



MTS ACM MARKET RULES

Effective January 20th, 2012

**MTS ACM is a Multilateral Trading Facility organised and managed by
EuroMTS Limited**



1	Definitions	3
2	Market Rules	5
3	Participant.....	5
4	Eligibility.....	6
5	Admission procedure for Participants.....	7
6	Resignation of Participants	7
7	Undertakings of Participants	8
8	General System operations.....	9
9	Opening Hours and Days of the System	10
10	Suspension and postponing of operations.....	10
11	Selection of Tri-Party Baskets	10
12	Auction Process	11
13	Cash Entry Phase	11
14	Collateral Entry Phase	11
15	Execution Phase	11
16	Trades.....	12
17	Types of Contracts.....	12
18	Conclusion and registration of Contracts	12
19	Settlement of Contracts.....	13
20	Cancellation of Contracts	13
21	Governing Law.....	13
22	Provision of information to Participants and public	13
23	Provision of information to the authorities	14
24	Verification of regular course of trading.....	14
25	Breach of the Market Rules	15
26	Procedure in respect of Article 25	16
27	Adoption and enforcement of sanctions	17
28	Automatic suspension from trading.....	17
29	Liability.....	18
30	Disputes.....	18
31	Annex A - Eligibility and Minimum Quantities	19
32	Annex B - Contracts.....	19
33	Annex C - Trading Hours.....	19
34	Annex D - Daily statistics.....	20
35	Annex E - Trade Cancellation Procedure.....	20
36	Annex F - Penalty for Late Payment	22
37	Annex G – Triparty Agents.....	22
38	Annex H – Triparty Baskets	22



SECTION I GENERAL PROVISIONS

1 Definitions

In this Market Rules the following expressions have the following meanings:

“Affected Trade”	has the meaning specified in Annex E.
“Application Form”	means the Company’s application form completed by a Participant to enable it to use the System.
“Auction”	means the electronic auction of TriParty Baskets carried out on the System.
“Bid”	means an expression of interest by a Cash Provider to buy a specific Tri-Party Basket and thus pay cash for a specific term, in a specific currency and for a specific amount equal or in excess of the Minimum Trading Quantity entered into the System in the Cash Entry Phase by way of repurchase transaction. For the avoidance of doubt, a Bid is an expression of interest and does not constitute a contractual offer.
“Capital”	shall mean Tier 1 regulatory capital or the equivalent, as defined under the capital adequacy regime of the Participant's home state regulator.
“Cash Provider”	means a Participant accepted to participate in the System as a buyer of Triparty Baskets and payer of cash pursuant to a Contract.
“Collateral Provider”	means a Participant accepted to participate in the System as a seller of TriParty Baskets and receiver of Cash pursuant to a Contract.
“Company”	means EuroMTS Limited.
“Contract”	means the matching of a Quote and an Order once they have been processed on the System resulting in a legally binding transaction under the relevant GMRA between the Cash Provider and the Collateral Provider.
“Credit Flags”	means either a No Credit Line (“NCL”) or Exceeded Credit Line (“ECL”). An NCL is a flag controlled by the Company upon written request of a Participant via the System. An





ECL is a flag managed directly by Participants on the System. Both Flags are applied by one participant against another in order to permanently (NCL), or temporarily, block (ECL) block trading between the two parties.

"FSA"	means the Financial Services Authority in the United Kingdom.
"GMRA"	means a form of Global Master Repurchase Agreement.
"Group"	in relation to an entity, shall mean that entity's 'group undertakings' (such term taking the meaning ascribed to it in section 1161 of the UK Companies Act 2006).
"Major Market Incident"	or "MMI" has the meaning ascribed to it in Annex E.
"Market Rules"	means these rules and regulations (including annexes) of the System as may be made, amended or replaced from time to time by the Company.
"Minimum Trading Quantity"	£50,000,000, €50,000,000 or US\$50,000,000 or any other amount that can be determined by the Company and communicated to the Participants in accordance to the Membership Documentation
"Order"	means the acceptance by a Cash Provider, whether in whole or in part, of a Quote, transmitted via the System and processed by the System in accordance with these Rules.
"Participant"	means all participants accepted by the Company to participate in the System, being either a Cash Provider and/or a Collateral Provider.
"Rate"	means the interest agreed between the Cash Provider and the Collateral Provider for a Contract.
"Quote"	means a firm offer by a Collateral Provider to sell a Tri-Party Basket to a specific Cash Provider via the System with specification of the size, Rate, term, and currency by way of repurchase transaction. All Quotes must meet the relevant Minimum Trading Quantity.
"System"	means the screen-based system organised and administered by the Company known also as "ACM" for the trading of Tri-Party Baskets.
"Trading Day"	means a day on which Triparty Baskets may be traded on the System.
"Trading Hours"	means the hours of the Trading Day during which the System is open.





