



# Securities Finance Matching Platform

**MTF Rulebook**

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Version 0.8 August 2024

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## 1. Introduction

1. The MTF Operator, Platform Securities LLP (FCA firm reference number 214206), is a Financial Conduct Authority (FCA) authorised firm permitted to provide certain regulated products and services and carry on certain regulated activities as indicated by the FCA.
2. This MTF Rulebook is published by Platform Securities LLP (the Firm) for the benefit and information of its clients (Subscribers). This document details the Firm's policies and procedures which govern the Subscriber's engagement with, and use of, the Securities Finance Matching Platform (SFMP) service (the Service) offered by the Firm. The document also sets forth the regulatory requirements reflecting adherence to the FCA Rules, the FCA Good Practice Observations and EU Market Abuse Regulations applied for the transparent and non-discretionary rules and procedures of the Service.
3. This Rulebook also states Platform Securities LLP's policies and procedures to ensure Subscribers behaviour, through participation in the Service, is consistent with the requirements expected of them. All Subscribers are required to read, understand, and abide by this Rulebook for permitted access to and continued use of SFMP and associated support systems. Continued use of the Service will be deemed to constitute ongoing agreement by the Subscriber to adhere to the rules specified in this Rulebook.
4. Platform Securities LLP, as the Operator of the MTF, is required to comply with regulatory obligations as specified by the FCA and the related EU supervisory bodies. This Rulebook defines how Platform Securities LLP meets those obligations and facilitates the efficient, fair, and orderly operation of the MTF for its Subscribers. As such, these rules apply to all Subscribers and those Authorised Users representing each Subscriber, in addition to the obligations agreed to by those Subscribers in their Subscription Agreement. Where a conflict may exist between this Rulebook and the Subscriber Agreement, the Subscriber Agreement shall prevail.
5. Additional documentation regarding the Operator of the MTF, and all other supporting documentation is available on request from the Operator. Please contact the Compliance Department, Platform Securities LLP at

C/O F I S Corporate Governance,

The Walbrook Building,

25 Walbrook,

London, England, EC4N 8AF

## 2. Requirements of Subscription to the Service

Subscribers to the Service are required to be Eligible Counterparties or a Professional Client, as defined by the FCA and MiFID, and be regulated entities supervised by the FCA.

Eligible entities applying to be Subscribers to the Service must comply with Platform Securities LLP's onboarding and KYC requirements as updated from time to time, including the provision and maintenance of a valid Legal Entity Identifier (LEI).

Any applicant failing to meet these requirements will be rejected. Subscribers to the Service will be subject to periodic reviews to ensure continued eligibility and compliance. Subscribers must also comply with all the requirements and obligations laid out in the Subscriber Agreement and this Rulebook. In addition, Subscribers must comply with all the applicable requirements it is subject to regarding its operations within the Securities Finance and Collateral marketplace, as determined by the relevant competent authority.

Entities applying to become Subscribers must continuously comply with the following requirements to be successful in the application and ongoing membership of the Service:

- Be active counterparties in the securities finance and collateral management industry, conducting borrowing and/or lending activities in that marketplace.
- Satisfy all the requirements of their local regulator regarding capital adequacy, record keeping and reporting etc. as appropriate to the type of entity.
- Be considered fit and proper by the FCA and/or the applicable regulatory body.
- Manage and maintain adequate resources and systems to effect the timely settlement of all transactions executed with other Subscribers using the Service.
- Demonstrate sufficient technological connectivity with the Service to meet service level standards and other requirements, as updated from time to time, laid out in the Subscriber Agreement.

Once the applying entity and Platform Securities have executed the Subscriber Agreement and the applicant's onboarding analysis has been undertaken successfully, the Subscriber will be eligible to join the MTF and participate in the services it provides.

Platform Securities LLP reserves the right to terminate access for any Subscriber as described in the terms of the Subscriber Agreement.

