



# ICAP EU OTF RULEBOOK



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## SECTION 1: PRELIMINARY MATTERS

### 1. Overview

ICAP EU OTF is a trading venue of TP ICAP (Europe) SA (“Operator”). Operator is the operator of the ICAP EU OTF and is authorised by the ACPR (“NCA”).

### 2. Venue Rules

- 2.1 This rulebook contains a set of rules that are applicable to all Products which are Arranged, Executed or Registered on ICAP EU OTF (“**Venue Rules**”). The Venue Rules are supplemented by specific rules that are applicable to each Product (“Product Specifications”). The Product Specifications may be found on the Operator’s Web site as designated from time to time.
- 2.2 The Operator may issue a Market Notice, operational procedures and information amending or supplementing the Venue Rules from time to time.
- 2.3 The Venue Rules and Product Specifications form part of the contractual arrangements between the Operator and Venue Users. The Venue Rules and Product Specifications form part of, and are incorporated by reference into, the applicable Terms of Business entered into between the Operator and each Venue User.
- 2.4 These Venue Rules set out the terms and conditions that apply to each Venue User’s access to ICAP EU OTF and the exercise of Trading Privileges. A Venue User may only exercise Trading Privileges as granted by the Operator from time to time. The ability of a Venue User to access ICAP EU OTF does not constitute membership of, nor does it confer rights of participation in, ICAP EU OTF.
- 2.5 Venue Users shall comply with the Venue Rules and Product Specifications and conduct all activity in relation to ICAP EU OTF in a manner consistent with the Venue Rules and Product Specifications. Compliance with the Venue Rules and Product Specifications is a condition for the provision of services by the Operator in relation to ICAP EU OTF. Acceptance of the Venue Rules and Product Specifications and agreement to comply with the Venue Rules and Product Specifications shall be deemed to be communicated to the Operator each time such services are requested by a Venue User or provided to a Venue User.
- 2.6 Trading Privileges are granted exclusively to Venue Users and to no other person or entity, and each Venue User acknowledges and agrees that it will take full responsibility for its access to, or use of, ICAP EU OTF, and compliance with these Venue Rules. Each Venue User shall indemnify the Operator and any Affiliate of it from and against all losses, liabilities, claims, actions, proceedings, costs and/or expenses (including legal costs) incurred by the Operator or any Affiliate of it arising from or in connection with the Venue User’s access to or use of ICAP EU OTF or any breach of these Venue Rules by it or any person on whose behalf it is acting.



### **3. Extension or Waiver of Venue Rules and Product Specifications**

- 3.1 If necessary and expedient for the efficient operation of the ICAP EU OTF, the Operator may, in its sole discretion, waive, or extend the time period for performing, any act or acts designated by the Venue Rules and Product Specifications, but only to the extent such waiver or extension is not inconsistent with Applicable Law.



## SECTION 2: DEFINITIONS

### 4. Definitions

Unless otherwise specifically provided in these Venue Rules or the context otherwise requires, the following terms have the meanings specified below:

“**ACPR**” means the *Autorité de contrôle prudentiel et de résolution*.

“**Affiliate**” means with respect to an undertaking, any other undertaking which, directly or indirectly, controls, is controlled by, or is under common control with, that undertaking within the meaning of Article L. 233-3, I and/or II of the French Commercial Code.

“**Agreement**” means any agreement governing the Venue User’s access to and use of ICAP EU OTF, which may include without limitation any of the following items which apply to the Venue User: the Venue Rules and Product Specifications; Market Notices, operational procedures and information amending or supplementing the Venue Rules as published by the Operator from time to time; and any applicable Terms of Business.

“**Algo ID**” means a unique identifier issued for each Algorithm deployed by a Venue User.

“**Algorithm**” means a discrete series of steps for Algorithmic Trading, which is implemented using software, hardware or a combination of them.

“**Algorithmic Trading**” has the meaning given in MiFID II.

“**AMF**” means the *Autorité des marchés financiers*.

“**Applicable Law**” means, with respect to any person, any statute, law, regulation, rule or ordinance of any governmental or self-regulatory authority or any Clearing House or settlement system applicable to that person’s activities on or in respect of ICAP EU OTF.

“**Arrange**” means any action taken by a Broker to bring together buying and selling interests in Products on ICAP EU OTF in accordance with the Venue Rules and Product Specifications.

“**Authorised Representative**” means any natural person who is appointed, employed or authorised by a Venue User to represent them in respect of the receipt of services from the Operator in connection with the access to and exercise of Trading Privileges on ICAP EU OTF.

“**Authorised Trader**” means a natural person who is appointed, employed or authorised by a Venue User to exercise Trading Privileges and has been assigned an active User ID by Operator.



**“Bilaterally Settled Transaction”** means a Transaction which is Arranged by a Broker, the contractual terms of which are agreed and performed bilaterally by the counterparties (which is not a Matched Principal Transaction).

**“Broker”** means a member of Operator’s staff who handles Trade Requests with a view to the Arrangement or Execution of a Transaction on or through the ICAP EU OTF in accordance with the Venue Rules.

**“Business Day”** means, with respect to any Market Segment, a day on which the ICAP EU OTF is open for trading.

**“Cleared Derivative Transaction”** means a Transaction in certain Products only offered on a cleared basis or which the parties have agreed shall be cleared through a Clearing House.

**“Clearing House”** means a central counterparty authorised or recognised to provide clearing services in accordance with EMIR.

**“Clearing Member”** means a member of a Clearing House that is authorised to clear trades in financial instruments for itself or others.

**“Client”** has the meaning given to it in Article 4(1)(9) of MiFID II.

**“Competent Authority”** means any authority designated by each member state of the EU in accordance with Article 67 of MiFID II and any other relevant regulatory or competent authority having jurisdiction over the subject matter of the Venue Rules or the business of the Operator or a Venue User, as appropriate.

**“Confirmation”** means a written record of all the terms of a Transaction as required by Applicable Law.

**“Default Event”** means an event or circumstance which leads the Operator to determine that a Venue User is or appears to be unable or likely to become unable to meet its obligations in respect of an Order or Transaction or to comply with any other obligation under an Agreement or Applicable Law.

**“Deferral”** means approval granted to the Operator by a Competent Authority authorising deferred publication of Post-Trade Data as provided for under Article 11 of MiFIR.

**“Derivatives Trading Obligation”** has the meaning given to it in Article 28 of MiFIR.



**“Designated Code of Conduct”** means a market code of conduct which has been specified by the Operator from time to time as being applicable to activity by Venue Users and Brokers on ICAP EU OTF.

**“Eligible Contract Participant” or “ECP”** has the meaning given to it in CEA section 1a (18).

**“Eligibility Criteria”** means the conditions for accessing and exercising Trading Privileges on ICAP EU OTF set out in Rule 5.

**“Emergency”** has the meaning given to it in Rule 13.1.

**“Emergency Action”** has the meaning given to it in Rule 14.1.

**“EMIR”** means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (European Market Infrastructure Regulation).

**“Error Trade”** means:

- a) a Transaction which has been Executed at a price which is substantially inconsistent with the prevailing market levels for a component of that Transaction at the time of Execution and which reasonably appears to the Operator to have been entered in error; or
- b) a Transaction which has been Executed in a volume or notional amount, which is substantially different to the normal trading size of a component of that Transaction and which reasonably appears to the Operator to have been entered in error; or
- c) a Transaction which has been Executed on other terms which reasonably appear to the Operator to be entered in error or would otherwise be deemed to be detrimental to a fair and orderly market.

**“ESMA”** means the European Securities and Markets Authority.

**“EU”** means the European Union, alone or together with the European Economic Area, as the context requires.

**“Execute”** means the act of concluding a Transaction.

**“Executing Broker”** is authorised by a Venue User to submit Orders and execute transaction on the ICAP EU OTF on behalf of the Venue User in accordance with the Venue Rules.



“**Execution Venue**” means the venue on which a Transaction is Executed or registered, which may be different from the trading venue in which the Transaction is Arranged.

“**Financial Instrument**” means those instruments specified in Section C Annex I of MiFID II.

