

PART EDX.1            GENERAL

EDX.1.1            Introduction

EDX.1.1.1            EDX London Limited is a Recognised Investment Exchange in the United Kingdom under the Financial Services and Markets Act 2000 (“**the Act**”) and has made arrangements for clearing services for Exchange Listed Instruments and clearing services in relation to Cleared Only Contracts to be provided by LCH.Clearnet Limited (“**LCH**”) acting as the Designated Clearing House for EDX London. LCH is a Recognised Clearing House in the United Kingdom pursuant to the Act.

References in these Rules to “**EDX London**” shall be construed as references to EDX London Limited.

EDX.1.1.2            EDX London provides a combined marketplace in relation to Commonly Traded Instruments with Oslo Børs ASA (“**Oslo Børs**”) owned by Oslo Børs VPS Holding ASA. Oslo Børs is referred to in these Rules as “**Associated Exchange**” and “**Associated Exchange**” shall be construed accordingly. Oslo Børs is recognised as an exchange incorporated as a public limited liability company under the laws of Norway, which is used by its members, amongst other things, for trading of securities and securities derivatives.

EDX.1.1.3            These Rules prescribe the terms on which EDX London provides exchange facilities to its Members and the arrangements made by EDX London in conjunction with the Designated Clearing House in relation to the clearing and settlement of Contracts entered into under these Rules.

The Rules governing the reporting of transactions in Cleared Only Contracts are set out in the Rules for Cleared Only Contracts at Part COR of these Rules.

In the event that there is any conflict between these Rules and any other statement whether written or oral made by EDX London at any time, the terms of these Rules shall prevail.

EDX.1.1.4            Members are entitled to participate in the trading and clearing of equity derivative and other instruments provided for in these Rules and in the reporting to EDX London of contracts entered into on a bilateral basis for registration pursuant to the Rules for Cleared Only Contracts.

EDX.1.1.5            The exchange services provided by EDX London are provided by it in its capacity as a Recognised Investment Exchange subject to the supervision of the Financial Services Authority (FSA) and to the requirements of the Act relating to Recognised Investment Exchanges.

Members should have regard to the Statements of Principle published by the FSA as amended from time to time in relation to their trading of Exchange Listed Instruments.

EDX.1.2 Definitions

EDX.1.2.1 Unless the contrary intention appears, the following terms used in these Rules shall have the meanings given below:

“**Account**” means:

- (i) an account held by a General Clearing Member at the Designated Clearing House in which Futures and Options transactions entered into whether on own account or on behalf of a Client or a customer by such General Clearing Member or by a Member for whom the General Clearing Member acts as such pursuant to the Clearing House Regulations may be registered; or
- (ii) an account held by a Clearing Member at the Designated Clearing House in which Futures and Options transactions entered into by such Clearing Member whether on own account or on behalf of a Client pursuant to the Clearing House Regulations may be registered;

“**Account Holder**” in relation to an Account, means the General Clearing Member or the Clearing Member in whose name the Account is held at the Designated Clearing House;

“**American Style Option**” means an Option which the Holder may exercise at any time during the Term;

“**Associated Clearing House**” means any body acting as the provider of clearing services to an Associated Exchange;

“**Associated Exchange**” has the meaning given in Rule EDX.1.1.2;

“**Balance Contract**” means the arrangements established between the Designated Clearing House and Oslo Børs governing the administration and settlement of contracts resulting from Exchange Transactions effected by a member of EDX London and a member of an Associated Exchange;

“**BCS**” means Borsa Italiana Technology Clearing Station which is used by Members to access EDX London’s clearing services;

“**BTS**” means Borsa Italiana Technology trading station which is used by Members to access EDX London’s trading services;

“**Broker**” means a Member which has entered into the Membership Agreement and which may enter into Exchange Transactions on behalf of Clients in accordance with these Rules;

“**Cash Market Leg**” means that part of a Derivatives Cash Market Combination that comprises a transaction for the sale or purchase of an Underlying Stock on the cash market operated by the relevant Nordic Exchange Market;

“**Call Auction**” means that the trading in the Index futures based on the FTSE Sweden 30, FTSE Denmark 20 and FTSE Finland 25 ends with a Call Auction after the end of the trading hours in accordance with Appendix 1 to Part EDX.2;

“**Call Option**” means:

- (i) in relation to an Index Option, a Contract under which the Holder of the Option has the right, against the obligation to pay the Premium to the Writer, to buy the value of the Contract Index at the Strike Price on the Expiration Date for such Contract and the Writer has the obligation to sell the value of the Contract Index at the Strike Price on the Expiration Date for such Contract to the Holder against the right to receive payment of the Premium; and
- (ii) in relation to a Stock Option, a Contract under which the Holder of the Option has the right, against the obligation to pay the Premium to the Writer, to buy the Underlying Stock from the Writer at the Strike Price on the Exercise Date for the Contract and the Writer has the obligation to sell the Underlying Stock at the Strike Price on the Exercise Date for the Contract to the Holder against the right to receive payment of the Premium;

“**CC&G**” means la Cassa di Compensazione e Garanzia S.p.A. Further information can be found at <http://www.ccg.it>;

“**Clearing Capacity**” means the status conferred by the Designated Clearing House on a Member enabling it to act as a General Clearing Member or a Clearing Member as the case may be;

“**Clearing House Regulations**” means the General Regulations, Default Rules and Procedures of the Designated Clearing House as amended from time to time;

“**Clearing Member**” means a member of the Designated Clearing House including a General Clearing Member as the context may require;

“**Clearing Services Agreement**” means the agreement dated 24 November 2003 as updated and amended as of 30 October 2009 between EDX London and LCH;

“**Client**” means a person for whom a Broker acts in relation to the effecting and settlement of transactions at EDX London pursuant to these Rules;

“**Closing**” means the process whereby on registration of a Closing Transaction, the rights and obligations of the Account Holder in question in respect of the Opening Transaction and the Closing Transaction are extinguished;

“**Closing Transaction**” means, in relation to an Option held by the Member, an Options Contract in the same Series written by the Member and, in relation to an Option written by the Member, means an Options Contract in the same Series bought by the Member;

“**Collateral**” means one or more of the forms of security accepted by the Designated Clearing House for such purposes;

“**Collateral Balance**” means the value of the Collateral provided to the Designated Clearing House in respect of transactions under these Rules by a Clearing Member or a General Clearing Member at any time, such value to be calculated in accordance with the Clearing House Regulations;

“**Collateral Deficiency**” means the amount if any by which a Member's Margin Requirement at any time exceeds its Collateral Balance;

“**Collateral Surplus**” means the amount if any by which the value of the Collateral provided to the Designated Clearing House by a Clearing Member or a General Clearing Member at any time exceeds such party's Margin Requirement at such time;

“**Combination**” means an Order the terms of which stipulate that two or more Orders in different Series shall be executed simultaneously with other Orders forming part of the Combination;

“**Commonly Traded Instrument**” means an Instrument which is eligible for trading by Members and members of Associated Exchanges as specified more particularly in EDX London's Schedule of Commonly Traded Instruments;

“**Contract Base**” means the Contract Index or Underlying Stock on which an Exchange Listed Instrument is based;

“**Contract Index**” means the Index designated as such by EDX London on which the Index Option or Index Future in question is based;

“**Contract Series**” means Futures Series and Option Series collectively and “**Series**” shall be construed accordingly;

“**Contract Specification**” in relation to a Contract means the detailed information set out at the section of **Part EDX.4** of these Rules applicable to the Contract in question setting out the standard terms of such Contract, as varied from time to time;

“**Counterparty**” means the Member or Associated Clearing House which is the opposite party to the Designated Clearing House in its capacity as a central counterparty to a Registered Contract and “**Counterparties**” shall be construed accordingly;

“**Day Account**” means the Account on which Exchange Transactions effected by a Member are registered initially prior to final allocation to the Account of the Member or of its General Clearing Member where appropriate for clearing and settlement;

“**Default Rules**” means the rules set out in **Part EDX.5** hereof;

“**Derivatives - Cash Market Combination**” means a combination comprising a Derivatives Leg and a Cash Market Leg executed in accordance with Rule EDX.2.12.11;

**“Derivatives Leg”** means that part of a Derivatives Cash Market Combination that comprises a Swedish and Finnish Stock Future or a Danish Stock Future or a Swedish, Danish and Finnish Stock Option;

**“Designated Clearing House”** means LCH.Clearnet Limited, a Recognised Clearing House, as the provider of clearing services to EDX London in respect of Exchange Listed Instruments and Cleared Only Contracts;

**“EDX London Market Data”** means the market information originating from EDX London’s exchange and clearing operation facilities such as quotes, orders, trades and volumes;

**“EDX London Market Data Dissemination Licence Agreement”** means the agreement governing the right to disseminate EDX London’s Market Data.

