

# Tradeweb Europe Limited

## MTF Rulebook

Effective: 17 April 2023



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## 1. The Rules, application and interpretation

- 1.1 These Rules have been established in order to facilitate the efficient, fair and orderly operation of the MTF and to satisfy Tradeweb's regulatory obligations. These Rules are applicable to each Participant.
- 1.2 These Rules supplement and form part of the Agreement. They are further supplemented by the User Guide and the Adopted Protocols, as applicable. Each Participant's access to and use of the MTF is conditional on acceptance of these Rules and is governed by the applicable Agreement and these Rules.
- 1.3 The below terms shall have the following meanings in these Rules:

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| <b>Adopted Protocols</b>      | means the functionalities and methods of trading prescribed or specified within the MTF or as disclosed by Tradeweb to Participants, from time to time;   |
| <b>Affiliate</b>              | means Tradeweb Markets Inc. or any company controlled by Tradeweb Markets Inc.;   |
| <b>Agency Agreement</b>       | means an agreement under which a Participant deals on the MTF as agent for one or more third parties;   |
| <b>Agreement</b>              | means (a) in the case of a Buy-side Participant, the User Agreement; or (b) in the case of a Liquidity Providing Participant, the Dealer Subscriber Agreement;  |
| <b>Algorithmic Trading</b>    | has the meaning set out in the FCA Handbook;  |
| <b>Algorithmic Trading ID</b> | means the password and/or identification criteria that are given to a Participant deploying Algorithmic Trading;  |
| <b>AML Requirements</b>       | has the meaning given in Rule 22.1;   |
| <b>Applicable Laws</b>        | means all applicable laws, regulations, regulatory requirements (including any public guidance, orders or other public directions of a regulatory authority), market rules and/or market conventions; |
| <b>Applicant</b>              | means a person applying to become a Participant;  |
| <b>Authorised User</b>        | means any individual authorised by a Participant to have access to and (if so authorised by the Participant) trade on the MTF on the Participant's behalf;  |

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| <b>Auto Execution</b>                | means the additional functionality under which a Participant has the ability to submit an Instruction for Eligible Instruments on the MTF and the MTF will automatically execute transactions in such instruments if responses meet the Parameters previously specified by the Participant;   |
| <b>Bail-in Action</b>                | means the exercise of the Relevant Bail-in Power;   |
| <b>Bail-in Legislation</b>           | has the relevant meaning assigned to it under the EU Bail-in Legislation Schedule;  |
| <b>Bail-in Termination Amount</b>    | means any amount due in relation to participation on the MTF, together with any accrued but unpaid interest thereon, in respect of all Instructions and transactions under these Rules (before, for the avoidance of doubt, any such amount is written-down or converted by the relevant resolution authority);                         |
| <b>Buy-side Participant</b>          | means any participant that is party to a User Agreement that is permitted by Tradeweb to access the MTF;  |
| <b>CFTC</b>                          | means the U.S. Commodity Futures Trading Commission;  |
| <b>Cleared Transaction</b>           | means, for the purposes of Rule 11, a transaction concluded on the MTF and submitted to a clearing house for clearing using the clearing functionality which Tradeweb may provide from time to time;  |
| <b>Commodity Exchange Act or CEA</b> | means the U.S. Commodity Exchange Act as amended from time to time or re-enacted;   |
| <b>Controller</b>                    | has the meaning given under the General Data Protection Regulation;   |
| <b>Dealer Subscriber Agreement</b>   | means the agreement signed between Tradeweb (and its affiliates, as applicable) and a Liquidity Providing Participant;  |
| <b>Data Protection Laws</b>          | means (a) the laws of England and Wales implementing the EU Data Protection Directive (Directive 95/46/EC) and the EU Directive on Privacy and Electronic Communications (Directive 2002/58/EC) as amended from time to time; (b) the General Data Protection Regulation; and (c) any other similar laws, relating to the Processing of |

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|   | Personal Data in force under the laws of England and Wales, each to the extent applicable to Tradeweb from time to time;   |
| <b>Eligibility Criteria</b>               | means the criteria set out in Rule 3.3;  |
| <b>Eligible Instruments</b>               | means the financial instruments that are available for trading on the MTF;   |
| <b>Error Trade</b>                        | means an erroneous transaction on the MTF;   |
| <b>EU Bail-in Legislation Schedule</b>    | means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at <a href="https://www.lma.eu.com/documents-guidelines/eu-bail-legislation-schedule">https://www.lma.eu.com/documents-guidelines/eu-bail-legislation-schedule</a> ;  |
| <b>Excluded Liabilities</b>               | means liabilities excluded from the scope of the contractual recognition of bail-in requirement pursuant to the relevant Bail-in Legislation;  |
| <b>Exempt DCO</b>                         | has the meaning given in Rule 11.13.2;   |
| <b>FCA</b>                                | means the United Kingdom Financial Conduct Authority or any regulatory authority that may succeed it as regulator;   |
| <b>FCA Handbook</b>                       | means the FCA's handbook of rules and guidance, in force from time to time;  |
| <b>FSMA</b>                               | means the Financial Services and Markets Act 2000, as amended from time to time or re-enacted;   |
| <b>General Data Protection Regulation</b> | means the EU General Data Protection Regulation (Regulation (EU) 2016/679), as amended from time to time or re-enacted;  |
| <b>Illiquid Instrument Waiver</b>         | means a pre-trade transparency waiver granted to Tradeweb pursuant to Article 9(1)(c) of MiFIR for request for quotes and orders in respect of derivatives which are not subject to the trading obligation specified in Article 28 of MiFIR and other financial instruments for which there is not a liquid market as specified pursuant to Article 6 and Article 13 of RTS 2; |
| <b>Insolvency Event</b>                   | means the occurrence of any of the following circumstances with respect to (i) a Participant or (ii) where a Participant deals as agent on the system, its principal: (a) a voluntary arrangement or composition   |

or reconstruction of its debts; (b) the presentation of an administration petition; (c) its winding-up or dissolution; (d) the appointment of a liquidator, trustee, receiver, administrative receiver or similar officer; (e) a voluntary or involuntary petition for a bankruptcy order; or (f) any similar action, application or proceeding in any jurisdiction under Applicable Law to which it is subject, provided that in the case of any proceeding instituted against it, such proceeding shall not be stayed or dismissed within thirty (30) days of the institution thereof;

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| <b>Instruction</b>                       | means any request for quote, order, direction or instruction from a Participant pertaining to the operation of and trading on the MTF pursuant to these Rules;  |
| <b>Internal Cross Trade Counterparty</b> | has the meaning given in Rule 17.2;   |
| <b>Large in Scale Waiver</b>             | means a pre-trade transparency waiver granted to Tradeweb (1) pursuant to Article 4(1) of MiFIR for request-for-quotes and orders in respect of exchange-traded funds which are equal to or larger than the minimum size specified pursuant to RTS 1, (2) pursuant to Article 9(1)(a) of MiFIR for request for quotes and orders in respect of bonds, structured finance products and derivatives which are equal to or larger than the minimum sizes specified pursuant to Article 3 and Article 13 of RTS 2 and (3) pursuant to Article 4(1) of MiFIR for request-for-quotes and orders in respect of shares which are equal to or larger than the minimum size of orders as set out in Table 1 of Annex II of RTS 1; |
| <b>LEI</b>                               | means a validated, issued and (if relevant) duly renewed ISO 17442 legal entity identifier code assigned to a Participant;  |
| <b>Liquidity Providing Participant</b>   | means a market making Participant in one or more Product(s) available on the MTF;   |
| <b>Listed Instrument</b>                 | means an Eligible Instrument which is required to be executed on, or subject to or in accordance with the rules of, a Regulated Market;   |
| <b>Loss</b>                              | means any loss, cost, liability, expense or damage, including, without limitation, legal and other professional fees and expenses;  |