“**Firm and Complete**” means, in relation to a Trade Request, that the Trade Request contains all of the information needed to execute a Transaction under the Venue Rules and Product Specifications, and that the Venue User is committed to execute that Transaction under the Venue Rules and Product Specifications.

“**Indication of Interest**” or “**IOI**” means a Trade Request that is not Firm and Complete.

“**Insolvency Event**” means each of the events set out below where in relation to a Venue User, its parent company or ultimate holding company (whether directly or indirectly, voluntary or involuntary, solvent or insolvent) any insolvency, moratorium, conciliation, administration, recovery or liquidation proceedings, including any *procedure d'alerte, mandat ad hoc, conciliation, procédure de sauvegarde, de redressement judiciaire et de liquidation judiciaire*, or the passing of an order, presentation of a petition or convening of a meeting for winding up (dissolution) and in each case the equivalent proceedings in the relevant jurisdiction, other than in the circumstance that any of the said events above arises from or in connection with a Special Resolution Event.

“**MAR**” means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, together with ancillary legislation, rules and binding technical standards.

“**Market Notice**” means a notice provided by the Operator to Venue Users generally concerning the operation of the ICAP EU OTF, including without limitation any change to the Venue Rules.

“**Market Segment**” means the Trade Registration Segment or Trade Execution Segment.

“**Matched Principal Facilitator**” means, as per point (38) of article 4(1) of MIFID II and in accordance with (2) of Article 20 of MIFID II, the Operator will interpose its own balance sheet on a Matched Principal basis for Fixed income activities on the ICAP EU OTF.

“**Matched Principal Transaction**” means a Transaction where a facilitator interposes itself between the buyer and the seller to the Transaction in such a way that meets the requirements of Article 4(1)(38) of MiFID II.

“**MiFID II**” means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, together with ancillary legislation, rules and binding technical standards.





“**MiFIR**” means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, together with ancillary legislation, rules and binding technical standards.

“**NCA**” means the ACPR or AMF, as the context requires, and any of their successors.

“**NCA Rules**” means the rules promulgated by the NCA as amended or replaced from time to time.

“**Non-Executing Broker**” means a Venue User acting on behalf of its Client for the submission of any Trade Request to ICAP EU OTF.

“**Order**” means a Trade Request that is Firm and Complete (including without limitation “actionable indications of interest” within the meaning of MiFID II).

“**Organised Trading Facility**” or “**OTF**” has the meaning set out in Article 4(1)(23) of MiFID II.

“**Position Limit**” means the position limit for a commodity derivative or derivative of one, as adopted by the relevant Competent Authority and applicable on the ICAP EU OTF.

“**Position Report**” means a report by a Venue User to the Operator, which sets out the positions held by the Venue User (as well as any client of it, at all levels of intermediation through to the end client) through contracts in commodity derivatives, emission allowances, or derivatives of them through contracts which are Executed or registered under the OTF Rules.

“**Post-Trade Data**” has the meaning given to it in Rule 28.1.

“**Pre-Trade Data**” has the meaning given to it in Rule 29.1.

“**Product**” means a Tradable Instrument that is eligible for Arranging, Execution or registration through ICAP EU OTF.

“**Product Specifications**” has the meaning given to it in Rule 2.1.

“**Prohibited Instruments**” means financial instruments which are specified by the Operator from time to time or determined by Applicable Law (including without limitation pursuant to controls imposed by HM Treasury or the US Department of the Treasury or Direction Générale du Trésor) to be ineligible for trading on ICAP EU OTF. A list of the instruments specified by the Operator is maintained on Operator’s Web site as designated from time to time.



**“Record Keeping Obligation”** means the obligation on the Operator as set out in Article 16 MiFID, to maintain for a period of at least five years relevant data relating to:

- (1) all Orders in Tradable Instruments which are advertised through a Trading System of ICAP EU OTF;
- (2) all Transactions and
- (3) all records of telephone conversations or electronic communications that resulted in transactions or were intended to result in transactions.

**“Registered Trade”** means a negotiated transaction arranged outside of the Trading Systems of ICAP EU OTF and accepted by the Operator for registration on ICAP EU OTF acting in the capacity of a Registering Execution Venue.

**“Registering Execution Venue”** means an Execution Venue at which Registered Trades are registered.

**“Special Resolution Event”** means any of the following occurring in relation to any Participant, its parent company (whether direct or indirect) or ultimate holding company:

- (1) a transfer of its shares so that it is no longer part of the same corporate group;
- (2) a transfer of all or part of its business, assets or liabilities by way of asset transfer to a person that is not part of the same corporate group;
- (3) the making of a bank insolvency order or a bank administration order; or
- (4) a bail-in or other compromise of claims of its creditors,

each pursuant to any national measures transposing Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, or any similar or analogous legislative provisions extending to financial institutions and their affiliates which establish a framework for the recovery and resolution of such entities and having the aim of resolving a financial institution or its group in financial difficulties.

**“Static Data”** means the information and documentation required by the Operator concerning a Venue User, Authorised Trader or a client of a Venue User from time to time.

**“Systematic Internaliser”** or **“SI”** has the meaning set out in Article 4(1)(20) of MiFID II.



**“Tradable Instruments”** means those financial instruments or transactions which are not Prohibited Instruments and which are within those classes of financial instruments or transactions specified in the Product Specifications from time to time as eligible for trading on ICAP EU OTF.

**“Trade Capture System”** means a system of the ICAP EU OTF that captures Trade Requests.

**“Trade Execution Segment”** means the facilities for trading in the Tradable Instruments specified in Section 16.

**“Trade Registration Segment”** means the facilities for trading in the Tradable Instruments specified in Section 16.

**“Trade Request”** means a trading interest submitted to ICAP EU OTF by or for a Venue User in the form of an Order or IOI.

**“Trading Hours”** means, for any Business Day, the hours specified by the Operator in the Product Specifications and on the website under the section “Trading Hours” .

**“Trading Privileges”** means the privilege granted to a Venue User by the Operator to access ICAP EU OTF for the purpose of submitting Trade Requests in respect of Products.

**“Trading System”** means a trading system operated by the Operator through which Trade Requests submitted by or for Venue Users (directly or through a Broker) are able to be Arranged or Executed on ICAP EU OTF.

**“Transaction”** means the purchase and sale of a Product or conclusion of a contract in respect of a Product that takes place on or through ICAP EU OTF in accordance with the Venue Rules.

**“Transaction Report”** means the report of a Transaction which is required to be submitted to a Competent Authority pursuant to MiFIR and REMIT.

**“Transparency Waiver”** means a waiver granted to the Operator by a Competent Authority, as provided for under Article 9 of MiFIR.

**“User ID”** means a unique identifier issued to each Authorised Trader.

**“Venue Fees”** means the fees, charges and commissions applied in respect of services provided using ICAP EU OTF, as established by the Operator from time to time.

**“Venue Rules”** has the meaning given to it in Rule 2.1.



**“Venue User”** means a Client of the Operator, acting through one or more Authorised Traders, who has been granted, and continues to have, Trading Privileges.

**“Voice”** means a method of communication comprising voice telephony or electronic messaging systems that are approved by the Operator for use in connection with ICAP EU OTF from time to time.

## SECTION 3: VENUE USERS

### 5. Eligibility Criteria for Venue Users

- 5.1 A Venue User is eligible to access ICAP EU OTF and exercise Trading Privileges, provided that the Venue User:
  - 5.1.1 has completed and submitted the Static Data required by the Operator;
  - 5.1.2 is fit and proper for the purposes of accessing ICAP EU OTF and exercising Trading Privileges,
  - 5.1.3 has and maintains adequate organisational arrangements, sufficient resources, a sufficient level of trading ability and competence, and other relevant systems and controls;
  - 5.1.4 has and maintains technical and organisational facilities sufficient for the orderly settlement of Transactions which are Executed or registered on ICAP EU OTF;
  - 5.1.5 meets the technical requirements for connection to the relevant Trading System (if any);
  - 5.1.6 does not create any impediments to the Operator's ability to monitor the Venue User's compliance with the Venue Rules effectively;
  - 5.1.7 has entered into (or is the beneficiary of) terms of business with the Operator, as well as such other agreements as the Operator may require in relation to the Venue User's access and use of any Trading System.
- 5.2 Consistent with Applicable Law, the Operator will provide access to ICAP EU OTF on a non-discriminatory basis to a person that complies with the requirements of Rule 5.1.
- 5.3 Access to ICAP EU OTF on the basis of sponsored access, direct market access or direct electronic access (as those terms are defined in MiFID II) is prohibited without the prior written consent of Operator. The Operator may publish supplementary terms and conditions through Market Notices from time to time which will govern any such access.
- 5.4 Venue Users may be firms regulated by MIFID II, authorised entities from non-EU jurisdictions as well as corporates and non-regulated entities (whether or not established in the EU), to the extent that they satisfy the Eligibility Criteria.