“TriParty Agent”	means an intermediary between the Cash Provider and the Collateral Provider, responsible, among others, for the administration of the GMRA including collateral allocation, marking to market and substitution of collateral. TriParty Agents are listed in Annex G.
“TriParty Basket”	means a basket of securities which shall be constituted out of the following: government bonds, corporate bonds and equities, the composition of which is defined by the Company, recognised by the TriParty Agents and agreed upon by each Participant.
“United Kingdom”	means England, Wales, Scotland and Northern Ireland.

2 Market Rules

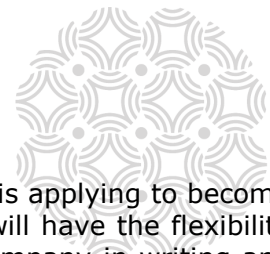
1. The object of the Market Rules is to regulate the organisation and operation of the System.
2. The Market Rules and its Annexes are made and may be amended or replaced by the Company in its sole and absolute discretion.
3. Participants are required to accept the terms and conditions of the Market Rules and act accordingly.
4. Any substantive amendment to the Market Rules will be notified to the Participants normally at least 10 Trading Days prior to the amendment taking effect by any means that the Company considers appropriate, provided that such notification shall at least include electronic notification through publication on the System or the Company’s dedicated web-based portal.
5. The Market Rules shall be governed by and construed in all respects in accordance with the laws of England and Wales (unless explicitly stated otherwise).

SECTION II ADMISSION AND RESIGNATION

3 Participant

There are two categories of Participants within the System:
a) Cash Providers; and
b) Collateral Providers.





The Participant shall indicate in the Application Form whether it is applying to become a Cash Provider or a Collateral Provider or both. A Participant will have the flexibility to change its category from time to time by applying to the Company in writing and the Company shall notify the Participant of when its change in category is effective. The Company shall maintain a record of all Participants and their current category.

4 Eligibility

1. The following entities are eligible to become Participants:
 - a. banks, investment firms and other entities authorised to provide services and engage in the activity of dealing for own account under laws of any EEA country or of non-EEA countries; or
 - b. firms set up in the legal form of corporations, limited companies, or equivalent, in accordance with the applicable legislation:
 - i. in which the persons performing administrative, management and supervisory functions and those responsible for trading activity and the internal control function satisfy integrity and experience requirements equivalent to those applying to intermediaries that deal in financial instruments;
 - ii. which have established an internal audit function that does not depend hierarchically on any person with operational responsibilities and that makes periodic checks on the activity of trading in financial instruments;
 - c. monetary authorities, central banks, public bodies charged with managing the public debt and other entities performing analogous functions in EU and non-EU countries.
2. To be admitted to the System, the institutions referred to in Article 4.1 must:
 - a. have a settlement agreement in place with at least one Triparty Agent specified in Annex G
 - b. have signed a GMRA, or any other type of master repurchase agreement which the Company will deem to be acceptable, and all other relevant documentation with each Participant it wishes to transact with from time to time;
 - c. be a fit and proper person, which includes, without prejudice to the generality of the foregoing, having an adequate organisation;
 - d. have Capital of at least GBP 1 million (or the equivalent in another currency), or have in place guarantees to the satisfaction of the Company in an amount of not less than such sum. For the purpose of satisfying this requirement, the institution may include in its calculation the Capital of its ultimate holding company;
 - e. be authorised to deal in investments as an agent or as a principal or deal on own account without any regulatory limitations other than standard limitations;





- f. input on the System a Quote and/or an Order in its own name and for its own account and/or in its capacity as agent and shall not provide third-party access save with the specific consent of the Company;
- g. be able to evidence that every individual or user ID transacting on the System is authorised by the Participant to trade on behalf of the Participant and has been assigned adequate risk limits;
- h. only use the data and information supplied to or derived from the System for trading on the System;
- i. ensure that no data or information supplied by or derived from the System is allowed or technically able to be redistributed, internally or externally, save with the specific consent of the Company; and
- j. promptly pay all relevant fees in connection with the System.