**“EMP”** means the electronic marketplace provided by EDX London for the trading of Exchange Listed Instruments;

**“European Style Option”** means an Option which may only be exercised by the Holder on the Expiration Date for such Contract;

**“Exchange Co-Operation Agreement”** means the agreement dated 2 September 2009 between EDX London and Oslo Børs;

**“Exchange Listed Instrument”** means an instrument which is listed by EDX London and which may be traded by means of its facilities, the terms of which are specified more particularly in the Contract Specification for the instrument in question set out at **Part EDX.4** to these Rules and **“Instrument”** shall be construed accordingly;

**“Exchange Listed Series”** means Futures Series and Options Series collectively and **“Series”** shall be construed accordingly;

**“Exchange Transaction”** means an agreement for the sale or purchase of an Exchange Listed Instrument between Members of EDX London or between a Member of EDX London and a member of an Associated Exchange concluded by means of the facilities provided by EDX London for the trading of such Instruments in accordance with these Rules and **“Transaction”** shall be construed accordingly;

**“Exercise”** in relation to an Options Contract, means the process of settlement applicable to such Contract to be effected pursuant to an Exercise Order given by the Holder of the Option or on Standard Exercise thereof in accordance with these Rules;

**“Exercise Date”** in relation to an Options Contract, means the day on which Exercise is effected whether by submission of an Exercise Order or on Standard Exercise;

**“Exercise Fee”** means the fee payable to EDX London by the Holder of an Options Contract on its Exercise;

**“Exercise Index Value”** in relation to an Index Option, means the value given in the Option’s designation;

**“Exercise Order”** means the request submitted to EDX London by the Holder of an Option that such Option be exercised;

**“Exercise Settlement Day”** means the day on which the obligations of the parties to an Options Contract following its Exercise are due for settlement as specified in the Contract Specification for the Instrument in question;

**“Exercise Settlement Statement”** means the Settlement Statement issued by EDX London following Exercise of an Options Contract showing the rights and obligations of the Counterparties following the Expiration of the Contract;

**“Expiration”** in relation to a Series means the process whereby trading in such Series is terminated on the Expiration Date for such Series and the rights and obligations of Members in respect of outstanding Contracts in such Series are settled in accordance with the provisions governing settlement of such Contracts set out in these Rules;

**“Expiration Date”** in relation to a standardised Contract, means the day designated as such by EDX London as the day on which such Contracts will expire and, in relation to a Non-Standardised Contract, means the day agreed upon by the Parties as the day on which such Contract will expire;

**“Expiration Month”** in relation to a standardised Contract, means the month designated by EDX London as the month in which such Contract will expire and in relation to a Non-Standardised Contract, means the month agreed upon by the Parties as the month in which such Contract will expire;

**“Expiration Settlement”** means the procedures for final settlement of a Contract on Expiration provided for in these Rules and the Clearing House Regulations;

**“Expiration Settlement Day”** in relation to a Series, means the day on which final settlement of Contracts in such Series which have proceeded to Expiration Settlement are to be performed;

**“Expiration Settlement Statement”** means the Settlement Statement issued by EDX London following Expiration of a Futures Contract showing the rights and obligations of the Counterparties following the Expiration of the Contract;

**“Expiration Year”** in relation to a standardised Contract means the year designated by EDX London as the year in which such Contract will expire and in relation to a Non-Standardised Contract, means the year agreed upon by the Parties as the year in which such Contract will expire;

**“FSA”** means the Financial Services Authority;

**“Fast Market”** means significant market movements in respect of a Contract Base;

**“Fee”** means the amount due and payable by a Member in relation to services provided by EDX London in accordance with these Rules and **“Fees”** shall be construed accordingly;

**“First Listing Day”** means the first day on which Contracts in a particular Series will be accepted for registration by EDX London;

**“Futures Class”** means Futures Contracts based on the same Underlying Stock or Contract Index as the case may be;

**“Futures Contract”** means a standardised Futures Contract or a Non-Standardised Futures Contract which is registered by EDX London in the Account of the Member and **“Future”** and **“Futures”** shall be construed accordingly. Unless otherwise specifically stated, a Futures Contract includes such a Contract whether written by EDX London or by the Member. Futures Contracts are subject to daily Cash Settlement;

**“Futures Contract Price”** in relation to a Futures Contract, means the price agreed upon by the Parties to such Contract on concluding the Exchange Transaction in question to be used in determining the rights and obligations of the Parties on Cash Settlement of an Index Future or on Physical Settlement of a Stock Future as the case may be;

**“Futures Contract Value”** in relation to an Index Futures Contract means the Futures Contract Price for such Contract multiplied by the Index Multiplier and in relation to a Stock Futures Contract means the Futures Contract Price for such Contract multiplied by the number of shares of the Underlying Stock represented by such Contract;

**“Futures Only Market Maker”** means a Member which has agreed to act as such in respect of one or more Exchange Listed Instrument.

**“Futures Series”** means Futures Contracts having the same Expiration Month and Expiration Year;

**“GCM Agreement”** means the NCM-GCM-LCH Agreement in the form prescribed by the Designated Clearing House governing the relationship between the Designated Clearing House, a General Clearing Member and a Non-Clearing Member in respect of Registered Contracts and Cleared Only Contracts to be entered into by such parties in accordance with the Clearing House Regulations;

**“General Clearing Member”** means a Member which is a member of the Designated Clearing House and which has entered into the GCM Agreement prescribed by the Designated Clearing House for such purposes for the time being, thereby agreeing to act in the capacity of General Clearing Member for the Member in question;

**“General Clearing Member Account”** means an Account maintained by the Designated Clearing House for the purposes of registering Contracts on behalf of Non-Clearing Members for which the General Clearing Member acts as such as provided for more particularly in the Clearing House Regulations;

**“Held Option”** means:

- (i) in relation to a Call Option, a Contract the Holder of which has the right to buy the Contract Base at the Strike Price on Exercise of the Option in accordance with these Rules;
- (ii) in relation to a Put Option, a Contract the Holder of which has the right to sell the Contract Base at the Strike Price on Exercise of the Option in accordance with these Rules;

**“High Speed Vendor Feed” (HSVF)** means EDX London’s electronic public market data information dissemination system;

**“HSVF Subscriber Agreement”** means the agreement governing the right to subscribe to receive or display EDX London Market Data using HSVF;

**“Holder”** in relation to an Options Contract, means the Member entitled to exercise the Option in accordance with its terms;

**“Index Contracts”** means Index Futures and Index Options collectively;

**“Index Future”** means a Futures Contract based on any of the Stock Indexes referred to in **Part EDX.4**;

**“Index Multiplier”** in relation to a Contract Index, means the amount specified as such in the Contract Specification for Instruments based on the Index in question;

**“Index Option”** means an Options Contract based on any of the Stock Indexes referred to in **Part EDX.4**;

**“Index Provider”** means the party for the time being acting as provider of the Contract Index in accordance with the provisions of the section of **Part EDX.4** applicable to the Contract Index;

**“Index Value”** means the value of the Contract Index at any time calculated in accordance with the provisions of the section of **Part EDX.4** applicable to such Contract Index;

**“Indication of Interest”** means a non-binding indication of interest in a transaction given to the Marketplace Service by a Member;

**“Information List”** means the list published by EDX London showing the type of information which is available to Members and third parties and the means of dissemination of such information;

**“Lifetime”** in relation to a Contract means the period from the First Listing Day to the Expiration Date inclusive;

**“Listings Schedule”** means the schedule published by EDX London showing Exchange Listed Instruments and Exchange Listed Series for the time being;

**“London Bank Day”** means a day other than a Saturday or a Sunday on which banks generally are open for business in London;

**“Margin Requirement”** in relation to an Account of a Member, means the requirement as determined by the Designated Clearing House to provide security for the fulfilment of the obligations of the Member arising from Contracts registered in such Account;

**“Market Information”** means information relating to Exchange Listed Instruments which is published by EDX London as described in Rule EDX.1.12;

**“Market Maker”** means a Member which has entered into the Market Maker Agreement;

**“Market Maker Account”** means an Account of the type described in Rule EDX.1.6.1;

**“Market Maker Agreement”** means the standard form agreement entered into between a Market Maker and EDX London whereby the market maker agrees to act as such in relation to certain specified products in the form at **Appendix D**;