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| <b>Manifest Error</b>        | means an Instruction that has been sent or a transaction which has been executed (i) at a price that is substantially away from, or inconsistent with, the current or prevailing market for the relevant security at the time of execution and/or (ii) on terms (e.g. par amount, spread, price, size, etc.) that appear to Tradeweb to have been entered or calculated in manifest error under the given circumstances;  |
| <b>Market Abuse</b>          | means any behaviour that constitutes market abuse, market manipulation or insider trading, or any other similar or analogous behaviour prohibited or subject to sanctions or penalties under Applicable Laws;   |
| <b>Market Notice</b>         | has the meaning set out in Rule 27.2;   |
| <b>MiFID II</b>              | means the laws of England and Wales implementing the EU Markets in Financial Instruments Directive (Directive 2014/65/EU), as amended from time to time or re-enacted;  |
| <b>MiFIR</b>                 | means the EU Markets in Financial Instruments Regulation (Regulation 600/2014), as amended from time to time or re-enacted;   |
| <b>MTF</b>                   | means the UK multilateral trading facility operated by Tradeweb and which is regulated by the FCA as a multilateral trading facility;   |
| <b>Package Orders Waiver</b> | means a pre-trade transparency waiver granted to Tradeweb pursuant to Article 9(1)(e) of MiFIR for a package order where (a) at least one of its components is a financial instrument for which there is not a liquid market, unless there is a liquid market for the package order as a whole, (b) at least one of its components is large in scale compared with the normal market size, unless there is a liquid market for the package order as a whole or (c) all of its components are executed on a request for quote or voice system and are above the size specific to the instrument; |
| <b>Parameters</b>            | means the parameters or conditions for execution of transactions pursuant to Auto Execution which are set by a Participant, and which may include trading terms such as target price, size and number of responses;   |

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| <b>Participant</b>            | means either a Buy-side Participant or a Liquidity Providing Participant as applicable;   |
| <b>Personal Data</b>          | has the meaning given under the General Data Protection Regulation;   |
| <b>Pre-Arranged Trade</b>     | has the meaning given in Rule 12.2.1;   |
| <b>Process Trade</b>          | has the meaning given in Rule 12.1.1;   |
| <b>Processing</b>             | has the meaning given under the General Data Protection Regulation;   |
| <b>Product</b>                | means the categories of Eligible Instruments as listed on the MTF from time to time;  |
| <b>Regulated Market</b>       | means an authorised stock exchange or equivalent market;  |
| <b>Regulator</b>              | means any regulatory authority with responsibility for the regulation of Tradeweb or a Participant, or for trading in any instrument traded on the MTF;   |
| <b>Relevant Bail-in Power</b> | means the relevant Write-down and Conversion Powers in relation to the relevant Bail-in Legislation;  |
| <b>RTS 1</b>                  | means the EU Regulation 2017/587 as amended from time to time or replaced or re-enacted;  |
| <b>RTS 2</b>                  | means the EU Regulation 2017/583 as amended from time to time or replaced or re-enacted;  |
| <b>RTS 6</b>                  | means the EU Regulation 2017/589 as amended from time to time or replaced or re-enacted;  |
| <b>RTS 22</b>                 | means the EU Regulation 2017/590 as amended from time to time or replaced or re-enacted;  |
| <b>Rules</b>                  | means the rules set out in this document and reference to a specific Rule shall be interpreted accordingly;   |
| <b>Sanctioned Instrument</b>  | means an instrument (a) which is issued by a Sanctioned Entity, (b) which is the subject of measures imposed by a Sanctions Authority, (c) which is determined by Tradeweb to be the subject of Sanctions or (d) in respect of which Tradeweb determines, in its sole discretion, that there is a reasonable prospect that Sanctions will be imposed; |



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| <b>Sanctioned Entity</b>                | means (a) a country or a government of a country, (b) an agency of the government of a country or (c) a natural or legal person, including a Participant, that becomes the subject of Sanctions;   |
| <b>Sanctions</b>                        | means any economic or financial sanctions, trade embargoes or other similar prohibitions or restrictions on activity pursuant to any laws, regulations, orders or licences imposed, administered or enforced from time to time by a Sanctions Authority;   |
| <b>Sanctions Authority</b>              | means any authority responsible for the imposition, administration and/or enforcement of sanctions including, without limitation (a) the United Nations Security Council, United States (including US Department of Treasury Office of Foreign Assets Control and US State Department), (b) the United Kingdom (including HM Treasury Office of Financial Sanctions Implementation), (c) the European Union and the Member States of the European Union and (d) the sanctions authorities of any place of incorporation or establishment of a Participant; |
| <b>Service Provider</b>                 | means any person, including any affiliate of a Participant, who provides services enabling a Participant to access, use or trade on the MTF or to which a Participant outsources or delegates an activity in relation to accessing, using or trading on the MTF;   |
| <b>SSTI Waiver</b>                      | means a pre-trade transparency waiver granted to Tradeweb pursuant to Article 9(1)(b) of MiFIR for actionable indications of interest in request-for-quote systems that are above the size specific to the instrument as defined in Article 5 and Article 13 of RTS 2;   |
| <b>Suspicious Trade</b>                 | means a transaction or behaviour that Tradeweb suspects or believes amounts to Market Abuse, system abuse or misuse and/or Tradeweb suspects or believes is or may be manipulative or deceptive, or part of a manipulative or deceptive scheme;  |
| <b>System Disruption or Malfunction</b> | means any disruption, malfunction or technical failure of the MTF, including any electronic or voice communication, which results in a transaction being incorrectly processed by the system, and includes, for Eligible Instruments trading on a spread to  |

treasury basis, the failure of the system to use the benchmark treasury accepted by the Eligible Instruments' markets as the convention for such Eligible Instruments;

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| <b>Tradeweb</b>                         | means Tradeweb Europe Limited;  |
| <b>Trading Day</b>                      | means a day on which the MTF is available for trading;  |
| <b>User Agreement</b>                   | means the agreement between Tradeweb and a Buy-side Participant;  |
| <b>User Guide</b>                       | means the help and information pages that are available within the MTF explaining the correct method of operation of the MTF; |
| <b>User ID</b>                          | means the password and identification criteria that are given to each Authorised User by Tradeweb; and                        |
| <b>Write-down and Conversion Powers</b> | has the relevant meaning assigned to it under the EU Bail-in Legislation Schedule.  |

1.4 In these Rules, words in the singular include the plural and vice versa.

1.5 Headings are for ease of reference only.

1.6 References to EU regulations shall be,:

1.6.1 for as long as EU regulations published in the Official Journal of the European Union remain in force in the UK by virtue of the European Union (Withdrawal) Act 2018 (as amended), references to such EU regulations;

1.6.2 from the day EU regulations published in the Official Journal of the European Union no longer apply in the UK by virtue of the European Union (Withdrawal) Act 2018 (as amended), references to such EU regulations as they form part of the laws of England and Wales and as amended or replaced from time to time, including by any rules, guidance or directions issued by a UK Regulator.

1.7 References to a law or regulation include any supporting statutory provisions or publicly available guidance and any amendment, modification or re-enactment to such law or regulation.

1.8 For certain Products available on the MTF, there may be additional Product-specific requirements and protocols which will be applicable only to those Participants who trade in that Product. In each such case, the relevant Participant will be notified of such Product-specific protocols and requirements and their applicability to it, prior to it being able to trade the Product concerned. Such protocols and requirements form part of the Rules and accordingly are binding on Participants.

## **2. Capacity and status**

- 2.1 Tradeweb is regulated by the FCA and is authorised under FSMA to operate a multilateral trading facility on which Participants may trade Eligible Instruments.
- 2.2 These Rules supplement and form part of the Agreement entered into by each Participant, which is a legally binding contract between the Participant and Tradeweb. Each Participant's access to and use of the MTF is governed by the applicable Agreement, the Adopted Protocols, the User Guide and these Rules.
- 2.3 In the event of any inconsistency, these Rules will prevail over any protocols, requirements and notices provided on the MTF graphical user interface.

## **3. Participation on the MTF**

### ***Admission***

- 3.1 Applicants may apply to Tradeweb to become a Participant of the MTF at any time.
- 3.2 Applicants wishing to become Participants on the MTF must:
  - 3.2.1 pass any required "know your customer" checks, sanctions and anti-money laundering checks (including providing such additional information as Tradeweb may require to satisfy such checks);
  - 3.2.2 meet the criteria set out in Rule 3.3 (the "**Eligibility Criteria**");
  - 3.2.3 enter into an Agreement with Tradeweb; and
  - 3.2.4 meet the operational conditions for access to the MTF set out in Rule 3.4.

### ***Eligibility Criteria***

- 3.3 A Participant must satisfy the following criteria:
  - 3.3.1 it is of sufficient good repute, as determined by Tradeweb in its sole discretion;
  - 3.3.2 it accesses the MTF from an establishment maintained in a jurisdiction in which Tradeweb is permitted to provide access to the MTF, or from an establishment maintained in a jurisdiction which does not prohibit the provision of cross-border services by Tradeweb;
  - 3.3.3 it has the legal and regulatory authority, including any necessary licence, permit or authorisation from a Regulator, and capacity to be a Participant and transact in, clear (where applicable) and settle the Products it trades on the MTF;
  - 3.3.4 if it undertakes Algorithmic Trading on the MTF, it meets the conditions set out in Rule 15; and
  - 3.3.5 it meets any additional eligibility criteria that Tradeweb may reasonably prescribe from time to time with regards to participation on the MTF.