The Company will only accept an application from an entity to become a Participant based on its own evaluation of the entity against the criteria above. The Company will have sole discretion in determining whether an entity shall become a Participant. No application by an entity to become a Participant will be accepted if it jeopardises the proper functioning or orderly trading of the System and/or its electronic markets or it would adversely affect the reputation of the Company or the System.

5 Admission procedure for Participants

Each entity wishing to become a Participant must submit to the Company a completed written application form in the form specified by the Company.

6 Resignation of Participants

A Participant may terminate its access to the System by giving not less than 3 months' notice in writing to the Company specifying the date on which the Participant wishes to terminate its access. A Participant shall remain liable for all outstanding obligations under the System notwithstanding its termination of access to the System.

SECTION III UNDERTAKINGS



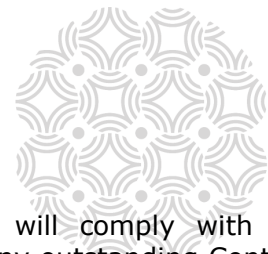


7 Undertakings of Participants

Each Participant represents and undertakes:

- a. to notify the Company, without delay, of any interruption in trading due to a software or hardware failure, or an interruption in connectivity in the System;
- b. to comply with the Market Rules;
- c. to act with fairness and honesty;
- d. to act with due skill, care and diligence;
- e. to respect and comply with the established operating procedures for the System;
- f. to refrain from any act that may jeopardise the proper functioning of the System or undermine the integrity of trading on it;
- g. not to enter into trades on the System other than for proper trading purposes;
- h. to be responsible for the acts and omissions of its employees and agents and ensure those assigned to its trading activities on the System are competent and appropriately trained;
- i. to keep confidential and not to disclose any information or data supplied to or derived from the System, save as may be required by a regulatory body or court having jurisdiction over the Participant or to members of the same Group as the Participant which have entered into a confidentiality agreement with the Company in a form approved by the Company;
- j. that all rights, title and interest in, and to any work in any medium which incorporates or in the compilation of which there was used, any information or data entered by it on the System shall, as between the Participant and the Company, be the property of the Company or its licensees, and each Participant represents and undertake to grant to the Company the right to exploit the same and not to make any claim to any right, title or interest or to any payment in respect of the same;
- k. to use and make available the information and data supplied to or derived from the System for the sole purpose of trading on the System and to clear and settle trades executed on the System;
- l. to pay not later than the due date all fees payable to the Company for utilisation of the System (in case of late payment, the Company will charge an interest on the amount due, as specified in Annex F);
- m. to deal with the Company in an open and co-operative manner;
- n. to have and maintain in its home state all necessary regulatory authorisations, approvals and consents for trading on the System;
- o. to notify the Company, without delay, of any material change to the information supplied in its Application Form;



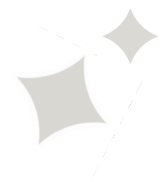


- p. notwithstanding its suspension, exclusion or resignation, it will comply with any requirements of the Company with regard to the execution of any outstanding Contract entered into by it on the System;
- q. to safeguard passwords and other security credentials in accordance with the established operating procedures of the System and not to allow unauthorised access to the System;
- r. to effect trades on the System in its own name and not to act for a third party save for an entity in its Group;
- s. to respect and accept the outcome of checks by Company referred to in Section VII of these Rules;
- t. to effect or procure timely settlement and comply with all terms of each of its Contracts;
- u. to ensure continuing fulfilment of the conditions referred to in Articles 4 and 5;
- v. that, if and when requested by the Company, to demonstrate at least once a year its continuing satisfaction of the conditions for admission referred to in Article 4. The Company may require the presentation of any data, information or documents relevant to this purpose, including certifications from auditing companies;
- w. to notify the Company immediately in case of a breach of any of the undertakings in Article 7; and
- x. to promptly enter each Contract's details within the relevant TriParty Agent system and arrange for the prompt settlement thereof in accordance with the TriParty Agent terms.