**“Market Order”** means an Order placed by a Member subject to a requirement that it must be accepted immediately or withdrawn;

“**Marketplace Service**” means the marketplace service provided by EDX London to Members as described more particularly in **Part EDX.2** of these Rules and the abbreviation “**MPS**” shall be construed accordingly;

“**Member**” means a party which has entered into the Membership Agreement with EDX London;

“**Membership Agreement**” means the standard form agreement entered into between a Member and EDX London governing that party's position as a Member at **Appendix B**;

“**Membership Criteria**” means the requirements applied by EDX London set out at Rule EDX.1.4 which need to be satisfied by applicants for membership in the category in question;

“**Most Liquid Series**” means, in the case of a Stock Contract, the Series which is closest to the price of the Underlying Stock and in the case of an Index Contract, the Series which is closest to the value of the Contract Index;

“**Non-Clearing Member**” means a Member which is a member of the Designated Clearing House other than a Clearing Member and which is a party to a GCM Agreement;

“**Non-standardised Combination**” means a Combination other than a Standardised Combination;

“**Non-Standardised contract**” means a Stock or Index Contract executed or reported to EDX London for registration in accordance with Rule EDX 2.13;

“**Opening Transaction**” means in relation to an Options Contract, a transaction in a Series other than a Closing Transaction;

“**Options Class**” means Options based on the same Underlying Stock or Contract Index as the case may be;

“**Options Contract**” means a Call Option and a Put Option collectively and “**Option**” shall be construed accordingly;

“**Options Series**” means a series of Contracts based on an Exchange Listed Instrument of the same Type having the same Expiration Month and Year and the same Strike Price;

“**Options Type**” means either a Call Option or a Put Option as the case may be and “**Type**” shall be construed accordingly;

“**Order**” means an unconditional offer by an Exchange Member to buy or sell Instruments in an Exchange Listed Series;

“**Orderbook**” in relation to an Exchange Listed Instrument, means the record of current Orders for such Instrument;

“**Orderbook Order**” means an Order placed by an Exchange Member subject to a condition that it be withdrawn at the normal close of trading for the Instrument in question on the day it is entered or at the time specified by the Member on placing the Order;

“**Oslo Børs**” means Oslo Børs ASA owned by Oslo Børs VPS Holding ASA;

“**OTC Broker**” means a party which has entered into the OTC Broker Participation Agreement with EDX London;

“**OTC Broker Participation Agreement**” means the standard form agreement governing the relationship between an OTC Broker and EDX London in the form at **Appendix K** to these Rules as amended from time to time;

“**Parameter Value List**” means the list published by the Designated Clearing House showing the parameter values used in the calculation of the Margin Requirements of Members;

“**Penalty Fee**” means the fee payable to EDX London by a Member in the circumstances prescribed in these Rules where the Member has failed to perform its obligations under such Rules at the time or in the manner required therein;

“**Physical Settlement**” in relation to a Futures or an Options Contract means the process of settlement of such Contract to be performed by the delivery of the underlying security;

**“Position Limits”** means the limits applied from time to time by EDX London whether generally or in relation to a particular Member imposing limits on the number of Contracts of any type which may be executed by a Member;

**“Premium”** means the consideration due to the seller for entering into an Options Contract as agreed by the Holder and the Writer of the Contract on entering into it;

**“Premium Settlement Day”** means the day on which the Premium for an Options Contract is to be paid;

**“Prescribed Spread”** in relation to an Options Contract or a Futures Contract means the range within which bid and offer prices must be provided by Market Makers in such Contracts;

**“Proprietary Account”** means an Account of the type described in Rule EDX.1.6.1 in which transactions entered into by a Member on its own account, and only such transactions, are to be registered;

**“Protest”** means a request submitted by a Member to EDX London requesting the cancellation or amendment of an incorrect Registration or the Registration of an Exchange Transaction which had been omitted, or a request for an amendment of an incorrectly executed or non-executed Exercise or Cash Settlement;

**“Put Option”** means:

- (i) in relation to an Index Option, a Contract under which the Holder has the right on its Expiration Date to sell the value of the Contract Index to the Writer at its Strike Price against the obligation to pay the Premium and the Writer has the obligation to buy the value of the Contract Index from the Holder at its Strike Price on its Expiration Date in consideration for the payment of the Premium; and
- (ii) in relation to a Stock Option, a Contract under which the Holder has the right on Exercise of the Option to sell the Underlying Stock to the Writer at its Strike Price against the right to receive the Premium and the Writer has the obligation to buy the Underlying Stock from the Holder at its Strike Price on its Expiration Date in consideration for the payment of the Premium;

**“Recognised Clearing House”** means an organisation recognised as such pursuant to the Act;

**“Recognised Investment Exchange”** means an organisation recognised as such pursuant to the Act;

**“Registered Contract”** means a Futures Contract or an Options Contract registered in an Account following the execution of an Exchange Transaction entered into by means of EDX London's facilities or the acceptance by it of a Request for Registration of a transaction in an Exchange Listed Instrument effected off exchange in accordance with these Rules and **“Contract”** shall be construed accordingly;

**“Registered Counterparty”** means the Account Holder or Associated Clearing House which is registered as the opposite party to a Registered Contract to the Designated Clearing House following execution of an Exchange Transaction or registration of a Contract in accordance with these Rules;

**“Registrable Contract”** means a contract which is eligible for registration in a Clearing Account in accordance with these Rules;

**“Registration”** means the process of recording Exchange Transactions and transactions in Exchange Listed Instruments which have been effected off exchange, registration of which has been requested in the manner provided for in these Rules, in the Account at the Designated Clearing House specified by that Member or in the appropriate Account of its General Clearing Member in accordance the Clearing House Regulations;

**“Registration Day”** in relation to a Contract, means the day on which such Contract is registered by the Designated Clearing House in accordance with these Rules;

**“Request for Re-registration”** means a request submitted by a Clearing Member to the Designated Clearing House seeking the Re-registration of one or more Registered Contracts;

**“Re-registration”** means the process of transferring a Registered Contract from one Account to another Account pursuant to a Request for Re-registration submitted in accordance with these Rules;

“**Re-registration Fee**” means the fee payable on Re-registration of a Contract pursuant to Rule EDX.3.5;

“**Rules**” means these rules, including the Rules for Cleared Only Contracts at Part COR and the documents appearing in the Appendices as amended from time to time;

“**Rules for Cleared Only Contracts**” means the Rules at Part COR of these Rules and the Appendices to Part COR, as amended from time to time;

“**Settlement**” in relation to a Futures Contract or an Options Contract means the procedures for Cash Settlement and or Physical Settlement applicable to the Contract in question set out in the relevant section of **Part EDX.4** to these Rules and in the Clearing House Regulations on the Expiration or Exercise of such Contract;

“**Settlement Day**” in relation to a Contract, means the day on which the settlement obligations of such Contract are to be performed;

“**Settlement Statement**” means the note showing the details of the settlement amounts due to or payable by a Member following settlement;

“**Settlement Value**” means the value used by EDX London for the purposes of determining the Expiration Settlement Amount for a Contract;

“**Standard Exercise**” means the procedures governing the exercise of in-the-money Options Contracts prescribed in **Part EDX.4** of these Rules;

“**Standardised Combination**” means a Combination of a type which EDX London designates as such for the time being;

“**Stored Order**” means an Order relating to a standardised Exchange Listed Instrument which is stored in EDX London's electronic orderbook in accordance with these Rules;

“**Strike Price**” in relation to an Options Contract, means the price agreed upon by the parties on entering into the Exchange Transaction in question to be used in determining the rights and obligations of the Parties on Cash Settlement of an Index Option or on Physical Settlement of a Stock Option as the case may be;

“**Swedish Product**” means any one of the following:

- (i) a FTSE Sweden 30 Future;
- (ii) a FTSE Sweden 30 Option;
- (iii) a Swedish Stock Future;
- (iv) a Swedish Stock Option;
- (v) a Non-Standardised Contract based on any of the above contracts,
- (vi) any of the Swedish Cleared Only Contracts referred to at Rule Part COR;

and “**Swedish Products**” shall be construed accordingly;

“**Suspension of Trading**” means a trading suspension on EDX London or of any underlying exchange markets;

“**Trading Capacity**” means the status conferred by EDX London allowing a Member to trade on EDX London in the capacity of a Broker, Proprietary Trader or Market Maker as the case may be;

“**Trading Counterparties**” means, in relation to a Transaction effected on EDX London, the party whose offer to buy or to sell a Contract is accepted and the Member by whom such offer is accepted;

“**Trading Day**” in relation to an Exchange Listed Instrument means any day on which EDX London is open for trading such Instrument;

“**Writer**” in relation to an Options Contract, means the Member whose Contract is liable to be exercised in accordance with its terms;

“**Written Option**” means:

- (i) in relation to a Call Option, a Contract the Writer of which is obliged to sell the Contract Base at the Strike Price on Exercise of the Option in accordance with these Rules;

- (ii) in relation to a Put Option, a Contract the Writer of which is obliged to buy the Contract Base at the Strike Price on Exercise of the Option in accordance with these Rules.