### 3. Service Provision for Subscribers

Platform Securities LLP is the operator (Operator) of the MTF and will provide Subscribers with services as described in the Subscriber Agreement, including the following:

- Provision of access to the cloud native Securities Finance Matching Platform (SFMP) for all Authorised Users in accordance with the service provisions as laid out in the Subscriber Agreement
- The securities finance matching platform will perform matching activities in response to actions undertaken by Subscribers, processing all inventory (AL) and borrow request (BR) submissions undertaken in accordance with messaging and interface specifications as published by Platform Securities LLP. Successful matches will be deemed executed transactions which the Subscribers are expected to then settle in a timely manner in accordance with the details provided to them. Matching services will be performed as described in functional documentation and in accordance with the matching rules as described in the Product Specification, updated from time to time.
- As part of the onboarding process and Subscriber approval process, entities applying to access the Service will be provided with access to the UAT (User Acceptance Testing) version of the Service. The UAT process will provide Subscribers with the facilities to test connectivity with the Service. As part of the UAT process, Subscribers will be required to pass minimum standards set by Platform Securities LLP regarding connectivity and the meeting of response service level minimums where appropriate. Platform Securities LLP reserve the right to require any Subscriber to undertake testing using the UAT platform should connectivity standards fall below the required standards.
- Any Subscriber utilising an automated system to deliver inventory data and/or borrow requests that may be defined as Algorithmic Trading is required to identify such submissions and the Algorithm(s) utilised in accordance with the message specifications as updated from time to time. The Operator will require any Algorithm(s) employed by the Subscriber to be tested in the UAT platform prior to being permitted to be used by the Subscriber.
- Training and support will be provided to entities applying to join the Service while undergoing UAT. Additional training will be provided to Subscribers as and when required, delivered under the terms described in the Subscriber Agreement. Client Services support will be provided to all Subscribers in accordance with the provisions detailed in the Subscriber Agreement. Client Services will provide and control all access to the Service, assigning/managing user accounts individually to ensure access remains compliant with all contractual requirements.

Platform Securities LLP, as the operator of the MTF, will provide the above services. However, the following services are outside the obligations of the Operator:

- Investment or matching advice.
- Instructions to settle cash or securities.
- Holding any positions in cash or securities on its own behalf or that of any Subscriber.
- Providing regulatory reporting of any kind. Subscribers are responsible for meeting their relevant regulatory reporting requirements and obligations associated with any trading activity arising from matches made on the Service.

It should be noted that Platform Securities LLP will provide services to Subscribers only as explicitly permitted by the FCA. A list of the Firm's current permissions may be found on the FCA's Financial Services Register public website (<https://register.fca.org.uk/>).



## 4. Subscriber Obligations

The Subscriber will meet the following obligations as requirements of their participation in the Service:

- Provide accurate information in writing to Platform Securities LLP as requested during the onboarding process and as reasonably required from time to time. Subscribers must also notify Platform Securities LLP (the Operator) of any material changes to the information in a timely manner. Such information will include, but is not limited to, the following:
  - Legal Entity Identifier code(s) (LEI). Note that the Subscriber will be responsible for their LEI and its renewal as required by the relevant authorities.
  - Depositary Trust Company ID(s) (DTC) if available.
  - Any other relevant identification information, including FCA registration, as requested from time to time.
- Provide the full name, email, and role assignment of all Authorised Users of the Service, including any changes to Authorised Users in a timely manner. The Operator will control all Authorised User access to the Service, but the Subscriber is responsible for the conduct of the Authorised User ensuring that they have appropriate training, skills, knowledge, and experience to undertake the role assigned to them and the obligations associated with their participation in the MTF. Authorised Users must be employees of the Subscriber and acting only for the Subscriber. A Subscriber must not request access for a user seeking to obtain Direct Market Access through Direct Electronic Access (or any other method) to the Service, whether that is through a Sponsored Access agreement or otherwise. The Operator will refuse access to any requested user it suspects could be seeking to obtain such access, as defined by the terms of Article 4(1)(41) of MiFID II.
- The Operator will ensure that the Service employs a range of market access controls to ensure an orderly market and minimise erroneous activity. The Subscriber is responsible for the quality and accuracy of the data it submits to the platform and will have sufficient systems and controls in place to prevent erroneous data entering the platform. Where Algorithmic Trading is deployed, the Subscriber is also responsible for notifying the Operator in advance of the deployment and identifying all relevant submissions through a code compliant with MiFIR formatting. Failure to meet these requirements and breaches of any applicable MTF regulations will result in temporary or permanent suspension of the Subscriber. Subscribers are specifically prohibited from undertaking any actions on the Service that could reasonably be construed as Market Abuse. All transactions executed on the Service should be considered to have been undertaken on the MTF and, as such, all the MTF Rulebook rules will apply.
- The Operator will retain auditable records of all data submitted to the Service and all relevant processes and results from Subscribers participation in the Service. The Subscriber will be responsible for retaining its own records regarding all data submitted to the Service in accordance with its own relevant supervisory and regulatory obligations.
- The Subscriber acknowledges that any borrow requests or inventory submissions made to the Service are done so with the express intention of creating a match with a counterparty. Such submissions are deemed to grant permission for the Operator to display, or provide by electronic means, all relevant counterparties with the submitted information for the intended execution of a match, and that any such match, when executed on the Service, will create a legally binding transaction between those counterparties. The Subscriber further acknowledges that no changes can be made to those submissions once an execution has been effected on the Service.
- The Subscriber is responsible for all matches and transaction executions effected through the Service. These responsibilities include:
  - the timely maintenance of all relevant counterparty agreements

