

PART EDX.2 LISTING AND TRADING OF EXCHANGE LISTED INSTRUMENTS

EDX.2.1 Trading Principles

EDX.2.1.1 Members shall co-operate fully with EDX London in the promotion of high standards of fair dealing and integrity in the trading of Exchange Listed Instruments.

EDX.2.1.2 Members shall comply fully with these Rules in trading Exchange Listed Instruments and with any guidance which EDX London may issue from time to time concerning the application of these Rules and trading at EDX London generally.

EDX.2.1.3 EDX London provides Members with two methods of trading in standardised Exchange Listed Instruments:

- (i) the electronic trading system; and
- (ii) the Marketplace Service.

Members should note that transactions in Non-Standardised Contracts may only be effected by way of the Marketplace Service in accordance with the provisions of Rule EDX.2.13.

EDX.2.1.4 The two trading methods are complementary. The characteristics of these methods and the procedures to be followed by members in placing, varying or cancelling Orders relating to standardised Instruments are set out in Rules EDX.2.6 to EDX.2.12. The following Orders may only be placed, varied or cancelled by using the Marketplace Service:

- (i) Non-Standardised Combinations; and
- (ii) Interest Orders.

EDX.2.1.5 As between Members, trading at EDX London is conducted on an anonymous basis. The identity of a Member which has placed an Order or executed a transaction at EDX London is not disclosed to other Members save in circumstances where such disclosure is specifically provided for in these Rules.

EDX.2.2 Exchange Listing

EDX.2.2.1 EDX London provides exchange facilities to its Members for trading in standardised and Non-Standardised Contracts based on Exchange Listed Instruments.

EDX.2.2.2 The Contract Specifications for standardised Contracts based on Exchange Listed Instruments and all rules and procedures relating specifically to trading, clearing and settlement of Contracts based on such Instruments are set out in the section of **Part EDX.4** applicable to the Instrument in question. The Series in which trading in a standardised Contract based on an Exchange Listed Instrument may be effected at any time are shown in EDX London's Listings Schedule for the time being. The information given by EDX London on the listing of new Series is effected in accordance with the section of **Part EDX.4** applicable to the Instrument in question.

EDX.2.2.3 The Listings Schedule is provided to Members by EDX London by electronic transmission. Notice of the listing of new Series for standardised Contracts is provided to Members by electronic transmission.

EDX.2.2.4 EDX London's procedures for the listing of Series for trading in a standardised Contract based on an Exchange Listed Instrument vary according to the Product. These procedures are set out in relation to each such Product in the appropriate section of **Part EDX.4**. EDX London may list new Series otherwise than in the circumstances prescribed in its procedures applicable to the Product in question provided that it is satisfied that such action should be taken in the interests of the market in the Instrument in question.

EDX.2.2.5 EDX London may decide at any time to cease to list one or more Exchange Listed Series if it is satisfied that the requirements of a proper market in such instrument are no longer satisfied or any other circumstances exist which it considers require such action. In such circumstances, EDX London may also change the Expiration Date for the Series in question in conjunction with the Designated Clearing House.

EDX.2.2.6 Information regarding the Series which are currently listed for trading is shown on the Quotation List for the time being.

EDX.2.3 Listing of New Exchange Listed Instruments

EDX.2.3.1 On introducing a new Exchange Listed Instrument, EDX London shall give notice to Members of the date on which trading in such Instruments will commence and other relevant information.

EDX.2.3.2 On introducing a new Exchange Listed Instrument, EDX London will inform Members of the Futures and Options Series in which trading in standardised Contracts based on such Instrument will take place.

EDX.2.3.3 EDX London will publish the Contract Specification for the new Exchange Listed Instrument prior to the start of trading in such Instruments.

EDX.2.4 Designation of Exchange Listed Series

EDX.2.4.1 On listing a new Series for a standardised Contract based on an Exchange Listed Instrument, EDX London will designate the Series so as to identify the following matters:

- (i) the Underlying Stock
- (ii) the Strike Price (if an Option Contract)
- (iii) the Expiration Month
- (iv) the Expiration Year
- (v) whether the Series is a Call Option, a Put Option or a Futures Contract.

EDX.2.4.2 Exchange Listed Series are listed by EDX London in accordance with Rule EDX.2.3 and the terms of the relevant Contract Specification for the Instrument in question at **Part EDX.4**.

EDX.2.4.3 Exchange Listed Series are standardised contracts the terms of which are set out in the Contract Specifications for the Instrument in question at **Part EDX.4**.

EDX.2.4.4 On entering into a transaction in a standardised Exchange Listed Series, Members are free to determine the price. All other terms for the Contract will be those prescribed in the relevant Contract Specification and Series Designation for the Exchange Listed Series in question.

On entering into a transaction in a Non-Standardised Contract, Members shall determine the price and the variable elements of the Contract. All other terms for the Non-Standardised Contract will be those prescribed in the relevant Contract Specification for the corresponding standardised Contract.

EDX.2.4.5 The Strike Price for an Options Contract based on an Exchange Listed Series appears immediately after the designation of the Expiration Month.

EDX.2.5 Market Making: General

EDX.2.5.1 All Market Makers are required to maintain an electronic connection to EDX London and to provide quotes in the Products in which they have agreed to act as such by such means.

EDX.2.5.2 A Market Maker shall enter into a Market Maker Agreement with EDX London specifying the Instruments in which it agrees to act as such and the capacity in which it will act in respect of each Instrument.

EDX.2.5.3 A Market Maker may act in such capacity as is specified in the section of **Part EDX.4** applicable to the Instrument in question.

EDX.2.5.4 A Market Maker which fails to perform its obligations as such will be subject to the sanctions provided for in the section of **Part EDX.4** applicable to the Instrument in question.

EDX.2.5.5 A Market Maker which performs its obligations as such to the satisfaction of EDX London shall pay fees in relation to transactions effected by it in its capacity as such in the Instrument in question as specified more particularly in **Part EDX.4**.

EDX.2.5.6 A Market Maker may arrange with EDX London for more than one Market Maker Account to be opened in its name by submitting a request to that effect and providing the following information in writing to EDX London:

- (i) the number of Market Maker Accounts it wishes to operate;
- (ii) the individuals authorised by it to enter orders in each such Account;
- (iii) for each such Account, the Instruments in which market making obligations will be performed and the capacity in which such activities will be undertaken; and
- (iv) for each such Account, whether the fees payable are to be determined by reference to the annual discount scheme or monthly discount scheme applicable to the Instrument in question.

Any such arrangements shall be subject to the approval of EDX London. Where any such arrangement is established, each transaction executed by the Market Maker shall be registered in the Market Maker Account specified by the Market Maker as the Account in which transactions executed by the relevant authorised traders are to be registered and the measurement of the performance of the applicable market making obligations and the determination of the fees payable in relation to such activity shall be made solely by reference to the orders entered and contracts registered in the Account in question.

EDX.2.6 Orders

EDX.2.6.1 On placing an Order (whether by means of the electronic trading system or the Marketplace Service) a Member offers to buy or to sell the Instruments in the Exchange Listed Series in accordance with the terms specified in the Order. Such offer remains open for acceptance unless and until the Order is varied or cancelled by the Member.

EDX.2.6.2 Where a Member has placed an Order with the Marketplace Service to buy or to sell an Instrument in an Exchange Listed Series, the Marketplace Service will enter such Order in the Orderbook. The Member in question thereby offers to buy or to sell (as the case may be) the specified Instruments at the displayed price. Such offer remains open for acceptance unless and until it is accepted by any such party or is varied or cancelled by the Marketplace Service on the instructions of the Member.