### ***Operational Conditions***

- 3.4 Each Participant, at its own cost and expense, must:
- 3.4.1 have systems and controls in place to ensure ongoing compliance with these Rules and Applicable Laws and for the monitoring of trading against management of risk;
  - 3.4.2 meet any technical specifications and standards required by Tradeweb for participation on the MTF;
  - 3.4.3 undertake such conformance testing as Tradeweb may require;
  - 3.4.4 have in place appropriate technology and systems to enable it to access the MTF and appropriate security measures;
  - 3.4.5 have sufficient financial resources and trading ability, competence and experience to perform effectively and efficiently trading operations involving participation on the MTF and to meet all obligations involved in such participation;
  - 3.4.6 have internal systems and controls satisfactory to Tradeweb in place to prevent and limit Error Trades and the submission of erroneous Instructions to the MTF and to ensure ongoing compliance with, and prevent breaches of, Applicable Laws, these Rules and the Agreement; and
  - 3.4.7 have arrangements to ensure the timely clearing and settlement of Products which are satisfactory to Tradeweb.

### ***Application***

- 3.5 Applicants must submit the following to Tradeweb:
- 3.5.1 a signed Agreement as applicable to the category of Participant (as determined by Tradeweb);
  - 3.5.2 completed and signed on-boarding documentation;
  - 3.5.3 its LEI;
  - 3.5.4 a confirmation as to whether it is authorised in the United Kingdom as an investment firm, a credit institution or as a UK branch of a non-UK investment firm or credit institution; and
  - 3.5.5 such additional information and/or supporting documentation as Tradeweb may reasonably require to enable it to assess whether or not the Applicant meets the Eligibility Criteria.
- 3.6 Once Tradeweb has received all of the relevant documentation and information, Tradeweb will decide whether or not to admit an Applicant as a Participant of the MTF.

- 3.7 Tradeweb may reject an Applicant if Tradeweb considers that:
- 3.7.1 to accept the Applicant would be inconsistent with the operation and maintenance of an efficient, fair and orderly market on the MTF; or
  - 3.7.2 the Applicant does not meet the conditions set out in these Rules.
- 3.8 A Participant party to an Agency Agreement must provide to Tradeweb such information regarding its principals as Tradeweb may require to fulfil its obligations under Applicable Laws.
- 3.9 An Agreement may have provisions that relate to any commercial interaction between a Participant and Tradeweb or an Affiliate.

### ***Continuing Obligations***

- 3.10 Each Participant must ensure its continuing compliance with these Rules at all times and with all Applicable Laws to which the Participant is subject.
- 3.11 A Participant must:
- 3.11.1 provide any information which Tradeweb reasonably requires to meet its obligations under these Rules or under Applicable Laws. Any such information must be provided as soon as technologically practicable upon request and must be accurate and complete;
  - 3.11.2 ensure that its Authorised Users, principals, employees or agents provide any consents required under Applicable Laws for providing such information to Tradeweb and for Tradeweb to Process, use and disclose such information in accordance with this Rulebook and in such manner as disclosed in advance by Tradeweb to the Participant;
  - 3.11.3 ensure that all of its Authorised Users, employees or agents involved in the use of or in trading on the MTF are fit and proper, suitable, appropriately and adequately trained or qualified and properly supervised; and
  - 3.11.4 procure that any Service Provider complies with these Rules and with all Applicable Laws to which the Participant and the Service Provider are subject when accessing, using or trading on the MTF.
- 3.12 In the event of any information request, investigation or other action by any Regulator or other authority conducted in relation to use of or trading on the MTF, a Participant must co-operate with Tradeweb and the relevant investigating regulator or authority by providing access to information and documents and by meeting any other reasonable request, except where such Participant is restricted from doing so by Applicable Laws.
- 3.13 A Participant will be responsible for any acts and omissions of its Service Providers in relation to such Participant's use of the MTF. Tradeweb will not be liable for any Losses that a Participant may suffer as a result of the acts or omissions of any Service Provider.

#### **4. Authorised Users**

- 4.1 Each Participant must provide Tradeweb with a list of its Authorised Users, and details of their access requirements, and update that list as necessary.
- 4.2 A Participant must provide such information about each Authorised User as Tradeweb may reasonably request, including (without limitation) the nationality(ies), date of birth, first name and surname of the Authorised User, such information to be held by Tradeweb in compliance with Applicable Law.
- 4.3 Tradeweb will provide Authorised Users with training as appropriate for their level of access to the MTF, and they will then be permitted to access the MTF on the Participant's behalf.
- 4.4 Tradeweb will provide each Authorised User with a User ID. Each Participant will be responsible for validating the identity of each of its Authorised Users and monitoring the use of its User IDs.
- 4.5 A Participant must ensure that:
  - 4.5.1 each Authorised User is provided with the Rules and all other materials relevant to such Authorised User's use of the MTF;
  - 4.5.2 each Authorised User has authority to use the MTF on its behalf;
  - 4.5.3 the User ID given to each Authorised User by Tradeweb is kept confidential to such individual and not disclosed to or used by any other person; and
  - 4.5.4 each Authorised User complies with these Rules and with all Applicable Laws in relation to its use of the MTF.
- 4.6 In respect of business conducted on the MTF or business related thereto:
  - 4.6.1 Tradeweb will be entitled to rely on, and a Participant will be bound by, any Instruction which Tradeweb reasonably believes in good faith to be from an Authorised User;
  - 4.6.2 until Tradeweb receives written notice to the contrary, Tradeweb is entitled to assume that an Authorised User has and continues to have full and unrestricted power to submit Instructions on a Participant's behalf. Notwithstanding the foregoing, a Participant must provide any evidence that Tradeweb may require of the authority of any person to act on its behalf; and
  - 4.6.3 a Participant will be responsible for the acts and conduct of all Authorised Users as if the acts and conduct of each of those persons were the acts and conduct of the Participant.
- 4.7 A Participant will be responsible for a breach of a relevant obligation committed by its Authorised Users, and Tradeweb may, acting reasonably, take measures under these

Rules and the Agreement, including the suspension or termination of the Participant's access to the MTF.

## **5. Trading rules**

### ***General***

- 5.1 The MTF will be open for business on Trading Days and will operate during the hours determined by Tradeweb from time to time.
- 5.2 Each Participant is responsible for any transaction it executes on the MTF.
- 5.3 Participants' Instructions must be submitted to the MTF in accordance with the relevant requirements of Tradeweb and the relevant Adopted Protocols.
- 5.4 Tradeweb will monitor the operation and use by Participants of the MTF.
- 5.5 Tradeweb will exercise rights and discretions in relation to these Rules acting reasonably at all times in the circumstances.
- 5.6 Tradeweb will ensure that its website is updated with the latest version of the Rules as may be changed from time to time.
- 5.7 Tradeweb will give Participants reasonable notice of any relevant change to the User Guide/Adopted Protocols where it is practical to do so, but may make changes without prior notice where it considers it necessary in order to preserve the fair and orderly operation of the MTF. Tradeweb will use reasonable endeavours to notify Participants of any such changes as soon as practicable.
- 5.8 Each Participant acknowledges and agrees that, to the extent that Tradeweb is required by Applicable Laws or requested by a Regulator to disclose, make available or report any data or information relating to any activity on the MTF, Tradeweb may do so in accordance with such Applicable Laws or request.

### ***Submission and execution of Instructions***

- 5.9 Instructions are submitted to Tradeweb at the Participant's own risk.
- 5.10 Tradeweb may reject Instructions which exceed predetermined volume and price thresholds relating to a Participant, Product or use of the MTF or which Tradeweb considers to be clearly erroneous.

### ***Customer Hit Rates***

- 5.11 The MTF is primarily a trade execution system and, therefore, Buy-side Participants are encouraged to use the MTF to execute transactions with Liquidity Providing Participants. Tradeweb may monitor Buy-side Participants' use of the MTF in order to assess whether any such Buy-side Participants are sending a substantial number of request-for-quote enquires which do not result in completed transactions.

- 5.12 Tradeweb may maintain individual hit rate policies for certain Products, as may be notified to those Participants that are active in that Product. Any change to such policies will be notified by the sending of a Market Notice to the Participants that use the relevant Products.