- prompt responses to counterparty requests/match counters/potential matches
  - the timely execution, clearing, and settlement of all transactions matched on the Service in accordance with (a) the information provided by the Service to facilitate that settlement and (b) the relevant counterparty agreements in place between the counterparties.
- The Subscriber will co-operate with any investigation by any relevant regulatory body regarding its activity and participation in the MTF. The Subscriber will be responsible for its own costs arising from any such investigation and will indemnify the Operator for all costs associated with the investigation related directly to the Subscriber's activity on the MTF. The Operator will meet the costs arising from any investigation, or part thereof, undertaken because of its own negligence or wilful breach of relevant regulations.
- The Subscriber will continue to pay subscription fees in accordance with its Subscriber Agreement and the Fee Schedule as laid out in this Rulebook. The Subscriber may terminate or amend its level of subscription on the platform in accordance with the process and requirements as laid out in the Subscriber Agreement.
- The Subscriber may access and use the Service for the duration of the term as specified in the Subscriber Agreement and is subject to the requirements for termination of the Service in accordance with the requirements laid out in that agreement.



## 5. Subscription Fees

The Operator provides the Service to Subscribers. Subscribers pay the Operator fees for participation in accordance with the obligations specified in their Subscription Agreement and as per the published fee schedule detailed below.

Subscribers select the appropriate fee tier according to their needs and may move between tiers as their business needs require. Subscribers may move to any tier and are required to provide at least ninety days' notice of their intention to move tiers. The Operator will transition the Subscriber 90 calendar days after the request is accepted, or at a date specified by the Subscriber, whichever is the later.

The Operator reserves the right to adjust the fee schedule from time to time and will provide Subscribers with at least sixty calendar days' notice of any changes.

Subscriber fee schedule

Pricing (USD)	Annual Fee	Matches included per Quarter	Overage fee per match
Tier 1	760,000	Unlimited	N/A
Tier 2	550,000	25,000	4.00
Tier 3	360,000	15,000	4.15
Tier 4	180,000	6,500	4.65
Tier 5	75,000	2,500	5.00

Integration services may be offered to Subscribers which will be subject to a separate agreement and Statement of Work to be agreed between the parties.

## 6. Matching Rules

The Service operates matching processes according to the rules and processes laid out in the Product Description. Subscriber's activity on the Service and the resultant matches created and transactions executed by the Service are governed by these rules which may be updated by the Operator from time to time.

Subscriber entities are determined to be Borrowers and/or Lenders on the platform. Borrowers and Lenders may only be matched on the platform when they

- a) Have existing contractual relationships in place, such as a Global Master Repurchase Agreement or a Global Master Securities Lending Agreement,
- b) Those agreements are set up on the Service and,
- c) The counterparty has also acknowledged that agreement on the Service.

Without satisfying a, b and c, the Service will not suggest matches between counterparties. Subscribers may also temporarily mark agreements as inactive should they wish to exclude any matching with one or more specific counterparties.

Borrower Subscribers may submit, update, or cancel borrow requests at any time to be matched with Lender inventory through one or more of the market processes supported by the Service. Lender Subscribers may, at any time, submit, update, or cancel inventory records to one or more of the market processes supported by the Service to be matched with Borrower requests. Once matched, and where required, confirmed by the Lender through the Lender Confirmation Loop, the match becomes an executed and legally binding transaction which the parties are expected to settle in a timely fashion.