EDX.2.6.3 Orders placed by a Member in accordance with Rules EDX.2.6.1 and EDX.2.6.2 may be accepted by Members or members of an Associated Exchange in the case of Instruments which are traded in a Combined Marketplace. Where an offer is accepted in this way, EDX London shall register the resulting Contract in the Account of the Member or Members which are parties to the transaction in accordance with Rule EDX.3.2.

EDX.2.7 Placing, Cancellation and Variation of Orders

EDX.2.7.1 On placing, cancelling or varying an Order by way of the electronic trading system, a Member shall provide the following information:

- (i) the Series, Type, Class and the Exchange Listed Instrument in question;
- (ii) the Expiration Month;
- (iii) whether its order is to buy or to sell;
- (iv) in the case of an Options Contract, whether it is a Call or a Put;
- (v) the price for the Order or, if the Order is a Combination Order, its net price;
- (vi) the Order's volume;
- (vii) whether it is a Limit Order, Market Order or a Combination Order;
- (viii) whether it is a Single Order or a Block Order;
- (ix) the Account to which the transaction, if executed, is to be allocated;
- (x) if appropriate, the identification code of the customer for whom the Order has been placed.

On placing an Order Members should ensure that the value of the Order does not exceed the maximum permitted size for an Orderbook Order for the Contract in question for the time being specified by EDX London. Members should note that any Order placed in the Orderbook which exceeds the applicable maximum permitted size and any transaction which results from such Order shall be null and void. The maximum permitted size for an Orderbook Order is 50,000 Contracts.

EDX.2.7.1A The tick size applicable for trading in the Orderbook is described in the relevant contract specification. An Internal Trade or Interbank Trade can however be registered in the Orderbook at a tick size that differs from the one specified in contract specifications.

EDX.2.7.2 Where an Order is placed in accordance with these Rules which meet the terms of a Stored Order, an Exchange Transaction shall be executed. Where an Order is placed in accordance with these Rules which does not meet the terms of a Stored Order, it shall be stored, ranked or cancelled in accordance with its terms. Orders are executed, stored and ranked in accordance with the rules of priority set out below at Rules EDX.2.7.3 to EDX.2.7.7.

EDX.2.7.3 The primary rule for ranking of Orders stored in the Orderbook is that priority is given to the Order having the best price.

Where two or more Orders are entered at the same price, priority is given to the Order which has been stored in the Orderbook longest.

EDX.2.7.4 Any variation in a stored Order involving its price, the extension of its period of validity, a change from a Single Order to a Block Order or an increase in the volume of an Order is treated as the cancellation of the original Order and the substitution of a new Order. The time priority of such Order shall be determined by reference to the time at which the amended Order is entered in the Orderbook.

EDX.2.7.5 Where the variation of a Stored Order involves only a reduction in its volume or period of validity or a variation in the customer identity, the ranking of the original Order is not affected.

EDX.2.7.6 Where volume terms attached to an Order having priority under this Rule EDX.2.7 prevent it being executed, the first available Order below such Order in the order of priority which can be matched will be selected for execution.

EDX.2.7.7 The primary rule for the ranking of Combination Orders is that priority is given to the Combination Order which has the best net price.

Where two or more Combination Orders are entered at the same net price, priority is given to the Order which has been stored in the Orderbook for the longest period of time.

EDX.2.7.8 Where a Combination Order can be executed against another Combination Order an Exchange Transaction will be executed on the terms of the matching Combination Orders provided that it is not possible to execute either Combination Order against Stored Orders on better terms than those provided by the matching Combination Order.

- EDX.2.7.9 Stored Orders may be cancelled or varied by the Member in question giving instructions to EDX London at any time before the Order has been executed. A Stored Order will remain valid and effective unless and until an instruction to cancel or vary it given by the Member which placed the Order takes effect.
- EDX.2.7.10 Instructions concerning the placing, varying or cancelling of Orders may be given to EDX London by a Member by electronic transmission or by telephone to the MPS. The MPS will be able to assist with such instructions both during ordinary trading and during Call Auctions in applicable Index futures.

EDX.2.8 Order Types

EDX.2.8.1 Orders of the following type may be placed by Members:

- (i) Orderbook Orders;
- (ii) Market Orders; and
- (iii) Combination Orders.

The terms governing an Order will vary according to its type.

EDX.2.8.2 An Orderbook Order is an Order which may be stored in EDX London's Orderbook. If the Member does not specify a time, the Order shall remain valid until the close of trading for the Instrument in question on the day on which it is placed. An Order Book Order, with or without the term Hidden volume placed during ordinary trading in the applicable Index futures and stored in the Orderbook is valid in the Call Auction that ends the trading in Index futures in accordance with Appendix 1 to Part EDX.2. Combination Orders will not be considered in the Call Auction.

Order Book Orders placed during Call Auction, with or without the term Hidden volume are also valid and will be considered in the Call Auction, however Combination Orders will not be considered.

EDX.2.8.3 A Market Order is an Order which is for immediate acceptance only. A Market Order may not be stored in the Orderbook and may not be placed during Call Auctions. There are two types of Market Order:

- (i) "Fill or Kill" being an Order which must be traded in its entirety or cancelled; and
- (ii) "Fill and Kill" being an Order which can be executed in part with the unfilled part of the Order being cancelled.

EDX.2.8.4 A Combination Order is an Order comprising two or more individual Orders in Exchange Listed Series which are subject to the condition that each individual order forming part of the Combination Order must be executed simultaneously.

EDX London may impose general restrictions concerning Combination Orders from time to time. Such restrictions may limit the number of individual Orders which may be included in a Combination Order or the size of any such individual order.

EDX.2.8.5 A Combination Order shall be placed as a Market Order of the type Fill or Kill unless the Order in question is a Standardised Combination. Members can define a Non-Standardised Combination using the "Enter Tailor-Made Combination" function that at the time of placing the Order creates a Standardised Combination and is therefore subject to the Standardised Combination Rules.

EDX.2.8.6 A Standardised Combination is an Order which meets the following requirements:

- (i) it comprises two individual Orders;
- (ii) these Orders are both subject to the condition that they be executed simultaneously; and
- (iii) the two individual Orders are of a type and in Exchange Listed Series included in EDX London's List of Standardised Combinations for the time being.

A Standardised Combination may be placed as either a Derived Limit Order or a Market Order. A Derived Limit Order will be stored in the Orderbook until the time specified by the Member which placed the Order. A Derived Limit Order is subject to the condition that both Orders comprised in the Derived Limit Order must be executed simultaneously. A Standardised Combination which is a Market Order may not be stored in the Orderbook.

EDX.2.8.7 The volume terms applicable to an Order in an Exchange Listed Instrument are prescribed in the section of **Part EDX.4** applicable to the Instrument in question.

EDX.2.8.8 The term "Hidden volume" means that an Orderbook Order can be placed with a total volume and a shown volume. Hidden volume is the part of the volume that is not visible in the Orderbook. The shown volume is part of the total volume. When such an Order is partially traded and the shown volume reaches zero, an additional part is shown, as long as there is total volume remaining.