### 6. Suspension or Termination of Venue User

- 6.1 The Operator may, in its absolute discretion and without liability, restrict, suspend or terminate access to ICAP EU OTF and Trading Privileges of a Venue User if, at any time:
  - 6.1.1 the Venue User breaches the Venue Rules or an Agreement;
  - 6.1.2 the Venue User suffers an Insolvency Event;
  - 6.1.3 the Venue User suffers a Default Event, but only to the extent possible under Applicable Law;
  - 6.1.4 the Venue User is subject to relevant enforcement or other proceedings by the NCA or any other Competent Authority;
  - 6.1.5 the Venue User ceases to meet the Eligibility Criteria; or



- 6.1.6 The Operator otherwise considers that restriction, suspension or termination is necessary to ensure or maintain orderly trading on ICAP EU OTF.
- 6.2 The Operator will notify the Venue User of its decision to restrict, suspend or terminate its access to ICAP EU OTF or any Trading Privileges.

## **7. Appeals Procedure**

- 7.1 A Venue User may appeal a decision made by the Operator pursuant to Rule 6 by serving a notice of appeal in writing to the Operator within ten (10) days of receipt of a written notice of restriction, suspension or termination. The notice of appeal should specify clearly the grounds upon which the Venue User is appealing and the reasons why it believes its access to ICAP EU OTF should not be restricted, suspended or terminated.
- 7.2 Upon receipt of such notice, the Operator shall consider the grounds of appeal stated in the notice of appeal. The Operator shall determine the matter within thirty (30) days of receipt of the notice of appeal from the Venue User and shall then notify the Venue User of the outcome of its appeal. The decision of Operator shall be final.
- 7.3 The Operator may, at its discretion, reinstate a Venue User's access to ICAP EU OTF pending consideration of an appeal under Rule 7.1, and may make such reinstatement subject to such conditions or restrictions as it may, in its discretion, think fit.

## **8. Required Disclosures**

- 8.1 Each Venue User shall immediately notify the Operator in writing as soon as it becomes aware that it is subject to or is reasonably likely to be subject to any of the following:
  - 8.1.1 an Insolvency Event;
  - 8.1.2 a Default Event;
  - 8.1.3 a change in its ability to meet the Eligibility Criteria;
  - 8.1.4 a loss of connectivity or other technical issue which might affect the Venue User's ability to comply with these Venue Rules; or
  - 8.1.5 any other change or event which might reasonably have an impact on the Venue User's access to or activity in relation to ICAP EU OTF, including without limitation the denial of any application for any registration or permission from any Competent Authority that is relevant to the Venue User's access of the ICAP EU OTF.
- 8.2 Each Venue User must notify the Operator of any change to its name, contact details, legal status or significant change to its structure at least five (5) Business Days in advance of such change taking effect.

## SECTION 4: COMMUNICATIONS

### **9. Amendments to the Venue Rules and Product Specifications**

- 9.1 These Venue Rules have been approved by the AMF. Operator may amend or supplement these Venue Rules from time to time, subject to the approval of the AMF, as required.
- 9.2 Such changes will become effective following such approval on such date as Operator may specify, which may include a Market Notice published on Operator's Web site as designated from time to time. Continued use of or connectivity to the ICAP EU OTF following any such notice shall be deemed to represent acceptance of the Venue Rules as amended. It is the responsibility of each Venue User to monitor changes to the Venue Rules and ensure continued compliance with them.
- 9.3 The Product Specifications may be amended by Operator from time to time, in its sole discretion, and the updated Product Specifications will become effective when they are published on Operator's Web site as designated from time to time.
- 9.4 Venue Users shall be notified of any changes to these Venue Rules through a Market Notice before the effective date of any such changes, unless the changes are required to comply with Applicable Law or Operator reasonably considers that urgent action is necessary as a result of prevailing market conditions.

### **10. Authorised Representatives**

- 10.1 Each Venue User shall designate an Authorised Representative who will represent the Venue User in connection with ICAP EU OTF and act as recipient of Market Notices and other communications on behalf of the Venue User.
- 10.2 The Authorised Representative shall be empowered by the Venue User to act on its behalf. Operator shall be entitled to rely on any instructions, commitments, notices, requests and other communications of the Authorised Representative as binding on the Venue User.

### **11. Communications between Operator and Venue Users**

- 11.1 Any correspondence required to be given by a Venue User to the Operator under these Venue Rules may be sent to Operator at the applicable electronic mail or postal address set out in Section "Contact Details".
- 11.2 Any Market Notice or other correspondence required to be given by the Operator under the Venue Rules to:
  - 11.2.1 Venue Users, generally, shall be communicated by posting on Operator's Web site as designated from time to time or, in the case of a system failure, by any other means Operator reasonably considers to be suitable;
  - 11.2.2 an Authorised Representative, specifically, shall be sent by Operator to that Authorised Representative by electronic mail to such address for electronic mail as provided by the Venue User in its Static Data, or as subsequently notified to Operator in accordance with Rule 11 on no less than five (5) Business Days' prior written notice to Operator.



- 11.3 A Market Notice or other correspondence is deemed to be received:
  - 11.3.1 if by electronic mail, at the time it is received (which will be deemed to be, at the latest, at 9 a.m. on the next Business Day after sending); and, in proving the service of the same, it will be sufficient to show that such electronic mail was sent from the sender's electronic mail box. The place of receipt of electronic mail will be deemed to be the postal address set out in Section "Contact Details" in the case of Operator, or the postal address provided in its Static Data in the case of the Venue User; and
  - 11.3.2 if by post, at the time it is received (which will be deemed to be, at the latest, five (5) Business Days after posting); and, in proving the service of the same, it will be sufficient to show that such letter was properly stamped, addressed and placed in the post.
- 11.4 Each Venue User will be responsible for promptly reviewing and, if necessary, responding to all Market Notices, correspondence and communications from Operator.

## **12. Recording of Communications**

- 12.1 The Operator may record all Voice communications with Venue Users and retain records thereof for a period of at least five years or such longer period as the Operator may deem necessary or appropriate, in accordance with Applicable Law.
- 12.2 Records of Voice communications between the Operator and Venue Users that result or may result in a Transaction will be provided to the Venue User within a reasonable period of time and at reasonable cost upon request.



## SECTION 5 EMERGENCIES

### 13. Emergencies

- 13.1 “**Emergency**” means any occurrence or circumstance that, in the opinion of the Operator, requires immediate action and threatens, or may threaten, the fair and orderly trading in, or the clearing, settlement or integrity of, any Tradable Instrument, including, without limitation, the following:
- 13.1.1 any circumstance that may materially affect the performance of the parties to a Transaction, including the unavailability of a Clearing House;
  - 13.1.2 any action taken by (i) any Competent Authority; (ii) any other person exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or (iii) any other trading venue or exchange or trade association (foreign or domestic) that may have a direct impact on trading on ICAP EU OTF or the clearing and settlement of, or the legality or enforceability of, any Transaction;
  - 13.1.3 any actual or attempted market manipulation within the meaning of MAR;
  - 13.1.4 any circumstance that may have a severe, adverse impact upon the functions and facilities of ICAP EU OTF, including, but not limited to, severe market stress, significant price movements, acts of nature, fire, flood or other natural disasters, bomb threats, acts of terrorism or war, severely inclement weather or failure or malfunction of all or a portion of ICAP EU OTF, or other system breakdowns or interruptions such as power, computer, communication or transportation systems or the Internet;
  - 13.1.5 any circumstance where it appears to the Operator that any person:
    - (a) is subject to a Default Event;
    - (b) is subject to an Insolvency Event; or
    - (c) is in a financial or operational condition or is conducting business such that the person cannot be permitted to continue its business without jeopardising the safety of Venue Users, ICAP EU OTF, any Clearing House, or any other person; or
  - 13.1.6 any other unusual, unforeseeable or adverse circumstance that may have an effect similar to any of the foregoing as determined by the Operator in its discretion.