EDX.1.2.2 Save where these Rules state expressly to the contrary, all references to time herein are references to London time.

**EDX.1.3 Relationship with Members**

- EDX.1.3.1 EDX London is committed to providing exchange services of the highest quality to its Members and to ensuring that the markets in Exchange Listed Instruments meet the standards set by the FSA for recognised investment exchanges in the United Kingdom.
- EDX.1.3.2 To this end EDX London aims to:
- (i) set rules and standards for its Members which ensure the provision by it of a fair market in which listed products can be properly priced;
  - (ii) extend membership of the exchange only to suitably qualified bodies of good standing and operate appropriate internal procedures for the supervision of the activities of its Members and take enforcement action as necessary to ensure that the conduct of Members is of the required standard;
  - (iii) extend membership only to bodies having sufficient resources and to monitor the continuing compliance with these requirements by Members to minimise the risk of default by a Member and to minimise the impact on the market should a default occur; and
  - (iv) monitor and assess trading at the exchange, the activities of Members, the quality of its markets and to enforce compliance with these Rules by utilising its technology and other means.
- EDX.1.3.3 EDX London believes that the quality of its Members and their standard of conduct is of fundamental importance to its standing as an exchange and is firmly committed to the fair and proper enforcement of these Rules. Disciplinary procedures and the sanctions available to EDX London against Members in respect of breaches of these Rules are set out in Rule EDX.1.9 below.
- EDX.1.3.4 All Members shall comply fully with these Rules.
- EDX.1.3.5 A Member shall inform EDX London immediately of any failure by the Member to comply with the Rules.
- EDX.1.3.6 The Member shall inform EDX London immediately of any change in the Member's status as a Clearing Member or General Clearing Member or of any arrangements made by it with a General Clearing Member.
- EDX.1.3.7 The Member shall inform EDX London immediately of any change in the financial position of the Member which might cause it to fail to satisfy the financial criteria applicable to it or which otherwise might have an adverse effect on its ability to perform its obligations to EDX London.
- EDX.1.3.8 The Member shall inform EDX London immediately of the occurrence of any event which affects its regulatory capacity required for its activities as a Member.
- EDX.1.3.9 The Member shall report any dispute with any third party relating to a transaction in an Exchange Listed Instrument to EDX London at the earliest opportunity.
- EDX.1.3.10 The Member shall inform EDX London in writing of any change in its name, principal place of business or principal shareholders, directors or officers and of any change in the list of persons authorised to effect transactions at EDX London. Wherever possible, such notice shall be given prior to the occurrence of the event in question.
- EDX.1.3.11 The Member shall allow EDX London access to its premises and relevant records and shall co-operate fully in connection with any investigation which EDX London considers needs to be undertaken into any aspect of the conduct of the Member arising from its activities as a member of EDX London or any suspected breach by such Member of these Rules. EDX London will generally give the Member advance notice of its intended investigation.
- EDX.1.3.12 In addition to investigations carried out under Rule EDX.1.3.11 above, EDX London will conduct routine inspection visits to Members to satisfy itself that the Member is complying fully with the requirements of these Rules and EDX London's related procedures. The Member shall allow EDX London access to its premises and relevant records and shall co-operate fully in connection with any inspection conducted under this Rule. EDX London shall give the Member advance notice of its inspection visit.
- EDX.1.3.13 EDX London may use the services of the FSA or any other appropriate regulatory organisation in any investigation undertaken by it under these Rules.

- EDX.1.3.14 EDX London shall treat any information provided to it by a Member in accordance with these Rules as confidential but may pass any such information or any information which it obtains under an investigation under these Rules to the FSA, a recognised clearing house or recognised investment exchange, any other body having responsibility for the regulation of financial services business in the United Kingdom, Oslo Børs or to any overseas body having responsibility for the regulation of financial services business in a jurisdiction connected with the Member involved in the investigation. Save where it is required to do so by operation of law or by virtue of an order of a court of competent jurisdiction or to comply with its obligations to provide information to any governmental or multinational organisation or agency, EDX London shall not disclose any such information or any information coming into its possession as a result of such investigation to any other person without the express authorisation of the Member in question.
- EDX.1.3.15 EDX London may exclude a Member from trading Exchange Listed Instruments or suspend its right to submit reports pursuant to the Rules for Cleared Only Contracts or place such other restrictions on the activities of the Member as EDX London considers necessary following any change in the circumstances of the Member of the type described in this Rule EDX.1.3.

**EDX.1.4 Membership Criteria**

EDX.1.4.1 Members are required to satisfy the Membership criteria applied by EDX London appropriate to the capacity in which they intend to act at EDX London.

EDX.1.4.2 A Member with a permanent place of business in the United Kingdom (a “**UK member**”) shall be authorised or exempt from authorisation in the conduct of its investment business by the FSA.

EDX.1.4.3 A Member which is not a UK Member but which has a permanent place of business in a country which is part of the European Union or in Iceland, Liechtenstein or Norway shall be authorised or exempt from authorisation in the conduct of its investment business by the appropriate regulator in its home state.

EDX.1.4.4 A Member which is not a UK Member other than a Member to which the previous paragraph applies shall demonstrate to the satisfaction of EDX London that it is subject to an appropriate level of regulation having regard to its proposed activities at EDX London and that it complies with such local regulatory requirements.

EDX.1.4.5 A Member shall have the necessary legal and financial capacity. In particular it must satisfy EDX London that it has sufficient net current assets and an adequate capital base.

EDX.1.4.6 A Member will not be permitted to participate in trading in Exchange Listed Instruments pursuant to these Rules or to report transactions in Exchange Listed Instruments for Registration in accordance with Part 3 of these Rules, report a transaction in a Cleared Only Instrument for Registration in accordance with the Rules for Cleared Only Contracts or submit an OTC Trade Report in accordance with the Rules for Cleared Only Contracts unless it is either recognised for the time being by the Designated Clearing House as a Clearing Member or is a party to a GCM Agreement with a General Clearing Member and the Designated Clearing House. The Designated Clearing House shall not be subject to any obligation to enter into a Registered Contract pursuant to any Order placed by a Member that does not satisfy the above criteria or is otherwise ineligible to participate in trading at EDX London or in the reporting of transactions to EDX London in the manner provided for in these Rules.

The rules and procedures governing admission to membership of the Designated Clearing House in the respective capacities of Clearing Member and General Clearing Member are provided in the Clearing House Regulations. The financial criteria applied by the Designated Clearing House for such purposes for the time being are:

- (i) A General Clearing Member must have net current assets in excess of £2 million and fully paid-up share capital or other non-distributable reserves of £1 million.
- (ii) A Clearing Member must have net current assets in excess of £1 million and fully paid-up share capital or other non-distributable reserves of £500,000.
- (iii) A Non-Clearing Member is not subject to any specific financial criteria. A Member which acts solely as an OTC Broker is not subject to any specific financial criteria.

EDX.1.4.7 A Member shall maintain the necessary clearing arrangements, either directly or with a General Clearing Member acting on its behalf, and in particular is required:

- (i) to maintain one or more accounts at a bank approved by the Designated Clearing House to ensure the timely settlement of all transactions;
- (ii) to complete such documents as may be required by the Designated Clearing House, and applicable Central Securities Depository or other agent involved in the Settlement and Delivery of Stock on Expiration or Exercise of Stock Futures and Options in the forms prescribed by the Designated Clearing House;
- (iii) to satisfy EDX London that arrangements are in place for the provision by the Member or its General Clearing Member of Collateral as and when required in accordance with these Rules; and
- (iv) to establish PPS arrangements in accordance with Rule EDX.1.11.1.

EDX.1.4.8 Deleted.

EDX.1.4.9 There is no restriction on the number of Members of EDX London.

EDX.1.4.10 A party which wishes to act as an OTC Broker shall satisfy EDX London that it has the necessary regulatory authorisation and technical expertise to act in this capacity.

An OTC Broker may only act in the manner specified in these Rules (including the Rules for OTC Contracts) and shall not effect any transaction on its own account or on behalf of Clients at EDX London.

