



# EquiLend Limited

## OTF Rulebook

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## **Legal Information**

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EquiLend Limited ("the Firm") is authorised and regulated in the Republic of Ireland by the Central Bank of Ireland and its UK Branch is authorised and subject to regulation by the Financial Conduct Authority. This document is proprietary and confidential and intended solely for the use of the Firm's Multilateral Trading Facility Participants.

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## **1 Definitions**

“Acceptance” means when an Applicant has been reviewed and confirmed by the Firm to be a suitable Applicant.

“Admittance” means to be granted access to for continuous use of the OTF for the purpose of interaction in the creation or amendment of interests in Swaps.

“Algorithmic Trading” means automated determination and management of indications with limited human intervention relating to a trade effected through the OTF as defined in MiFID.

“Applicable Law” means all applicable laws, regulations and regulatory requirements (including any guidance, indications, or other technical updates) for which the Client is governed by, and or subject to.

“Applicant” means a Firm applying to become a Client of the OTF.

“Approval” means when an Applicant has been confirmed by EquiLend to be permitted to become an OTF Member and have Authorised User(s).

“Assets” or “Client assets” means assets of any type held or received by the Firm for or from a Client, or on behalf of a Client.

“Authorised User” means employees or agents (of Clients) who are authorised by the Client to access or use the Platform on the Client’s behalf.

“Bilateral Agreement” shall mean an existing contractual relationship, such as an International Swaps and Derivatives Association master agreement, between the Client and each Swap Counterparty.

“Breach” means a violation or an infraction of the OTF Rulebook or Applicable laws.

“Central Bank” means the Central Bank of Ireland.

“Central Counterparty” or “CCP” means a central organisation that exists in various countries that helps facilitate (Clearing and Settlement) trading.

“Clearing” means the procedure by which an organisation acts as an intermediary and assumes the role of a buyer or a seller for transactions in order to reconcile indications between transacting parties.

“Client” means an entity in receipt of an Acceptance authorised by EquiLend to become an OTF Member.

“Client Criteria” means the qualifying criteria required of the Client to become, and continue to be qualified as, an OTF Member and to have Authorised User(s) continue to interact on the OTF, and includes the relevant criteria specified in the User Agreement.

“Client Profile Form” means the document completed by the Client during the Client due diligence process detailing the Client’s relevant business and regulatory information requested by EquiLend.

“Collateral Financing Transaction” means any transaction where counterparties use the Platform for trade structures related to collateral upgrades or downgrades.

“Complaint” means an expression of dissatisfaction for an act, omission or decision of EquiLend, either verbal or written, and whether justified or not, which requires a response and/or redress from EquiLend.

“Counterparty” or “Counterparties” means a party that participates in a Swap Transaction.

“Data quality” means the level of the quality of data sent to the OTF.

“Electronic Trading Platform” means trading and operations platform supporting Swap Transactions (including all software and computer and network systems operated by or on behalf of EquiLend).

“Eligible Counterparty” means a client which is an investment firm, a credit institution, an insurance company, UCITS and their management companies, pension funds and their management companies, other financial institutions authorised or regulated under the law of the European Union or under the national law of a Member State, national governments and their corresponding offices including public bodies that deal with public debt at a national level, central banks and supranational organisations, as defined in Regulation 38 of the MiFID Regulations.

“EquiLend” means EquiLend Limited, operator of the OTF.

“ESMA” means European Securities and Markets Authority.

“FCA” means Financial Conduct Authority.

“Firm” means EquiLend Limited.

“Information” means data, pricing, research and other information made available over the OTF to Clients in relation to instruments admitted to trading on the OTF.

“Insolvency Event” means the occurrence of any of the following circumstances with respect to a Client: (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.

“Instrument” means an eligible Instrument that can be traded on the OTF in accordance with the Instrument Traded Rules.

“ISIN” shall mean International Securities Identification Number being the code that uniquely identifies a specific securities issue.

“LEI” shall mean Legal Entity Identifier, a unique identifier for persons that are legal entities or structures.

“MAR” or “Market Conduct Requirement” means the EU Market Abuse Regulation ((EU) No 596/2014), and Regulations 25, 27, 39, 40, 72, 73 and 74 of the MiFID Regulations, outlining the requirements for operating an OTF.

“Market Abuse” means any behaviour that represents: insider dealing (trading), unlawful disclosure, manipulating transactions, dissemination or any other similar prohibited behaviours under the Applicable Law.