### 14. Emergency Actions

- 14.1 In response to an Emergency, the Operator may take any action, in consultation with Competent Authorities as necessary and practicable, as appears to it to be required for the continuity of services through ICAP EU OTF and for the safety and stability of the market (an “**Emergency Action**”), including, without limitation:
- 14.1.1 suspending or constraining trading or limiting trading (in whole or in part);
  - 14.1.2 cancelling, varying or correcting any Transaction;
  - 14.1.3 ordering the fixing of a settlement price, or the reduction of positions;
  - 14.1.4 extending, limiting or otherwise changing the Trading Hours;



- 14.1.5 temporarily modifying or suspending any provision of the Venue Rules;
- 14.1.6 imposing or modifying price limits;
- 14.1.7 altering any contract's settlement terms or conditions;
- 14.1.8 imposing or modifying position limits; or
- 14.1.9 ordering any other action or undertaking to address or relieve the Emergency.
- 14.2 In choosing the Emergency Action to take and in implementing the relevant Emergency Action the Operator will in particular take into consideration objective criteria for the efficient execution of orders.



## SECTION 6 TRANSACTION EXECUTION

### 15. **Authorised Traders**

- 15.1 Each Venue User shall designate one or more Authorised Traders.
- 15.2 Each Venue User shall ensure that each of its Authorised Traders:
  - 15.2.1 complies with the Venue Rules and conducts its business in relation to ICAP EU OTF in accordance with Applicable Law and (to the extent that it is applicable to such business and as specified by the Operator) any Designated Code of Conduct;
  - 15.2.2 has the requisite authorisations and approvals to exercise Trading Privileges in accordance with Applicable Law;
  - 15.2.3 has the authority to adjust or withdraw any Trade Request submitted under any User ID assigned to them at the request of the Operator; and
  - 15.2.4 are technically proficient.
- 15.3 The Operator will assign each Authorised Trader a User ID. Venue Users and Authorised Traders shall keep confidential all User IDs and any other account numbers and or passwords related to ICAP EU OTF.
- 15.4 The User ID assigned to an Authorised Trader may not be used by or reassigned to any other person. No person may access ICAP EU OTF or submit Trade Requests using a User ID that has not been assigned specifically to that person.
- 15.5 The Operator may, in its sole discretion, refuse to recognise the designation of a person as an Authorised Trader by not granting, revoking or suspending that person's User ID in order to protect other Venue Users and the integrity of ICAP EU OTF. The Operator shall promptly notify the relevant Venue User of any such action.
- 15.6 Venue Users must terminate an Authorised Trader's access to ICAP EU OTF upon termination of the Authorised Trader's appointment, employment or authorisation. A person will cease to be an Authorised Trader upon revocation of their User ID. The Operator will promptly revoke the User ID of an Authorised Trader following receipt of a request from the relevant Venue User.
- 15.7 Each Venue User shall be responsible for all Trade Requests submitted or Transactions entered into using any of the User IDs assigned to its Authorised Traders.

### 16. **Cessation of Use or Access**

- 16.1 Where a Venue User has given notice of its intent to cease exercising its Trading Privileges or accessing ICAP EU OTF, the Venue Rules will continue to bind the Venue User until:
  - 16.1.1 all of the Venue User's outstanding Trade Requests have resulted in Arranged or Executed Transactions, or have been cancelled or withdrawn;
  - 16.1.2 all outstanding obligations of the Venue User with respect to Transactions have been performed;



- 16.1.3 all other outstanding obligations of the Venue User under the Venue Rules (including without limitation the settlement of any outstanding Venue Fees or other sums due) have been performed; and
- 16.1.4 the Venue User has ceased using or accessing ICAP EU OTF, returned any physical property of the Operator or any Affiliate of it, and destroyed or securely deleted any software or confidential information applicable to ICAP EU OTF or copies thereof. On request from the Operator, the Venue User shall provide the Operator with a written statement signed by its Authorised Representative confirming such actions have been taken.

## 17. Connection to the Trade Capture System

- 17.1 When supported for a Product, Venue Users may connect directly to the Trade Capture System via a graphical user interface (“GUI”) or an application program interface (“API”).

## 18. Submission of Trade Requests

- 18.1 Trade Requests must be identifiable as either an IOI or an Order, and may be submitted by a Venue User either:
  - 18.1.1 through a GUI or API connection to the Trade Capture System; or
  - 18.1.2 by Voice to a Broker.
- 18.2 A Non-Executing Broker may submit Trade Requests on behalf of its customer, provided that the Non-Executing Broker’s customer has authorised the Non-Executing Broker and notified the Operator in the form and manner specified by the Operator from time to time.
- 18.3 Trade Requests submitted by Venue Users to ICAP EU OTF must include the User ID assigned to the Authorised Trader when submitted electronically, and the User ID must be provided on the request of a Broker when submitted by Voice. Venue Users submitting Orders to the OTF should timestamp them as at their time and date of issue. Venue Users receiving Orders from their clients should timestamp them as at their time and date of receipt.
- 18.4 A Venue User is prohibited from submitting Trade Requests to ICAP EU OTF in the capacity of a SI or OTF.
- 18.5 The Operator reserves the right, in its absolute discretion, to refuse to accept submission of Trade Requests on ICAP EU OTF, and may direct an Authorised Trader to adjust or withdraw any Trade Request submitted by them.

## 19. Cancellation or Rejection of Trade Requests

- 19.1 Venue Users may cancel, withdraw or amend a Trade Request using any of the submission methods described in Rule 18; provided, however, that a Trade Request may no longer be cancelled, withdrawn or amended once it has been Executed.
- 19.2 The Operator may:
  - 19.2.1 exercise discretion in cancelling or withdrawing a Trade Request of a Venue User; and
  - 19.2.2 reject any Trade Requests that are clearly erroneous or that exceed volume or price thresholds set by the Operator.



19.2.3 When an Authorised Trader disconnects from a Trading System operated by the ICAP EU OTF, which is being accessed through an API, all of its outstanding Trade Requests on each of the applicable Trading Systems will be cancelled and withdrawn.

## 20. Arranging and Execution

20.1 A Trade Request submitted in accordance with Rule 18 can potentially interact with other Trade Requests in ICAP EU OTF until such time as the Trade Request:

- 20.1.1 has been Executed on ICAP EU OTF in accordance with the Venue Rules;
- 20.1.2 has been Arranged, constitutes a Registered Trade, and is Executed or registered on an Execution Venue or Registering Execution Venue other than ICAP EU OTF in accordance with the rules of that Execution Venue or Registering Execution Venue;
- 20.1.3 has been retracted from ICAP EU OTF by the Operator in circumstances consistent with the Operator's exercise of discretion and, where applicable, the Operator's Order Handling Policy; or
- 20.1.4 has been rejected, cancelled or withdrawn in accordance with Rules 14 or 19

For ease of reference, and without prejudice to the foregoing or the content of the Product Specifications from time to time, a summary of the trading protocols used with Trade Requests in the ICAP EU OTF is set out below:

Trading Protocol	Type of System According to RTS 2 Annex 1	Relevant Asset Classes	Definition
Voice	Voice trading system	Equity Derivatives Bonds Interest Rate Derivatives FX Derivatives Energy Commodities Repo Money Markets	Designated telephone lines, email addresses and other electronic communication systems may be used to submit Trade Requests. Subject to the Product Specifications for the relevant Product, Trade Requests are received as IOIs unless specified by the Venue User. Brokers will attempt to match corresponding Trade Requests through interaction with those received or provided by other Brokers or Venue Users by publicising them using Voice. If there is a match, then, unless the Broker has been instructed by the Venue User to seek confirmation from the relevant Venue User of their intention to enter into a Transaction prior to its Execution, the Broker may indicate that a Transaction has been entered into, which shall be binding on each relevant Venue User.