Rules EDX.1.4.6 and EDX.1.4.7 shall not apply to OTC Brokers.

**EDX.1.5 Trading Capacity of Members**

**EDX.1.5.1 General**

EDX.1.5.1.1 Members may effect transactions at the exchange in one of three capacities:

- (i) Broker;
- (ii) Market Maker; or
- (iii) Proprietary Trader.

EDX.1.5.1.2 Where a Member has the necessary regulatory authorisation, it may act in more than one of the above capacities.

EDX.1.5.1.3 Further provisions relating to the Trading Capacity of Brokers at EDX London are set out at Rule EDX.1.5.2.

EDX.1.5.1.4 Further provisions relating to the Trading Capacity of Market Makers at EDX London are set out at Rule EDX.1.5.3.

EDX.1.5.1.5 Further provisions relating to the Trading Capacity of Proprietary Traders are set out at Rule EDX.1.5.4.

**EDX.1.5.2 Brokers**

EDX.1.5.2.1 A Member which wishes to act as a Broker at EDX London shall satisfy EDX London that it has the regulatory authorisation to act in this capacity.

EDX.1.5.2.2 A Broker may enter into transactions at EDX London either on a proprietary basis or on behalf of a Client.

EDX.1.5.2.3 Brokers shall ensure that transactions which they enter into at EDX London are allocated to the correct Account in accordance with Rule EDX.1.6 and the Clearing House Regulations.

EDX.1.5.2.4 All transactions entered into by a Broker on a proprietary basis shall be registered in the Broker's Proprietary Account. Transactions entered into by a Broker on behalf of a Client shall not be registered in this Account.

EDX.1.5.2.5 Transactions entered into by a Broker on behalf of a Client shall be registered in one of the Accounts for the registration of such transactions described in Rule EDX. 1.6 and the Clearing House Regulations.

**EDX.1.5.3 Market Makers**

EDX.1.5.3.1 A Member which wishes to act as a Market Maker in one or more Exchange Listed Instruments shall satisfy EDX London that it has the necessary regulatory authorisation and technical capability to act in such capacity.

EDX.1.5.3.2 A Member which satisfies EDX London in these respects shall enter into the Market Maker Agreement with EDX London and shall specify the Exchange Listed Instruments in which it intends to act as a Market Maker and the market making capacity in which it intends to act in respect of each such Instrument.

EDX.1.5.3.3 All transactions entered into by a Market Maker in the capacity of Market Maker shall be registered in a Market Maker Account.

EDX.1.5.3.4 Transactions in Exchange Listed Instruments entered into by a Market Maker otherwise than in the capacity of Market Maker shall not be registered in its Market Maker Account.

**EDX.1.5.4 Proprietary Traders**

EDX.1.5.4.1 A Member which wishes to act as a Proprietary Trader shall satisfy EDX London that it has the necessary regulatory authorisation to act in this capacity.

EDX.1.5.4.2 A Proprietary Trader shall not effect transactions on behalf of customers. All transactions entered into by a Proprietary Trader shall be registered in the Proprietary Trader's Proprietary Account.

**EDX.1.6 Accounts**

EDX.1.6.1 Subject to Rule EDX.1.4.8 a Member shall only be entitled to participate in trading at EDX London if it is either a Clearing Member, a General Clearing Member or is a Non-Clearing Member which has entered into a GCM Agreement with a General Clearing Member and the Designated Clearing House.

EDX.1.6.2 A Member (other than a Member which has arranged for transactions in Exchange Listed Instruments entered into by it to be cleared by a General Clearing Member) shall open one or more Clearing Accounts at the Designated Clearing House for the Registration of transactions effected by the Member. A Member which intends to act as a Market Maker shall open one or more accounts for Registration of Contracts entered into by it in the capacity of Market Maker specified for such purposes in the Clearing House Regulations.

A Member which intends to enter into transactions on its own account and a Proprietary Trader shall open an Account (Proprietary Transactions) for Registration of Contracts entered into by it on such basis specified for such purposes in the Clearing House Regulations.

A Member which intends to act as a Broker shall open one or more of the Accounts specified for such purposes in the Clearing House Regulations.

EDX.1.6.3 A Member shall open a Day Account. All transactions in Exchange Listed Instruments effected by a Member will be registered initially in the appropriate Day Account save where the Member specifies the Account in which the transaction is to be registered at the time of execution. Members shall confirm to EDX London the type of Clearing Account in which a Contract is to be registered within thirty minutes of the time at which the transaction was registered in the Day Account.

EDX.1.6.4 The types of account available within EDX London's clearing system for use by Members are described in the table below which also provides details of the related account at the Designated Clearing House to be used for registration of positions recorded in the relevant account. There is no limit to the number of accounts that can be held by a Member.

EDX London accounts are set up and administered by EDX London's Clearing Department.

Account Type	Account Name	Designated Clearing House Account (House or Client)	Description	Positions allowed (if not, default position account must be defined)	Positions held on net or gross basis
MM	Market Maker Account	House	For Market Maker Trades.	Yes	Net
HA	Proprietary Account	House	Proprietary trades only.	Yes	Net
OIC	Proprietary Account	Client	For the proprietary trades of a NCM.	Yes	Net
CA	Clearing Account	Client	A position account only. The trading account to which this account is connected must be pre-defined by the member (used by EDX London members for cross-border accounts only).	Yes	Net

NB: Members should note that all NCM business will be designated at LCH as Client business of the GCM.

**EDX.1.7 Exchange Transactions and Contracts**

EDX.1.7.1 The terms of Exchange Listed Instruments are specified in the Contract Specification for the Instrument in question at **Part EDX.4** of these Rules.

EDX.1.7.2 Where an Exchange Transaction is executed in accordance with these Rules or EDX London accepts a Request for Registration of a transaction relating to an Exchange Listed Instrument which has been submitted in accordance with the section of **Part EDX.4** to these Rules applicable to such Instrument, the Member or Members involved in such transaction shall enter into a Contract with the Designated Clearing House on the terms of the Contract Specification for the Exchange Listed Instrument and, with regard to the size of the transaction, its price and Series (where applicable), in accordance with the terms agreed on execution of the Transaction in question.

Such Contract shall be registered immediately in the Account or Accounts in the clearing system of the Designated Clearing House specified by the Member or Members involved in the Exchange Transaction and shall be binding on such parties from the time of such Registration.

EDX.1.7.3 An application for Re-registration of a Contract in an Exchange Listed Instrument shall take effect from the time at which EDX London confirms to the Designated Clearing House that such application has been accepted and the Designated Clearing House amends the particulars recorded in its clearing system in accordance with such request for Re-Registration and registers the Contracts in the appropriate Accounts in accordance with its terms.

An incorrectly registered Contract may be cancelled or corrected provided that a valid Protest is made to EDX London in accordance with Rule EDX.3.4. In the absence of any such Protest, an incorrectly registered Contract will remain in full force and effect and will bind the Registered Counterparties to such Contract.

EDX.1.7.4 Following Registration of a Contract in the clearing system of the Designated Clearing House pursuant to the Clearing House Regulations, the Buyer and the Seller of the Contract have the rights and obligations incident to such Contract as specified in **Part EDX.4** for the duration of the Contract.

EDX.1.7.5 Registration of Contracts in a Client Account is effected on a gross basis. A Broker which operates a Client Account shall ensure that the positions registered in such Account accurately reflect the balance of the open interest for the Clients whose positions are registered on the Account at all times. To this end, a Broker which operates a Client Account shall inform EDX London as soon as practicable following the Registration of a Contract in such Account as to whether the Contract in question represents an Opening Transaction or a Closing Transaction and of the effect that such Registration will have on the open interest on the Account (the "**required information**"). Such information may be given either in writing to the Clearing Department at EDX London or by way of the electronic connection. Where the required information is provided to EDX London before the relevant deadline prescribed below, any necessary adjustment to the information recorded in the Client Account required in accordance with the Broker's instructions will be made by EDX London. The relevant deadline for a notice given in writing is 10.00 am on the Business Day following the day on which the Contract was initially registered in the Account and, for a notice given by the electronic connection, 12 noon on that day. If a Member fails to provide EDX London with the required information before the relevant deadline, the Member shall be responsible for taking the necessary action to correct the balance on the Account in question by executing the relevant number and type of transactions required in the circumstances.