EDX.2.9 The Marketplace Service

- EDX.2.9.1 The rules and procedures governing the facilities provided by EDX London's Marketplace Service are set out at Rules EDX.2.9 to EDX.2.12.
- EDX.2.9.2 All communications relating to the placing, cancellation or variation of Orders between Exchange Members and the Marketplace Service shall be made by telephone. In order to ensure that it is able to perform its regulatory functions, EDX London records all telephone conversations relating to the placement of orders by Members with the Marketplace Service.
- EDX.2.9.3 The Marketplace Service provides the following services:
- (i) receiving, cancelling and varying:
 - (a) Orders in Exchange Listed Instruments in accordance with Rule EDX.2.10;
 - (b) Orders relating to Non-Standardised Combinations and Large Blocks in Exchange Listed Instruments.
 - (ii) receiving and handling Indications of Interest pursuant to Rule EDX.2.11;
 - (iii) receiving Instructions from Exchange Members and executing or arranging Exchange Transactions in accordance therewith under Rule EDX.2.12.
- EDX.2.9.4 The Marketplace Service is normally available for use by Members during the hours in which EDX London is open for trading the Exchange Listed Instrument in question. In extraordinary circumstances EDX London may extend or curtail such hours. EDX London will use its best endeavours to secure the availability of the Marketplace Service to Members during the normal trading hours for each Exchange Listed Instrument indicated in the respective Contract Specification.
- EDX.2.9.5 Where an Order, Indication of Interest or Instruction has been given to the Marketplace Service by a Member prior to the close of trading in the Exchange Listed Instrument to which it relates, the Marketplace Service may at its discretion continue to inform other Members thereof and may arrange for an Exchange Transaction to be executed in appropriate circumstances in accordance with the procedures set out in Rules EDX.2.10 to EDX.2.12. The Member which placed the Order, Indication of Interest or Instruction may inform the Marketplace Service that it does not wish the procedure provided for in this Rule EDX.2.9.5 to be applied in relation thereto.

EDX.2.10 Placing of Orders with the Marketplace Service

EDX.2.10.1 Exchange Members may place Orders of the type described in Rule EDX.2.8 relating to Exchange Listed Instruments by way of the Marketplace Service in the following circumstances:

- (i) if the Exchange Member does not have an electronic connection to the Exchange;
- (ii) if the Exchange Member's electronic connection is not functioning properly; or
- (iii) if the operation of the electronic trading system is suspended.

EDX.2.10.2 Exchange Members may additionally place Orders relating to Non-Standardised Combinations by way of the Marketplace Service.

EDX.2.10.3 On placing Orders with the Marketplace Service under Rule EDX.2.10.1 or EDX.2.10.2, Exchange Members shall provide the information prescribed in Rule EDX.2.7.

EDX.2.10.4 Orders placed by Exchange Members in the circumstances described in 2.10.1(i) and (ii) will be entered in the Orderbook forthwith by the Marketplace Service. Such Orders will be ranked in accordance with Rule EDX.2.7 from the time at which the Order is entered in the Orderbook.

EDX.2.10.5 Orders placed by Exchange Members in accordance with Rule EDX.2.10.1(iii) or EDX.2.10.2 shall be recorded and ranked by the Marketplace Service in accordance with Rule EDX.2.7.

EDX.2.10.6 Where two or more Orders are given to the Marketplace Service so closely in time that EDX London is unable to determine the relative priorities of such Orders and it becomes possible for an Exchange Transaction to be executed against one of these Orders, EDX London may arrange for the resulting Exchange Transaction to be allocated equally to the Members involved.

EDX.2.10.7 The reporting and Registration of an Exchange Transaction which results from an Order or Orders given to the Marketplace Service will be dealt with in the same manner as a Transaction resulting from Orders placed in the Orderbook by Members directly by electronic means.

EDX.2.11 Indications of Interest

- EDX.2.11.1 Members may place an Indication of Interest with the Marketplace Service by giving details of the Exchange Listed Series in which it is interested, whether the interest is a call or a put and the price and volume or approximate price and volume applicable to the interest.
- EDX.2.11.2 The Marketplace Service records Indications of Interest and will advise the Member which has placed the Indication of Interest if it appears that another Exchange Member is interested in executing a transaction in accordance with such Indication of Interest.
- EDX.2.11.3 The Marketplace Service shall not execute a transaction pursuant to an Indication of Interest unless it has received express confirmation from the Member which placed the Indication of Interest that it wishes to replace the Indication of Interest with an Order with a view to the execution of an Exchange Transaction.
- EDX.2.11.4 Such Orders will be ranked, stored, varied or executed in the manner provided for in Rules EDX.2.7.3 to EDX.2.7.7.
- EDX.2.11.5 In receiving and handling an Indication of Interest placed in accordance with this Rule, the Marketplace Service shall maintain the anonymity of the Member which has placed such Indication.

EDX.2.12 Instructions to Marketplace Service

- EDX.2.12.1 Exchange Members may give instructions to the Marketplace Service to execute transactions in Exchange Listed Instruments or to arrange a transaction in such Instruments on behalf of the Member.
- EDX.2.12.2 On giving such Instruction, the Exchange Member shall provide the information prescribed in Rule EDX.2.7.1.
- EDX.2.12.3 Instructions given to the Marketplace Service in accordance with this Rule shall not be entered in the Orderbook.
- EDX.2.12.4 The Marketplace Service may execute transactions in accordance with such Instructions on behalf of the Exchange Member without further reference to the Member.
- EDX.2.12.5 The Marketplace Service will record all Instructions given by Members under this Rule and shall use its best endeavours to execute such Instructions in the Orderbook if the possibility arises. If such possibility does not arise, the Marketplace Service may attempt to arrange a deal in accordance with the Instruction with other Exchange Members. In seeking to make such arrangements, the Marketplace Service will have regard to the interest of Members or, where appropriate, members of all Associated Exchange in the Series in question evidenced by the Orderbook and the records of Instructions and Indications of Interest maintained by the Marketplace Service.
- EDX.2.12.6 A transaction in an Exchange Listed Instrument may only be executed under this Rule if it is within the bid - ask spread for the Series in question at the relevant time.
- EDX.2.12.7 Where the Marketplace Service receives two Orders from Members which are capable of being executed as an Exchange Transaction, the Marketplace Service will review the Orderbook. If one or both of these Orders are capable of being executed against an existing Order stored in the Orderbook on the same or better terms than those of the Orders given to the Marketplace Service, such execution will be effected. If this is not the case an Exchange Transaction will be executed on the terms of the matching Orders given to the Marketplace Service.
- EDX.2.12.8 Following execution of a transaction under this Rule, EDX London shall register such transaction in accordance with its normal procedures.
- EDX.2.12.9 In executing or attempting to arrange a transaction pursuant to this Rule, the Marketplace Service shall preserve the anonymity of the Exchange Member on whose Instructions it is acting.
- EDX.2.12.10 If at any time the Marketplace Service has received Instructions from Members which are identical in all respects priority shall be given in attempting to execute such Instructions according to the time at which they are given to the Marketplace Service.
- EDX.2.12.11 The Marketplace Service may on occasion receive instructions from Members to register a derivative trade with a corresponding Cash Market Leg. In the event of the Cash Market Leg not being executed on the relevant underlying exchange market, the Derivative Leg of the combination may be subject to cancellation by EDX London.

EDX.2.13 Rules for Non-Standardised Contracts

EDX.2.13.1 The provisions of this Rule EDX.2.13 provide for the trading and reporting to EDX London of transactions in Non-Standardised Futures or Options Contracts.

There are three variable elements of a Non-Standardised Options Contract, namely its term, its style and its strike price. The only variable element for a Non-Standardised Futures Contract is its term. The maximum term of a Non-Standardised Contract is three years or such lesser term as EDX London may specify from time to time in relation to a particular Non-Standardised Contract.

For the purposes of this Rule, "**corresponding standardised contract**" means a standardised contract listed for trading by EDX London or by another Recognised Investment Exchange based on the same Contract Base which is of the same Type and in which there is open interest.