## 21. Discretion

21.1 The Operator reserves the right to not to match a Trade Request submitted in accordance with Rule 18 with other potential Trade Requests available on a



Trading System at a given time, subject to specific instructions from a Venue User or, where applicable, Operator's Order Handling Policy.

21.2 The execution of orders on an OTF is carried out on a discretionary basis in the following circumstances :

21.2.1 when the operator decides to place or withdraw an order on the OTF

21.2.2 when the operator decides not to match a specific order from a client with other orders available at a given time, provided that it is in accordance with specific instructions received from a client as well as its obligations provided for in article 27 of MIFID 2 (obligation to execute orders under the most favorable conditions for the client).

## **22. Matched Principal Transactions**

22.1 Transactions Executed on the ICAP EU OTF may constitute Matched Principal Transactions. Tradable Instruments that may be traded as Matched Principal Transactions are identified in the Product Specifications.

22.2 Venue Users are deemed to have consented to the Execution of their Orders through Matched Principal Transactions each time that they access ICAP EU OTF, submit a Trade Request to ICAP EU OTF, or request services from the Operator in relation to ICAP EU OTF, in each case relating to Tradable Instruments that may be traded as Matched Principal Transactions.

22.3 Venue Users who are Affiliates of the Operator are not permitted to submit Orders that may interact with Orders of other Venue Users using their own capital on ICAP EU OTF.

## **23. Pre-Execution Credit Checks**

23.1 Prior to the Execution of any Cleared Derivative Transaction for which the relevant Venue User is not a Clearing Member, the Operator will facilitate pre-execution credit screening by or on behalf of the Venue User's designated Clearing Member. Upon receiving timely confirmation that the Cleared Derivative Transaction will not exceed the Clearing Member's pre-execution limits with respect to such Venue User, the Operator will accept the Cleared Derivative Transaction for Execution. If the Operator does not promptly receive timely confirmation or receives notice that the Cleared Derivative Transaction does not satisfy the Clearing Firm's pre-execution limits with respect to such Venue User, the Operator will cancel that Cleared Derivative Transaction and may apply the applicable Venue Fee.

23.2 Any Venue User that is a Clearing Member with respect to a Cleared Derivative Transaction is deemed to represent, by submitting an Order for its proprietary account, that it has completed pre-execution screening of its internal clearing risk limits for proprietary accounts.

## **24. Position Management Controls**

24.1 Subject to any exemption granted by the relevant Competent Authority, no person, including a Venue User or a client or customer of it, may hold or control a position in a Tradable Instrument in excess of a Position Limit on or through the ICAP EU OTF.

24.2 The Operator may monitor the open positions of Venue Users. Venue Users shall cooperate with the Operator, upon request, to establish, with respect to



any position held or controlled by the Venue User (whether on its own account or for the account of another person, at all levels of intermediation through to the end-client):

- 24.2.1 the size and purpose of a position or exposure entered into;
  - 24.2.2 any beneficial or underlying owners;
  - 24.2.3 any concert arrangements; and
  - 24.2.4 any related assets or liabilities in the underlying market.
- 24.3 The Operator may require a Venue User to terminate or reduce a position (whether held or opened on its own account or for the account of another person) in a Tradable Instrument, on a temporary or permanent basis. If the Venue User fails to terminate or reduce the position, then the Operator may take such steps as, in its discretion, are required to terminate or reduce it; which may include, without limitation, cancelling or amending Trade Requests. Venue User shall be responsible for all costs incurred by the Operator to give effect to such requirement.
- 24.4 If required, at the discretion of the Operator, to mitigate the effects of a large or dominant position, a Venue User shall provide liquidity into the market, at an agreed price and volume.

## **25. Position Reports**

25.1 Venue Users shall submit Position Reports to the Operator in such form, at such intervals and by such deadlines as may be specified in Market Notices from time to time. Draft Position Reports made available by the Operator shall, if required, be corrected by the relevant Venue Users prior to submission.

25.2 Venue Users shall cooperate with the Operator to ensure their correct classification for the purposes of reporting by the Operator to the relevant Competent Authority. Venue Users shall promptly notify the Operator if their circumstances change, such that their classification changes or is likely to change.

## **26. Confirmations**

26.1 The Operator will send a Confirmation to each Venue User that is a counterparty to a Transaction Executed or registered on ICAP EU OTF, at the time that the Transaction is Executed or registered or as soon as reasonably practicable thereafter. Each Venue User shall review the Confirmation for a Transaction Executed or registered pursuant to the Venue Rules as soon as practicable upon transmission of such Confirmation to the Venue User and notify the Operator as soon as reasonably practicable of any error or omission that is identified.

26.2 Regardless of the means of delivery, pursuant to these Venue Rules, each Venue User agrees that the Confirmation represents legally binding documentation representing the agreement of the parties to the terms of the Transaction.



## 27. Trading Hours

- 27.1 Venue Users are prohibited from sending any Trade Requests, entering into any Transaction or using any other facility of ICAP EU OTF outside of the designated Trading Hours. The Trading Hours are as specified in the Product Specifications, subject to any variation as may be published by the Operator in a Market Notice from time to time. The trading hours are also specified on the website under the section “trading hours”
- 27.2 In order to ensure orderly system functionality, the commencement of trading may be postponed or Trading Hours may be extended or shortened for a Product, at Operator’s discretion



## SECTION 7: TRADE TRANSPARENCY

### 28. Pre-trade transparency

28.1 Where required under Applicable Law, the Operator will make public, on a continuous basis during Trading Hours, details of Orders, including current bid and offer prices and the depth of trading interest at those prices which are advertised through Trading System (“**Pre-Trade Data**”). The Operator may, in its absolute discretion, seek to obtain and apply a Transparency Waiver from publication of all or part of such Pre-Trade Data. Where the Operator has been granted a Transparency Waiver, the Operator will be exempted from the requirements to publish Pre-Trade Data to the extent provided for by the applicable Transparency Waiver.

28.2 The Transparency Waivers that have been granted to Operator by the AMF for the ICAP EU OTF are as follows:

Waiver	MiFIR Reference	Classes
Waiver for Orders that are large in scale compared to normal market size ( <b>LIS</b> )	MiFIR Art. 9(1)(a)	
Waiver for Voice Trading Systems, for AIOs that are above size specific to the instrument, which would expose liquidity providers to undue risk ( <b>SSTI</b> )  The following will be made public, depending on the Interaction Mechanism and Product in question: (a) the best available price.	MiFIR Art. 9(1)(b)	Bonds Interest rate derivatives Equity derivatives Foreign exchange derivatives  Energy Commodity derivatives
Waiver for derivatives that are not subject to the trading obligation and other financial instruments, for which there is not a liquid market ( <b>Illiquid</b> )	MiFIR Art. 9(1)(c)	Repo Money Markets

## 29. Post-trade transparency

- 29.1 Where required under Applicable Law, the Operator will make public, as close to real-time as technically possible, the price, volume and time of Transactions executed on ICAP EU OTF (“**Post-Trade Data**”).
- 29.2 The Operator may, in its absolute discretion, seek to obtain and apply a Deferral from publication of all or part of such Post-Trade Data. Where the Operator has been granted a Deferral, Operator may affect deferred publication of Post-Trade Data to the extent provided for by the applicable Deferral.
- 29.3 The Deferrals that have been granted to the Operator by the AMF for the ICAP EU OTF are as follows:

Deferral	MiFIR Reference	Classes
Deferral for transactions that are large in scale compared with the normal market size for that bond, structured finance product, emission allowance or derivative traded on a trading venue, or for that class of bond, structured finance product, emission allowance or derivative traded on a trading venue ( <b>LIS</b> )	MiFIR Art. 11(1)(a)	Bonds
Deferral for transactions that are related to a bond, structured finance product, emission allowance or derivative traded on a trading venue for which there is not a liquid market ( <b>Illiquid</b> )	MiFIR Art. 11(1)(b)	Interest rate derivatives Equity derivatives Energy Commodity derivatives
Deferral for transactions that are above a size specific to that bond, structured finance product, emission allowance or derivative traded on a trading venue, or that class of bond, structured finance product, emission allowance or derivative traded on a trading venue, which would expose liquidity producers to undue risk and takes into account whether the relevant market participants are retail or wholesale investors ( <b>SSTI</b> )	MiFIR Art. 11(1)(c)	Foreign exchange derivatives Repo Money Markets

## 30. Publishing Pre-Trade Data and Post-Trade Data

- 30.1 Pre-Trade Data and Post-Trade Data will be made available to the public separately.
- 30.2 The Operator or an Affiliate of it may make Pre-Trade Data and Post-Trade Data available to the public on a reasonable commercial basis. However, Pre-Trade Data and Post-Trade Data will be made available to the public free of charge 5 minutes after publication.