The Service operates three main market processes as follows (further details on these processes can be found in the Product Description):

### The Directed Market

Borrowers can preconfigure one or more lists of Lender counterparties. When submitting a borrow request to the Directed Market, the Borrower can direct the request to either a single identified Lender, a list of identified Lenders specific to that request, or link the request to one of their preconfigured lists.

### The Automated Market

In the Automated market, requests from Borrower Subscribers are matched with the Lender that holds the requested security and is offering it at the lowest fee for the stated grade of non-cash collateral, or the highest rebate against the stated cash collateral currency.

### The Open Market

In the Open Market, there is no automation of the matching process. Subscribers query/browse the submitted inventory and requests. If a security or request is identified that suits the requirements of the Subscriber that user can choose to confirm an acceptance of the request or asset availability. A Lender Confirmation Loop process is invoked and if a positive response is received, a notification is sent to both parties that a transaction has been executed.

Should the Lender reject that match, then the submitting Borrower is notified that the availability is not available to them at that time.

### Order Processing for a fair and orderly market

The Service operates a range of matching rules-based logic to ensure the fair and orderly operation of the market. For example, Borrow requests are treated on a first come first served basis and, should more than one Lender be a potential match with a Borrow Request, the Service addresses the Lender that submitted their inventory earliest first.

While all Subscribers must enter and manage their contractual status with all their counterparties through the Web UI of the Service, having a mutually agreed contract between two subscribers does not mean that matches will always occur between them, even if the Borrow request is for a security that the Lender states is available for the rates stated.

Where market situations require, the Operator can suspend a Subscriber's activity. Should this occur, no further matches will be made until the suspension is lifted. Any unexpired or submissions that have not been cancelled will persist and may be processed once the suspension is removed. Any Subscriber can suspend matching in a specific security/number of securities by cancelling the relevant submissions/orders as required. Activity with a specific counterparty can be suspended by marking that Counterparty Agreement inactive. Any subscriber can suspend any further matching with any Counterparty for the current Operational Hours period by adjusting their Daily Notional Limit value. Please refer to Section 10. Subscriber Conduct for further information on the Subscriber's responsibilities regarding the submission of orders and data in line with best practice and regulatory requirements.

The Service operates a range of processes to notify Subscribers when matches have been made and rejections are received to ensure an orderly market and efficient management of lending and borrowing activity. Further details on the operation of the Service can be found in the Product Description.

### Activation of the Circuit Breaker in a disorderly market situation

The Service incorporates an automated Circuit Breaker (CB) capability which, when triggered, will result in the temporary halt of order matching for the security concerned across the whole Service. Subscribers will be able to continue to submit orders relating to inventory and/or borrow requests, but they will not be processed until the CB is deactivated and the suspension is lifted. Existing orders will remain active on the Service, subject to any expiry settings on the order, or the end of the Operational Hours, and those remaining when the suspension is lifted will be processed in the order they were submitted.

The CB will be triggered when all the following criteria are met:

1. Utilisation of the security is at 100%, defined as no unmatched lender inventory available on the Service.
2. The dynamic price of the security in the relevant primary cash market has risen more than 25% from the static prior close of business price.
3. The weighted average borrowing cost of the security as recorded by the external market data provider, FIS Securities Finance Market Data, has risen more than 50% from the close of the prior business day.
4. The total value of the security executed on the Service in the current Operational Hours period exceeds \$100 million.

Once one or more of those criteria cease to be met, the CB suspension will be lifted. Any remaining valid orders will be processed in the order in which they were submitted.

The parameters of the CB will be monitored for effectiveness on an ongoing basis and any updates to the process or activation criteria will be documented in this Rulebook.

The Operator may also employ the Service wide “Kill Switch” should the market environment demand a complete halt in operations. All matching services may be suspended for a period until such time that the Operator deems it appropriate to restart the services. Once restarted, any remaining valid orders will be processed in the order in which they were submitted.

