

MAKOR SECURITIES
ORGANISED TRADING FACILITY
RULEBOOK
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1. Definitions

Applicant	An individual firm applying to gain access as a Participant to the OTF.
Business Day	Any day declared to be a business day by Makor on which the OTF Platform is open for business.
Contractual Settlement Date	Date for settlement of a transaction determined by Makor.
EEA	European Economic Area
EFP	Exchange for Physical (Financial Instrument)
Eligible Counterparty	As defined in COBS 3.6 of the FCA Handbook.
Eligibility Criteria for Financial Instruments	The eligibility criteria for Financial Instruments to be admitted to trading on the OTF as set out in section 4.
Eligibility Criteria for Participants	The eligibility criteria for firms for becoming Participants of the OTF as set out in section 3.
FCA	The Financial Conduct Authority of the UK
Financial Instrument	An instrument or security as listed in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 .
Insolvency	In respect of a Participant where: (i) it or they make a composition or arrangement with its creditors; or (ii) it or they become bankrupt; or (iii) it or they make a proposal for a voluntary arrangement for a composition of debts; or (iv) it or they have a provisional liquidator appointed; or (v) it or they have a winding-up order made; or (vi) it or they pass a resolution for voluntary winding up; or (vii) it or they have an administrator or an administrative receiver appointed; or (viii) any procedure equivalent to the above occurs in any other jurisdiction; or (ix) it or

	they are otherwise unable to meet its debts as they fall due.
Order	Any valid Order to buy or sell a Financial Instrument submitted by a Participant to the OTF in accordance with these Rules.
OTF	Organised Trading Facility as defined in UK MiFIR .
Participant	An applicant accepted by Makor as a Participant and permitted to place Orders and/or execute Transactions on the OTF platform in accordance with these Rules.
Rate Card	The document setting out the charges applicable to transactions executed under the Rules of the OTF.
Terms of Business	Makor's Terms of Business – Eligible Counterparties, entered into with Makor by each Client categorised as an Eligible Counterparty.
Trade Confirmation	In relation to a transaction, the relevant confirmation issued by Makor following execution of an Order.
Trade Date	The date on which the terms of a particular transaction in a Financial Instrument are finalised.
Trading and Product Manual	The document providing guidance on the Financial Instruments traded on the OTF and how Makor will trade and execute Orders submitted to the OTF.
Transaction	A transaction between Participants relating to the sale and purchase of a number, quantity or amount of any Financial Instrument resulting from the execution of an Order on the OTF.
UK MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on Markets in Financial Instruments as it has been incorporated into

	English law (subject to various amendments) as a piece of retained European Union legislation.
Underlying	In relation to a Financial Instrument, the underlying asset, index or benchmark on which the price of the Financial Instrument is based.

2. Makor OTF and these Rules

2.1 The Makor OTF

- (a) Makor OTF enables Participants to trade in Financial Instruments by means of the OTF and following the definitions stated in Section 1 of the Rulebook.
- (b) These Rules set out the terms, conditions and requirements which shall apply to participation in and trading on Makor OTF.
- (c) Makor, as operator of the OTF, is the ultimate arbiter of these Rules. Complaints about Makor's operation of the OTF are covered in Section 9.
- (d) Makor may at any time supplement or implement new Rules, amend existing Rules, or revoke Rules in whole or in part. Participants shall be informed of any such change by the issuing of a Market Notice.
- (e) Such changes will be effective at such time as specified in the relevant Market Notice and published on the public website, giving reasonable notice. Unless otherwise required by a Regulatory Authority or by applicable law, any such change shall not apply retrospectively.

2.2 Role of Makor

- (a) Makor acts as the operator of the OTF platform, facilitating the negotiation of transactions between Participants. Makor also acts as an agency broker for the Financial Instruments that are admitted to trading on the OTF platform and for other Financial Instruments which are traded on other venues or over the counter. This activity may give rise to conflicts of interest between Makor's clients and Makor and Makor has a conflicts policy to identify and manage these potential conflicts. A summary of Makor's conflicts policy is published on Makor's website.
- (b) Makor will not execute Participant Orders against its proprietary capital or that of any of its Affiliates.
- (c) Makor will keep appropriate records of voice and electronic communications, Orders submitted to and Transactions executed under the Rules of the OTF and keep any other records it is required to maintain.