### ***Transparency***

- 5.13 The MTF is subject to pre-trade and post-trade transparency requirements in accordance with MiFIR.
- 5.14 Tradeweb has received the following waivers from pre-trade transparency from the FCA:
- 5.14.1 an SSTI Waiver with respect to bonds, structured finance products and derivatives;
  - 5.14.2 Large in Scale Waivers with respect to exchange-traded funds, bonds, structured finance products, derivatives and shares;
  - 5.14.3 an Illiquid Instrument Waiver with respect to bonds, structured finance products and derivatives; and
  - 5.14.4 a Package Orders Waiver with respect to bonds, structured finance products and derivatives.

Unless otherwise agreed, Tradeweb will apply the SSTI Waiver, Large in Scale Waivers, Illiquid Instrument Waiver and Package Orders Waiver to qualifying Instructions.

- 5.15 Tradeweb has been authorised to provide deferred publication of transactions as provided for by MiFIR, RTS 1 and RTS 2. Post-trade publication will be made in accordance with the deferrals authorised by the FCA.
- 5.16 Information required to be disclosed under Tradeweb's transparency obligations will be disclosed and made available to the public as required by Applicable Laws.
- 5.17 Where Tradeweb is notified that the FCA has suspended pre-trade and post-trade transparency requirements in respect of an instrument, Tradeweb will not publish information in respect of such instrument for so long as the suspension is in effect.

## **6. Instrument eligibility**

- 6.1 Tradeweb will determine the Products and the Eligible Instruments within each such Product that are available for trading on the MTF from time to time. These Products and Eligible Instruments are detailed at <https://www.tradeweb.com/our-markets/institutional>.
- 6.2 The decision whether or not to admit an instrument to trading on the MTF is at the sole discretion of Tradeweb.



- 6.3 Tradeweb may remove or suspend Products and Eligible Instruments from the MTF without notice if Tradeweb deems it necessary in order to maintain a fair and orderly market on the MTF, to comply with Applicable Laws or in response to a request from a regulator or for any other reason at its sole discretion.

## **7. Disorderly trading conditions and conduct**

### ***Prohibition on market abuse and disorderly trading***

- 7.1 A Participant must not under any circumstances:
- 7.1.1 engage in Market Abuse when using or trading on the MTF or engage in Market Abuse in relation to any Eligible Instrument;
  - 7.1.2 engage in any conduct on the MTF which is intended or designed to, or results in the creation of a false or misleading impression as to, the market in or price of any Eligible Instrument or which results in the price of one or more Eligible Instruments being secured at an abnormal or artificial level;
  - 7.1.3 engage in any conduct or activity on the MTF which harms or is likely to harm the integrity, fairness, orderliness or reputation of the MTF;
  - 7.1.4 submit Instructions to, or execute transactions on, the MTF which are fictitious;
  - 7.1.5 otherwise engage on the MTF in any other form of deceptive, manipulative, contriving or abusive practice or any other practice prohibited by Applicable Laws; or
  - 7.1.6 breach or attempt to breach these Rules.

### ***Prevention of disorderly trading conditions***

- 7.2 Tradeweb may maintain such arrangements as it considers appropriate to prevent disorderly trading and breaches of capacity limits, including:
- 7.2.1 mechanisms to manage volatility; and
  - 7.2.2 pre-trade controls.
- 7.3 Without limitation to the foregoing, Tradeweb may:
- 7.3.1 request information from any Participant on the mechanisms it has in place to manage volatility and its trading controls;
  - 7.3.2 suspend a Participant's or an Authorised User's access to the MTF, at the initiative of Tradeweb or at the request of the Participant or a Regulator;
  - 7.3.3 operate a functionality to cancel unexecuted Instructions submitted by or on behalf of a Participant, including:
    - (a) upon request of the Participant;

- (b) where the MTF contains erroneous, duplicated orders; or
  - (c) following a suspension initiated either by Tradeweb or a Regulator;
- 7.3.4 cancel or revoke transactions in case of malfunction of the MTF's mechanisms to manage volatility or of the operational functions of the MTF; and
- 7.3.5 balance entrance of Instructions among its different gateways, where the MTF uses more than one gateway in order to avoid technology related issues.
- 7.4 Participants must operate their own functionality to enable prompt and orderly cessation of activities on the MTF, where required by Applicable Law.
- 7.5 Tradeweb may publish and amend policies and arrangements in respect of mechanisms to mitigate the risk of market disruption from time to time. Such policies and arrangements which shall be supplied or notified to Participants in advance of coming into effect apply to and are binding on Participants as part of these Rules.

### **Monitoring**

- 7.6 Tradeweb will monitor Participants' use of the MTF, including Instructions sent, cancellations and transactions undertaken, for signs of disorderly trading conditions, conduct that may involve Market Abuse and/or manipulation, Suspicious Trades and compliance with these Rules.
- 7.7 By participating on the MTF, a Participant acknowledges that Tradeweb is entitled to retain records of Participants' use of the MTF and to report, and provide full assistance, to any regulatory authorities in relation to suspected infringements of these Rules, disorderly trading conditions or conduct that may indicate Market Abuse or any other behaviour prohibited by Applicable Laws.
- 7.8 Tradeweb may conduct a review of a transaction to determine whether such transaction is a Suspicious Trade where it considers it prudent to do so. In determining whether a transaction is a Suspicious Trade, Tradeweb may utilise such information and consult with any relevant parties that it deems appropriate.
- 7.9 In the event that Tradeweb determines a trade is a Suspicious Trade, it may take such action as it deems necessary or appropriate in the circumstances.
- 7.10 Tradeweb will not be liable for any Losses that a Participant suffers as a result of a decision, act or omission pursuant to this Rule 7 except where it can be demonstrated that such decision was made acting unreasonably and in order to cause Loss to such Participant.

### **8. Trading Halts**

- 8.1 In addition to, and without prejudice to the extent of, its powers under Rule 9, Tradeweb may temporarily halt or constrain trading on the MTF in:
  - 8.1.1 Eligible Instruments within a specific industry group;

8.1.2 Eligible Instruments which fall within a geographical sector or are listed on a specified market; or

8.1.3 the whole MTF market,

or cancel, vary or correct any transaction, where Tradeweb considers a significant price movement has occurred in an Eligible Instrument on the MTF during a short period of time though in coming to any such decision will at all times act reasonably having regard to the possible damage this may cause to Participants interests.

## **9. Suspension or removal of Products, Eligible Instruments or Participants**

9.1 Tradeweb may, at any time, suspend trading on the entire MTF, or suspend or remove one or more Products or Eligible Instruments, where Tradeweb reasonably considers that such action is necessary:

9.1.1 to ensure fair and orderly trading in the market and the MTF;

9.1.2 to uphold the integrity and stability of the MTF;

9.1.3 where an Eligible Instrument no longer complies with these Rules unless such suspension or removal would be likely to cause significant damage to the Participants' interests or to the orderly functioning of the MTF;

9.1.4 to comply with instructions from a Regulator; or

9.1.5 to comply with the requirements of any Applicable Law.

9.2 Tradeweb may suspend or remove a Participant's access to the MTF in accordance with the terms of such Participant's Agreement or otherwise or take any other disciplinary action as Tradeweb, in its sole discretion acting reasonably, deems necessary or appropriate, if:

9.2.1 the Participant or its Authorised User breaches any of these Rules, including Rules 4.7, 7, 14.2 to 14.8, 23.5 and 24.1;

9.2.2 the Participant breaches a term of its Agreement;

9.2.3 the Participant's Agreement is terminated;

9.2.4 the Participant has made a misrepresentation to Tradeweb or another Participant or has otherwise breached Applicable Laws in any material respect;

9.2.5 an Insolvency Event has occurred in relation to a Participant;

9.2.6 the Participant ceases to meet the Eligibility Criteria;

9.2.7 the Participant repudiates or rejects one (1) or more of its transactions on the MTF;

9.2.8 the Participant attempts to enter or is party to a Suspicious Trade;

- 9.2.9 the Participant refuses to provide information or records requested by Tradeweb in accordance with Rule 23.5; or
- 9.2.10 Tradeweb, in its sole discretion, deems it necessary to ensure a fair and orderly market on the MTF and to uphold the integrity of the MTF or to comply with Applicable Laws, or if so required by a Regulator.
- 9.3 Tradeweb will notify a Participant of a decision taken under this Rule 9 unless it is prohibited from doing so by Applicable Laws.
- 9.4 A Participant may appeal a decision taken under Rule 9.2 by submitting in writing to Tradeweb its reasons for appealing and any information relevant to the appeal. A Participant must submit its appeal in writing to the chief compliance officer of Tradeweb within a reasonable time of receiving notice from Tradeweb under Rule 9.3. The chief compliance officer of Tradeweb (or his/her delegate) will consider the decision of Tradeweb, which is the subject of the appeal, and will notify the Participant of his/her decision within 15 business days of reaching a decision. The decision of the chief compliance officer (or his/her delegate) will be final.
- 9.5 A Participant whose right to use the MTF has been suspended or terminated will remain subject to these Rules in respect of acts and omissions while it was a Participant and will comply with any request for information in relation to the period of its participation which Tradeweb may make at any time following the termination of its participation.
- 9.6 A Participant whose right to use the MTF has been suspended or terminated will remain subject to these Rules in respect of any outstanding obligations under these Rules until those obligations are satisfied.
- 9.7 Tradeweb will not be liable for any Losses that a Participant suffers as a result of a decision or action taken under this Rule 9.