In relation to a Non-Standardised Contract for which there is no corresponding standardised contract, the parties thereto are free to determine the variable elements of each such Contract provided that the Expiration Date for such Non-Standardised Contract is a Trading Day for the Contract in question.

If for any reason the registered Expiration Date for a Non-Standardised Contract proves not to be a Trading Day for the relevant Contract, EDX London shall have the power to modify the Expiration Date by bringing it forward to the Trading Day for the Contract in question immediately preceding the registered date.

In relation to a Non-Standardised Contract for which there is a corresponding standardised contract, the parties thereto are free to determine the variable elements of each such Contract provided that such terms must vary in at least one respect from the terms of the corresponding standardised contract in question. This requirement does not, however, apply in respect of the registration of a Non-Standardised Contract the registration of which would not increase the open interest for the Non-Standardised Contract in question.

A Non-Standardised Options transaction in an instrument for which there is a corresponding standardised contract will not be registrable unless its terms meet one or more of the following criteria:

- (i) the Expiration Date for such contract differs from the Expiration Date of any such corresponding standardised contract which is listed for trading at the time the Non-Standardised Contract is effected and, further that such day is a Trading Day for the Contract in question;
- (ii) the strike price for the Non-Standardised Options Contract is not a price that is a listed strike price for the corresponding standardised contract at the time the Non-Standardised Contract is effected; or
- (iii) the style of a Non-Standardised Stock Option differs from the style of the corresponding standardised contract.

A Non-Standardised Futures Contract for which there is a corresponding standardised contract will not be registrable unless the Expiration Date for such contract differs from the Expiration Date of such corresponding standardised contract which is listed for trading at the time the Non-Standardised Contract is effected and, further that such day is a Trading Day for the Instrument in question.

EDX.2.13.2 Transactions in Non-Standardised Contracts may be effected by Members by any of the following means:

- (i) by providing details of the proposed transaction to the Marketplace Service which will deal with the matter in accordance with the provisions of Rule EDX.2.13.3;
- (ii) by reporting a cross trade in a Non-Standardised Contract to EDX London in accordance with Rule EDX.2.13.5;
- (iii) by reporting a transaction in a Non-Standardised Contract to EDX London for registration in accordance with Rule EDX.2.13.4; or
- (iv) by the submission of a report relating to a transaction in a Non-Standardised Contract by an OTC broker in accordance with Rule EDX.2.13.6.

The procedures for the settlement of Non-Standardised Contracts are set out in the section of **Parts EDX.4**, as the case may be applicable to the corresponding standardised contract for the Product in question.

EDX.2.13.3 The trading of Non-Standardised Contracts will be conducted by way of EDX London's Marketplace Service. A Member which is interested in trading a Non-Standardised Contract may contact the Marketplace Service by telephone and provide the details of the transaction in which it is interested. The required details will include:

- (i) the type of and class of Non-Standardised Contract;
- (ii) the term of the Non-Standardised Contract;
- (iii) the strike price;
- (iv) the style;
- (v) whether it wishes to buy or to sell; and
- (vi) the contract size.

The Marketplace Service will record the details provided by the Member and will confirm that the proposed terms of the contract satisfy the conditions for Non-Standardised Contracts set out in Rule EDX.2.13.2.

If the Marketplace Service believes that another Member is interested in entering into a transaction in the relevant Non-Standardised Contract on the terms specified by the first Member, the Marketplace Service will inform that party of the proposed terms of the transaction and determine whether the second Member wishes to enter into a Non-Standardised Contract on those terms.

The Marketplace Service will not execute the transaction in such Non-Standardised Contract until it receives specific confirmation by telephone from each of the Members in question that it wishes to execute the transaction.

The Marketplace Service will preserve the anonymity of the Members involved in any transaction in a Non-Standardised Contract that is executed under this Rule or in any discussions entered into by it with a view to the execution of any such transaction.

EDX.2.13.4.1 Transactions which are entered into as a result of direct negotiation by a Member with another party may be submitted to EDX London for Registration in accordance with the provisions of this Rule EDX.2.13.4.

EDX.2.13.4.2 A Member may submit a Request for Registration to EDX London relating to:

- (i) a transaction in a Non-Standardised Contract which it has entered into directly with another Member; or
- (ii) a transaction in a Non-Standardised Contract which it has entered into directly with a member of Oslo Børs.

EDX.2.13.4.3 The acceptance of such Request will be at the discretion of EDX London. The Request will not, however, be accepted unless:

- (i) a corresponding Request for Registration is submitted by the counterparty to the transaction to EDX London or Oslo Clearing as the case may be and that such request is accepted for Registration; and
- (ii) the terms of the transaction referred to in the Request for Registration meet the criteria for acceptance of a Non-Standardised Contract set out at Rule EDX.2.13.2 above.

EDX.2.13.4.4 A Request for Registration of an off-exchange transaction in accordance with this Rule must be submitted to EDX London by telephone to the Marketplace Service. EDX London will inform the Member submitting such Request promptly as to whether it has been accepted for Registration or not.

EDX.2.13.4.5 The procedures for the trading of Non-Standardised Contracts set out in Rule 2.13.3 do not apply to any such transaction in which both legs are to be registered in Accounts held by a Member. Any Member which wishes to register such a cross trade relating to a Non-Standardised Contract shall provide the Marketplace Service with the prescribed information. The Member shall also specify the Accounts in which each side of the Non-Standardised Contract is to be registered.

Before a Member reports a cross trade for Registration in accordance with this Rule, it shall take appropriate steps to satisfy itself that the customer or customers for whom it is acting agree to the transaction being registered as a cross trade.

EDX.2.13.6 Where an OTC Broker has arranged a Non-Standardised Contract on behalf of two Members the OTC Broker may submit the Request for Registration to EDX London in accordance with the provisions of this Rule EDX.2.13.6.

An OTC Broker may submit a Request for Registration to EDX London relating to a transaction in a Non-Standardised Contract which has been entered into directly by two other Members of EDX London acting in a proprietary capacity.

The acceptance of such Request will be at the discretion of EDX London. The Request will not, however, be accepted unless:

- (i) the Members specified in the Request submitted by the OTC Broker confirm the transaction; and
- (ii) the terms of the transaction referred to in the Request for Registration meet the criteria for acceptance of a Non-Standardised Contract set out at Rule EDX.2.13.2 above.

The OTC Broker is responsible for ensuring that the details of the Non-Standardised Contracts recorded in the report it submits to EDX London are correct. EDX London will forward the particulars recorded in the report submitted by the OTC Broker to the Designated Clearing House for Registration.

EDX London will inform the Member submitting such Request and the Members referred to in the Request promptly as to whether it has been accepted for Registration or not.

EDX.2.13.7 A Member which seeks to execute a Non-Standardised Contract on behalf of a customer shall satisfy itself that that type of transaction is suitable for that customer. To this end, the Member in question shall draw the attention of their customers to the characteristics of the market in Non-Standardised Contracts and shall in this respect have regard to any guidance issued by EDX London on the subject.

EDX.2.13.8 The acceptance of any transaction reported to EDX London in accordance with this Rule EDX.2.13 for registration shall be at the discretion of EDX London and the Designated Clearing House. If a transaction in a Non-Standardised Contract is executed or accepted for registration in accordance with this Rule EDX.2.13, the Marketplace Service will confirm the transaction to the parties forthwith.

EDX.2.14 Give-Ups

EDX.2.14.1 A Member may arrange for all or certain specified Registered Contracts in its Account to be given up for clearing and settlement purposes to another Member.