**EDX.1.8 Confidentiality**

- EDX.1.8.1 As between Members, trading in Exchange Listed Instruments carried out by way of EDX London's electronic trading system or the Marketplace Service is conducted on an anonymous basis. Similarly, the identity of a Client or a customer for whom a Broker effects an Exchange Transaction is not disclosed to Members.
- EDX.1.8.2 EDX London presents the electronic orderbook and information related to transactions executed by means of its facilities and accepted for Registration in accordance with these Rules to members on an anonymous basis so that the identity of a party which has placed an Order or which is a party to a Registered Contract is not disclosed to other Members.
- EDX.1.8.3 In normal circumstances, the identity of a Client for whom a Broker effects a transaction under the rules of EDX London is not known by EDX London.
- EDX.1.8.4 Where EDX London considers it necessary to protect its interests or the quality of the market in any Exchange Listed Instrument or in the circumstances specifically provided for in these Rules it may require the Member to provide information relating to the Client or customer in question.

**EDX.1.9 Disciplinary Procedures**

- EDX.1.9.1 The Disciplinary Procedures provided for in this Rule may be applied by EDX London where:
- (a) it believes that a Member and/or any Approved Trader authorised to act as such by the Member may have acted in breach of the Rules;
  - (b) a complaint has been made to EDX London about the conduct of a Member in the use of the Exchange's facilities.
- EDX.1.9.2 The Disciplinary Procedures provided for in this Rule shall be applied by EDX London in a manner that is fair and impartial and complies with the rules of natural justice.
- EDX.1.9.3 EDX London shall arrange for a hearing to be convened where necessary and for any such hearing to be held within a reasonable time having regard to the circumstances.
- EDX London shall inform the Member in writing not less than fourteen days before the date on which the hearing relating to the matter will be held of the relevant circumstances, including:
- (a) the act, omission or course of conduct in question;
  - (b) the Rule or Rules allegedly in breach;
  - (c) the grounds for alleging such breach;
  - (d) the date, time and venue of the hearing;
  - (e) the procedures to be applied at such hearing; and
  - (f) informing the Member of its right to be represented at the hearing and of its right to comment orally or to make written representations on the matters under consideration.
  - (g) informing the Member of its right to elect:
    - (i) for the hearing to be held in public; or
    - (ii) for the outcome of the proceedings to be published.
- EDX.1.9.4 EDX London shall appoint a Disciplinary Committee comprising a minimum of three members to determine the matter and shall also appoint a Chairman of the Committee. The composition of the Committee shall be determined by EDX London in such a manner as to provide that the Committee will be a fair, independent and impartial tribunal for the determination of the matter.
- The Disciplinary Committee shall conduct its proceedings in accordance with the procedures adopted by EDX London for such purposes provided that if any matter arises in the course of any such hearing which is not covered in such Procedures, the Committee may determine how to proceed in its absolute discretion as the interests of natural justice, fairness and the proper determination of the matter in question require.
- The Disciplinary Committee may determine any matter before it by a majority decision.
- EDX.1.9.5 Where on the basis of the evidence and representations put before it the Disciplinary Committee determines that the Member or the Approved Trader has breached one or more of the Rules, it may apply, in the case of each such breach, any one or more of the following sanctions against the Member or the Approved Trader as it considers, in its sole discretion, most appropriate in all the circumstances:
- (a) to issue a written reprimand;
  - (b) to impose a fine or require the Member to make any other form of payment in an amount which it considers appropriate;
  - (c) to suspend the Member's participation at EDX London, either indefinitely or for a fixed term, including where a Member participates in the Exchange in more than one trading capacity, to suspend its participation in the Exchange in respect of any such trading capacity or any combination of them;
  - (d) otherwise to impose conditions or restrictions on the Member's participation at EDX London;
  - (e) to expel the Member (by terminating its Membership Agreement);

- (f) in the case of an Approved Trader, to revoke or suspend (indefinitely or for a fixed term) his registration as an Approved Trader or otherwise to impose conditions or restrictions on his continued registration as an Approved Trader:
- (g) to require the Member of the Approved Trader to pay all or part of EDX London's costs of the relevant investigation and disciplinary proceedings.

EDX.1.9.6 Where the Disciplinary Committee determines that a Member or Approved Trader has breached any Rule and is liable to sanction, EDX London shall provide a notice in writing informing the persons in question of its finding, the reasons for such determination and the sanctions to be applied. Such notice shall also inform the Member or Approved Trader of their right of appeal and of the procedures governing any such appeal.

Any notice of appeal must be given in writing to EDX London within 30 days of the date on which the notice of the decision of the Disciplinary Committee was given to the Member or Approved Trader in question.

EDX London may publish the decision of the Disciplinary Committee by way of Exchange Notice or otherwise if it considers in its absolute discretion that such action is in the interests of the market or the performance of its regulatory functions.

EDX.1.9.7 Where a Member or Approved Trader gives notice in writing of its intention to appeal against the decision of the Disciplinary Committee, EDX London shall refer the matter to the Appeals Committee for final determination.

EDX London shall appoint an Appeals Committee comprising a minimum of three members to determine the matter and shall also appoint a Chairman of the Committee. The composition of the Appeals Committee shall be determined by EDX London in such a manner as to provide that the Committee will be a fair, independent and impartial tribunal for the determination of the matter.

The Appeals Committee shall conduct its proceedings in accordance with the procedures adopted by EDX London for such purposes provided that if any matter arises in the course of any such hearing which is not covered in such Procedures, the Committee may determine how to proceed in its absolute discretion as the interests of natural justice, fairness and the proper determination of the matter in question require.

The Appeals Committee may determine any matter before it by a majority decision.

Having considered the evidence and representations put before it the Appeals Committee may confirm, vary or annul any decision of the Disciplinary Committee and may apply any one or more of the sanctions specified in Rule EDX.1.9.5 against the Member as it considers, in its sole discretion, most appropriate in all the circumstances.

The Appeals Committee shall provide a notice in writing informing the person in question of its finding, the reasons for such determination and any sanction to be applied.

EDX.1.9.8 If no appeal is made by a Member or Approved Trader in respect of any such determination, any sanction imposed by EDX London in accordance with these Rules shall take effect on expiry of the time limit for appealing under the Rules.

EDX.1.9.9 If any fine or other payment imposed under this Rule is not paid within 14 days of any date for payment notified by EDX London, EDX London may in its sole discretion impose any of the sanctions referred to in Rule EDX.1.9.5 as applicable.

Any sum paid to EDX London by way of a fine or financial penalty imposed pursuant to this Rule shall be applied in one or more of the following ways:

- (a) towards meeting expenses incurred by EDX London in the course of the investigation of the breach in respect of which the penalty is paid, or in the course of any appeal against the decision of the exchange in relation to that breach;
- (b) for the benefit of users of the exchange's facilities;
- (c) for charitable purposes.

EDX.1.9.10 Any notice given pursuant to this Rule to the Member or to any Approved Trader shall be validly given if sent by pre-paid mail to the offices of such Member. Any notice given pursuant to this Rule to EDX London shall be validly given if sent by pre-paid mail marked for the attention of the Compliance Officer at EDX London, 10 Paternoster Square, London EC4M 7LS.

EDX.1.9.11 EDX London shall consult with Members before it effects any amendment to this Rule EDX.1.9.

**EDX.1.10 Complaints by Members**

EDX.1.10.1 Where a Member wishes to complain to EDX London about any aspect of its services it shall inform EDX London of the grounds of complaint at the earliest opportunity. EDX London will attempt to resolve any such complaint to the satisfaction of the complainant in accordance with the following procedures.

EDX.1.10.2 Such notice may be given in writing or orally. Where an oral complaint is made, EDX London will attempt to resolve it to the satisfaction of the complainant summarily but will provide the complainant with such further opportunity to discuss the matter as is appropriate.

EDX.1.10.3 Where notice is given in writing, EDX London will treat the matter as a formal complaint and shall:

- (i) acknowledge receipt of the complaint forthwith;
- (ii) inform the member making the complaint of the steps EDX London will take to investigate the matter;
- (iii) provide the complainant and any other party involved in the matter with an opportunity to outline the grounds of complaint and to discuss the matter fully;
- (iv) investigate the matter and seek representations from other parties where appropriate;
- (v) provide the complainant with a summary of the findings of its investigation and with the opportunity of making further comments on the matter;
- (vi) provide the complainant with a written response to the complaint and an indication of the steps to be taken in accordance with its findings.

EDX.1.10.4 If the complainant is dissatisfied with the response of EDX London to the complaint, it may submit a notice in writing to EDX London requesting that the matter be referred to the independent Complaints Commissioner for determination and specifying the matters which it wishes to be considered by such person.