“MiFID” means the European Parliament and Council Directive on Markets in Financial Instruments (No. 2014/65/EU) (as amended).

“MiFID Regulations” means the European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017) (as amended).

“MiFIR” means the European Markets in Financial Instruments and amending regulation ((EU) No 600/2014) (as amended).

“Money” or “Client money” means money of any currency (whether in the form of cash, cheque, draft or electronic transfer) which the Firm holds or receives for or from a Client.

“Non-Disclosure Agreement” means the legal agreement between EquiLend and a Client outlining the confidentiality obligations of each party.

“Organisation Administrator” means the individual assigned by a Client whose responsibilities are defined in the User Agreement, and whom is specified to the Firm on the New Client Profile Form.

“OTF” means (i) an Organised Trading Facility as defined in article 4 1(23) of MiFID and (ii) the Organised Trading Facility provided by EquiLend, for which its Clients use as a means to effect Swaps.

“OTF Member” means a Client who may interact on the OTF in a way that may result in the creation or amendment of a Swap.

“Platform”, or the “OTF” means the electronic trading and operations platform supporting Transactions (including all software and computer and network systems) operated by or on behalf of EquiLend.

“Professional Client” means a client who is required to be authorised or regulated to operate in the financial markets and who possesses the experience, knowledge and expertise to make its own investment decisions and assess the risks that it incurs, as defined in Regulation 3(1) and Schedule 2 of the MiFID Regulations.

“Reference Securities” shall mean the reference securities underlying a Swap.

“Regulatory Authority” means the regulatory body which the Client is registered with and approved by, and which conducts oversight for its prescribed rules that the Client is subject to. The regulatory body that Client

has expressed to EquiLend in both the User Agreement and in the Client Profile Form, as their regulatory oversight authority and have provided the relevant registration information for.

“Rules” means the rules and provisions set forth in this OTF Rulebook.

“Rulebook”, “OTF Rulebook” means EquiLend’s most current, and effective OTF Rulebook, maintained by EquiLend and prescribed in accordance with Irish and European Union law and other relevant regulation.

“Settlement” means a business process whereby securities or interests in securities are delivered, usually against a payment of money, to fulfil contractual obligations.

“SFTR” means Regulation (EU) 2015/2365 of the European Parliament and of the Council on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (as amended).

“Swap” or “Swaps” means security-based Total Return Swap transaction(s).

“Swap Buyer” means the counterparty to a Swap that receives from the Swap Seller a return based on the Reference Securities.

“Swap Seller” means the counterparty to a Swap that pays to the Swap Buyer a return based on the Reference Securities.

“Term Sheet” means an electronic term sheet generated through the Platform relating to a Swap.

“Total Return Swap”, “TRS” means an agreement where cash flows are exchanged between Counterparties with one counterparty making/receiving payment based on the performance of underlying Reference Securities and the other party making/receiving payment based on a fixed or floating amount.

“Trading Day” means the time for which the OTF is open, meaning Clients are permitted use of the OTF.

“Transaction(s)” means a trade effected via the OTF to which the Client is a counterparty.

“UK MiFID / MiFIR” means the MIFID and MIFIR as they form part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended, and regulations made thereunder.

“User Agreement” means the written agreement setting forth the terms and conditions required to be agreed to and signed by EquiLend and each such Client.

“Users Bilateral Agreement” means an OTF Member’s pre-existing Bilateral Agreement in effect with another OTF Member of the OTF.

“User ID” means the password and identification criteria distributed to each Authorised User to interact on the OTF on behalf of the Client.

## **2 Introduction**

- 2.1 This OTF Rulebook applies the regulatory requirements as prescribed by MiFID, the MiFID Regulations, and market conduct requirements to the Firm’s OTF and comprises the transparent, including discretionary, rules and procedures of EquiLend, a private limited company in Ireland, and OTF operator.
- 2.2 This Rulebook sets forth the Firm’s policies and procedures to ensure Client behaviour on the Firm’s OTF is consistent with its fair and orderly trading requirements.
- 2.3 EquiLend is authorised and regulated in Ireland by the Central Bank and its UK Branch is authorised and subject to regulation by the Financial Conduct Authority. The Firm conducts investment services (i) in Europe by virtue of its passporting rights under the MIFID Regulations and has obtained freedom of services passport permissions for European jurisdictions, as follows: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden; and (ii) offers its OTF services in the UK via its UK Branch pursuant to UK MIFID / MIFIR.
- 2.4 EquiLend is recognised by the Swiss Financial Market Supervisory Authority (FINMA) as a foreign trading venue.