EDX.2.14.2 The provisions of this Rule EDX.2.14 apply to the exclusion of Rule EDX.3.4 in relation to the Giving-Up of a Registered Contract between Members.

EDX.2.14.3 In this Rule, "**Giving-up**" means the process of transferring a Registered Contract from the Account of the Transferring Member to the Account of the Accepting Member in accordance with this Rule and "**Give-up**" shall be construed accordingly.

EDX.2.14.4 Where a Member (the "**Transferring Member**") has executed an Exchange Transaction on the understanding that the clearing and settlement of the resulting Registered Contract will be undertaken by another Member or to a member of a Co-operating Exchange or Clearing House (the "**Accepting Member**"), the Transferring Member shall notify the Marketplace Service of its intention to give up the Transaction and provide the relevant details thereof including the identity of the Accepting Member. Any request which seeks the transfer of a Contract to or from a customer Account or a Client Account shall not be considered unless the Members requesting such transfer provide satisfactory confirmation that the Clients affected thereby have consented thereto.

EDX.2.14.5 For all Give-Ups except those to or from a Norwegian Clearing Member, the Transferring Member must notify EDX London no later than 6.00 pm London time where the request is submitted via the Member's electronic connection, or no later than 60 minutes after the close of the market where the request is submitted by other means on the day on which the transaction was executed.

For a Give-up to or from a Norwegian Clearing Member the request must be submitted no later than 5.30 pm London time on the day on which the transaction was executed.

A request for a Give-Up on the Expiration Date for the contract must be submitted by fax or the Member's electronic connection not later than 6.00 pm London time that day.

Where it is satisfied that as a result of an administrative error a Member has failed to notify the Marketplace Service of the intention to give up a transaction within the prescribed deadlines, EDX London may at its sole discretion accept a request to effect a Give-up which is submitted to it prior to 6.00 pm London time on the applicable Bank Day following the day on which the transaction in question was executed.

EDX.2.14.6 EDX London shall consider such matter in conjunction with the Designated Clearing House and shall send a Give-Up Confirmation indicating whether the Give-Up has been accepted or not to the Transferring Member and the Accepting Member as soon as possible following the receipt of the request from the Transferring Member.

EDX.2.14.7 The Transferring Member and the Accepting Member will be bound by the Give-Up Confirmation unless an objection is submitted to EDX London no later than thirty minutes after the close of trading for the instrument in question on the day on which the Give-Up Confirmation is issued. If a valid objection is received or if the Accepting Member declines to accept the Give-Up, the Registered Contract shall remain in the Account of the Member which effected the transaction.

EDX.2.14.8 Where the relevant Exchange Transaction has been executed by a member of a Co-operating Exchange, such party may agree with a member which is a Clearing Member for the resulting Contract to be given-up for clearing and settlement to such Clearing Member. These arrangements and the procedures governing the Registration of any Contract given-up to the Clearing Member shall be carried out in accordance with the Clearing House Regulations. The acceptance of any such transfer shall be at the discretion of the Designated Clearing House.

EDX.2.14.9 The procedures for Giving-up set out in this Rule EDX.2.14 do not apply to the arrangements made between a Member, a General Clearing Member and the Designated Clearing House whereby the responsibility for the clearing and settlement of all transactions undertaken by such Member is accepted by the General Clearing Member which has agreed to act in that capacity for the said Member. These arrangements will be governed by the terms of the GCM Agreement entered into by the parties in question.

EDX.2.15 Deleted

EDX.2.16 Cancellation of Incorrect Transactions

EDX.2.16.1 From time to time transactions are effected which result from an error in the execution of the transaction by one of the parties to the transaction. Instances of such transactions are:

- (i) a transaction which has been effected at a price or in a volume other than that at which the party intended to effect the transaction; or
- (ii) a transaction where one party intended to place a different order from the order he placed.

EDX London believes that it is in the interests of the market generally that Members are able to mitigate the consequences of such errors and that the Members involved in such incorrect transactions should attempt to reach agreement in order to resolve the matter. The procedures set out in this Rule provide for an incorrect transaction to be cancelled or for its price to be adjusted in response to a request from a Member.

On receipt of a request for cancellation, EDX London will consider the circumstances relating to the execution of the transaction and will determine whether this Rule EDX.2.16 should be applied to the transaction.

EDX.2.16.2 EDX London shall not be required to take any action pursuant to this Rule where it reasonably determines on the basis of market information relating to the relevant instruments at the time the request is submitted to EDX London that the aggregate loss sustained by the Member as a result of the incorrect transaction does not exceed SEK, NOK or DKK 5,000, € 500 or USD 110.

EDX London will cancel the transaction in question if either:

- (i) both parties to the transaction agree that it should be cancelled; or
- (ii) EDX London considers that the requirements of this Rule are satisfied and that the transaction in question has resulted from an error in the input of the order and that the request for cancellation submitted by one party to the transaction should be granted.

EDX.2.16.3 Any request for cancellation must be submitted to EDX London as soon as possible after the transaction in question has been effected and in any event within sixty minutes of the close of trading for the Contract in question on the day on which the transaction was effected. In the absence of the agreement of the counterparty to the transaction, EDX London will not direct that a transaction be cancelled unless a request is submitted within ten minutes of the transaction being effected (the “**Cancellation Deadline**”).

Where the request for cancellation relates to a Combination or EDX London otherwise determines, having regard to the circumstances, that it is not appropriate for the transaction to be cancelled, it may at its sole discretion direct that the registered transaction price be adjusted.

EDX.2.16.4 When a request for cancellation is received by EDX London, it shall notify the counterparty to the trade of the request. The counterparty shall inform EDX London whether it is prepared to agree to the cancellation of the transaction. Such consent must be received by EDX London before the close of trading in the Instrument in question on the trading day for such Instrument following the day when the Transaction was Registered. If that Member agrees to cancel the transaction, EDX London shall notify both parties that the transaction has been cancelled.

EDX.2.16.4A If a Member objects to a cancellation or a price adjustment, EDX London will determine whether the transaction shall be deemed to be obviously erroneous in accordance with the rules set forth below.

If so required to ensure the integrity of the market or in any other extraordinary situations, EDX London may, on its own initiative or upon request by a Member cancel a Transaction which has occurred due to:

- (i) an obvious error or mistake caused by a technical or manual error at EDX London, or a Member; or
- (ii) in the opinion of EDX London, an obvious or material breach of any law, ordinance or the Rules and Regulations; or
- (iii) a technical disruption in EDX London’s trading or clearing system which is beyond the control of a Member; or

- (iv) where the Transaction may reasonably be assumed to have taken place on the basis of material, erroneous information published by the issuer whose financial instruments constitute the contract base for the contract in question or where, in connection with any corporate action with respect to such issuer, significant uncertainty existed regarding recalculation of the contract terms at the time of the transaction.

EDX.2.16.5 In determining whether to cancel a transaction in accordance with a request from a Member which is submitted before the Cancellation Deadline where the counterparty to the transaction has not consented to cancellation, EDX London will compare the price at which the transaction was effected against representative market prices (the "**Fair Market Bid and Offer**") in order to determine whether the price of such transaction is obviously incorrect.

EDX.2.16.6 The Fair Market Bid and Offer will be determined as follows:

EDX London will, in conjunction with Co-operating Exchanges, request bid and offer prices from at least three Market Makers not involved in the incorrect transaction. Where the price for the incorrect transaction is less than 2 SEK, NOK, DKK, 0.2 EUR or 0.2 USD the market makers shall be requested to quote a price equivalent to the mid point of their bid and ask price for such transaction.