## **10. Post-trade**

### ***Contractual position and disputes***

- 10.1 Subject to Rule 10.6 and any other agreement between the relevant two (2) Participants, when a transaction is confirmed as “accepted” (or such other term that is used to designate a transaction has occurred in accordance with the relevant Adopted Protocol) on the MTF, this will be conclusive evidence of the relevant two (2) Participants having entered into a valid, legal and binding transaction.
- 10.2 All transactions on the MTF are effected on a bilateral basis between the relevant two (2) Participants, creating rights and obligations between those Participants, subject to any terms agreed between the Participants relating to clearing. Unless otherwise contemplated by these Rules, Tradeweb will not be, directly or indirectly, party to, or be responsible or liable to a Participant under or in connection with, such transactions.
- 10.3 In the event of a dispute between Participants regarding a transaction executed on the MTF, Tradeweb may provide such Participants, upon request, with any documentation

and information pertaining to the transaction which is available to Tradeweb. This will be subject to any regulatory or legal obligation which prevents Tradeweb from disclosing any such documentation and/or information. Tradeweb will endeavour to cooperate in resolving such dispute where able to do so on a limited disclosure basis if material information is in Tradeweb's possession that would likely accelerate this process.

### ***Off-market transactions involving Listed Instruments***

- 10.4 Certain Listed Instruments may be marked on the MTF as having "Listed" status and the arranging of trades in them on the MTF may be subject to the applicable "off-market" rules of the relevant Regulated Market.
- 10.5 Each Participant is responsible for ensuring that it complies with the rules of the relevant Regulated Market with regards to the execution of any transaction involving a Listed Instrument and must comply with the rules of the relevant Regulated Market with respect to the execution, confirmation and reporting of the transaction in the Listed Instrument.
- 10.6 Each Participant acknowledges and agrees that certain Regulated Markets may impose requirements as to the final confirmation by the Regulated Market's system of the pre-agreed or affirmed details of a transaction in a Listed Instrument submitted via the MTF.

### ***Trade cancellation***

- 10.7 Tradeweb reserves the right to require the parties to cancel any Instruction or transaction executed on the MTF where Tradeweb reasonably considers that:
- 10.7.1 the Instruction or transaction appears to be Market Abuse or otherwise manipulative or indicative of system abuse or misuse;
  - 10.7.2 the Instruction or transaction appears to be deceptive or fraudulent;
  - 10.7.3 such cancellation is necessary to preserve the integrity of the market and maintain fair and orderly trading;
  - 10.7.4 the Instruction or transaction was entered into following: (a) the suspension or limitation on trading in an Eligible Instrument on the MTF, (b) a significant disruption or malfunction in the use or operation of any electronic communications, trading facilities or price determination functions of the MTF, (c) failure of a central counterparty or (d) other unusual market conditions;
  - 10.7.5 the Instruction or transaction is contrary to Applicable Laws;
  - 10.7.6 the Instruction or transaction concerns a Sanctioned Instrument or Sanctioned Entity; or
  - 10.7.7 the Instruction or transaction is the result of Manifest Error or a System Disruption or Malfunction.

- 10.8 Action taken under Rule 10.7 will be binding on Participants. Tradeweb will notify Participants affected by its decision unless prohibited by Applicable Laws.
- 10.9 Each Participant acknowledges and agrees that Tradeweb is not obliged to require the parties to cancel any Instructions or transactions on the MTF.
- 10.10 If Tradeweb reasonably determines a transaction should be cancelled in accordance with Rule 10.7, the relevant Participants must take such steps as may be reasonably necessary to effect such cancellation in accordance with normal market convention.
- 10.11 Tradeweb will not be liable for any Losses that a Participant suffers as a result of a decision, act or omission pursuant to Rule 10.7.

### ***Error Trades***

- 10.12 A Participant must notify Tradeweb of a potential Error Trade as soon as practicable after the execution of the transaction in question.
- 10.13 If a Participant believes that a transaction executed on the MTF is a potential Error Trade, the Participant may request that Tradeweb reviews such potential Error Trade, whereupon Tradeweb will investigate the potential Error Trade to assist the relevant Participants with determining if an Error Trade has occurred.
- 10.14 Tradeweb will provide such Participants, upon request, with any documentation and information pertaining to the transaction which is available to Tradeweb to assist the respective Participants to reach an agreement regarding their rights and obligations with respect to the potential Error Trade. This will be subject to any regulatory or legal obligation which Tradeweb has which requires them not to disclose such documentation and/or information.
- 10.15 In no event will Tradeweb carry out a review of a transaction or determine to resolve any trade errors or disputes which occur after the transaction has settled.

## **11. Clearing**

- 11.1 Each Participant is responsible for: (a) determining which transactions executed by it on the MTF are required to be cleared, (b) submitting such transactions for clearing and (c) executing all applicable agreements and arrangements necessary for clearing such transactions in accordance with Applicable Laws. Tradeweb is not responsible or liable for the clearing of transactions executed by a Participant on the MTF. However, Tradeweb may assist Participants (if so requested by the Participant) by providing additional functionality on the MTF and the details of any such transaction to the chosen clearing member, clearing house or middleware provider in order to facilitate the clearing of transactions.
- 11.2 Each Participant must designate on the MTF each clearing house that it wishes to use to submit Cleared Transactions and designate a clearing member (which may include itself where it is self-clearing) for a particular Cleared Transaction.

- 11.3 Prior to submitting an Instruction in relation to a potential Cleared Transaction, the Participant must procure, where necessary, pre-conclusion screening on an Instruction-by-Instruction basis against the limits set and maintained by the relevant clearing member in accordance with RTS 6.
- 11.4 In the event that an Instruction in relation to a potential Cleared Transaction fails the pre-conclusion screening undertaken by a Participant under Rule 11.3, the Participant should not submit such Instruction on the MTF.
- 11.5 The clearing services provided by each clearing house designated under Rule 11.2 with respect to any transaction accepted for clearing, and the rights and obligations of purchasers and sellers under such transaction (including rights and obligations in respect of clearing and settlement, variation payments and performance at maturity), will be governed by the rules of the relevant clearing house.
- 11.6 Each Participant permits Tradeweb to pass information concerning the Participant's use of the MTF, including any relevant trade data to relevant clearing houses, clearing member(s), third party middleware providers and the counterparty that executes the contract with the Participant to the extent reasonably necessary for the clearing or settlement of transactions entered into by such Participant. The Participant expressly licenses Tradeweb to provide this information to such entities and acknowledges and agrees that Tradeweb is simply acting on behalf of the Participant in transmitting such information.
- 11.7 Where Tradeweb provides functionality on the MTF for the clearing of Cleared Transactions, a Participant must provide such information as Tradeweb may require in the format specified by Tradeweb in order for Tradeweb to submit the transaction to the relevant clearing house for clearing. Such information must be provided to Tradeweb during the on-boarding process for setting clearing access.
- 11.8 Where Tradeweb provides functionality on the MTF for the clearing of Cleared Transactions, Tradeweb will provide facilities to route information relating to such Cleared Transactions to those clearing houses that have established operational links to the MTF either directly or through a middleware provider.
- 11.9 Where a Cleared Transaction that is concluded on the MTF and submitted for clearing is not accepted for clearing in accordance with the rules and procedures of the relevant clearing house, Tradeweb will take reasonable steps to notify Participants of the non-acceptance of the transaction and Tradeweb will use reasonable endeavours to determine the reason for the non-acceptance.
- 11.9.1 Where the Cleared Transaction was not accepted for clearing as a result of a credit issue, the Cleared Transaction will be deemed void and Tradeweb will provide notice of such determination to the relevant Participants as soon as reasonably practicable.
- 11.9.2 Where Tradeweb determines that the Cleared Transaction was not accepted for clearing as a result of a technical or clerical problem, Tradeweb will assess

whether it can re-submit the Cleared Transaction to the clearing house in accordance with Rule 11.10 below.