For the avoidance of doubt, no right of reference to the Complaints Commissioner shall arise in relation to:

- (a) any complaint concerning the content of the Rules of EDX London;
- (b) any complaint concerning a decision of the Disciplinary Committee in respect of which a right of appeal is provided pursuant to Rule EDX.1.9.6.

All such matters shall be referred to the Complaints Commissioner in accordance with the procedures adopted by EDX London for such purposes.

EDX.1.10.5 The Complaints Commissioner may decide to deal with the matter in question by way of written representations or by way of a hearing. The Complaints Commissioner shall inform the complainant and EDX London of his decision in this respect and shall provide both parties with an outline of the procedures to be applied in determining the complaint. Where the Complaints Commissioner convenes a hearing to determine the matter, he shall give a minimum of fourteen days' notice to the complainant and EDX London of the date, time and venue for such hearing.

EDX.1.10.6 The Complaints Commissioner shall review any written representations submitted to it or conduct any hearing before him in accordance with the procedures adopted by EDX London for such purposes provided that if any matter arises which is not covered by such procedures, the Complaints Commissioner may determine how to proceed in his absolute discretion as he considers the interests of natural justice, fairness and the proper determination of the matter require.

The Complaints Commissioner may recommend that EDX London makes a compensatory payment to the complainant or takes other action to remedy the matter complained of as the Complaints Commissioner considers appropriate in the circumstances.

EDX.1.10.7 The decision of the Complaints Commissioner shall be final and binding.

EDX.1.10.8 EDX London may inform the FSA or other agency or authority of the outcome of any investigation into a complaint made in accordance with this Rule and may also pass any information which has come to its attention in the course of its investigation to any such party.

**EDX.1.11      Administrative Matters**

EDX.1.11.1      The Designated Clearing House has established a Protected Payments System (“**PPS**”) for use in connection with the settlement of payment obligations of Members to EDX London. Members, other than Members who have made arrangements for the settlement of such obligations to be performed by a General Clearing Member, must maintain arrangements with a PPS Bank for such purposes. Further provisions concerning the PPS System and settlement and delivery generally are set out in the Clearing House Regulations.

EDX.1.12 Dissemination of Market Information

**General**

EDX.1.12.1 EDX London disseminates public market information originating from the services provided by EDX London pursuant to these Rules or from third parties in accordance with the provisions set forth in this Rule.

EDX.1.12.2 EDX London publicly disseminates information for each Exchange Listed Instrument during the Trading Hours for such Instrument. With regard to Exchange Listed Instruments which are quoted in co-operation with an Associated Exchange, the disseminated information includes, unless otherwise stated, information from all relevant sources.

EDX.1.12.3 EDX London publicly disseminates clearing information relating to Exchange listed Instruments during times at which the clearing system is open regarding volumes and, where applicable, registration prices. Where such information relates to an Instrument provided in conjunction with an Associated Exchange or an Associated Clearing House, the disseminated information includes, unless otherwise stated, information from all sources.

EDX.1.12.4 EDX London may at any time make such changes in the contents, scope and composition of the Market Information which it deems suitable or necessary.

**Media**

EDX.1.12.5 Market information is disseminated in electronic form immediately.

EDX.1.12.6 EDX London disseminates public market information through the following media:

- (i) Immediately by electronic connection to EDX London's High Speed Vendor Feed (HSVF) and, in applicable cases, by telephone;
- (ii) immediately or following a certain delay through public information distribution systems (electronic or non-electronic media) of third party vendors, a list of which is available from EDX London.

**Subscription**

EDX.1.12.7 Members or other third parties wishing to directly subscribe to HSVF must enter into the HSVF Subscriber Agreement and adhere to the relevant terms and conditions set forth within the agreement.

**License**

EDX.1.12.8 Members or other third parties wishing to redistribute EDX London Market Data must first enter into the relevant EDX London Market Data Dissemination Agreement and adhere to the terms and conditions set out within the agreement.

EDX.1.12.9 The following market information is covered by the right of use granted herein:

- (i) market information originating from EDX London's exchange and clearing operations; and
- (ii) market or other information received from third parties.

EDX.1.12.10 Copyright and other intellectual property rights to market information which EDX London disseminates shall vest in EDX London or the rightsholders EDX London represents.

**EDX.1.13 Technical Regulations**

EDX.1.13.1 Members which wish to maintain an electronic trading connection to EDX London shall enter into the relevant access, connectivity and software licence agreements as amended from time to time and connectivity agreement (referred to in this Rule EDX.1.13 to Agreement) enabling access to EDX London Markets and shall comply with this Rule. Breach of any provision of these Agreements shall constitute a breach of these Rules. Members should contact EDX London for a list of all market access connectivity providers and for all relevant information on these solutions. Fees in respect of Market access are payable by Members in the amount and at the time specified in **Appendix A**.

EDX.1.13.2 Equipment and computer programs which are required for the purposes of the electronic connection to EDX London's trading and clearing systems are specified and provided in part by EDX London, the London Stock Exchange Group and other third parties. Equipment and computer programs other than that specified by EDX London shall be tested to the satisfaction of EDX London by the Member prior to the connection of such equipment or program to the trading and clearing production systems. EDX London reserves the right to prohibit the connection of equipment or the use of programs which have not been specified by EDX London and to carry out such tests of the said equipment or programs at the expense of the Member as EDX London considers necessary.

The costs of equipment supplied by EDX London, the London Stock Exchange Group and other third parties and the installation and maintenance thereof shall be paid by the Member in accordance with these Agreements.

EDX London reserves the right to set requirements as well as demand information regarding such computer program's construction and functionality from Members or computer program suppliers. EDX London reserves the right to conduct tests of the computer program based on the requirements stipulated by EDX London from time to time and information that has been obtained (certification). Additional certification can, when deemed necessary by EDX London, be requested by EDX London.

EDX.1.13.3 Where a Member installs software supplied by the relevant providers, it shall ensure that such software is the latest version in force together with system program software in the latest version specified by the relevant providers.

The Member shall ensure that technical contact persons and system contact persons are present at its premises throughout the period starting one hour before trading commences at EDX London and ending one hour after the close of trading on any day on which EDX London is open for trading in Exchange Listed Instruments.

EDX London may restrict the number of electronic connections per Member to the extent that it is satisfied that such action is required in order to maintain the proper functioning of its exchange and clearing operations.

EDX.1.13.4 EDX London may take immediate action to impose restrictions on the use of such connection to suspend or to terminate a Member's electronic connection if it is satisfied that the manner in which such connection has been used by the member justifies such action in the interests of protecting the proper functioning of EDX London's exchange and clearing operations.

EDX.1.13.5 EDX London may inspect the electronic equipment used by a Member for the purposes of its trading, clearing and market data connection to EDX London at all times during normal business hours.

EDX.1.13.6 The Member shall comply with all security instructions given by EDX London and the relevant providers in relation to the use of the Member's electronic trading connection. The Member shall take such other steps as are reasonably required to prevent unauthorised access to EDX London's trading, clearing and market data systems. The Member shall allow EDX London access to its premises for such purposes. Save in exceptional circumstances, EDX London shall give the Member prior notice of its intended inspection.

EDX.1.13.7 The Member shall be liable for all instructions regarding the placing, variation or cancellation of orders given by way of the Member's electronic connection and for all transactions executed in consequence thereof and for all matters reported to EDX London by means of such electronic connection and shall be bound by the terms of any Registered Contract entered into by the Designated Clearing House with such Member pursuant thereto whether or not such instructions or reports are submitted by a person authorised to use the electronic connection of the Member.

- EDX.1.13.8 Electronic connections to EDX London can be achieved through Extranex, VPN, other external network and service providers. Members shall contact EDX London for further information on how to connect to EDX London's markets.
- EDX.1.13.9 EDX London provides the possibility to programme Members' systems to EDX London's trading and clearing services.
- (a) The trading application programmer's interface (API) are
- (1) SOLA Automated Input Language (SAIL)
  - (2) Fix 4.2
- (b) The clearing API is CC&G BCS API.
- EDX.1.13.10 EDX London provides Members with trading and clearing user applications
- (1) BTS (Trading application)
  - (2) BCS (Clearing application)

**EDX.1.14 Copyright and Intellectual Property**

**EDX.1.14.1** Copyright and all other intellectual property rights in these Rules and all other documentation or software produced by EDX London relating to the trading of Exchange Listed Instruments and Market Information disseminated to Members under these Rules is vested in EDX London.

“**EDX**” and “**EDX London**” are trade marks vested in EDX London.