### **31. Market data and information**

- 31.1 The Operator may make market data and other anonymised information regarding Trade Requests (including prices and amounts), Transactions and any other matters it may deem appropriate available to Venue Users and other persons at such times and in such manner (whether through ICAP EU OTF, a ticker, financial information services or otherwise) as it may determine from time to time.
- 31.2 All market data or other information that the Operator or any service provider provides to the Venue User in connection with its use of ICAP EU OTF is proprietary to the Operator (or the service provider, as applicable).
- 31.3 Venue Users are not permitted to retransmit, redistribute, or otherwise disclose such data or information to any third party, including without limitation in aggregated format, or to incorporate it into a benchmark, without the Operator's (or, as applicable, the relevant service provider's) prior agreement, except as required by Applicable Law.



## SECTION 8: CLEARING AND SETTLEMENT

### 32. Clearing

- 32.1 Each Cleared Derivative Transaction shall be cleared through the Clearing House indicated in the Product Specifications or as agreed by the parties in accordance with Applicable Law, provided that the relevant Clearing House is one of those recognised by the Operator for the clearing of Transactions executed on ICAP EU OTF. The Clearing Houses recognised by the Operator are as specified in the Product Specifications from time to time. The Operator may recognise additional Clearing Houses by issuing a Market Notice.
- 32.2 For each Cleared Derivative Transaction, the Venue User must have a clearing account with the relevant Clearing House or with a Clearing Member of such Clearing House.
- 32.3 A Venue User accessing a Clearing House must comply with the rules and procedures of the relevant Clearing House in respect of the clearing and settlement of the relevant Transactions. Where the rules and procedures of the Clearing House with respect to clearing and settlement conflict with this Rule 33, the rules and procedures of the relevant Clearing House shall take precedence in that respect.
- 32.4 The following provisions apply in the case of Transactions which are “swap transactions” executed by an “ECP” within the meaning set forth in section 1a(18) of the US Commodity Exchange Act (“**CEA**”) only, and shall be interpreted in accordance with the CEA:
- (a) when a swap transaction executed by an ECP is a "customer" position subject to CEA section 4d, the Transaction, if intended to be cleared, must be cleared through a Commission-registered futures commission merchant ("**FCM**") at a Commission-registered derivatives clearing organization ("**DCO**");
  - (b) when a swap transaction executed by an ECP is a "proprietary" position under Commission Regulation 1.3, the transaction, if intended to be cleared, must be cleared either through a Commission-registered DCO or a clearing organization that has been exempted from DCO registration by the Commission pursuant to CEA section 5b(h) (an "**Exempt DCO**"); and
  - (c) when a swap transaction is subject to the Commission's clearing requirement under Part 50 of the Commission's regulations, and is entered into by a person that, pursuant to CEA section 2(h)(I), is subject to such clearing requirement, the transaction must be cleared either through a Commission-registered DCO or an Exempt DCO; provided that, consistent with (a) above, if the transaction is a "customer" position subject to CEA section 4d, it must be cleared through a Commission-registered FCM at a Commission-registered DCO, and cannot be cleared through an Exempt DCO.



### 33. Settlement

- 33.1 Venue Users are responsible for the timely settlement of Transactions which have been Arranged, Executed or registered under the Venue Rules in accordance with Applicable Law.
- 33.2 The Operator is not responsible for and shall not be liable for the default of any Venue User on any Transaction. Transactions undertaken on ICAP EU OTF are not subject to any compensation scheme.
- 33.3 A Venue user submitting an Order or a Registered Trade for registration on the ICAP EU OTF, involving a customer of that Participant, warrants and represents that, at the time of submission and at all relevant times:
  - 33.3.1 it is not aware of any event or circumstance that would prevent the timely settlement of any Transaction resulting from such Order or Registered Trade under the Venue Rules in accordance with Applicable Law; and
  - 33.3.2 it has made its customer aware of the requirements of the Venue Rules that are relevant to the Registered Trade.
- 33.4 EQUITY DERIVATIVES, GOVERNMENT BONDS : CLEARING AND SETTLEMENT
  - 33.4.1 Users are required to provide for the settlement of Transactions in a timely manner and no later than T+2, as per the market standard settlement period, unless a non-standard settlement date is agreed at point of Execution.
- 33.5 INTEREST RATE DERIVATIVES : CLEARING AND SETTLEMENT
  - 33.5.1 Cleared Derivative Transactions Executed on the ICAP EU OTF are deemed to be Executed on a non-electronic basis and will be sent to a Clearing House within ten (10) minutes from the time that they are accepted by the systems of the ICAP EU OTF ("Time of Trade Acceptance").
  - 33.5.2 Venue Users or Venue Users' clients that have the ability to affirm a Cleared Derivative Transaction before it is sent to the Clearing House must do so within nine (9) minutes from the Time of Trade Acceptance.
  - 33.5.3 If the Venue User or the Venue User's relevant client does not affirm the Transaction within the specified timeframe, the Venue User will be in breach



of the Venue Rules. Breaches of the Venue Rules could lead to disciplinary action by the Operator, including without limitation suspension from trading.

33.5.4 The following CCPs are eligible to receive trade feeds for Transactions in IRD Products:

- The CME Clearing House (CME Clearing)
- Eurex Clearing AG
- ICE Clear Europe Limited
- KDPW\_CCP SA
- LCH Limited
- LCH SA
- Nasdaq OMX Clearing AB

33.5.5 Cleared and uncleared products are made available for trading . For uncleared products, they will be executed as Bilaterally Settled Transaction. The parties to Bilaterally Settled Transaction can agree alternative settlement terms bilaterally following Execution.

### 33.6 FX DERIVATIVES : CLEARING AND SETTLEMENT

33.6.1 All FX Products will be Executed or Registered as uncleared Bilaterally Settled Transactions. The parties to the relevant Transactions can agree alternative settlement terms bilaterally post Execution.

### 33.7 CORPORATE BONDS, MONEY MARKET CLEARING AND SETTLEMENT

33.7.1 Venue Users are required to provide for the settlement of Transactions in a timely manner and no later than T+2, as per the market standard settlement period, unless a non-standard settlement date is agreed at point of Execution.

### 33.8 CASH AND PHYSICALLY SETTLED ENERGY COMMODITIES DERIVATIVES: CLEARING AND SETTLEMENT

33.8.1 All cash and physically settled Energy Commodities derivatives will be executed as uncleared Bilaterally settled Transactions. The parties to relevant Transaction can agree alternative settlement terms bilaterally post Execution.



## SECTION 9: CONFLICTS OF INTEREST

### 34. Conflicts of interest

- 34.1 When the Operator Arranges, Executes or Registers a Transaction for a Venue User or provides other services using ICAP EU OTF, an Affiliate or some other person connected with the Operator may have an interest, relationship or arrangement that is material in relation to the Transactions, investments or service concerned. Neither the Operator nor such other person shall be obliged to disclose this to a Venue User or to account to a Venue User for any profit.
- 34.2 When Operator Arranges, Executes or registers a Transaction for a Venue User or provides other services using ICAP EU OTF, the Operator or an Affiliate may Arrange, Execute or register a Venue User's Transaction with that of another Client by acting on behalf of both Clients.
- 34.3 The Operator's Conflicts of Interest Policy is published on the Operator's Web site as designated from time to time.