SECTION IV TRADING

8 General System operations

1. The Company shall adopt all acts necessary for the proper functioning of the System.
2. The Company shall determine the formats of the operative and informational computer screen "pages" of the System and may change the formats from time to time.
3. The Company shall promptly inform Participants of any of its actions that affect the operation of the System.





9 Opening Hours and Days of the System

1. Trading Days on the System are defined by the TARGET calendar. The calendar is available on the Company website.
2. The Trading Hours of the System are determined as set out in Annex C.
3. The Company may change at any time the number of Auctions and their timing in its sole discretion. The Company will use reasonable endeavours to inform the Participants thereof by electronic communications.

10 Suspension and postponing of operations

The Company may, among other things:

- a. at any time suspend the operation of all or part of the System if it determines that normal market conditions do not apply;
- b. for the purpose of improving the functioning of the System, postpone the start of trading for the entire System or for single Tri-party Baskets, or extend the Trading Hours;
- c. temporarily suspend trading of the entire System or single TriParty Baskets, in case of serious technical malfunction or other exceptional circumstances as determined by the Company in its sole discretion.

11 Selection of Tri-Party Baskets

1. The Company shall notify all Participants of the configuration of the current TriParty Baskets and any changes to allow all Participants to update their relevant documents with the TriParty Agents. The TriParty Baskets available for trading on the System at the launch of the System are listed in Annex H. The Company can add or remove TriParty Basket by giving notice to the Participants.
2. The Minimum Trading Amounts shall be determined by the Company and are set out in Annex A. The Company shall provide the Participants with five Trading Days' notice of any change in the Minimum Trading Amounts. Collateral Providers are allowed to set higher minimum sizes for specific Quotes.





12 Auction Process

Currently there are two Auctions on each Trading Day. Each Auction shall consist of the following phases:

1. Cash Entry Phase;
2. Collateral Entry Phase; and
3. Execution Phase.

13 Cash Entry Phase

1. Both Collateral Providers and Cash Providers may edit their Credit Flags during this phase.
2. During each Cash Entry Phase, a Cash Provider may enter its Bids into the System. Each Bid shall state the term (including start and end dates) and currency. The Triparty Basket, and also specify the size and optionally a preferred Rate. No further Bids for an Auction are permitted at the close of relevant Cash Entry Phase. No Collateral Providers are able to view Bids during the Cash Entry Phase. Cash Providers are not able to see each others' Bids during this phase.

14 Collateral Entry Phase

1. During the Collateral Entry Phase, a Collateral Provider may enter its Quotes in the System against tradable Bids.
2. A Collateral Provider may modify its Quotes at any time prior to the end of the Collateral Entry Phase. As of the close of a Collateral Entry Phase, all Quotes constitute a firm offer by the relevant Collateral Provider to enter into a Contract on the stated terms with the matched Cash Provider.
3. A Collateral Provider is unable to view other Collateral Providers' Quotes.
4. Cash Providers are able to view the size of the Quotes made by Collateral Providers but are not able to view the Rates or name of the Collateral Providers until the Execution Phase.

15 Execution Phase

1. At the start of the Execution Phase, a Cash Provider is able to view all valid Quotes made by Collateral Providers, including the Rates, size and name of Collateral Provider.
2. The Quotes are ordered first by Rate and secondly in accordance to the time of entry onto the System.





3. During the Execution Phase, a Cash Provider may enter an Order in respect of a Quote (either in full or in part) up to the size of the Quote but within the size of the Bid or may reject it. Upon the entry of an Order, the Cash Provider and Collateral Provider shall have entered into a Contract on the terms stated in the Order. At the end of each Execution Phase, all Quotes which are not subject to an Order in full or in part shall be automatically cancelled.

SECTION V CONTRACTS

16 Trades

All Contracts shall be executed by Participants in their own name and shall be subject to the terms of the relevant GMRA in place between the Cash Provider and Collateral Provider and settled in accordance with the Triparty Agent documentation.

17 Types of Contracts

1. The Company shall determine and shall specify in Annex B the types of contract by means of which each Tri-Party Baskets may be traded on the System.
2. Tri-Party Baskets may be traded on the System by Participants relying on normal market practice (as such term is determined by the Company). Only contracts conforming to normal market practice (as such term is determined by the Company) may be traded on the System.