- 2.5 Clients are required to read, understand and abide by this Rulebook for permitted access to and continued use of the Firm's OTF product and supporting systems it offers.
- 2.6 These Rules have been established to facilitate the efficient, fair and orderly operation of the OTF and to satisfy the Firm's Irish, UK and EU related regulatory obligations.
- 2.7 These Rules are applicable to each Client, including all individuals operating on behalf of the Client, having access to and / or use of the OTF, to include each Authorised User of the Client having access to and / or use of the OTF.
- 2.8 These Rules are intended to act as a supplement to, and are not to be accepted as superseding, the User Agreement.
- 2.9 In any instance whereby there is conflict between the Rulebook, including any supplementary documentation relating to the Rulebook, and the User Agreement, in all cases the terms set forth in the User Agreement shall prevail.
- 2.10 A Client's continued use of and interaction on the OTF will be considered as the Client's agreement to abide by these OTF Rulebook Rules.

### **3 OTF Interaction**

- 3.1 An Applicant may apply to the Firm to become a Client of the OTF at any time.
- 3.2 Approval as a Client is dependent upon the Client;
  - 3.2.1 Agreeing and signing to the terms set forth in the User Agreement (as amended from time to time);
  - 3.2.2 Continuously satisfying the OTF Client Criteria.
  - 3.2.3 Agreeing to read, understand, and abide by the OTF Rulebook, and will be considered as doing so upon accessing and using the Platform.
- 3.3 The Firm is permitted to reject the Applicant if:
  - 3.3.1 The Applicant fails to agree the terms disclosed herein and sign the User Agreement;
  - 3.3.2 The Applicant fails to satisfy the OTF Client Criteria.
- 3.4 EquiLend may terminate access and use of the OTF to any Client in accordance with the terms set forth in the User Agreement.
- 3.5 Upon Acceptance, EquiLend will provide to the Applicant a User Agreement and Client Profile Form for review and execution.
- 3.6 Upon execution of the User Agreement, satisfying client onboarding requirements and classification as an Eligible Counterparty or Professional Client, a Client can operate immediately on the OTF.
- 3.7 EquiLend may prescribe further OTF Client Criteria from time to time with regard to Interaction on the OTF.

### **4 OTF Client Criteria**

- 4.1 Approval is contingent on the Client meeting the following OTF Client Criteria  
Clients are required to be entities:
  - 4.1.1 That actively operate in the Swaps marketplace;
  - 4.1.2 Whose conduct of Swap trading is subject to a level of regulation and oversight (under applicable securities, banking or other appropriate law) that imposes upon the Client a combination of requirements such as audits, public disclosure of financial information, capital rules, collateral requirements, record keeping requirements or other similar safeguards that will protect its owners and clients from potential financial loss or third party claims that may arise as a result of such entity's interaction on the OTF;

- 4.1.3 Who have an existing contractual relationship, such as an International Swaps and Derivatives Association master agreement (each, a “Bilateral Agreement”), with each counterparty with which the Client wishes to enter into any such Swap, which contractual relationship shall govern the rights and obligations between the Client and such counterparty in connection with such Swap.
  - 4.1.4 Who are financially and operationally able to (i) process the minimum transaction levels determined by EquiLend, and (ii) meet EquiLend’s technological, testing and connectivity requirements;
  - 4.1.5 That are classified by the Firm as either an Eligible Counterparty or Professional Client as defined in MiFID and the MiFID Regulations;
  - 4.1.6 Who are fit and proper by standards of the Central Bank, or the applicable Regulatory Authority;
  - 4.1.7 Who have the resources to guarantee the adequate settlement of transactions; and
  - 4.1.8 That are approved by the Firm’s Head of Compliance following the completion of client due diligence process.
- 4.2 Clients are required to ensure continued satisfaction of the OTF Client Criteria at all times during their interaction on the OTF.
  - 4.3 Clients are required to hold a valid LEI and provide this to EquiLend at the time of signing the User Agreement and Client Profile Form. Clients are required to hold a valid LEI for so long as they interact on the OTF.
  - 4.4 The Client will agree that its access to and use of the OTF in any manner and for any purpose (including its entering into any Transactions via the OTF) shall comply with the Applicable Law, to include all applicable state and foreign laws, rules, regulations and interpretations of any judicial, legislative, governmental, regulatory or self-regulatory authority or organisation of competent jurisdiction.