## SECTION 10: CONDUCT REQUIREMENTS

### **35. Venue User conduct obligations**

35.1 Venue Users shall affect Transactions in a responsible manner, act in a fit and proper manner, and meet applicable standards of market integrity. Venue Users shall not:

35.1.1 enter into a Transaction, submit a Trade Request, or otherwise engage in any behaviour which:

(a) gives or is likely to give a false or misleading signal as to the supply of or demand for a Product, related Financial Instrument, or spot commodity contract, unless for legitimate reasons;

(b) secures, or is likely to secure, the price of any Product, related Financial Instrument, or spot commodity contract at an abnormal or artificial level, unless for legitimate reasons;

(c) affects or is likely to affect the price of Product, related Financial Instrument, or spot commodity contract, which employs a fictitious device or any other form of deception or contrivance, including through dissemination of information through the media where the Venue User knows, or ought to know, that the information is false or misleading; or

35.1.2 engage in any act or course of conduct which is likely to harm the integrity, fairness, orderliness or reputation of ICAP EU OTF.

### **36. Market surveillance**

36.1 The Operator may monitor activity on or through ICAP EU OTF to check for statistical patterns and trade correlation which might be of concern in order to identify potential breaches of these Venue Rules, disorderly trading conditions, or conduct that may indicate market abuse.

### **37. Investigations**

37.1 The Operator may require a Venue User to provide (periodically or upon request) information concerning the Venue User's activity in connection with ICAP EU OTF. Such information may include without limitation the Venue User's open trading positions or Transactions to which the Venue User is a party.

### **38. Information-Sharing**

38.1 The Operator may enter into information-sharing agreements or other arrangements or procedures to establish and enforce rules that will allow the Operator to obtain any necessary information to perform any monitoring of trading and trade processing, provide information to Competent Authorities upon request and allow the Operator to carry out such international information-sharing agreements as a Competent Authority may require. As part of any information-sharing agreements or other arrangements or procedures adopted pursuant to this Rule, the Operator may take any of the following steps:

38.1.1 provide market surveillance reports to other markets;





- 38.1.2 share information and documents concerning current and former Venue Users with other markets;
- 38.1.3 share information and documents concerning ongoing and completed investigations with other markets; or
- 38.1.4 require current or former Venue Users to provide information and documents to the Operator at the request of other markets with which the Operator has an information-sharing agreement or other arrangements or procedures.
- 38.2 The Operator may enter into any arrangement with any person or body (including, without limitation, any Competent Authority, any exchange, market, trade repository, reporting services or clearing organisation or foreign regulatory authority) if Operator considers such arrangement to be in furtherance of ICAP EU OTF's purpose or duties under Applicable Law.
- 38.3 The Operator may disclose to any person or entity information concerning or associated with a Venue User or other person where the Operator believes such disclosure is reasonably necessary, appropriate, and in accordance with Applicable Law.

### **39. Co-operation with Competent Authorities**

- 39.1 The Operator will report to the NCA or other Competent Authority any significant breaches of the Venue Rules, disorderly trading conditions and conduct that may involve market abuse.
- 39.2 The Operator will supply information to the NCA or other Competent Authority with responsibility for the regulation or supervision of any regulated activity to which ICAP EU OTF relates, as required.
- 39.3 In addition to its obligations to the NCA, the Operator will give all reasonable assistance in any investigation conducted in relation to trading on or through ICAP EU OTF, whether by the NCA or another Competent Authority.
- 39.4 Venue Users undertake to cooperate fully with the Operator and the NCA or any other Competent Authority in the course of any investigation conducted by the same which relates to trading on or through ICAP EU OTF.



## SECTION 11: ALGORITHMIC TRADING

### **40. Use of Algorithms**

40.1 Venue Users may engage in Algorithmic Trading and must ensure that Algorithmic Trading is controlled and organised in accordance with the requirements of MiFID II, and that the operation of each Algorithm is monitored by them to prevent disorderly trading in ICAP EU OTF.

### **41. Conformance Testing**

41.1 Venue Users must not use an Algorithm on or in connection with ICAP EU OTF unless:

41.1.1 they have certified to the Operator, in a form acceptable to the Operator, that the Algorithm has been tested to ensure that it performs correctly and in accordance with the requirements of the Operator;

41.1.2 The Operator has assigned a unique Algo ID to the Algorithm; and

41.1.3 any changes to the Algorithm have been appropriately and successfully tested (and, in the case of substantial changes to the Algorithm, re-certified to Operator).

41.2 Venue User may use the separate testing environment with testing symbols made available by the Operator from time to time.

## SECTION 12: RECORD-KEEPING AND TRANSACTIONAL REPORTING

### **42. Trade Request and Transaction data**

42.1 Each Venue User submitting a Trade Request subject to the Record Keeping Obligation must provide with the Trade Request all data required to enable the Operator to meet its obligations under Applicable Law as described in section 2 : “Definitions”. The Operator keeps at the disposal of the competent authority, for at least five (5) years the relevant data (characteristics of the order/trade) relating to all orders and transactions in financial instruments received in the ICAP EU OTF as well as all telephone conversations and electronic communications that resulted in transactions or were intended to result in transactions.

### **43. Transaction Reporting**

43.1 Venue Users are responsible for undertaking their own transaction reporting requirements as required by Applicable Law.

43.2 If a Venue User is not required by Applicable Law to submit a Transaction Report, but the Operator as the operator of ICAP EU OTF is required to submit such a report in respect of a Transaction to which the Venue User is party, then the Venue User must provide all information reasonably requested by the Operator to complete and submit such report on a timely basis and ensure that such information is accurate, current and complete.

### **44. Trade Reporting**

44.1 Where applicable, Venue Users are responsible for undertaking their own trade reporting requirements as required by Applicable Law.



## SECTION 13: TRADE REGISTRATION

### **45. Trade Registration on the ICAP EU OTF**

- 45.1 At the discretion of the Operator Trade Registration may be accepted by the Operator on ICAP EU OTF. The procedure for Trade Registration is available on request
- 45.2 Trade Registration will be accepted on the ICAP EU OTF in certain Products only, as specified and subject to the conditions set out in the applicable Product Specifications from time to time.
- 45.3 Trade Registration may be submitted by a Venue User who is executing a transaction on behalf of one or more underlying clients.
- 45.4 An Executing Broker may submit a Trade Registration on behalf of a Venue user who is executing a transaction on behalf of one or more underlying clients.

### **46. Trade Registration on Other Execution Venues**

Trade Registration must conform to the requirements of the Registering Execution Venue. Venue Users are subject to the applicable rules of the Registering Execution Venue. If and to the extent that the applicable rules of the Registering Execution Venue are inconsistent or conflict with the Venue Rules, then the rules of the Registering Execution Venue shall take precedence with respect to the relevant Transaction.



## SECTION 14: INFORMATION ON MARKET IDENTIFIER CODES

47. The operating MIC for ICAP EU OTF is ICOT.
48. ICAP EU OTF consists of 2 market segments, each with defined Trading Systems and rules for transactions in products to be arranged and/or executed. Additional information related to Trading Hours, Tradable instruments, Submission Mechanism and Execution Methodology for each segment are available in Section 6 and 16 of this rulebook and also in the “Product Specifications” document.
49. The 2 segments MIC for ICAP EU OTF are:
  - ICOR for trade registration
  - ICOT for Trade Execution activities of the brand name ICAP



## SECTION 15: SELF FACILITATION: THE OPERATOR ACTING AS MATCHED PRINCIPAL FACILITATOR

50. In order to preserve the anonymity of the counterparties, some transactions are executed by the Operator on a Matched Principal basis, within applicable credit limits, at the prices and with the counterparties specified by the Operator.
51. Matched Principal transaction will only be used for Fixed Income activity to preserve anonymity of the counterparties of the trades, as per point (2) of Article 20 of MIFID II, the Operator will interpose its own balance sheet for Fixed income activities on a Matched Principal Transaction basis.

## SECTION 16: TRADABLE ASSET CLASSES

### 52. List of Tradable Asset Classes on ICAP EU OTF:

#### 52.1 Trade Registration Segment:

- Bonds (including Government, Corporate ....)
- Equity Derivatives
- FX Derivatives
- Money Markets / Repo
- Interest Rates Derivatives
- Energy Commodities derivatives: cash and physically settled

#### 52.2 Trade Execution Segment:

- Bonds (including Government, Sovereign, Corporate ....)
- Energy Commodities derivatives: cash and physically settled
- Equity Derivatives
- FX Derivatives
- Interest Rates Derivatives

For more information on Tradable Instruments please refer to the Products Specifications documents available on the website.