Where the price for the incorrect transaction is more than 2 SEK, NOK or DKK, 0.2 EUR or 0.2 USD the prices to be provided by the Market Makers must be based on the price of the underlying at the time of the transaction and have a spread in accordance with the Prescribed Spread for Quotes set out in Rule EDX.2.16.20.

The respective bid and offer or mid point prices provided by the Market Makers will be averaged by EDX London to determine the Fair Market Bid and Offer.

EDX London may at its sole discretion decide not to use one or more of the prices provided or to establish the Fair Market Bid and Offer by other means.

EDX.2.16.7 If the transaction requested to be cancelled was effected during a period in which EDX London had declared a Fast Market, EDX London shall establish the lowest and highest transaction price for the underlying during the period between one minute before and one minute after the time at which the transaction was effected.

EDX London shall then, in conjunction with co-operating exchanges, request at least three Market Makers to quote one bid and one ask price for the relevant Contract at each of these two SEK, NOK or DKK, 0.2 EUR or 0.2 USD of the underlying. Where the price for the incorrect transaction is less than two SEK, NOK or DKK, 0.2 EUR or 0.2 USD, the market makers shall be required to quote mid point prices for such transactions at each of the said price levels.

Each bid and offer to be provided by the Market Makers must have a spread in accordance with the Prescribed Spread for Quotes in Rule EDX.2.16.20.

EDX London will determine an average bid price and an average offer price at each of the two price levels of the underlying.

EDX London will then determine the Fair Market Bid and Offer as the lowest average bid price and the highest average offer price.

EDX.2.16.8 Where a request for cancellation of a transaction is received by EDX London before the Cancellation Deadline, EDX London will direct that the transaction be cancelled if the price at which it was effected deviates by more than the maximum permitted deviation from the Fair Market Bid and Offer for the contract in question at the time at which the transaction was effected.

EDX.2.16.9 The maximum permitted deviation for the Contract in question is specified as such in Rule EDX.2.16.21.

If the transaction requested to be cancelled was effected during a period in which EDX London had declared a Fast Market the maximum permitted deviation will be the Fast Market Deviation specified in Rule EDX.2.16.21.

EDX.2.16.10 Where EDX London decides that the procedures relating to price adjustment should be applied it will compare the price at which the transaction was effected against the Price Adjustment Range for such Contract at the time in question.

The Price Adjustment Range for the Contract will be determined by subtracting from and adding to the Fair Market Bid and Offer, the relevant Permitted Deviation specified in Rule EDX.2.16.21.

If the price at which the transaction was effected is outside the Price Adjustment Range for the contract, EDX London shall adjust the price of the transaction to the price in the said range which is nearest to the price of the original transaction.

EDX.2.16.11 In the absence of express authorisation from the Members in question, the identity of parties involved in a transaction which is the subject of a request for cancellation or adjustment under this Rule shall not be disclosed.

EDX.2.16.12 In determining the Price Adjustment Range in connection with a request for cancellation or adjustment of the price of a transaction, EDX London may depart from the procedures set out in this Rule if it is satisfied that such action is appropriate. Where it takes such action it shall inform the Members involved in the transaction of that fact and of the reasons for taking such action.

EDX.2.16.13 In the event that the underlying security for a Contract is subject to suspension of trading on the exchange on which it is principally listed, EDX London shall be entitled at its absolute discretion to cancel some or all transactions in Contracts based on the underlying security in question.

EDX.2.16.13A Where the transaction has taken place during a period of time in which no price is quoted for the underlying Instrument in question, the first price quoted thereafter shall be used to determine the spread.

Where the transaction has taken place during a period of time in which no continuous trading takes place with respect to all or parts of the contract base, EDX London shall determine the spread based on the information which, at the time of the assessment, is available in EDX London's system regarding pricing with respect to the contract base.

When calculating a reasonable spread pursuant to the first and the second paragraph, the permitted deviation shall be determined as specified at Rule EDX.2.16.21.

EDX.2.16.14 If a Transaction relates to a Standardised Combination Order, special rules for cancellation and price adjustment shall be applied. The situations that may occur under these special rules are as follows:

- (i) an incorrect transaction where the error was in an order which was not a Standardised Combination Order which was executed against a Standardised Combination Order and the price for the combination was reasonable;
- (ii) an incorrect transaction where the error was in an order which was not a Standardised Combination Order which was executed against a Standardised Combination Order and the price for the combination was judged by EDX London at its sole discretion to be incorrect;
- (iii) an incorrect transaction where the error was in a Standardised Combination Order which was executed against another Standardised Combination Order placed by another Member;
- (iv) an incorrect Transaction where the error was in a Standardised Combination Order which was executed against an order which was not a Standardised Combination Order.

EDX.2.16.15 In cases referred to in Rule EDX.2.16.14(i), firstly it will be determined whether a cancellation or price adjustment could be made in accordance with Rules EDX.2.16.2 to EDX.2.16.12. If that would not be possible, the price for the incorrect Transaction shall then be adjusted to a price equal to the price for the correct Transaction in the Standardised Combination plus or minus, as appropriate, the price at which the Standardised Combination was placed.

EDX.2.16.16 In cases referred to in Rule EDX.2.16.14(ii), firstly it will be determined whether a cancellation or price adjustment could be made in accordance with Rules EDX.2.16.2 to EDX.2.16.12. If that would not be possible, the price shall be adjusted in accordance with the following procedure:

EDX London shall, in conjunction with Co-operating Exchanges, request Market Makers to quote prices at which they are willing to substitute for the Member that placed the Standardised Combination Order. EDX London shall offer to the Member that entered the Combination to adjust the price of the incorrect Transaction to a price equal to the price for the correct Transaction in the Standardised Combination plus or minus, as appropriate, the best price

offered by one of the Market Makers. If the Member that placed the Standardised Combination Order objects to price adjustment, then both Transactions in the Standardised Combination will be cancelled for that Member, and the position will be transferred to the Market Maker that has offered the best price for the Standardised Combination, and price adjustment will take place accordingly.

EDX.2.16.17 In cases referred to in Rule EDX.2.16.14(iii), the question as to whether cancellation or price adjustment shall take place or not shall be assessed for the Standardised Combination as a whole under Rules EDX.2.16.2 to EDX.2.16.12.

EDX.2.16.18 In cases referred to in Rule EDX.2.16.14(iv), the question as to whether cancellation or price adjustment shall take place or not shall be assessed separately for each Transaction in the Standardised Combination under Rules EDX.2.16.2 to EDX.2.16.12.

EDX.2.16.19 Where EDX London determines that an incorrect transaction should be dealt with by way of price adjustment EDX London shall cancel the existing transaction and re-register it at the adjusted price.

EDX.2.16.20 The Maximum Market Spreads to be used in this Rule EDX.2.16 are as follows:

Quoted Bid or Offer SEK or DKK	Prescribed Spread for Quotes SEK or DKK	Prescribed Spread for Quotes NOK
2.01 – 10	2	1.5
10.01 - 20	3	2.25
20.01 - 30	4	3.00
30.01 -	6	3.75

Quoted Bid or Offer EUR or USD	Prescribed Spread for Quotes EUR or USD
0.21 – 1	0.2
1.01 – 2	0.3
2.01 – 3	0.4
3.01 –	0.6

Where the price for the transaction is less than 2 SEK, NOK, DKK or 0.2 EUR or 0.2 USD, the market makers shall provide quotes for a mid price for such transaction.