## **5 Services and Obligation**

The Firm will:

- 5.1 Operate an Electronic Trading Platform supporting Swaps.
- 5.2 Provide a service to Clients facilitating the initiation of Swaps through the OTF in which Clients will act as either Swap Seller or Swap Buyer.
- 5.3 Provide training for Client on usage of the OTF proportionate to the Clients activity. Such training will include functional and technical training as requested by the Client.
- 5.4 Provide access to a secure testing environment whereby Clients shall undertake conformance system testing.
- 5.5 Permission an Organisation Administrator who will then be given rights to permission User ID’s on behalf of a Client for Authorised Users.

The Firm will not:

- 5.6 Make any investment recommendations to the Participant relating to the OTF, or otherwise.
- 5.7 Hold any Money or Assets on behalf of a Client.
- 5.8 Hold itself (or be held) in any way responsible for execution decisions or the subsequent settlement of transactions concluded.
- 5.9 Hold itself (or be held) in any way responsible for any Client’s transaction reporting or regulatory disclosure obligations as arising under Market Conduct Requirements, MiFIR, MiFID Regulations, SFTR, or any other Applicable Law for Clients interacting on the OTF.
- 5.10 Permit Algorithmic Trading to take place on the OTF.



## **6 Fees**

- 6.1 Fees will be calculated as described in the User Agreement (as amended from time to time) and as published on the Firm's website and updated periodically.
- 6.2 In accordance with the User Agreement, the Firm will provide Clients with at least 30 calendar days' written notice when amending the fee schedule.
- 6.3 The Client acknowledges and understands their sole responsibility for determining whether any tax liability may arise from the Swap that they may effect through the Platform, and are responsible for applying for any relevant exemption from such taxes to the necessary bodies related to the Applicable Law. Participants are solely liable for the payment of any taxes in relation to their Swap(s).

## **7 Client Obligations**

- 7.1 Following Admittance to the OTF, it is the responsibility of the Client to ensure the Client continues to meet its obligations under the OTF Client Criteria and OTF Rulebook Rules.
- 7.2 The Client is required to notify the Firm in writing of any material changes to information provided on the Client Profile Form to their relationship management representative as soon as reasonable following detection of such changes.
- 7.3 The Client shall notify the Firm in writing of the names of those individuals authorised by the Client to be Authorised Users of the Platform. Participants are responsible for managing their Authorised Users, and for notifying the Firm of any changes to their Authorised Users on an ongoing continuous basis.
- 7.4 Clients shall be responsible for obtaining, validating, issuing and renewing LEIs. Clients shall use LEIs appropriately in effecting Swaps on the OTF and shall warrant that LEIs are provided and formatted in accordance with MiFIR.
- 7.5 Clients shall use ISINs appropriately in effecting Swaps on the OTF and shall warrant that ISINs are provided and formatted in accordance with MiFIR.
- 7.6 The Client is responsible for all the acts, omissions, conduct and activity of its Authorised Users.
- 7.7 The Client shall ensure its Authorised Users have sufficient training, are adequately supervised and have adequate experience, knowledge and competence to interact on the OTF in accordance with the Rules.
- 7.8 The Client is responsible for complying with any security measures and procedures for authentication requested by the Firm from time to time, ensuring that only Authorised Users have access to the OTF.
- 7.9 Clients are required to have internal systems and controls in place to prevent erroneous Transactions, and to ensure ongoing compliance with, and to prevent breaches of Applicable Law.
- 7.10 Clients are responsible for maintaining records of their inventory list(s) and Transactions in accordance with MiFIR, MiFID Regulations, and Applicable Law and in a manner adequate to meet compliance with regulatory record keeping obligations.
- 7.11 The Client shall co-operate with the Firm, the Central Bank, the FCA and any other Regulatory Authority or body during any investigation that is conducted in relation to its access to and activity on the OTF. Client(s) shall bear their own costs and expenses in connection with any such investigation and indemnify the Firm in full in respect of all costs and expenses reasonably incurred in connection with any investigation in so far as those costs relate to an investigation or any part of an investigation which relates to the Client(s) activity on the OTF except to the extent that any such costs arise as a consequence of fraud, negligence or wilful default of the Firm.
- 7.12 The Client must ensure the User ID provided to each Authorised User is kept confidential and used exclusively by the individual that User ID is designated for.
- 7.13 The Client must ensure that the User ID details the individual's full legal name as it would appear on government issued ID and includes any other details as required by the Firm from time to time.