11.10 Upon making a determination under Rule 11.9.2 that the Cleared Transaction was rejected from clearing as a result of a technical or clerical problem, Tradeweb will use reasonable endeavours to assess, whether it is able to correct the technical or clerical problem.

11.10.1 Where Tradeweb considers that it is able to correct the technical or clerical problem, Tradeweb may re-submit to the clearing house the Cleared Transaction in question (in the form of a new transaction but with the same economic terms) within a reasonable timeframe and the counterparties to the Cleared Transaction will be deemed to have consented to and shall be bound by the re-submission of the transaction by Tradeweb.

11.10.2 Where Tradeweb considers that it cannot correct the technical or clerical problem, it may seek guidance from the counterparties to the Cleared Transaction in question.

11.10.3 Where Tradeweb considers that it cannot correct the technical or clerical problem and the Cleared Transaction is not able to be re-submitted for clearing, then the Cleared Transaction will be deemed void and Tradeweb will take reasonable steps to notify Participants accordingly.

11.11 The parties to a Cleared Transaction that is deemed void in accordance with Rule 11.9.1 or Rule 11.10.3 must not resubmit the transaction to the MTF.

11.12 Where a Cleared Transaction that is concluded on the MTF is deemed void in accordance with Rule 11.9.1 or Rule 11.10.3, neither party to the void transaction will have any recourse to the other or will be liable to the other for any Losses, costs, expenses or charges suffered with respect to the void transaction.

11.13 The following provisions are applicable to any person trading on the MTF that is deemed by Applicable Laws to be a "U.S. Person":

11.13.1 when a trade in a relevant interest rate swap or other financial instrument that is executed by a U.S. Person on the MTF is a "customer" position and subject to the CEA section 4d, the trade must be cleared through a futures commission merchant registered with the CFTC at a clearing house that is also registered with the CFTC;

11.13.2 when a trade in a relevant interest rate swap or other financial instrument that is executed by a U.S. Person on the MTF is a "proprietary" position under the CFTC Regulation 1.3(y), the trade must be cleared either through a clearing house registered with the CFTC or a clearing organization that has been exempted from registration as a derivatives clearing organization by the CFTC pursuant to the CEA section 5b(h) (an "**Exempt DCO**"); and



11.13.3 when a trade in a relevant interest rate swap or other financial instrument that is subject to the CFTC's clearing requirement under Part 50 of the CFTC's regulations, and is entered into by a U.S. Person that, pursuant to CEA section 2(h)(1), is subject to such clearing requirement the trade must be cleared either through a clearing house registered with the CFTC or an Exempt DCO; provided that if the trade is a "customer" position subject to CEA section 4d, it must be cleared through a futures commission merchant at a clearing house registered with the CFTC, and cannot be cleared through an Exempt DCO.

## **12. Process Trades and Pre-Arranged Trades**

### **12.1 Process Trades**

12.1.1 Tradeweb may permit a Participant to execute a transaction on the MTF where the terms of the transaction have been discussed outside the MTF, provided that the transaction:

- (a) is between two (2) Participants;
  - (b) relates to an Eligible Instrument; and
  - (c) is subject to execution on the MTF
- (a **"Process Trade"**).

12.1.2 A Process Trade is subject to these Rules.

### **12.2 Pre-Arranged Trades**

12.2.1 Tradeweb may permit a Participant to execute a transaction on the MTF where the terms of the transaction have been pre-agreed outside the MTF, provided that:

- (a) the transaction has been pre-agreed between two (2) Participants where the relevant pre-trade transparency waiver applies;
- (b) the transaction relates to an Eligible Instrument;
- (c) the transaction is carried out on the MTF via a request-for-quote to the other Participant as soon as possible but no later than fifteen (15) minutes post arranging of transaction terms; and
- (d) the Participants provide such information as Tradeweb may reasonably require in relation to such transaction

(a **"Pre-Arranged Trade"**).

12.2.2 A Pre-Arranged Trade is subject to these Rules.

- 12.3 Tradeweb will have no responsibility or liability in respect of the negotiation of a Pre-Arranged Trade or a Process Trade, or of the execution of a Process Trade or Pre-Arranged Trade, including (without limitation) the fulfilment of any legal or regulatory obligations of a Participant in relation thereto. Participants entering into Pre-Arranged Trades or Process Trades must ensure that they comply with Applicable Laws in relation to the negotiation and execution thereof.

### **13. Settlement**

- 13.1 Each Participant is responsible for the settlement of all transactions it executes on the MTF, and each Participant must ensure that it has the ability, including legal and regulatory capacity, to settle such transactions accordingly.
- 13.2 Tradeweb is not responsible or liable for the settlement of the transactions executed by a Participant on the MTF. Tradeweb will, however, provide or make available to each Participant the details of each transaction that the Participant effects on the MTF in order to facilitate the prompt settlement of these transactions by that Participant.
- 13.3 For certain Eligible Instruments, the MTF may provide a default settlement date in accordance with Applicable Laws. A Participant may change the default settlement date, where permitted, in order to conduct a transaction involving a different settlement date.
- 13.4 Each Participant, where required by Applicable Laws, must ensure that:
- 13.4.1 transactions in transferable securities executed on the MTF are recorded in book entry (dematerialised) form on or before the intended settlement date;
  - 13.4.2 where applicable, it takes measures to limit the number of settlement failures, including making arrangements to: (a) ensure the prompt communication of an allocation of securities to the transaction; (b) confirm that allocation; (c) confirm the acceptance or rejection of terms in good time before the intended settlement date; (d) settle transactions in transferable securities on the intended settlement date in compliance with Applicable Laws; and (e) comply with Applicable Laws relating to buy-ins.
- 13.5 Each Participant must notify Tradeweb by giving written notice within one (1) Trading Day of becoming aware of a failure by the Participant or any other Participant to settle a transaction in accordance with Applicable Laws and/or good settlement practice, as the case may be.

### **14. Transaction reporting**

- 14.1 Each Participant must be responsible for any disclosure, reporting and/or filing requirements that may arise for such Participant under Applicable Laws in connection with the Participant's use of the MTF.
- 14.2 A Participant must notify Tradeweb if it undertakes or intends to commence transaction reporting under MiFIR.

- 14.3 Notwithstanding Rule 14.1, Tradeweb is authorised to undertake transaction reporting on behalf of a Participant, where Tradeweb is required to do so by Applicable Laws.
- 14.4 A Participant for which Tradeweb reports a transaction on its behalf must not report, or cause another to report, the same transaction to a Regulator.
- 14.5 A Participant must provide any information required by Tradeweb in order to undertake transaction reporting in accordance with Rule 14.3, including, but not limited to, all details required under RTS 22, in the format prescribed by Tradeweb.
- 14.6 A Participant must provide the information required under Rule 14.5 as soon as practicable following the execution of a transaction and, in any event, no later than noon (GMT) on the Trading Day following execution of the transaction.
- 14.7 A Participant must have controls in place to ensure any information provided to Tradeweb under Rule 14.5 is complete and accurate.
- 14.8 A Participant must promptly inform Tradeweb where information provided under Rule 14.5 is inaccurate or incomplete and must cooperate with Tradeweb to rectify any errors in reports submitted by Tradeweb under Rule 14.3.