18 Conclusion and registration of Contracts

1. Contracts are concluded by the acceptance by the Cash Provider of a Quote on the System. The size of the Order can be equal or lower than the size of the relevant Quote, but not lower than minimum trading lot or the configurable minimum tradable size which can be set by the Collateral Provider.
2. Each Contract shall be registered by the Company in real time and shall have a unique identification number and will be registered including:
 - a. time of conclusion of the Contract;
 - b. Quantity, Rate, Tri-Party Basket, currency; and
 - c. relevant Cash Provider and Collateral Provider.





19 Settlement of Contracts

1. All Contracts shall be settled between the relevant Cash Provider and Collateral Provider pursuant to the relevant Triparty Agent's systems. For the avoidance of doubt, the Company's sole responsibility in respect of the Contracts shall be to operate the System in accordance with these Market Rules and under no circumstances shall the Company be liable for or have any role in the settlement of any Contracts.

20 Cancellation of Contracts

The Company may cancel Bids, Quotes, Orders or Contracts in accordance with Annex E.

21 Governing Law

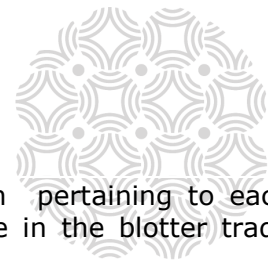
Subject to the provisions of these Market Rules and unless the relevant GMRA states otherwise, the laws of England and Wales shall govern all Contracts concluded on the System, the interpretation of these Market Rules and any disputes arising from these Rules between Participants and the Company.

SECTION VI PROVISION OF INFORMATION

22 Provision of information to Participants and public

1. The Company shall make available to Participants such information as it deems necessary for the correct performance of trading activities and for the execution of Contracts.
2. For each eligible TriParty Basket on the System, the Company shall make available to the Participants the following real-time information on the System:
 - a. Cash Entry Phase: a) a Cash Provider will see its own Bids and all the information contained in its Bid(s), and b) Collateral Providers will not be able to view any information;
 - b. Collateral Entry Phase: a) Collateral Providers will see all of the information pertaining to eligible Bids made by Cash Providers; b) Cash Providers will only see the size of Quotes, if any, made against its Bid(s); in the event of an NCL in respect of a Cash Provider, then the identity of the relevant Cash Provider is not revealed to the Collateral Provide.





c. Execution Phase: a) Cash Providers will see all information pertaining to each Quote made against its Bid(s); b) Collateral Providers will see in the blotter trade information in the event of a Contract.

3. For each TriParty Basket traded on the System, the Company shall make available to each Participant in real time the current status of all the Bids, Quotes and Orders, as the case may be, it has entered.
4. The Company shall make available to each Participant via the System, the following tables, updated daily at opening of the System:
 - a. complete table of the identification codes of each Tri-Party Basket; and
 - b. a complete table, with identification codes, of all Participants and descriptions.
5. For each TriParty Basket, the Company will make publicly available on its website, as close to real time as possible, the information which will be required to publish by law.

23 Provision of information to the authorities

The Company shall supply to the FSA (or any successor thereto) data and information on the Contracts and the activities carried out by Participants on the System and all other data, information, acts or documents as so requested by the FSA or required for the Company to comply with its obligations to the FSA.

SECTION VII SUPERVISION AND SANCTIONS

24 Verification of regular course of trading

1. The Company shall monitor the behaviour of Participants during the Trading Hours and verify their compliance with the Market Rules.
2. The Company may perform, amongst other things, the following activities:
 - a. verification through the System's information flow, compliance with the undertakings referred to in Article 7 and where doubts in this regard arise, the Company shall promptly request clarification from the Participant involved, who shall supply such clarification in the shortest possible time;
 - b. verification of the archives, the procedures and all other matters which the Company considers necessary for the orderly conduct of the System;