## **8 Client Resignation and Termination**

- 8.1 Client(s) may terminate / resign their Access to the OTF at any time in accordance with the terms set out in the User Agreement.

- 8.2 Where a Client has given notice of their intent to resign their Access to the OTF, the Rules shall continue to bind the Client until all outstanding obligations of the Client, with respect to Transactions, Fees, and the OTF Rules, have been performed.

## **9 Trading Days**

- 9.1 Trading Access on the OTF is available to clients during the hours of 08.00am to 16:30pm local Greenwich Meantime (GMT) (or Irish Standard Time (IST) as appropriate to daylight saving) daily Monday to Friday.
- 9.2 The Firm will support the OTF for business between the hours of 08.00am to 23:59pm local Greenwich Meantime (GMT) (or Irish Standard Time (IST) as appropriate to daylight saving) daily Monday to Friday).
- 9.3 Notwithstanding anything to the contrary, unless otherwise notified by the Firm, Transactions effected on the OTF outside of the Trading Days and Times as per paragraph 9.1 are done so at the risk of the Client.
- 9.4 EquiLend may make changes to Rules 9.1, 9.2, and 9.3 where it is considered practical to do so by EquiLend and in such case will give Clients of the OTF suitable email notification as per these Rules of any change(s).

## **10 Trading Rules**

### **Trading Authorisation**

- 10.1 An Authorised User is permitted by a Client and EquiLend to operate on the OTF in accordance with the provisions of the User Agreement(s) and the OTF Rulebook. The Client shall, subject to the User Agreement(s), have the right to submit inventory list(s) and Swap direction in accordance with these Rules.
- 10.2 Each Client is responsible for the accuracy of the information (including Data Quality) submitted to the OTF. Participants shall only submit inventory lists, bids, offers, or any other data to the OTF with the intention to enter into and conclude a Transaction. Client(s) accept and permit EquiLend to use all data submitted for the purpose of complying with the regulatory reporting obligations of the Firm as prescribed by MiFIR, MiFID Regulations and all other Applicable Law.
- 10.3 In respect of each inventory list and Swap direction submitted, the Client represents that it has due capacity to settle any Swap arising out of that submission.
- 10.4 The Client accepts that Algorithmic Trading or the use of algorithms in any form for the purpose of Algorithmic Trading are not permitted on the OTF.

### **Trading Protocol**

- 10.5 All Clients of the OTF are bound by relevant provisions of the MiFID Regulations, rules of the Central Bank, the FCA or rules of the applicable Regulatory Authority, in respect to trading conducted on the OTF. In particular, Clients are prohibited from conducting any activity which would constitute any form of Market Abuse.
- 10.6 Due to the nature of the OTF, all EquiLend trading services described in this OTF Rulebook should be considered OTF business. For the avoidance of doubt, Clients should consider all Transactions completed by use of the OTF to be conducted on the OTF, and therefore the OTF Rulebook Rules apply.
- 10.7 The Term Sheet will include the ISIN of the Swap, which ISIN will be used by the Firm in complying with its regulatory reporting requirements as prescribed by Applicable Law.

### **Trade Cancellations and Trade Errors**

- 10.8 The OTF will not intervene, amend or cancel inventory list submissions and Swap directions sent by a Client to the OTF, or any bid or offer data submitted to the OTF during interaction in any workflow by a Client.
- 10.9 In the event that an amendment is required once a Term Sheet has been agreed by two Clients, the OTF will effect this change upon receipt of mutual agreement in writing from each of the two Clients. For the avoidance of doubt, no changes will be made at the request of only one Client representing only one side of a Transaction.

### **Application of discretion**

- 10.10 As provided by MiFID Regulation 27(9), the Firm will exercise discretion in operating the OTF (order discretion and execution discretion). MiFID Regulation 27(9) states that an investment Firm holding discretion in this instance may decide: whether or not to place or retract an order on the OTF; whether or not to match a specific client order with other orders available in the system; and if, when and how much of two or more orders it wants to match within a system that crosses client orders.

