRANSACTIONS IN WHOLE OR IN PART; (C) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY CB LLP, OR ITS REPRESENTATIVES OR AFFILIATES OR DISPLAYED ON OR OBTAINED FROM THE MTF; (D) UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF THE MTF BY ANY PERSON; OR (E) ANY FORCE MAJEURE EVENT AFFECTING THE MTF. THIS LIMITATION OF LIABILITY WILL APPLY REGARDLESS OF WHETHER OR NOT CB LLP, ITS REPRESENTATIVES, AFFILIATES OR AFFILIATES' REPRESENTATIVES (OR ANY DESIGNEE THEREOF) WAS ADVISED OF OR OTHERWISE MIGHT HAVE ANTICIPATED THE POSSIBILITY OF SUCH DAMAGES.

- (c) NO PARTICIPANT, USER, SUPERVISED PERSON OR ANY OTHER PERSON SHALL BE ENTITLED TO COMMENCE OR CARRY ON ANY PROCEEDING AGAINST CB LLP, ITS REPRESENTATIVES, AFFILIATES OR AFFILIATES' REPRESENTATIVES, IN RESPECT OF ANY ACT, OMISSION, PENALTY OR REMEDY IMPOSED BY CB LLP PURSUANT TO THE RULES.
- (d) NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IN NO EVENT WILL CB LLP OR ANY OF ITS REPRESENTATIVES, AFFILIATES OR AFFILIATES' REPRESENTATIVES BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES (WHETHER OR NOT CB LLP OR ANY SUCH OTHER PERSON HAD BEEN INFORMED OR NOTIFIED OR WAS AWARE OF THE POSSIBILITY OF SUCH DAMAGES).
- (e) THE LIMITATIONS ON LIABILITY IN THIS RULE 604 SHALL NOT PROTECT ANY PARTY FOR WHICH THERE HAS BEEN A FINAL DETERMINATION (INCLUDING EXHAUSTION OF ANY APPEALS) BY A COURT OR ARBITRATOR TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT OR FRAUD. ADDITIONALLY, THE FOREGOING LIMITATIONS ON LIABILITY OF THIS RULE SHALL BE SUBJECT TO APPLICABLE LAW.

Rule 605. Limitation on Damages.

Unless otherwise provided for in the Rules or in Participant Documentation, the maximum aggregate liability of CB LLP, its Representatives, Affiliates and Affiliates' Representatives to any Person, or any partner, director, officer, agent, employee thereof, on an aggregate basis, for any and all claims made in relation to the use of or failure of the MTF or any action or failure to act in any calendar year shall be the greater of (a) US\$100,000, or (b) the total Fees and any other amounts (excluding any applicable taxes or duties) paid to CB LLP by Participant in connection with its MTF Activity during the six (6) month period immediately preceding the event giving rise to the liability, however that liability arises, including (without limitation) breach of contract, tort, misrepresentation or breach of statutory duty. This aggregate liability

limit applies regardless of whether a claim is allowed under Rule 604 or the limitation in this Rule 605 are found by a court or forum of competent jurisdiction to be invalid, unlawful, or unenforceable. Notwithstanding the foregoing, to the extent that there has been a final determination (including exhaustion of any appeals) by a court or arbitrator that CB LLP, its Representatives, Affiliates and Affiliates' Representatives have engaged in willful or wanton misconduct or fraud, the limitations on damages described in this Rule 605 shall not apply to damages as a result thereof.

Rule 606. Disclaimer of Warranties.

- (a) CB LLP PROVIDES ALL PRODUCTS AND ANY ACCESS TO THE MTF, THE EQUIPMENT AND ANY PART OR PARTS OF THE MTF, ON AN "AS IS" BASIS.
- (b) EXCEPT AS SPECIFICALLY PROVIDED IN ANY PARTICIPANT DOCUMENTATION, THE MTF AND ITS AFFILIATES MAKE NO, AND HEREBY DISCLAIM ALL, WARRANTIES, CONDITIONS, UNDERTAKINGS, TERMS OR REPRESENTATIONS, EXPRESSED OR IMPLIED BY STATUTE, COMMON LAW OR OTHERWISE, IN RELATION TO ANY PRODUCTS, MARKET DATA, EQUIPMENT OR ANY PART OR PARTS OF THE MTF. CB LLP AND ITS AFFILIATES SPECIFICALLY DISCLAIM ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.
- (c) CB LLP DOES NOT GUARANTEE THE SEQUENCE, TIMELINESS, ACCURACY OR COMPLETENESS OF THE MTF OR ANY OF THE MARKET DATA PROVIDED BY CB LLP OR IT'S AFFILIATES OR GUARANTEE THE ACCURACY, RESPONSIVENESS OR COMPLETENESS OF THE MTF, THE PRODUCTS, ANY MARKET DATA OR ANY SERVICES PROVIDED BY ANY THIRD PARTIES.

Rule 607. Suspension and Waiver of Rules.

CB LLP 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 Applicable Law.

Rule 608. Amendments to the Rules.

CB LLP shall be authorized to amend these Rules and any related procedures or other documents from time to time without the consent of any other Person, subject to Applicable Law, and in connection therewith to determine the effective date of any such amendment (which shall not be prior to the date the amendment is adopted) and whether, and how, any such amendment may apply to existing Products as of the effective date; provided that no such Rule amendment shall materially affect existing Transactions or disputes that arise prior to such Rule amendment. CB LLP will notify Participants of Rule changes by Circular. Each Participant, User and Supervised Person shall be bound by any such amendment.

Rule 609. Complaints.

- (a) In the event that a Participant or User is unsatisfied by the service provided by CB LLP, it may inform CB LLP's Compliance Department, which will assess whether the complaint has merit and escalate the matter within CB LLP as appropriate.
- (b) Any such complaints may be sent to the following contact details:

Compliance Officer
Creditex Brokerage LLP
Milton Gate
60 Chiswell Street, 6th Floor
London EC1Y 4SA
Email: compliance@creditex.com