## Daily Notional submission and Match Limits

The Operator will, in conjunction with the Subscriber, assign a currency value limit on submissions to the Service. This may be a limit on Borrow Requests and/or Availability submitted during an Operational Period, depending on what activity the Subscriber is undertaking.

The Operator will, in conjunction with the Subscriber, assign a currency value limit on the total value of matches made on the Service during each Operational Period.

The Operator will review utilisation of these limits periodically and adjust them as appropriate to the Subscriber activity levels. Should a Subscriber require a short-term adjustment to any of these limits to accommodate unusual but valid activity levels, the Operator will consider a request to increase them, reverting to the previous levels for the next Operational Period.

## Issues arising in Order Processing

There are several issues that may obstruct processing of Availability or Borrow Requests. These are described below with the relevant outcomes and actions:

1. A systemic issue arises with the Service.
  - a) In the event of an unscheduled break in processing, the Service will retain all incoming submissions in the order in which they were received, timestamped upon receipt.
  - b) Once the issue has been resolved and processing recommenced, the submissions will be processed according to the timestamped order, including the application of expiry times etc.
2. Where a submission to the Service involves a security that is subject to exchange suspension or sanctions, whether based on the issuer or the country of issue for example, it will be rejected. As regulated institutions, Subscribers are expected to adhere to the relevant regulations pertaining to their own business and not submit such securities, but the Service will apply its own validation processes to ensure compliance of the MTF.
3. Where a submission to the Service involves a security that is deemed to be any of the following, that submission will be rejected and not processed:
  - a) No longer valid due to its maturity
  - b) Has been withdrawn from the market due to a corporate action, merger, dissolution or other reason, or
  - c) Unknown to the Service or its third-party provider.

Borrow requests and Availability submissions will be expired at the end of each Operational Period unless the stated expiry extends beyond that period. Such expiries or end of period cancellations are not deemed to be an issue or unexpected action in processing.

The Service matches submitted Availability with Borrow Requests where the specific demand matches the supply made available. Once a match has been identified, a binding transaction is created once a positive response to the Lender Confirmation Loop is received, or at the time of matching if the Availability is marked as Firm. The following should be noted when considering the matching process on the Service:

1. Only Subscribers that mutually agree on the Service the existence of one or more standard Securities Finance legal agreements, such as a Global Master Repo Agreement (GMRA), a Global Master Securities Lending Agreement (GMSLA), Buy Sell Back agreement etc., may be matched by the Service.
2. Subscribers can specify a preference for a transaction type for each submission of data (Availability or Borrow Request) which will be noted on the Execution Ticket issued in the event a match is made and an execution occurs. More than one transaction type can be specified if desired.
3. The Service does not restrict or select security types based on the choice of transaction type. For example, an equity or a bond may be lent/borrowed as a Securities Lending or as a Repurchase transaction.
4. As any publicly issued transferable securities issued in permitted (non-sanctioned) jurisdictions can be lent or borrowed, the Service does not limit the type of securities submitted, subject to the validation processes stated within this Rulebook. Typically, Securities Finance markets include the following security types:
  - a. Equities including ADR, GDR
  - b. Mutual/Investment Trusts
  - c. Fixed income securities, including:
    - i. Government issued securities.
    - ii. Treasury Bills, Notes, Strips, and Bonds.
    - iii. Convertible Bonds.
    - iv. Corporate bonds.
    - v. Municipal and Government Agency issued securities.
    - vi. Mortgage and asset backed securities.
    - vii. Exchange Traded Funds (ETFs).
    - viii. Index linked securities.

## 7. Operational Hours

The Service is available to Subscribers 24 hours per day, five days per week. Matching processes will run continuously during the Operational Hours enabling matches to be made between Borrower's requests and Lender's inventory at any time, subject to the matching rules and processes as laid out in the Product Description.

The Service date will change each day at 4pm Eastern Standard Time (EST). Any borrow request or inventory record that is not subject to an expiry time beyond 4pm EST will be cancelled automatically. Date and timestamps applied to all relevant notifications will be for date "M" until 4pm EST and "M+1" for all matches after the date change. Matches in the "tentative" state at the date change will complete processing resulting in an execution, potential match, or rejection. See the Product Description document for more details.