3. Participation

3.1 Participant Eligibility Criteria

- (a) An application to gain access to the OTF will only be considered by Makor if the following eligibility criteria are met:
- (i) The applicant is regulated by the FCA or by another EU NCA; and
 - (ii) The applicant is an “eligible counterparty” as defined by the Financial Conduct Authority (“FCA”); and
 - (iii) the applicant has technical and organisational facilities sufficient for the Orderly settlement of transactions in Financial Instruments and for connection to the OTF; and.
 - (iv) the applicant must not be subject to an Insolvency Event as defined in Section 1 of this Rulebook; and
 - (v) the applicant must have accepted Makor’s standard Terms of Business and entered such agreements with Makor as Makor may specify in relation to the applicant’s participation of the OTF Platform; and
 - (vi) the applicant must agree to be bound by these Rules.
- (b) Makor may approve an application, refuse an application or grant a conditional application subject to any conditions it considers necessary and appropriate. However, all applicants meeting the Participant criteria will be subject to the same conditions.

3.2 Application Procedure

- (a) Applications for admission to participate in the OTF Platform shall be made through submission to Makor by application form.
- (b) The application must include all supporting information, failing which the application will be returned to the applicant and will not be processed until fully completed.
- (c) All applications shall be determined by Makor and complete applications will, in normal circumstances, be determined within 10 Trading Days of receipt.
- (d) Makor will notify in writing each successful applicant of the date on which its participation on the OTF becomes effective.

- (e) If the applicant is not granted permission to gain access to the OTF it may appeal that decision by writing to 'The Executive Committee, Makor, at Gossard House, 2nd Floor, 7/8 Savile Row, London W1S 3PE'.

3.3 Participant Obligations

- (a) Each Participant must act in accordance with the Rules of the OTF.
- (b) Each Participant shall be held responsible for all Orders and transaction under these Rules and for any actions taken on its account by its officers, employees and agents in relation to the operation of the OTF.
- (c) A Participant must at all times have adequate systems and controls to minimise the risk of error in relation to Orders submitted to the OTF, and to ensure that its conduct on the OTF complies with these Rules.
- (d) All Participants are responsible for ensuring that their relevant staff are familiar with these rules and adequately trained to use the OTF and that they are properly supervised when using the OTF.
- (e) Participants must not, in respect of any of their business through the OTF:
 - (i) commit or engage in any act of conduct which creates or is likely to create a false or misleading impression as to the supply or demand or the price of any Financial Instrument; or
 - (ii) engage in any act of conduct which is likely to harm the integrity or stability of the OTF; or
 - (iii) otherwise commit any form of market abuse.
- (f) A Participant must inform Makor without delay if:
 - (i) it or any of its relevant staff is unable to comply with the Rules;
 - (ii) an Insolvency Event occurs in relation to it;
 - (iii) it commits a material breach of these Rules, upon becoming aware thereof; or
 - (iv) it ceases to meet any of the Eligibility Criteria.
- (g) Participants are responsible for retaining records of all Orders and all Transactions entered via the OTF for a minimum of 5 years.
- (h) Specific Participant obligations in relation to particular Financial Instrument types shall be set out in the Trading and Product Manual. This Trading and Product Manual will be made available to Participants on Makor's website.

- (i) Participants will be bound by the Rules, by the Trading and Product Manual and by any decision of Makor made pursuant to these Rules.