EDX.2.16.21 The permitted price deviations to be used in this Rule EDX.2.16 are as follows:

Quoted Bid or Offer SEK, NOK or DKK	Maximum Permitted Deviation SEK, NOK or DKK	Fast Market Deviation SEK, NOK or DKK
2.01 - 10	1	2
10.01 - 20	1.5	3
20.01 - 30	2	4
30.01 -	3	6

Quoted Bid or Offer EUR or USD	Maximum Permitted Deviation EUR or USD	Fast Market Deviation EUR or USD
0.21 – 1	0.1	0.2
1.01 – 2	0.15	0.3
2.01 – 3	0.2	0.4
3.01 –	0.3	0.6

Where the price for the transaction is less than 2 SEK, NOK, DKK, 0.2 EUR or 0.2 USD, the maximum permitted deviation which shall be applied to the mid point price quoted by a market maker shall be whichever is the greater of 50% of such mid point price or 0.1 SEK, NOK, DKK or 0.01 EUR or 0.01 USD, or, in cases where a Fast Market applies, 100% of such mid point price or 0.2 SEK, NOK, DKK or 0.02 EUR or 0.02 USD.

EDX.2.17 Market Supervision

EDX.2.17.1 EDX London supervises trading and price building in Exchange Listed Instruments and the general activity of Members with a view to ensuring that trading at EDX London is conducted properly.

EDX.2.17.2 Where EDX London believes that the activity of a Member requires investigation it may request the FSA or any other body which it considers appropriate to assist in any such investigation.

EDX.2.17.3 Members shall co-operate fully with EDX London's Market Supervision Department or other body appointed pursuant to Rule EDX.2.17.2 in any such investigation and shall take appropriate action in accordance with any direction issued by EDX London following such investigation.

EDX.2.18 Position Limits

EDX.2.18.1 EDX London may set Position Limits prescribing the maximum number of Registered Contracts in an Exchange Listed Instrument which may be held by a Member or a customer at any time. Such Position Limits will be set by EDX London in the interests of maintaining a proper market in the Instrument in question.

EDX.2.18.2 Position Limits may also be set by EDX London following discussions with the Designated Clearing House where EDX London and the Designated Clearing House are satisfied that such action is necessary in order to manage the risk represented by the Member in question.

EDX.2.18.3 EDX London will notify Members in writing of the imposition of Position Limits in relation to an Exchange Listed Instrument or of any variation in existing Position Limits. Such notice will normally be given not less than three Trading Days for the Instrument in question before the Position Limits come into effect.

EDX.2.18.4 A Member shall not enter into any transaction in an Exchange Listed Instrument if such transaction would result in Position Limits applicable to the Instrument in question being breached by the Member or the customer for whom the Member is acting in relation to the transaction.

EDX.2.18.5 A Member shall take such action as EDX London may direct in order to rectify any breach of a Position Limit by the Member. Where the Member fails to act in accordance with instructions given by EDX London in accordance with this Rule, EDX London may take such action as it considers necessary in the circumstances including, without limitation, excluding the Member from participation in trading at EDX London and effecting in the name of and at the expense of the Member such transactions as EDX London at its sole discretion considers are necessary to cure the breach of the relevant Position Limit.

EDX.2.18.6 Breach of a Position Limit shall be a disciplinary offence under the Rules of EDX London. A Member which has breached a Position Limit imposed by EDX London will be subject to disciplinary action in accordance with Rule EDX.1.9

EDX.2.18.7 EDX London may investigate positions registered in Accounts held by a Member to establish whether the Member has registered positions in more than one Account in an attempt to circumvent Position Limits applicable to such Member.

EDX.2.19 Prohibition of Market Manipulation

EDX.2.19.1 A Member shall not act whether in isolation or in concert with one or more Members or with members of other exchanges on which an Underlying Instrument is traded or with any other party in such a way as would tend to distort the market in an Exchange Listed Instrument.

EDX.2.19.2 Without limiting the generality of Rule EDX.2.19.1, a Member shall not:

- (i) distribute any inaccurate or misleading information which might affect the price of an Exchange Listed Instrument;
- (ii) place any order or report any transaction for registration pursuant to these Rules with a view to distorting the market in an Exchange Listed Instrument.

EDX.2.19.3 A Member which acts in breach of this Rule shall be subject to disciplinary action in accordance with Rule EDX.1.9. Members shall co-operate fully with EDX London in investigating any conduct which allegedly contravenes this Rule.

EDX.2.19.4 For the avoidance of doubt, a Member shall not be considered to have acted in breach of this Rule if it can satisfy EDX London that in placing an Order or executing a transaction in an Exchange Listed Instrument it was acting for bona fide trading purposes relative to the Instrument in question.

EDX.2.20 Trading Hours

EDX.2.20.1 Orders may be placed and Exchange Trades may be executed during the hours in which EDX London is open for trading. EDX London's normal trading hours for each Exchange Listed Instrument is set out in the Contract Specification relative thereto at Part EDX.4.

EDX.2.20.2 The normal trading hours may be varied by EDX London in conjunction with public holidays or in exceptional circumstances. EDX London will give notice in writing to Members of any variation in its normal trading hours.

EDX.2.20.3 Outside the hours when EDX London is open for trading, Orders may be varied or cancelled and Indications of Interest may be posted or withdrawn.

EDX.2.21 Emergency Closure or Suspension of Trading

- EDX.2.21.1 Where EDX London is satisfied that circumstances have arisen which prejudice the quality of the market in Exchange Listed Instruments or the proper and timely performance by the Designated Clearing House of its functions in relation to the resulting Registered Contract, EDX London may take such action as it considers necessary. Such action may include the closure of EDX London or the suspension of trading in a particular Exchange Listed Instrument. Where such action is taken, notice thereof and of the reasons giving rise to the action shall be given to Members as soon as possible by the most appropriate method.
- EDX.2.21.2 Circumstances which may give rise to action under Rule EDX.2.21.1 include technical or other problems which affect EDX London's trading system, communication systems or information systems or any comparable problem affecting the systems used by the Designated Clearing House or by an exchange on which the Underlying Instruments are principally traded.
- EDX.2.21.3 Where EDX London considers that the problem which has caused the emergency closure or the suspension of trading in particular Exchange Listed Instruments will be resolved within fifteen minutes, both the electronic trading system and the Marketplace Service will be suspended generally or in relation to the Instrument in question.
- EDX.2.21.4 Where EDX London considers that such problem will continue for more than fifteen minutes, it may arrange for trading to be resumed by way of the Marketplace Service only provided that it is satisfied that such action is consistent with the maintenance of a proper market in Exchange Listed Instruments. EDX London shall inform Members if such action is to be taken.
- EDX.2.21.5 On emergency closure or the suspension of trading in particular Exchange Listed Instruments, the placement of Orders and the execution of Exchange Transactions will cease until further notice either generally or in relation to the Instruments in which trading has been suspended.
- EDX.2.21.6 Orders relating to an Exchange Listed Instrument which are stored in the Orderbook at the time at which trading in such Instrument is suspended will normally remain in the Orderbook but will not be capable of being executed until trading in such Instrument resumes.
- EDX.2.21.7 In these circumstances, Stored Orders will retain their normal priority in accordance with Rule EDX.2.7. If for technical reasons, the procedures described above cannot be followed, EDX London will inform Members of the circumstances and of the need to re-enter Orders in the Orderbook.
- EDX.2.21.8 Indications of Interest, Instructions and Orders placed with the Marketplace Service prior to the time at which the emergency closure or suspension of trading in the Instrument to which such Interest, Instruction or Order relates are not capable of being executed until trading in such Instrument resumes. The Member which gave such Interest, Instruction or Order shall inform the Marketplace Service prior to such resumption of trading whether it wishes to confirm it or to withdraw it.
- EDX.2.21.9 Normal trading shall be resumed following emergency closure or the suspension of trading in a particular Exchange Listed Instrument as soon as EDX London is satisfied that the circumstances permit. EDX London shall inform Members of such resumption of trading not less than ten minutes before the appointed time.