## 8. Post Matching Process

The Service provides matches between inventory submitted by Lender Subscribers and requests for securities submitted by Borrower Subscribers. Matches that result in transaction executions are notified to Subscribers according to the Subscribers chosen method of connecting to the Service and constitute a binding transaction between the parties. This may be by electronic message or downloadable files from the Web UI. Such notifications include all the details necessary for the Subscribers to effect prompt and accurate settlement of the match.

The issuance of an execution notification creates rights and obligations between the named Subscribers regarding the terms upon which the match and subsequent execution was made and the obligations and rights detailed in the underlying legal agreement in place between the parties.

Platform Securities LLP is not a party to, responsible for, or liable to any Subscriber under the terms of or in connection with any match proposed or execution created by the Service. Through ongoing participation as a Subscriber to the Service, Subscribers confirm that they have the legal and regulatory capacity to undertake such transactions once executed on the Service. Subscribers should notify the Operator if a Subscriber they have transacted with through the Service has failed to settle according to the details of that transaction.

Each Subscriber is responsible for the settlement and clearing of all transactions executed by the Service and notified to the Subscriber in accordance with the applicable laws. The Operator may suspend or terminate a Subscribers access to the Service if it considers it is not meeting the expected standards regarding good market practices or applicable laws.

The Service provides transaction execution tickets to Subscribers once a match has been confirmed and an execution has occurred. That ticket includes sufficient information necessary to facilitate the efficient and timely settlement of the indicated and legally binding transaction. All transactions executed by the Service are Securities Finance transactions and the agreed securities shall be delivered to the Borrower by the Lender on the understanding that equivalent securities will be returned at a future date or at the request of the Lender. This data includes but is not limited to the following:

1. Execution timestamp (UTC)
2. Counterparty identification.
3. Security identification.
4. Quantity matched.
5. Collateral type agreed. Where cash, the currency agreed and where non-cash the grade of collateral to be delivered / received.
6. The fee or rebate rate as applicable.
7. The expected delivery/settlement date for the identified transaction.

Further details can be found in the Product Description and detailed message specifications provided to the Subscriber.

## 9. Instruments Matched

The Service matches and executes transactions between available inventory from Lender Subscribers (AL) and requests from Borrower Subscribers (BR) that comply with the FCA classification of Eligible Counterparty or Professional Client. Platform Securities LLP is limited to providing matching and transaction execution services for the following investment types:

- Certificates representing certain securities,
- Government and Public securities,
- Shares,
- Debt Securities

Platform Securities LLP is permitted by the FCA to operate an MTF for the following investment types:

- Certificates representing certain securities,
- Government and public securities,
- Shares
- Debt Securities

All security types submitted by any Subscriber to the Service are considered to be transferable securities trading on other regulated markets. Inclusion in this Service does not make the issuer of that security subject to any financial disclosure obligations to the Operator of the MTF, Platform Securities LLP.

The Operator may add to the list of available Securities at any time, subject to any restrictions of Applicable Law. The Operator may suspend or remove any Securities from the list of available Securities at any time, subject to any restrictions of Applicable Law.

Following the addition of Securities or the suspension or removal of Securities pursuant to the above rules, the Operator will publish the updated list of available Securities as soon as reasonably practicable.

The circumstances in which the Operator may suspend or remove any Securities from the list of available Securities include but are not limited to those in which:

- a) They no longer comply with the rules of the Platform Securities MTF;
- b) A Circuit Breaker has been triggered;
- c) There may be suspected market abuse; or
- d) There has been non-disclosure of inside information about the issuer or relevant financial instrument infringing Articles 7 and 17 of Regulation (EU) No 596/2014 (the Market Abuse Regulation, or MAR),

Unless such suspension or removal would be likely to cause significant damage to the relevant Participants' interests or the orderly functioning of the market.

The Operator will make public a determination to prohibit, remove or suspend by issuing a Market Notice and communicating the decision to the FCA.

All Subscribers to the Service submit availability and borrow requests by relevant security identifier. The Service validates all Securities against publicly available market data to determine:

- a) The validity of the security submitted to the Service, including its maturity date where appropriate.
- b) The issuance of that security to identify its origin and status, including as to whether it has been issued by a sanctioned state.
- c) The classification of that security to ensure it is processed and selected correctly on the Service, e.g., an equity versus a debt security.
- d) The prior business days closing price for reporting and valuation calculations.