3.4 Access to the OTF Platform

- (a) All Participant Orders are submitted through a voice trading protocol supported by electronic means of communication.
- (b) A Participant of the OTF shall designate one or more Responsible Persons in accordance with the eligibility criteria.
- (c) A Participant Responsible Person(s), shall be responsible for any and all communications between the Participant and Makor and any and all notices or other communications sent to such Responsible Person(s) by Makor will be binding on such Participant.
- (d) Every Participant is obliged to notify Makor of the personnel that will be trading through the OTF.
- (e) Participants are obliged promptly to notify Makor of any changes in personnel who have been given access to the OTF.
- (f) No Participant shall allow unauthorised third parties to use the OTF Platform for any purpose. Participants must have systems and procedures in place designed to restrict access to the OTF Platform to those individual employees notified to Makor.

3.5 Suspension and Termination

- (a) Without prejudice to Makor's rights under any Terms of Business, if, at any time, a Participant does not comply with the Rules, Makor may suspend, restrict or terminate participation in the OTF in any way that Makor deems reasonably necessary, having proper regard to all the circumstances. Makor shall send notice of such termination or suspension to the Participant as soon as reasonably practical.
- (b) If, at any time a Participant, in Makor's reasonable opinion, poses a risk, including but not limited to credit, market and operational risk, to Makor, the OTF Platform and/or other Participants, Makor may suspend, restrict or terminate participation in the OTF and may cancel any unexecuted Orders submitted to the OTF from that Participant where it believes it necessary to preserve market Orderliness.
- (c) A Participant remains liable to the OTF and other Participants for acts and omissions in relation to their participation even when suspended or terminated.

- (d) In some cases, Makor may be obliged to submit a report to the appropriate regulatory authority setting out the conduct that has led to the suspension, restriction or termination of a participant.

3.6 Fees and Charges

- (a) Makor will impose such charges on Participants of the OTF as notified from time to time in the Terms of Business and the Rate Card published on the public website.

4. Financial Instruments

4.1 Eligibility of Financial Instruments for trading on the OTF

- (a) Makor may (in its absolute discretion) admit Financial Instruments to the OTF and will maintain a list of Financial Instruments available for trading on the OTF on its public website. Makor will allow a Financial Instrument to be made available for trading provided the Financial Instrument is compatible with orderly trading on the OTF and not otherwise prohibited or suspended from trading.
- (b) Full details of those Financial Instruments admitted to trading on the OTF are set out in the Trading and Product Manual. Changes in the specifications of the Financial Instruments available via the OTF shall be determined by Makor and made known to all Participants via email and published on the public website.

4.2 Prohibited or Suspended Financial Instruments

- (a) Makor has the discretion to remove or suspend any Financial Instruments being traded on the OTF which are no longer compliant with these Rules.
- (b) This decision of suspension or removal and the complete updated list of Financial Instruments eligible to the OTF will be published on Makor's website following the format required by applicable law (if any).
- (c) Makor shall, as soon as practicable, revoke the suspension of trading in whole or in respect of one or more Financial Instruments if, in its opinion acting reasonably, the reason for such suspension has ceased to exist.
- (d) If trading in specific Financial Instruments is suspended in whole or in part, no new Orders may be entered in respect of such Financial Instruments for the duration of the suspension and all Orders which are not matched prior to the time of suspension shall be cancelled.

5. Trading Rules

5.1 Operation

- (a) The hours of operation of the OTF Platform shall be determined by Makor (in its absolute discretion) and notified to Participants from time to time (for the avoidance of doubt such notification could without limitation be disseminated by email). There is nothing to prevent or restrict the right of Makor to extend (or reduce) trading hours generally or restrict trading in relation to any Financial Instrument during the course of any Business Day.
- (b) A Participant may submit Orders, amend or cancel unexecuted Orders and enter into Transactions during the times specified by Makor. Execution of Orders shall take place during the trading hours for each Financial Instrument specified by Makor.
- (c) To ensure orderly trading, the commencement of trading may, at the discretion of Makor, be postponed for the entire OTF or trading hours may be extended or shortened, provided that Makor shall be under an obligation to restore normal trading and normal trading hours as soon as reasonably practicable.

5.2 Exercise of Discretion

- (a) Makor shall at all times comply with all applicable laws and regulations (including the provisions of UK MiFIR), and has the right to exercise discretion. Makor may exercise discretion in one of two ways:
 - i. In relation to placing or retracting an Order on the OTF; or
 - ii. When deciding not to match a specific client Order with other Orders available in the system at a given time.