- c. monitoring the functioning of the System's technical structures and transmission networks;
 - d. performing technical checks with regard to anomalous trading on the System;
 - e. handling incorrect entries of Quotes and Orders into the System;
 - f. requiring Participants to provide all relevant data and information as the Company may require in connection with the System; and
 - g. carrying out inspections at a Participant's premises for the sole purpose of checking the Participant's compliance with the Market Rules .
3. Other than what is required for the operation of the System and for regulatory purposes, the Company shall keep confidential all information acquired in the course of its activities of managing and monitoring the System, save as is provided for under sub-clause 4 below. All information on the System can only be accessed via special passwords assigned by the Company to Participants.
4. (A) In the course of entering Contracts and accessing the System, each Participant will provide certain trade and transaction data (collectively, the "Transaction Data") to the Company.
- (B) Each Participant agrees that the Company is entitled to aggregate and/or compile the Transaction Data with that of other Participants, provided that such aggregated data does not directly or indirectly identify the Participant as the source of such data or that of the Participant's trading strategy (the "Aggregated Data"). All intellectual property rights in the Aggregated Data shall belong to and vest solely with the Company, and the Participant agrees that the Company shall be entitled to dispose, use or sell the Aggregated Data as it determines in its sole discretion. Each Participant further agrees that the Company may disclose Transaction Data to any third party as the Company determines is necessary to facilitate the management and usage of the System.

25 Breach of the Market Rules

When a Participant is in breach of the Market Rules, or where the Company has reasonable grounds for believing so, the Participant shall be liable to one of the following sanctions, depending on the nature and seriousness of the action and of any previous breaches committed by the same Participant

- a. a written censure;
- b. a fine of between Euro 2,000 and Euro 20,000;
- c. suspension (for such duration as may be determined in the Company's sole discretion) or exclusion from the System.





26 Procedure in respect of Article 25

1. When the Company is of the opinion that a Participant has committed one of the types of conduct indicated in Article 25, the Company shall communicate to the Participant a written notice describing the breach with which it is charged and inviting it to submit an explanation.
2. Within ten days of the communication of the notice referred to in Article 26.1, the Participant involved may file with the Company defensive briefs and documents and may ask to be heard.
3. Once the filing deadline referred to in Article 26.2 has expired, the Company, having heard the Participant involved if the latter has so requested, and examined any defensive briefs and documents filed, shall adopt one of the sanctions referred to in Article 25, if it considers that the breach of which the Participant is charged has in fact taken place; otherwise, it shall declare the sanction proceeding concluded.
4. The decision pursuant to Article 26.3 shall be communicated in writing to the Participant involved.
5. Where the Company has reasonable grounds to believe that a Participant has committed a serious breach of the Market Rules or
 - a. where the Participant has been suspended from activity or from trading by the competent authorities, or a competent authority instructs the Company to suspend such Participant's trading on the System, or its relevant clearing and settlement institution advises the Company that it has suspended the Participant's account; or
 - b. a Participant automatically takes or is subject to the following actions:
 - (i) makes a UK voluntary arrangement with its creditors or becomes subject to an administration order;
 - (ii) has a receiver appointed over any of its property or assets, or an encumbrancer takes possession;
 - (iii) goes into liquidation;
 - (iv) takes or is subject to any action similar to that specified in Clauses 28.d (i) to (iii) in any jurisdiction,

then the Company may order, as a precautionary measure, the immediate suspension of such Participant from the System in its sole discretion. If a System suspension occurs pursuant to this Article 26.5, the Company shall promptly provide the Participant with notice in accordance with Article 26.1 and shall endeavour to provide a determination pursuant to Article 26.3 within twenty Trading Days of the original System suspension.





6. Save as provided by Article 26.5, any sanctions imposed pursuant to this Article 26 shall take effect on the date on which they are notified to the Participant.

27 Adoption and enforcement of sanctions

1. The Company shall impose sanctions pursuant to Article 26 using non-discriminatory criteria.
2. A Participant's suspension from the System shall be lifted if the Company determines that the original breach has been cured.
3. In any case sanctions shall not invalidate measures adopted by the authorities for the purposes of ensuring the execution of contracts still open.

28 Automatic suspension from trading

The Company shall have the right to automatically suspend a Participant from trading:

- a. when it shall ascertain the absence of the continuing fulfilment of even one of the conditions referred to in Article 4 (except 4.2.c);
- b. when it shall ascertain the absence of the continuing fulfilment of the undertakings referred to in Article 4.2.c and proof of replenishment of Capital has not been provided to the Company, within three months from notification referred to in Article 26.1;
- c. where the Participant has been suspended from activity or from trading by the competent authorities, or such competent authority instructs the Company to suspend its trading on the System, or its relevant clearing and settlement institution advises the Company that it has suspended the Participant's account; or
- d. automatically takes or is subject to the following actions:
 - (i) makes a UK voluntary arrangement with its creditors or becomes subject to an administration order;
 - (ii) has a receiver appointed over any of its property or assets, or an encumbrancer takes possession;
 - (iii) goes into liquidation;
 - (iv) takes or is subject to any action similar to that specified in Clauses 28.d (i) to (iii) in any jurisdiction.