### **Pre-Trade Transparency**

- 10.11 EquiLend relies on pre-trade transparency waivers. All orders submitted will operate according to a pre-trade transparency waiver and no order interest submitted to the system will be permitted unless it is determined to be made in accordance with a waiver (either a derivatives waiver for derivatives not subject to the derivative trading obligation, or large in scale waiver).

### **Post-Trade Transparency**

- 10.12 Trades concluded on the OTF are required to be made transparent by EquiLend pursuant to post-trade transparency requirements.
- 10.14 EquiLend defers post-trade disclosure (as permitted by Article 21(4) of MiFIR) on the basis that ESMA considers the Swaps traded on the OTF as illiquid and treats such swaps as falling within the illiquid deferral as set out in Article 8(1)(b) of RTS 2 pertaining to post-trade transparency.

## **11 Instruments Traded**

- 11.1 The Firm will provide services to Participants only as explicitly permitted by the Central Bank and the FCA. A list of the Firm's current permissions may be found on the Central Bank's Register (<http://registers.centralbank.ie>) by search of EquiLend Limited in the "By name of Financial Service Provider" or "CIS" field.
- 11.2 The Firm is authorised for the following investment instruments:
- 11.2.1 Transferable securities;
  - 11.2.2 Money-market instruments; and
  - 11.2.3 Units in collective investment undertakings.
  - 11.2.4 "Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash".
- 11.3 The Central Bank and the FCA expressly permits the Firm to provide services to Participants falling within the classification of either Eligible Counterparty or Professional Client.

## **12 Market Conduct**

- 12.1 Participant must not, under any circumstances:
- 12.1.1 Engage in any conduct which gives or is likely to give a false or misleading impression as to the market in, or the price of, any Instrument or which secures the price of one or several Instruments at an abnormal or artificial level;
  - 12.1.2 Engage in Market Abuse in relation to the Instruments traded;
  - 12.1.3 Engage in any conduct or activity on the OTF which will harm the integrity, fairness, orderliness or reputation of the OTF;
  - 12.1.4 Use the OTF to engage in any form of deceptive, manipulative, abusive practices or any other practices prohibited by Applicable Law;
  - 12.1.5 Breach or attempt to breach these Rules.

### **13 Client Suspension and Termination from Access to the OTF**

The Firm will:

- 13.1 Suspend or terminate Client access and use of the OTF in accordance with the User Agreement;
- 13.2 Suspend or terminate Client access where the Client ceases to meet the OTF Client Criteria;
- 13.3 Suspend or terminate Client access if it becomes apparent that Client is subject to relevant enforcement or other proceedings by the Central Bank, the FCA, or any other regulatory body;
- 13.4 Suspend or terminate Client access to the OTF if it becomes apparent to the Firm the Client has breached Applicable Law;
- 13.5 Suspend or terminate Client access where the Firm considers that restriction, suspension or termination is necessary to ensure or maintain orderly trading on the OTF;
- 13.6 Suspend or take such action for any reason, including but not limited to, maintaining fair and orderly trading on the OTF or due to material technical or operational issues. Trading shall recommence, in accordance with the Rules, once the Firm determines that the suspension shall be lifted.

### **14 Post-Trade Process**

#### **Output and Delivery**

- 14.1 The Term Sheet is emailed once each Counterparty has confirmed the total notional and the trade is executed.
- 14.2 Each Transaction entered into by a Client shall be settled on a Bilateral Agreement basis.
- 14.3 The Firm is not party to any Bilateral Agreement between Clients.

#### **Settlement**

- 14.4 Swaps are effected on a bilateral basis between counterparties, creating rights and obligations between Clients of the OTF. The Firm shall not be a party to, or be responsible or liable to a Client under or in connection with any such Transaction.
- 14.5 Each Client is responsible for the settlement of all Swaps it executes on the OTF.
- 14.6 Each Client must ensure it has the ability, including legal and regulatory capacity, to settle Swaps executed on the OTF.
- 14.7 The Firm will not connect with any Settlement facilities on behalf of the Client.
- 14.8 The Firm is not responsible or liable for the Settlement of the Swap effected or amended by a Client on the OTF. EquiLend will, however, provide or make available to each Client the details of each Transaction that the Client effects on the OTF in order to facilitate the prompt settlement of these Transactions by that Client.
- 14.9 Each Client must ensure that every Swap is settled in accordance with Applicable Law.
- 14.10 Each Client shall notify the Firm promptly upon becoming aware of a failure by the Client or any other Client to settle any Transaction in accordance with Applicable Law and/or good settlement practice, as the case may be.
- 14.11 The Firm may terminate a Client's rights to use the OTF in the event that it becomes aware a Client fails consistently and systematically to deliver good settlement practice or otherwise in accordance with Applicable Law.