EDX.2.22 Information Concerning Exchange Listed Series

- EDX.2.22.1 EDX London disseminates information regarding Orders and Exchange Trades in Exchange Listed Series as specified in Rule EDX.1.12.
- EDX.2.22.2 During the normal trading hours for each Exchange Listed Instrument, EDX London disseminates information regarding Orders and Exchange Transactions in accordance with the Information List as amended from time to time. During such hours EDX London also provides to Members the further information described in such Information List.
- EDX.2.22.3 In the absence of an express statement to the contrary, information relating to an Exchange Listed Series which is listed in conjunction with an Associated Exchange reflects the combined activity in such Series of Members of EDX London and members of the Associated Exchange.
- EDX.2.22.4 On request from a Member, EDX London will provide information about the terms of any Indications of Interest for the relevant Series which have been posted with EDX London or the Associated Exchange.

- EDX.2.23 Eligible U.S. Investors**
Rule EDX.2.23 will be subject to the Filing of Updated Options Disclosure Documents pursuant to Rule 9b-1 U.S. Securities Exchange Act
- EDX.2.23.1** Members should note that Stock Options and Index Options may be offered and sold to those U.S. persons that are broker-dealers registered with the U.S. Securities and Exchange Commission (“**SEC**”) or large financial institutions that, in either case, are “**Eligible Broker-Dealers**” or “**Eligible Institutions**” (collectively, “**U.S. Eligible Investors**”) subject to the provisions of this Rule. To be Eligible, each such entity must:
- (i) be a “qualified institutional buyer” as defined in Rule 144A(a)(1) under the U.S. Securities Act of 1933 (“**Securities Act**”), or an international organization excluded from the definition of “U.S. person” by Rule 902(k)(2)(vi) under the Securities Act; and
 - (ii) have had prior actual experience with options traded in the U.S. standardized or “listed” options market (who would therefore already have received the disclosure document for U.S. standardized options called for by Rule 9b-1 under the U.S. Securities Exchange Act of 1934 (“**Exchange Act**”).
- EDX.2.23.2** For the purposes of this Rule, “**Stock Option**” means a Swedish Stock Option, a Norwegian Stock Option or a Danish Stock Option as the case may be and “**Index Option**” means an OBX Index Option as the case may be.
- EDX.2.23.3** Members shall obtain written representations from any U.S. Eligible Investor, signed by an appropriate officer, to the following effect:
- (i) it is a “qualified institutional buyer” as defined in Rule 144A(a)(1) under the Securities Act and, as such, it (i) owns and invests on a discretionary basis a specified amount of eligible securities sufficient to be a qualified institutional buyer under Rule 144A (and if a bank, savings and loan, or other thrift institution, has a net worth meeting the requirements of Rule 144A);
 - (ii) it has had prior actual experience in the U.S. standardized options markets and as a result thereof has received the options disclosure document entitled “Characteristics and Risks of Standardized Options” that is prepared by the Options Clearing Corporation and U.S. options exchanges;
 - (iii) it has received a copy of EDX London’s document entitled “Special Characteristics and Risks of Standardised Options Contracts Traded at EDX London”;
 - (iv) its transactions in Options will be for its own account or for the account of another U.S. Eligible Investor or for the managed account of a non-U.S. person within the meaning of Rule 902(k)(2)(i) under the Securities Act;
 - (v) it will not transfer any interest or participation in an Option it has purchased or written to any other U.S. person, or to any person in the U.S., who is not an U.S. Eligible Investor;
 - (vi) it will cause any disposition of an Option that it has purchased or written to be effected only on EDX London and to be settled at the Designated Clearing House appointed by EDX London. It understands that any required payments for premium, settlement, exercise or closing of any Stock Option or Index Option in respect of which it has a contract with a Member must be made in London and in Swedish, Danish, or Norwegian Kronor, as appropriate. It also understands that, if in relation to an Option it has a contract with a Member as a writer of such Option, margin must be provided to that Member, and maintained, measured and deposited in Swedish, Danish, or Norwegian Kronor, as appropriate;
 - (vii) if it is an U.S. Eligible Investor acting on behalf of another U.S. Eligible Investor that is not a managed account, it has obtained from the other a written representation to the same effect as the foregoing and will provide it to the Member upon demand; and
 - (viii) it will notify the Member of any change in the foregoing representations prior to placing any future order, and the foregoing representations will be deemed to be made with respect to each order it gives to a Member.
- EDX.2.23.4** Members that are not U.S. registered broker-dealers may deal in Stock Options or Index Options with U.S. Eligible Investors only in accordance with Rule 15a-6 under the Exchange Act, principally through U.S. registered broker-dealers as provided in such Rule.

**Appendix 1 to Part EDX.2: Call Auction on Index futures based on the FTSE S30,
FTSE D20 and FTSE F25**

Appendix 1 to Part 2: Call Auction on Index futures based on the FTSE S30, FTSE D20 and FTSE F25

Overview

Trading in Index futures ends with a Call Auction made up of two sub phases: Call Interaction and Uncrossing. The Call Auction begins as soon as the ordinary trading hours for that market end, and happens simultaneously for all Futures currently listed in that market.

Call Interaction

At the end of ordinary trading, the relevant Index futures order book shifts into the Call interaction sub phase. Call Interaction last for at least 60 seconds and at most 90 seconds from the end of ordinary trading hours. The end of the Call interaction is signaled by the start of the Uncrossing sub phase.

Full order management is permitted during the Call Interaction phase.

Orderbook orders that have been placed in the orderbook during the ordinary trading hours and are stored in the orderbook will be included in the Call auction. GTC (Good Till Cancelled) and GTD (Good Till Date) orders will be included in the Call Interaction Phase, whereas Combination orders are not included.

Orderbook orders, including those submitted as 'Hidden volume' orders, can be placed into the orderbook during Call Interaction phase. Combination orders cannot be placed into the orderbook.

During the Call Interaction phase, if an indicative equilibrium price can be established based on the existing order information, this price and the cumulative volume eligible for matching at that price will be shown on the first price level on both sides of the orderbook.

Uncrossing

Uncrossing signals the end of the Call Interaction phase and will be carried out randomly, starting between 60 and 90 seconds after the end of ordinary trading. The closing price for the future and the allocation of transactions is determined during this Uncrossing phase. Allocation of transactions is carried out according to the same ranking process that applies during ordinary trading hours: Firstly best price, secondly time that the order is entered.

Order management is not permitted during the Uncrossing phase.

Calculation of equilibrium price

During the Call Auction the equilibrium price is calculated as follows:

The equilibrium price shall be the price at which the highest amount of trading volume can be executed. Trading will only be achieved when the highest bid price is higher than or is equal to the lowest ask price.

If there is more than one price level at which the highest amount of trading volume can be executed, the following selection criteria are used:

- a) The price level with the lowest 'imbalance' is selected as the equilibrium price. 'Imbalance' is defined as the surplus volume of orders on the buy or sell side, once all transactions have taken place.
- b) Where more than one price with the lowest imbalance exists, the price chosen as the equilibrium price is that which is closest to the last price traded during ordinary trading hours for the market in question.

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