Any security submitted to the Service that is unknown is checked with the professional third-party market data provider before being eligible for matching and execution on the Service. Any security unknown to the third-party data provider or identified as subject to sanctions, suspension or is beyond maturity is rejected and is not processed by the Service.

Any securities available from the market data provider, and therefore eligible to be processed by the Service, are deemed as having sufficient publicly available information to enable its users to form an investment judgement, taking into account both the nature of the users and the types of instruments traded.

## 10. Subscriber Conduct

Platform Securities LLP operates the MTF and the Service under the relevant Market Abuse Rules as defined by the FCA. Within those rules, Platform Securities LLP will monitor the behaviour of Subscribers and their compliance with this Rulebook.

Specifically, Subscribers must not:

- Attempt to manipulate the supply or demand for a given security to give a false impression of the market activity for that security, including but not limited to the borrowing cost and utilisation level of that security.
- Undertake any type of activity on the Service that could damage or limit the fair and orderly operation of the Service.
- Breach any related Market Abuse Rules as specified by the FCA and as amended.

As the Operator of the MTF, Platform Securities LLP will consider Termination or Suspension of the Subscriber's access and use of the MTF, in accordance with the Subscriber Agreement, if any Subscriber is found to be:

- In breach of any of the conduct rules stipulated by this Rulebook or as described in the Subscriber agreement
- Subject to enforcement or other proceedings by the FCA or any other national competent authority
- Undertaking any actions that may threaten orderly and fair trading on the Service, whether wilfully or negligently

Platform Securities LLP reserves the right to determine when a Subscriber's access may be restored, and any Suspension lifted, or Termination revoked.

All Subscribers are required to keep Platform Securities LLP informed of material changes to their activities in relation to the Service. These include, but are not limited to, the following:

- Changes in the legal name, legal entity identifier code or other relevant identification change,
- Changes in legal status including insolvency,
- Significant changes to the business organisation that may affect its participation in the Service,
- Any changes that may negatively affect the Subscribers capability to meet the minimum criteria for connection to the Service as detailed in the Requirements for Subscription to the Service

All Subscribers are expected to report themselves to their relevant regulatory authority and to Platform Securities LLP should they believe they have breached any of the rules of the Service or caused disorderly conduct on the Service, including any action that might be considered Market Abuse under the relevant Market Abuse Regulations. Platform Securities LLP will comply with and assist all relevant requests for assistance from any relevant Regulatory Authority in connection with any investigation into a Subscribers conduct on the Service.

## 11. Compliance Notice

Platform Securities LLP is regulated by the FCA and adheres to all the relevant rules and regulations pertaining to the permissions it holds. Platform Securities operates an ongoing review of the MTF Rulebook and all applicable rules and regulations to ensure compliance with all relevant and necessary regulation. Any changes to the regulations that affect the Service and/or the Rulebook will be effected through changes to the platform and reflected in the Rulebook as appropriate.

Material changes to the Service, the software platform that provides the Service, and/or the Rulebook will be notified to Subscribers using the contact details provided for the serving of Notices in the Subscriber Agreement. Where possible, such notifications will be made at least 30 days prior to them taking effect.

Any such changes to the Rulebook and/or the Service will be subject to the change control procedures employed by Platform Securities LLP as part of its standard procedures.

Should a Subscriber wish to lodge a complaint about the management of the MTF or the behaviour of another Subscriber to the Service, it should raise the issue with the Client Services team in the first instance. Contact details are provided in the Onboarding Process and updated from time to time. If the Subscriber wishes to escalate any issues they may address their assigned account manager or raise the issue in writing to:

The Compliance Department,

Platform Securities LLP,

C/O F I S Corporate Governance,

The Walbrook Building,

25 Walbrook,

London, England, EC4N 8AF

Subscribers should note that this Rulebook is governed under the laws of England and any actions undertaken by the Operator, or any Subscriber, shall be under the jurisdiction of the courts of England. Subscription to the Service is consent to the jurisdiction of English law in any such actions.

## 12. Definition of terms/Glossary

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

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

“Authorised User” means employees or agents of Subscribers who have been granted an account or access to the Service by Platform Securities LLP at the request of the Subscriber.