## **15. Algorithmic Trading**

- 15.1 A Participant may not engage in Algorithmic Trading on the MTF without Tradeweb's prior written consent.
- 15.2 Each Participant intending to deploy an Algorithmic Trading system, algorithm or strategy on the MTF must successfully test conformance of the system, algorithm or strategy with the system of the MTF:
  - 15.2.1 before accessing the MTF as a Participant;
  - 15.2.2 before the deployment or material update of an Algorithmic Trading system or algorithm or Algorithmic Trading strategy of that Participant; or
  - 15.2.3 on request of Tradeweb.
- 15.3 Each Participant must remain fully responsible for testing conducted under Rule 15.2 and for making any required changes to its systems following such testing. Participants are prohibited from engaging in Algorithmic Trading until all required testing has been successfully completed.
- 15.4 A Participant must certify that the algorithms that it deploys have been tested to avoid contributing to or creating disorderly trading prior to the deployment or substantial update of a trading algorithm or strategy and must explain the means used for that testing.
- 15.5 Each Participant that engages in Algorithmic Trading on the MTF will take measures to ensure that:

- 15.5.1 it has in place effective systems and risk controls suitable to the business it operates designed to ensure that its trading systems are resilient and have sufficient capacity, are subject to appropriate trading thresholds and limits and prevent the sending of erroneous orders or the systems otherwise functioning in a way that may create or contribute to a disorderly market;
  - 15.5.2 it has in place effective systems and risk controls designed to ensure the trading systems cannot be used for any purpose that is contrary to Applicable Laws or to the rules of the MTF;
  - 15.5.3 it has in place effective business continuity arrangements designed to deal with any failure of its trading systems;
  - 15.5.4 its systems are fully tested and properly monitored to ensure that they meet the requirements laid down in Rules 15.5.1 to 15.5.3;
  - 15.5.5 its trading algorithms are compliant with all Applicable Laws;
  - 15.5.6 it properly carries out required pre-trade controls on order entry for all Eligible Instruments; and
  - 15.5.7 it keeps suitable records in relation to matters referred to in Rules 15.5.1 to 15.5.3.
- 15.6 A Participant deploying Algorithmic Trading must obtain an Algorithmic Trading ID and must ensure that an Instruction identifies:
- 15.6.1 where it is generated by Algorithmic Trading;
  - 15.6.2 the algorithm employed; and
  - 15.6.3 the identity of the relevant persons initiating the Instruction.

**16. Sponsored or direct market access**

- 16.1 Participants must not permit or allow any third party to access the MTF via any means, including via sponsored access or direct market access, unless approved by Tradeweb to do so.
- 16.2 Tradeweb may consider a request from a Participant who wishes to provide sponsored access or direct market access to the MTF. Tradeweb may refuse or impose conditions on any approval granted for such request. In the event that Tradeweb approves a Participant's request to provide sponsored access or direct market access, the Participant may be required to enter into a sponsored access or direct market access agreement with Tradeweb in a form prescribed by Tradeweb.

**17. Internal Crossing**

- 17.1 Tradeweb may provide, from time to time, additional functionality on the MTF for a Participant to undertake internal crossing.

- 17.2 When executing an internal cross trade, a Participant (or its principal) will face a Liquidity Providing Participant or an Affiliate as the matched principal counterparty for both sides of the internal cross trade (the “**Internal Cross Trade Counterparty**”). In such instances, the Internal Cross Trade Counterparty will be acting as principal (in a matched principal capacity) and not as agent to the internal cross trade in question.
- 17.3 All internal cross trades must be executed at a price determined by the Participant, which may, for the avoidance of doubt, include Tradeweb’s composite price.
- 17.4 An internal cross trade will be executed on the MTF at the price determined by the Participant in accordance with Rule 17.3 and will be adjusted (marked up/down) to reflect Tradeweb’s fees, which will be displayed at the time of trading or otherwise disclosed to the Participant.
- 17.5 Notwithstanding the above, a Liquidity Providing Participant may refuse to facilitate any internal cross trade or act as Internal Cross Trade Counterparty.
- 17.6 Tradeweb may cancel any internal cross trade in its sole discretion if a Participant does not or cannot settle either side of the internal cross trade.

## **18. Auto Execution**

- 18.1 Tradeweb may provide, from time to time, additional functionality on the MTF for Auto Execution.
- 18.2 A Participant seeking to transact through Auto Execution must notify Tradeweb of the Parameters and Eligible Instruments in which it wishes to transact through Auto Execution.
- 18.3 A Participant will be solely responsible for setting, testing and satisfying itself as to the Parameters, including for any reliance on Tradeweb’s composite prices.
- 18.4 Each Participant acknowledges and agrees that submission of an Instruction through Auto Execution may result in an automatic execution without further action by the Participant, and that submission of such Instruction, including orders or Instructions placed in error, will be at the Participant’s sole risk.
- 18.5 Tradeweb, may at any time and without prior notice acting reasonably, temporarily or permanently suspend or terminate a Participant’s use of Auto Execution.
- 18.6 Tradeweb will not be liable for any Losses suffered by a Participant for Instructions placed and transactions executed through Auto Execution, including in relation to any shortfall relative to a target price selected by the Participant.

## **19. Rights on default**

- 19.1 Tradeweb may take action that it deems reasonably necessary or appropriate in the circumstances and in order to preserve a fair and orderly market and the integrity of the MTF, including, but not limited to:

19.1.1 reversing or cancelling of any and all outstanding Instructions or instructions relating to an Instruction to the extent technologically possible;

19.1.2 suspending or terminating a Participant's right to use the MTF or access the MTF; or

19.1.3 issuing written warning or private censure.

In taking any of the actions in 19.1.1 to 19.1.3 above Tradeweb will act proportionately having regard to the circumstances and the reasonableness of such action in view of the possible damage that may be caused to a Participant's interests.

19.2 The powers conferred by Rule 19.1 will be exercisable if:

19.2.1 a Participant fails to perform, or states that it is unwilling or unable to perform, in a timely manner taking into account any remediation period agreed between the Participants, any obligation owing to Tradeweb under these Rules, the Agreement or under any other agreement in force between the Participant and Tradeweb or under or in respect of any transaction;

19.2.2 a Participant disclaims, repudiates or rejects or challenges, in whole or in part, the validity of these Rules, the Agreement or the terms of any other agreement in force between the Participant and Tradeweb or under or in respect of any transaction;

19.2.3 any representation or undertaking a Participant has made, or is deemed to have made, in respect of these Rules, or any other agreement in force between the Participant and Tradeweb or under or in respect of any transaction, is breached and the Participant has not complied with any remediation period agreed with Tradeweb for such breach;

19.2.4 an Insolvency Event has occurred with respect to a Participant or its affiliate;  
or

19.2.5 for any reason (whether or not similar to the foregoing) Tradeweb reasonably considers that the exercise of any of the powers conferred by Rule 19.1 is necessary or appropriate in the circumstances.

## **20. Material Interests and Conflicts**

20.1 Neither the relationship between a Participant and Tradeweb nor the provision of services by Tradeweb under these Rules or the Agreement will give rise to any fiduciary or equitable duties on the part of Tradeweb which would oblige it to accept responsibilities more extensive than those set out in these Rules.

20.2 If Tradeweb receives a payment or other benefit from any person in respect of the operation of the MTF or any transaction or use of any information relating thereto, it will be authorised and entitled to retain any such payment or benefit and will not be liable to account for the same to any Participant, and the fees will not be abated thereby.

20.3 Tradeweb has policies and procedures to identify, consider and manage potential conflicts of interest and protect the integrity of its relationships with the Participants.

## **21. Compliance with Applicable Laws**

21.1 All Instructions and transactions effected under these Rules are subject to Applicable Laws.

21.2 In the event of any conflict between these Rules and any Applicable Law, the Applicable Law will prevail and, to the extent these Rules or any provision thereto will be held to be unenforceable or invalid, the relevant provision will, to that extent, be given no effect, but these Rules will in all other respects continue in full force and effect.

21.3 Tradeweb and any of its Affiliates are entitled, and are hereby authorised by each Participant, to take any action or refrain from taking any action which it considers appropriate for the purpose of complying with any Applicable Law or with any request of any governmental, regulatory authority or Regulated Market.

## **22. Anti-Money Laundering, Anti-Terrorist Financing and Sanctions Compliance**

22.1 Each Participant must establish and maintain policies and procedures reasonably designed to provide for compliance with all Applicable Laws to the extent applicable to a Participant, including, without limitation, Applicable Laws relating to money laundering and terrorist financing (collectively, "**AML Requirements**").

22.2 Each Participant must reasonably cooperate with Tradeweb regarding compliance with applicable AML Requirements relating to a transaction effected on the MTF with or for a Participant.

22.3 No Participant will use the MTF to facilitate any criminal or fraudulent activity or engage in any transactions that would cause a Participant or Tradeweb (including, for this purpose, any Affiliate of Tradeweb) to violate any Applicable Law.

## **23. Record keeping of transactions and Instruction processing**

23.1 Tradeweb may make and retain records of all services, activities and transactions undertaken on the MTF.

23.2 Tradeweb may record and retain telephone conversations between Tradeweb and a Participant.

23.3 Each Participant agrees to the recording, use and disclosure of telephone conversations by Tradeweb to any regulatory authority.