SECTION VIII

FINAL PROVISIONS

29 Liability

1. The Company reserves the right to terminate the System at any time.
2. The Company shall have no liability (save for a refund of the pro-rata part of any pre-paid fees) to any Participant in respect of any suspension or termination of the System.
3. In the absence of wilful misconduct and/or fraud on its part, the Company shall have no liability to any Participant or any other person with respect to any action taken or omitted to be taken in connection with providing the services contemplated by these Market Rules. Further, the Company shall have no liability to any Participant or any other person for consequential, indirect or unforeseeable loss or damage.

30 Disputes

1. Any dispute or issue arising out of or in connection with the Membership Documentation (as defined in the Application Form), including any question regarding its existence, validity, termination, form, interpretation and the obligations deriving there under, including the participation to the markets and the acts consequent thereto and the application and interpretation of the Market Rules, shall be referred to and finally resolved by arbitration under the London Court of International Arbitration, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be three. The seat, or legal place, of arbitration shall be London, United Kingdom. The language to be used in the arbitral proceedings shall be English. The governing law of the contract shall be the substantive law of England and Wales





31 Annex A - Eligibility and Minimum Quantities

1. **TriParty Baskets Eligibility Criteria**

If a TriParty Basket is not already part of a list of tri-party baskets managed by a Tri-Party Agent, it shall be notified to the Tri-Party Agent by the Company and approved by such TriParty Agent before being eligible for trading on the System. The Participants shall also approve the new Tri-Party Basket with the Tri-Party Agent before being able to enter Contracts in respect thereof.

2. **Minimum Quantities for Quotes and Orders**

Participants will only be permitted to enter Bids, Quotes and Orders on the System in excess of the Minimum Trading Quantity.

32 Annex B - Contracts

Tri-Party baskets may be traded using the following Contract: - "classic repo".

33 Annex C - Trading Hours

7.00 a.m. – 8.30 p.m.: "Platform Availability Phase", during which all Participants can access the System for the purpose of configuring their credit lines (including placing Credit Flags) and observing System statistics.

Morning Auction

8.30 a.m. – 9.00 a.m.: Cash Entry Phase.

9.00 a.m. – 9.20 a.m.: Collateral Entry Phase.

9.20 a.m. – 9.23 a.m.: Execution Phase.

Mid Morning Auction

11.30 a.m. – 12.00 p.m.: Cash Entry Phase.

12.00 p.m. – 12.20 p.m.: Collateral Entry Phase.

12.20 p.m. – 12.23 p.m.: Execution Phase.

Afternoon Auction





1.45 p.m. – 2.15 p.m.: Cash Entry Phase.

2.15 p.m. – 2.35 p.m.: Collateral Entry Phase.

2.35 p.m. – 2.38 p.m.: Execution Phase.

All stated times above are CET.

The Company has the right to cancel Auctions, organise additional Auctions at new times, to change times or to change the duration of each phase, as may be notified to the Participants through the System.

34 Annex D - Daily statistics

The publicly available report shall be compiled at the end of each Trading Day by the Company and made available to Participants through the System.

For each Contract the report shall indicate, for each type of TriParty Basket:

- (a) identification code of the type of TriParty Basket;
- (b) description of the type of TriParty Basket;
- (c) the minimum Rate;
- (d) the maximum Rate;
- (e) the average weighted Rate; and
- (f) the volume traded.

The Company may specify cases in which, for purposes of the report, Contracts considered anomalous by the Company are not taken into account.

35 Annex E - Trade Cancellation Procedure

The Company must be informed of error made in inputting a Quote or an Order into the System as soon as possible and no longer than 30 minutes from the time of execution of a Contract based on such Order or Quote. The Company will endeavour to resolve the trade dispute within one hour of the trade execution.

2. Bilateral cancellation request





The Company will in all cases attempt to arbitrate between Participants and reach a bilateral agreement for any Contract cancellation request.

The Company, as soon as possible, will notify the non-requesting Participant (the "NRP") to the Contract that it is under review and request that the NRP agrees to a cancellation of such Contract. If the NRP agrees to such cancellation, then such Contract will be deemed cancelled immediately on receipt of email confirmation of the same from the NRP.