“Automated Market” is the process through which Borrow Requests are matched with the lowest fee or highest rebate on offer.

“BR” denotes a request to borrow securities submitted by a Borrower Subscriber.

“Breach” means a violation of the MTF Rulebook or Applicable Laws.

“Counterparties” means a Subscriber that is matched with another Subscriber on the Service.

“Directed Market” is the process through which Borrow Requests are presented to a specific list of Lender Subscribers in the order specified by the Borrower Subscriber.

“Eligible Counterparty” means a Subscriber entity whose business entity falls within the definition of FCA COBs 3.6

“FCA” means the Financial Conduct Authority, the financial regulatory body in the United Kingdom.

“FCA Rules”, “FCA COBs” means the FCA Handbook, Rules and Guidance and any other similar items in force from time to time.

“Firm”, “Operator” or “the Firm” in the context of provision of the Service” means Platform Securities LLP (FCA firm reference number 214206).

“Firm” in the context of availability of Securities indicates that the Lender Subscriber does not require the Service to undertake a Lender Confirmation Loop process to confirm the availability of the security as submitted to the Service. In this situation, an Execution occurs at the same moment the match is made between the submitted LA and BR.

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

“LA” denotes a submission of a security made available for lending by a Lender Subscriber.

“LEI” shall mean Legal Entity Identifier.

“Lender Confirmation Loop” process is undertaken when LA records are not marked as Firm. The process requests confirmation from the Lender Subscriber that the LA entry matched with the BR being processed can be met as requested. Once a positive confirmation has been received by the Service, a legally binding execution is deemed to have occurred and transaction tickets are issued to both parties.



“MAR” or “Market Conduct Requirement” means the EU Market Abuse Regulation ((EU) No 596/2014), and FCA Market Conduct Chapter 5, outlining the requirements for operating a Multilateral Trading Facility.

“Matched” or “Match” denotes the Service identifying an inventory record (LA) that is suitable to meet the specific requirements of a borrow request (BR) submitted to the Service. A match is executed immediately if the matched LA is marked as Firm, or when a positive response is received from the Lender Subscriber following a Lender Confirmation Loop request.

“Market Abuse” means any prohibited behaviours under the Applicable Law.

“Message” means any electronic indication request, response, instruction, or similar communication from a Subscriber into the MTF.

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

“MiFIR” means the European Markets in Financial Instruments and amending Regulation ((EU) No 600/2014)

“MTF” means (i) a Multilateral Trading Facility as defined in article 4 1(22) of MiFID and (ii) the Multilateral Trading Facility provided by Platform Securities LLP.

“Open Market” allows Subscribers to browse all inventory and borrow requests submitted to the Open Market and accept or counter any entry that is available to them, as governed by the existence of an agreement between the parties. See Matching Rules

“Operational Hours” describe the hours the Service is available to Subscribers which are detailed in the appropriate section of this Rulebook and updated from time to time.

“Product Specification” is the document that describes the functionality of SFMP, as updated from time to time, and available to Subscribers on request.

“Professional Client” is a Subscriber that conforms with the definition in FCA COBs 3.5 and Annex 2 of MiFID.

“Regulatory Authority” means the regulatory body for which any Subscriber is registered with and overseen by.

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

“Rulebook” refers to this document in its most current form maintained by the Operator in compliance with the FCA’s rules and relevant regulation.

“Securities Financing Transaction” means any transaction, including securities lending and repurchase agreements where securities are exchanged on a temporary basis against cash or non-cash collateral.

“Service”, or the “MTF” refers to the Service. The Service is delivered by the software solution, a cloud native single instance platform made accessible to Subscribers by the Operator, Platform Securities LLP.

“Settlement” indicates the delivery of securities to fulfil a contractual obligation.

“Subscriber” means the legal entity that has contracted with Platform Securities LLP for the provision of the Securities Finance Matching Platform. Subscribers must comply with all the requirements, as updated from time to time, of the Platform Securities LLP Subscriber approval process.

“Operational Hours” means the time the Service is open to Subscribers and the matching processes as described in the Product Description are available for use.

“Subscriber Agreement” means the written agreement that governs the Subscribers participation in and use of the Service.

“User ID” means the password and identification criteria distributed to each Authorised User to act on the MTF on behalf of the Subscriber.

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