5.3 Order Execution

- (a) The OTF is a voice broking system into which Participants may submit Orders using voice, email or Bloomberg chat. Trading sessions remain open throughout the Business Day. Except as expressly provided for by these Rules, all Orders are matched by:
 - (i) the action of one Participant communicating an executable bid or offer to Makor in relation to any Financial Instrument made available for trading on the OTF; and
 - (ii) another Participant accepting that bid or offer.

5.4 Pre and Post Trade Transparency Obligations

- (a) Makor will make use, as per Article 9 UK MiFIR, of a waiver to avail itself of the obligation to make public bid and offer prices and the depth of trading interests at those prices.

- (b) As required by UK MiFIR, Article 10, Makor is responsible for the post-trade transparency of Transactions executed on the OTF. Subject to the below, the required information shall be published pursuant to the timeframe set out: all Transactions are to be made public as close to real time as possible. [Makor has received permission from the FCA, under Article 11 UK MiFIR, to defer publication of the information required by Article 10 UK MiFIR where the relevant Transaction relates to a Financial Instrument for which there is not a liquid market (as determined in accordance with applicable law and regulation). Where this deferral applies, Makor will make the relevant information in respect of each transaction public no later than 19.00 local time on the second working day after the date of the given Transaction.]
- (c) Makor will confirm from time to time to all Participants any information it might require in order to meet its post-trade transparency obligations.

5.5 Transaction Reporting

- (a) Participants remain responsible for fulfilling their own transaction reporting requirements under MiFIR. Makor will provide all necessary information in the Trade Confirmation to enable Participants to transaction report to the relevant NCA.

5.6 Market Surveillance and Service Disruption

- (a) Makor shall maintain systems to monitor compliance with the Rules, disorderly trading conditions and conduct that may involve Market Abuse. Makor shall enforce compliance with these Rules and may take all measures necessary, in accordance with and subject to the provisions of these Rules, to ensure orderly trading and the smooth operation of the OTF.
- (b) In the event of technical or operational problems that may lead to violation of laws or regulation, error trades or breaches of security, or may materially impact the performance or impact the integrity or stability of the OTF, Makor may, for an individual Participant or all Participants, temporarily suspend access to or trading through the OTF, to the extent required as a result of such problems.

6. Settlement

6.1 Obligation to Settle Transactions

- (a) A Participant must, settle all Transactions executed on the OTF and any associated rights and obligations as they fall due.
- (b) A Participant shall ensure that Financial Instruments delivered in settlement of a Transaction are free of any charge or encumbrance.

- (c) Unless agreed otherwise between the parties, a Transaction in any Financial Instrument shall be settled in the standard place of settlement for that Financial Instrument.

7. Discipline and Decision-making by Makor

7.1 Sanctions

- (a) In the interests of maintaining a fair and Orderly market, Makor, acting in good faith, may impose the following sanctions on a Participant for a material breach of the Rules:
 - (i) written warning;
 - (ii) temporary suspension;
 - (iii) termination of participation;

7.2 Decision-making and Appeals

- (a) The decision to impose sanctions will be taken by Makor's Compliance function. The sanction applied shall be proportionate to the materiality of the breach and take into account any previous breaches by the Participant.
- (b) The Participant may appeal Makor's decision by writing to 'The Executive Committee, Makor, at Gossard House, 2nd Floor, 7/8 Savile Row, London W1S 3PE'.

8. Other Provisions

8.1 Complaints

- (a) In the event that a Participant is dissatisfied with the service provided by Makor the Participant should follow the complaints procedure as set out in the Terms of Business (11.5).

8.2 Tick Size Regime

- (a) Following the provisions of article 18 and 49 of the Directive 2014/65/UE and Recital 2 of the Delegated Regulation 2017/588, due to the nature of the Financial Instruments traded on the OTF, no tick size regime is applicable on the OTF.