The NRP has 10 minutes to reply to the Company's cancellation request; if it does not agree to such cancellation or fails to respond within 10 minutes, then the Company will ascertain whether to perform a unilateral cancellation in accordance with (3) below.

3. Unilateral Cancellation

In the event that the relevant Participants do not agree to cancel a Contract in accordance with (2) above, the Company will ascertain beyond reasonable doubt whether a Contract deviates considerably from the Fair Market Value of the Tri-Party Basket. The Company shall determine the Fair Market Value by immediately requesting from five Participants (chosen in the sole discretion of the Company) of their quotes as to fair market value of the Tri-Party Basket at the time of execution. The Company will discard the highest and lowest quotes and calculate the average from the remaining three quotes to determine Fair Market Value for such Tri-Party Basket.

The Contract in question must deviate from the Fair Market Value by over 25 basis points or causing a financial loss in excess of Euro 50,000.

If the Contract deviates from the relevant Fair Market Value by the above amount, then the Company will enforce the unilateral cancellation of the Contract and the Contract shall be deemed automatically cancelled.

If the Company is unable to determine a Fair Market Value due to market volatility and/or the inability of Participants to provide a quote, then no unilateral cancellation will occur in respect of such Contract.

The Company will inform the relevant Participants via telephone (with confirmation via e-mail) of its decision regarding the cancellation request within 60 minutes from the original notification of the error.

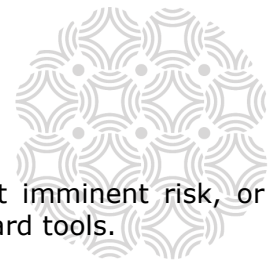
4. Major Market Incidents

"MMI" means any circumstance relating to the technical functioning of the System as the Company, in its sole discretion, shall determine to be a major market incident.

The Company may consider the following factors in deciding whether an MMI has occurred:

- (a) the System is inaccessible (or 'down') during scheduled Trading Hours;
- (b) the technical service level on the System is such that a material number of Participants cannot safely trade without their being exposed to significant market risks); or





- (c) the security or integrity of the System is compromised, or at imminent risk, or the Company is unable to see or control the System using its standard tools.

The period of an MMI shall commence from such time as the Company in its sole discretion shall determine as the first impact on the System of the MMI in question until such time as the Company determines that the System has been restored to its normal state. Upon the occurrence of an MMI, the Company shall endeavour to notify all Participants of the same as soon as practicable via the System or by email if the System is unavailable, and will notify all Participants via the System once the MMI is no longer in effect.

If an MMI has occurred, the Company may cancel such Bids, Quotes, Orders or Contracts (together, "Affected Trades") as the Company has, in its sole discretion, determined are affected by the MMI. Without prejudice to such discretion, the Company may determine that (a) Bids, Quotes, Orders or Contracts executed outside of the period of the MMI may constitute Affected Trades, and (b) Bids, Quotes, Orders or Contracts executed during the period of the MMI are not deemed to be Affected Trades. The Company may, but is not obliged to, consult with Participants, who may have potentially Affected Trades.

The Company will inform the relevant Participants, so far as practicable by not later than 17:30 GMT on the relevant Trading Day, of any Affected Trades.

36 Annex F - Penalty for Late Payment

In the event that payment of an invoice for membership, connection or transaction fees remains outstanding for over 30 days by a Participant, the Company will charge a flat interest rate of 5% above the Bank of England base rate on such overdue amount.

If a Participant fails to pay any amount for a period longer than 120 days from the due date, without prejudice to any other remedy available hereunder, will allow the Company to terminate the Participant's access to the System.

37 Annex G – Triparty Agents

The following entities are recognised as Triparty Agents:

- 1) Clearstream TriParty Services;
- 2) Euroclear Triparty Services;
- 3) JP Morgan Triparty Services;
- 4) Bank of New York Mellon Triparty Services.

38 Annex H – Triparty Baskets

- 1) GC Germany Sub 10;
- 2) GC AAA;
- 3) GC AAA – A;





- 4) Corporate Bonds;
- 5) Equity Prime Indices;
- 6) Equity Extended Indices/

The above Baskets may be traded using each of the TriParty Agents'