#### **Clearing**

- 14.12 EquiLend is not responsible for any Clearing functions on behalf of the Client.
- 14.13 All Swaps entered into by Client on the OTF are cleared by each Client's proprietary clearing arrangements as described in the Client's Bilateral Agreements.

- 14.14 EquiLend is not responsible or liable for the Clearing of Transactions effected on the OTF.
- 14.15 Where the OTF provides connectivity to a Central Counterparty (CCP) for Clearing, the Client acknowledges, agrees and accepts to comply with the rules set out by the CCP.

### **Transaction Reporting**

- 14.16 Each Client shall be solely responsible for any Transaction Reporting (including any trade reporting) and/or filing and/or disclosure requirements as may arise under Applicable Law in connection with the use of the OTF.

### **Lifecycle Management**

- 14.17 Each client is responsible for managing lifecycle events on the OTF in respect of open trades.

## **15 Document Library and Supporting Information**

- 15.1 The Firm maintains a closed library of OTF Rulebook supporting documents, which may be provided to Clients upon written request to support@equilend.com (Attn: Compliance Department).

## **16 Compliance and Legal**

### **Complaints**

- 16.1 A Client may wish to make a complaint to the Firm regarding:

- 16.1.1 The Firm's operation of the OTF;
- 16.1.2 The conduct of another Client using the OTF.

- 16.2 Complaints can be made in writing to;

The Head of Compliance  
EquiLend Limited  
Hennebique Studio  
5 Dame Lane  
Dublin D02 HC67

### **Rulebook**

- 16.3 The Firm will conduct an annual review of the Rulebook to confirm all stipulations are consistent reflecting relevant regulatory and legislative requirements of the Firm and its Clients. Additionally, on an on-going continuous basis, the Firm will amend the Rulebook and its systems as necessary to reflect relevant changes at the time such changes may be identified.
- 16.4 Regulatory updates issued by the Central Bank, the FCA, or other relevant Regulatory Authority will form part of the Rules (if relevant and applicable). Changes will be effective at such time as specified in the relevant notice.
- 16.5 Any modification to the Rulebook effecting material obligations of Participants will be alerted to Participants a minimum of 30 days prior to a revised Rulebook coming into effect and being posted on the EquiLend website, unless communicated otherwise. This communication will be sent by email to the "Compliance Contact" the Client has specified on the Client Profile Form.
- 16.6 All final Rulebook revisions will be reviewed by, at minimum, one Director of the Firm and will be demonstrated so by their explicit written approval prior to any such revised Rulebook coming into effect and posting to the Firm's publicly accessible website.

### **Notifications**

- 16.7 The Client must notify the Firm immediately (by email to: support@equilend.com) upon any of the following events:
- 16.7.1 The Client has a change of legal entity name, legal status, contact details, or any significant change to the business structure of the Client;

- 16.7.2 The Client completes any material breach of these Rules;
- 16.7.3 The Client initiates any Insolvency Event;
- 16.7.4 Any changes in the Client's ability to meet the OTF Client Criteria.

**Co-operation with Local Regulatory Authority**

- 16.8 The Firm will report to the Central Bank, the FCA, or any other relevant Regulatory Authority as soon as practicable following identification of any:
  - 16.8.1 Breaches of its rules;
  - 16.8.2 Disorderly trading;
  - 16.8.3 Conduct that may be considered Market Abuse.
- 16.9 The Firm will provide full assistance to the Central Bank, the FCA, or any other relevant Regulatory Authority in connection with any investigation or for any other request it is capable, including providing any relevant information it has available in connection with any such request.
- 16.10 The Firm monitors for changes in its regulatory related obligations on a continuous and ongoing basis with respect to all aspects of this Rulebook, to include; OTF Client Criteria, trading and settlement rules, and market abuse rules.

**Governing Law and Other Provisions**

- 16.11 This Rulebook shall be governed and interpreted in accordance with the laws of Ireland. The parties consent to the jurisdiction of the courts for Ireland in relation to any legal action or proceeding out of or in connection with these national rules.