The Member shall not reproduce, use or sanction the reproduction or use of any such material or any part thereof other than for purposes necessarily connected with such operations without the prior express consent in writing of EDX London.

**EDX.1.14.2** Deleted.

**EDX.1.14.3** “**FTSE®**” and “**FTSE Russia IOB Index**”, **FTSE Sweden 30 (FTSE S30)**, **FTSE Denmark 20 (FTSE D20)** and **FTSE Finland 25 (FTSE F25)** (“**Index**”) are trade and service marks of the London Stock Exchange Plc and the Financial Times Limited and are used by FTSE International Limited (“**FTSE**”) under licence.

Members shall not use the said trade and service mark other than for purposes reasonably connected with trading and clearing of Exchange Listed Instruments or other products or services provided by EDX London in the absence of express written consent to the contrary by EDX London.

Options and Futures based on the FTSE Russia IOB Index, FTSE Sweden 30 Index, the FTSE Denmark 20 Index and the FTSE Finland 25 Index™ are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (“**FTSE**”) and neither FTSE nor or any licensors of FTSE make any warranty or representation whatsoever, express or implied as to the results to be obtained from the use of these Derivatives Contracts.

**EDX.1.14.4** The OBX Index is a trade and service marks of Oslo Børs and is used by EDX London under licence.

Members shall not use the said trade and service mark other than for purposes reasonably connected with trading and clearing of Exchange Listed Instruments or other products or services provided by EDX London in the absence of express written consent to the contrary by EDX London.

**EDX.1.15 Limits of Liability**

- EDX.1.15.1 EDX London shall not be liable to any Member, Client, customer or other party for any loss or damage which may result directly or indirectly from any legislative enactment in the United Kingdom or in any overseas jurisdiction, any action taken by any governmental department or cognate agency in the United Kingdom or in any overseas jurisdiction, any action taken by the Commission of the European Community or any agency or division thereof, from any act of war, terrorist activity, power failure, fire, water damage, embargo, strike, blockade, boycott or lockout or other similar action or circumstance irrespective of whether EDX London is involved directly therein.
- EDX.1.15.2 EDX London shall not be liable to any Member, Client, customer or other party for any loss or damage which may result directly or indirectly from any technical problem affecting or interfering with the provision by EDX London of its electronic trading system, Marketplace Service or clearing and information systems or affecting the Member's electronic trading connection or clearing connection to EDX London in the absence of gross negligence on the part of EDX London.
- EDX.1.15.3 EDX London shall not be liable to any Member, Client, customer or other party in any circumstances for any claim for economic loss, loss of profit or loss of opportunity for profit, loss of data, or for indirect, incidental or consequential loss or damage.
- EDX.1.15.4 If any of the circumstances described in Rule EDX.1.15.1 occurs which prevents EDX London performing any obligation under these Rules at the prescribed time in whole or in part, the time for performance of such obligation shall be suspended for as long as the said circumstances obtain. In these circumstances, EDX London shall not be liable to pay interest on any sum which is paid at a later time than would otherwise have been the case.
- EDX.1.15.5 In the absence of gross negligence, EDX London shall not be liable to compensate the Member, Client, customer or any other party for any loss or damage arising other than in circumstances in which liability is expressly admitted in this Rule.
- EDX.1.15.6 Without prejudice to the generality of the foregoing provisions of this Rule:
- (i) the liability of EDX London to recipients of Market Information is further limited in the manner provided for in Rule EDX.1.12.3;
  - (ii) the liability to Members using an electronic connection to the exchange is further limited in the manner provided for in the relevant access and connectivity agreement enabling access to EDX London Markets.
  - (iii) the liability of the Index Owner, Index Provider and Index Calculator for the FTSE Russia IOB Index, the FTSE S30 Index, the FTSE D20 Index and the FTSE F25 Index is subject to the provisions of the rules governing these indices as determined by FTSE.

**EDX.1.16 Emergency Provisions**

EDX.1.16.1 Where EDX London considers that circumstances exist which have an adverse effect on the exchange services provided by EDX London or the related clearing services provided by the Designated Clearing House or which affect the quality of the market in any Exchange Listed Instrument, EDX London may take such action as it at its sole discretion deems necessary.

The forms of action which EDX London may take under this Rule include, but shall not be limited to, the following:

- (i) suspending or restricting the exchange services of EDX London or any part thereof;
- (ii) suspending or restricting trading in one or more Exchange Listed Instruments;
- (iii) amending these Rules including the terms of any Exchange Listed Instrument; or
- (iv) suspend or restrict the reporting of transactions in one or more instruments pursuant to Part 3 of these Rules or the Rules for Cleared Only Contracts.
- (v) requesting the Designated Clearing House to take any action in relation to its clearing services as is required in the circumstances, including, without limitation, amending the terms of Registered Contracts.

EDX.1.16.2 Where the Designated Clearing House suspends the provision of its clearing services to EDX London, EDX London may:

- (i) suspend or restrict the exchange services of EDX London or any part thereof;
- (ii) suspend or restrict trading in one or more Exchange Listed Instruments;
- (iii) amend these Rules including the terms of any Exchange Listed Instrument; or
- (iv) take such other action as is considered appropriate in the circumstances.

EDX.1.16.3 Any Order placed in the Orderbook after trading in the Exchange Listed Instrument to which such Order relates or trading generally has been suspended under this Rule or any Order which breaches any restriction on trading in the relevant Instrument and any transaction in an Exchange Listed Instrument which is executed after trading in such instrument has been suspended in the circumstances provided for in this Rule EDX.1.16 or which would breach any restriction applicable to trading in the Instrument in question shall be null and void.

EDX.1.16.4 In taking action under this Rule, EDX London will have regard to the interests of Members generally in the circumstances and will act in an impartial manner.

Where EDX London has taken any action pursuant to this Rule, it shall notify Members of such fact at the earliest opportunity. Members shall inform any Client or customer which might be affected by such action of the measures taken by EDX London.

**EDX.1.17 Amendments to these Rules**

EDX.1.17.1 EDX London may amend these Rules by notice in writing to Members. The amendment to the Rules shall take effect at the time specified in such notice. Such amendments shall in the absence of an express statement to the contrary apply to Contracts registered before the amendment in question comes into effect.

EDX.1.17.2 Where EDX London considers that the amendment to the Rules is of regulatory importance or will affect the terms of previously Registered Contracts, it shall use its best endeavours to consult with Members before making the amendment. EDX London shall not be subject to any obligation to consult with Members in relation to any proposed amendment where it is satisfied that the amendment is required as a result of legislation, the decision of a court or any action taken or regulation issued by a regulatory body or governmental body which affects EDX London.

EDX.1.17.3 Without prejudice to the generality of the foregoing, EDX London may amend these Rules (including the Contract Specification for any Contract) to provide for any term of such Contract or any obligation in relation to the settlement of such contract which is expressed by reference to a given currency to be converted to a term or obligation expressed in Euro.

Such conversion may be applied in respect of previously registered Contracts and may be made by EDX London if:

- (i) the currency in which any such term or obligation is expressed is converted to the Euro;
- (ii) the Contract Base for the Contract in question is traded in Euro on Stockholmsbörsen or any other exchange on which the stock in question is listed;
- (iii) the Index Multiplier for any Index on which an Exchange Listed Instrument is based is converted to the Euro; or
- (iv) for any other reason EDX London is satisfied that it is appropriate to undertake such conversion.

EDX London shall give not less than three months' notice in writing of the terms of any conversion which it proposes to make in accordance with this provision.

The recalculation of Contracts in accordance with this provision shall be carried out at a recalculation rate determined by EDX London, Associated Exchanges and Associated Clearing Houses and any relevant regulatory or other parties as is appropriate having regard to the nature of the Contract in question.

The Recalculation shall be carried out, at the latest on the Bank Day after the last trading day for the share in the original currency, in accordance with the following formula:

$$L_e = \frac{L_f}{F}$$

$L_e$  = Re-calculated Exercise Price or Futures Price

$L_f$  = Previous Exercise Price or Futures Price

$F$  = Currency fix

EDX.1.17.4 Brokers shall take reasonable steps to advise their Clients and customers of amendments to these Rules as they consider appropriate and shall have regard to any guidance issued by EDX London in this respect.

**EDX.1.18**      **Governing Law**

EDX.1.18.1      Except where these Rules provide expressly to the contrary, the Rules shall be construed and applied in accordance with English law.

EDX.1.18.2      Except where these Rules provide expressly to the contrary, any dispute between a Member and EDX London concerning these Rules or any transaction effected pursuant to these Rules shall be resolved in the manner provided for in the Membership Agreement.