23.4 Each Participant must be responsible for maintaining complete and accurate records required under Applicable Laws in connection with the Participant's use of the MTF.

23.5 Each Participant must, in accordance with Rule 3.11:

23.5.1 provide to Tradeweb such information as Tradeweb reasonably requests in order for Tradeweb to fulfil its recordkeeping obligations under Applicable Laws; and

23.5.2 provide Tradeweb, upon request, with the Participant's records maintained under Rule 23.4 as soon as reasonably practicable.

## **24. Notifications**

24.1 A Participant must notify Tradeweb upon the occurrence of the following events:

24.1.1 a change of name, legal status, LEI, contact details and any significant change to the structure of the Participant by giving advanced notice where reasonably practicable and, in any event, as soon as reasonably practicable;

24.1.2 any change which may impact the Participant's ability to satisfy and continue meeting the Eligibility Criteria in Rule 3.3 and the operational conditions in Rule 3.4 by giving prompt notice;

24.1.3 any change to any information it provided Tradeweb pursuant to these Rules and the Agreement, including under Rule 15 where applicable, as soon as reasonably practicable;

24.1.4 any direct or indirect change in ownership or control of the Participant as soon as reasonably practicable;

24.1.5 any breach of these Rules or any event, act or omission which may affect the ability of the Participant to comply with these Rules by giving prompt notice;

24.1.6 any other action or omission by the Participant or by any other Participant which may impair a fair and orderly market on the MTF by giving prompt notice;

24.1.7 any of the Participant's User IDs are lost, stolen or compromised by giving prompt notice;

24.1.8 any disruptions, malfunctions or breakdown of the systems of the Participant which could affect the efficient and orderly functioning of the MTF by giving prompt notice;

24.1.9 any litigation which could impair or restrict the Participant's ability to comply with these Rules, unless such disclosure is prohibited by law or any relevant Regulator by giving prompt notice;

24.1.10 any enforcement action, including but without limitation, any warnings, suspensions, fines, revocations or prohibitions, imposed by a Regulator on the Participant by giving prompt notice other than where restricted from doing so under confidentiality obligations imposed by a Regulator or by operation of Applicable Law;

24.1.11 an Insolvency Event by giving prompt notice;



24.1.12 any other events or matters for which a Participant is required to notify Tradeweb as specified under these Rules, including, but without limitation, Rules 10.12, 13.5 and 14.2; or

24.1.13 any other significant events or matters which Tradeweb might reasonably expect to have brought to its attention by giving prompt notice.

24.2 A Participant must make a notification under Rule 24.1 by telephone at +44 (0)20 7776 3200, which must be followed by a notice in writing addressed to:

Compliance Department  
Tradeweb Europe Limited  
8th Floor  
1 Fore Street Avenue  
London  
EC2Y 9DT

Email: europe.regcompliance@tradeweb.com.

## **25. Complaints**

25.1 If a Participant wishes to make a complaint to Tradeweb regarding:

25.1.1 the operation of the MTF by Tradeweb; or

25.1.2 the conduct of a Participant or any suspicion that a Participant has committed a breach of these Rules,

such complaint should be made in writing (electronic mail acceptable) and addressed to:

Compliance Department  
Tradeweb Europe Limited  
8<sup>th</sup> Floor  
1 Fore Street Avenue  
London  
EC2Y 9DT

Email: europe.regcompliance@tradeweb.com.

## **26. Data Protection**

26.1 Except where a Participant has otherwise been notified, when Processing Personal Data provided by a Participant in connection with the operation of the MTF or otherwise pursuant to these Rules, Tradeweb will be a Controller.

26.2 Tradeweb will comply with its obligations as a Controller pursuant to the Data Protection Laws to which it is subject. These include obligations to:

26.2.1 implement appropriate technical and organisational security measures to safeguard Personal Data provided by Participants; and

26.2.2 notify relevant Participants of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to the Personal Data provided by these Participants to the extent and within the timescale required by applicable Data Protection Laws.

26.3 By participating on the MTF, Participants acknowledge and agree:

26.3.1 to the terms of Tradeweb's main privacy policy, available at <http://www.tradeweb.com/privacy-policy/>;

26.3.2 to the terms of any other privacy policy applicable to a Participant in relation to its use of the MTF; and

26.3.3 that they have complied with all applicable Data Protection Laws in their provision of Personal Data to Tradeweb.

## **27. Amendments, assignments and notices**

27.1 Tradeweb may in its absolute discretion at any time supplement, amend or revoke these Rules partially or wholly.

27.2 Participants must be notified of any such change to the Rules by a notice (a "**Market Notice**") which will be issued to all Participants upon reasonable notice for any material changes and without notice for non-material changes.

27.3 Any Market Notices issued by Tradeweb notifying Participants of changes to these Rules will supplement and form part of these Rules, effective from the date specified in the Market Notice.

27.4 For the purposes of communication of such Market Notices to Participants, it will be sufficient if a Market Notice to Participants is published on Tradeweb's website, provided however, where practicable to do so, Tradeweb will also notify Participants by electronic mail.

27.5 These Rules may not be assigned by a Participant to any person without prior written consent from Tradeweb.

## **28. Entire agreement**

The Agreement, together with the Adopted Protocols, User Guide and these Rules, and any and all addenda, schedules or exhibits attached hereto, represent the entire agreement of the parties regarding the subject matter hereof. All other prior agreements, understandings, representations or statements, oral or written, relating directly to the subject matter hereof, are superseded hereby. There are no other oral or written collateral representations, agreements or understandings regarding the subject matter hereof. For the avoidance of doubt, these Rules relate to participation on the MTF only and will not be deemed to supersede any agreement, rules or protocol that a Participant may have entered into, or may in the future enter into, as a client or participant in relation to any other service or electronic platform provided by Tradeweb or any of its Affiliates.

## **29. Signatures**

Rather than rely on an original signature, Tradeweb may elect to rely on a signature that is transmitted, recorded or stored by any electronic, optical or similar means (including telecopy, imaging, photocopying, electronic mail, electronic data interchange, telegram or telex) as if it were (and the signature will be considered and have the same effect as) a valid and binding original.

## **30. Termination**

30.1 These Rules will continue to bind the Participant in relation to outstanding and/or unsettled rights and obligations until:

30.1.1 all the Participant's outstanding Instructions have been executed, accepted, cancelled or withdrawn;

30.1.2 all outstanding obligations of that Participant with respect to such Instructions and any resultant transactions have been performed; and

30.1.3 all other outstanding obligations of that Participant under these Rules have been performed.

30.2 After any Participant has ceased to be a Participant, it will continue to be liable for its acts or omissions in connection with the MTF that occurred at any time before it ceased to be a Participant of the MTF.

## **31. Contractual Recognition of Bail in**

31.1 Tradeweb and each Participant acknowledges and accepts that liabilities arising under these Rules and the Agreement (other than Excluded Liabilities) may be subject to the exercise of the Relevant Bail-in Power by the relevant resolution authority and acknowledges and accepts to be bound by any Bail-in Action and the effects thereof (including any variation, modification and/or amendment to the terms of these Rules and Agreement as may be necessary to give effect to any such Bail-in Action), which, if the Bail-in Termination Amount is payable by Tradeweb to a Participant, may include, without limitation:

31.1.1 a reduction, in full or in part, of the Bail-in Termination Amount; and/or

31.1.2 a conversion of all, or a portion of, the Bail-in Termination Amount into shares or other instruments of ownership, in which case Tradeweb and each Participant acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action.

31.2 Tradeweb and each Participant acknowledges and accepts that this Rule 31 is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the Participants and Tradeweb relating to the subject matter of these Rules and that no further notice will be required between the

Participants and Tradeweb pursuant to these Rules and Agreement in order to give effect to the matters described herein.

31.3 The acknowledgements and acceptances contained in Rules 31.1 and 31.2 will not apply if:

31.3.1 the relevant resolution authority determines that the liabilities arising under these Rules and Agreement may be subject to the exercise of the Relevant Bail-in Power pursuant to the law of the third country governing such liabilities or a binding agreement concluded with such third country and in either case the relevant Bail-in Legislation has been amended to reflect such determination; and/or

31.3.2 the relevant Bail-in Legislation has been repealed or amended in such a way as to remove the requirement for the acknowledgements and acceptances contained in Rules 31.1 and 31.2.

## **32. Governing Law**

32.1 This Rulebook and all non-contractual obligations arising out of or in connection with this Rulebook will be governed by and construed in accordance with English law.

32.2 Each Participant irrevocably agrees that the English courts will have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Rulebook.