### 53. Changes in respect of Tradable Instruments

- 53.1 The Operator may add financial instruments to the list of Tradable Instruments at any time, subject to any restrictions of Applicable Law.
- 53.2 The Operator may suspend or remove any financial instrument from the list of Tradable Instruments at any time, subject to any restrictions of Applicable Law.
- 53.3 Following the addition of Tradable Instruments, the Operator will publish the updated list of Tradable Instruments as soon as reasonably practicable.
- 53.4 The circumstances in which the Operator may suspend or remove any financial instrument from the list of Tradable Instruments include but are not limited to those in which:
- 53.5 they no longer comply with the Venue Rules and Product Specifications;
- 53.5.1 there may be market abuse;
- 53.5.2 there may be a take-over bid; or
- 53.5.3 there has been non-disclosure of inside information about the issuer or relevant financial instrument infringing Articles 7 and 17 of Regulation (EU)



No 596/2014 (the Market Abuse Regulation, or MAR), unless such suspension or removal would be likely to cause significant damage to the relevant Venue Users' interests or the orderly functioning of the market.

- 53.6 The Operator will make public a determination to prohibit, remove or suspend by issuing a Market Notice and communicating the decision to the AMF.
- 53.7 The Operator may suspend access to or constrain trading on the ICAP EU OTF if there is a significant price movement in a financial Instrument on the ICAP EU OTF or a related market during a short period; and, in exceptional cases, may cancel, vary or correct any transaction. The applicable procedures will be published in a Market Notice from time to time.





## SECTION 17: GOVERNING LAW

### **54. Governing Law**

54.1 These Venue Rules and all contractual, non-contractual or other obligations arising out of or in connection with them shall be governed by, and shall be construed in accordance with, the laws of France regardless of the laws that would otherwise apply under applicable choice-of-law principles.

### **55. Jurisdiction**

55.1 The courts of Paris, France shall have exclusive jurisdiction to determine any dispute with respect to any matter arising under or in connection with the operation of ICAP EU OTF or the Venue Rules.



## SECTION 18: PRODUCT SPECIFICATIONS

### **56. Product Specifications**

- 56.1 The Product Specifications for ICAP EU OTF, including the specifications for Products eligible for trading, are published on the Operator's Web site as designated from time to time.

## SECTION 19: ERROR TRADES POLICY

### 57. Introduction

57.1 This Section sets out the factors and processes that the Operator may consider and employ when:

57.1.1 determining whether a Transaction is an Error Trade resulting in its adjustment or cancellation; or

57.1.2 handling trade disputes and Transaction review requests from Venue Users.

### 58. Determination of Error Trades

58.1 The Operator may determine to review a Transaction at its own discretion or upon a Venue User's request to ascertain whether a Transaction constitutes an Error Trade.

58.2 The Operator reserves the right to unilaterally cancel or adjust any Transaction which is an Error Trade, including in instances where there has been no request from a Venue User, in the interest of maintaining a fair and orderly market.

58.3 When exercising discretion in relation to a review request, the Operator will take into account the circumstances of the request, and each request will be reviewed on a case-by-case basis.

58.4 The decision of the Operator will be final.

58.5 To determine whether a Transaction constitutes an Error Trade, the Operator may contact/consult other Venue Users and other market participants, who may be Affiliates of the Operator, and may consider any relevant information, including but not limited to:

58.5.1 the last traded price on the venue in the relevant instrument;

58.5.2 any existing or recent quotes, orders or trades in the relevant instrument on the venue at the time of execution of the relevant Transaction;

58.5.3 the price of the same or related instrument in another market;

58.5.4 the market conditions at the time of the relevant Transaction including levels of activity and volatility;

58.5.5 the review request where applicable; and

58.5.6 any other factor which the Operator, at its sole discretion, may deem relevant.

58.6 The unavailability of counterparty credit shall not by itself render a trade an Error Trade.

### 59. Transaction Review Request Procedure

59.1 A request for review of a Transaction by a Venue User must be made within 15 minutes from the time of execution of the relevant Transaction and in writing by e-mail to the Operator.

59.2 Review requests received after 15 minutes from the time of execution of the Transaction will only be considered where there are unusual or mitigating circumstances resulting in the delay in requesting a review.



- 59.3 After receiving the review request, the Operator shall, provided that the request is consistent with the Operator's obligations to maintain an orderly market, promptly inform, by telephone or email, the other counterparty to the Transaction that the Transaction is subject to a review request.
- 59.4 The Operator shall notify, by telephone or email, the counterparties to the relevant Transaction whether or not the Transaction is determined to be an Error Trade, and shall use its reasonable endeavours to do so as promptly as possible in order to preserve market integrity.
- 59.5 If the relevant Transaction is determined to be an Error Trade, the counterparties shall take such action as the Operator requires to put into effect any adjustment or cancellation and hold the Operator harmless, for all costs incurred by the Operator in so doing. Failure by any Venue User to comply with any instruction from the Operator to cancel or adjust an Error Trade is a breach of the Venue Rules.
- 59.6 For the purposes of this Section, the Operator may treat any Venue User who has Executed a Transaction as a counterparty to that Transaction, whether or not the Venue User has notified the Operator that it has Executed that Transaction for another person.



## SECTION 20: STATIC DATA

### **60. Introduction**

60.1 Each Venue User must provide Operator with the Static Data and any other information and documentation requested by the Operator from time to time.

### **61. Duty to keep information updated**

61.1 In the event that any material information in the Venue User's Static Data becomes out-dated or otherwise inaccurate or incomplete for any reason, the Venue User must update the Operator immediately (and in any event within 24 hours).



## SECTION 21: FEES, COMMISSIONS AND CHARGES

### **62. Venue Fees**

- 62.1 Operator's fee structure for ICAP EU OTF is published on the Operator's Web site as designated from time to time.
- 62.2 Fees and other amounts owed to the Operator in respect of services provided using ICAP EU OTF are payable on the terms set out in the relevant invoice.

### **63. Fee Structures**

- 63.1 The Operator may from time to time establish different fee structures for the same type of service provided using ICAP EU OTF.

### **64. Taxes**

- 64.1 Venue Users are responsible for the payment of any applicable taxes, including without limitation any value-added tax or financial transaction tax.



## SECTION 22: ORDER EXECUTION

### **65. Introduction**

65.1 This Section describes the Order Handling Policy of Operator that applies to all Trade Requests submitted to ICAP EU OTF.

### **66. Handling Policy**

66.1 Operator's Order Handling Policy is published on Operator's Web site as designated from time to time.

66.2 Venue Users are deemed to have understood and agreed to Operator's Order Handling Policy each time that they access ICAP EU OTF, submit a Trade Request to ICAP EU OTF or request services from Operator in relation to ICAP EU OTF. Material changes to the Order Handling Policy will be notified by a Market Notice.

66.3 Subject to specific instructions to the contrary, Venue Users are deemed to have authorised Operator to execute or to arrange for the execution of any Trade Request either on ICAP EU OTF or outside of ICAP EU OTF.

### **67. Publication of Execution Quality Data**

67.1 Details of the quality of Execution of Orders on ICAP EU OTF will be published annually on Operator's Web site as designated from time to time.



## SECTION 23: DERIVATIVES TRADING OBLIGATION

### **68. Derivatives Trading Obligation (DTO)**

68.1 Venue Users entering into derivatives transactions are responsible for determining if the ICAP EU OTF satisfies the counterparty requirement to execute transactions subject to the Derivatives Trading Obligations as set out in Article 28 MiFiR.





## SECTION 24: CONTACT DETAILS

### 69. Contact details

69.1 Enquiries should be directed to:

TP ICAP (Europe) SA  
Att : ICAP EU OTF / Venue Compliance  
42 Rue Washington  
75008 Paris  
France

And to :  
Email address :  
[icapeuotfoperator@tpicap.com](mailto:icapeuotfoperator@tpicap.com)

69.2 Complaints may be directed to the address above, marked for the attention of the Head of Compliance.