



Marex Spectron
Europe Limited:
Organised Trading
Facility Rulebook

May 2023

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1. INTERPRETATION AND DEFINITIONS

1.1. Interpretation

- (a) References to times shall mean those times in London, United Kingdom, unless stated otherwise.
- (b) References to days are to Business Days unless stated otherwise.
- (c) To the extent that there is any conflict between this MSEL OTF Rulebook and any other document relating to the MSEL OTF, the former shall prevail.

1.2. Definitions: In this MSEL OTF Rulebook, the following terms are used:

“Algorithmic Trading” means trading in financial instruments where a computer algorithm automatically determines individual parameters of orders such as whether to initiate the order, the timing, price or quantity of the order or how to manage the order after its submission, with limited or no human intervention, and does not include any system that is only used for the purpose of routing orders to one or more trading venues or for the processing of orders involving no determination of any trading parameters or for the confirmation of orders or the post-trade processing of executed Transactions;

“Applicant” means a person applying to become a Client in accordance with Rule 3;

“ARM” means an approved reporting mechanism as defined in Article 4(1)(54) of MiFID II;

“Business Day” means the days that banks are usually open for business, being all days except Saturdays, Sundays, Good Friday, Easter Monday, Christmas Day and Saint Stephen’s Day;

“Client” means a Client of MSEL OTF, admitted in accordance with Rule 3, who is able to submit Orders to the MSEL OTF and whose admission has not been terminated;

“Central Competent Authority” means the competent authority of the trading venue where the largest volume of trading in the commodity derivative takes place in the EEA;

“Competent Authority” means the authority designated by each participant state of the EU in accordance with Article 67 of MiFID II;

“Direct Electronic Access” means an arrangement where a member or participant or client of a trading venue permits a person to use its trading code so the person can electronically transmit orders relating to a financial instrument directly to the trading venue and includes arrangements which involve the use by a person of the infrastructure of the member or participant or client, or any connecting system provided by the member or participant or client, to transmit the orders (direct market access) and arrangements where such an infrastructure is not used by a person (sponsored access);

“Electronic Trading System” means the Trayport Global Vision Broker Trading System operated by MSEL OTF or such other electronic software as used by the OTF from time to time to facilitate trading in the Products;

“Eligibility Criteria” means the criteria for eligibility for participation on MSEL OTF set out in Rule 3.2;

“EMIR” means Regulation (EU) No 648/2012;

“Erroneous Order” means an Order submitted to MSEL OTF in error either as to price, quantity, currency, size or symbol;

“Erroneous Trade” means a Transaction resulting from an Erroneous Order that takes place on MSEL OTF;

“ESMA” means the European Securities and Markets Authority;

“Event of Default” means in relation to a Client:

- (a) failure by that Client to comply with any obligation in accordance with the Rules;
- (b) a misrepresentation made by that Client;
- (c) the repudiation or rejection, in whole or in part, of a Transaction by that Client;
- (d) a breach of the Terms of Business; or
- (e) an Insolvency Event;

“CBI” means the Central Bank of Ireland;

“CBI Rules” means the CBI rules and guidance as amended from time to time;

“Good for Day” means an Order which will be available for matching on MSEL OTF on the Business Day on which it is submitted, following which the Order or any unmatched portions thereof remaining at the end of that Business Day will be cancelled automatically;

“Good Till Cancelled” means an Order which will be available for matching on MSEL OTF until cancelled;

“Good Till Date” means an Order which will be available for matching on MSEL OTF until the end of the Business Day specified in the Order;

“Hedging Orders” means Orders that are placed by NFCs and objectively measurable as reducing risks directly in relation to the commercial activity of that NFC under Article 8(1) of MiFIR;

“Insolvency Event” means any of the following:

- (a) a Client is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (b) the value of the assets of a Client is less than its liabilities; or
- (c) a moratorium is declared in respect of any indebtedness of a Client;

“Instrument” means an instrument specifying the delivery or trading period and also specifying the type of OTF Product, including delivery point or physical characteristics;

“ICA” means the International Court of Arbitration;

“MAR” means the Market Abuse Regulation (Regulation 596/2014);

“MiFID II” means the Markets in Financial Instruments Directive (Directive 2014/65/EU);

“MIFIR” means the Markets in Financial Instruments Regulation (Regulation 600/2014);

“**MSEL**” means Marex Spectron Europe Limited;

“**MSEL OTF**” means the Organised Trading Facility operated by MSEL;

“**MSEL OTF Management**” means the management team of MSEL OTF;

“**MSEL OTF System**” means the system operated by MSEL OTF to facilitate Transactions between Clients which is comprised of both (i) the Electronic Trading System and (ii) the Voice Trading System;

“**NEON**” means Marex Spectron’s real time market data platform (See also “Vantage”);

“**NFC**” means a Non-Financial Counterparty as defined under EMIR;

“**Non-OTF Products**” means all products arranged by MSEL that are not OTF Products;

“**Order**” means an order submitted to the OTF to buy or sell an Instrument of one of the Products listed in the Product Schedule;

“**OTF Fees**” means the fees as set out in the MSEL OTF Pricing Policy;

“**OTF Products**” means financially or physically settled commodity derivatives, emissions allowances or emissions allowances derivatives eligible for trading on MSEL OTF in accordance with Rule 7;

“**Product**” means any OTF Product and/or REMIT Product traded on MSEL OTF;

“**Product Schedule**” means the schedule of OTF Products attached as Schedule 1 hereto and as updated from time to time on the Website;

“**REMIT**” means the Regulation on Wholesale Energy Market Integrity and Transparency (Regulation 1227/2011);

“**REMIT Products**” means those OTF Products subject to REMIT carve-out which are wholesale gas and power instruments that must be physically settled, as listed in the Product Schedule;

“**Rules**” means this MSEL OTF Rulebook, , any Trading Notices, and any amendments thereto;

“**RTS**” means the Regulatory Technical Standards issued under MIFID II and MIFIR;

“**Terms of Business**” means the terms of business in place between MSEL and the relevant Client, as may be supplemented or amended from time to time;

“**Trading Notice**” means a notice issued, published or disseminated by MSEL OTF Management to Clients pursuant to Rule 5.2(a) from time to time;

“**Transaction**” means a transaction that takes place on MSEL OTF;

“**Voice Trading System**” means the voice broking system operated by MSEL OTF;

“**Website**” means the Marex website at www.marex.com.

2. STATUS

- 2.1. The MSEL OTF is operated by MSEL and regulated by the CBI pursuant to MiFID II. The operation of an OTF is within the scope of MSEL’s CBI permissions.

- 2.2. These Rules supplement and form part of the Terms of Business in place between each Client and MSEL. In the case of any conflict between these Rules and the Terms of Business, these Rules shall govern.
- 2.3. Unless specified otherwise in the specific Rule, these Rules govern Orders submitted by Clients through both the Electronic Trading System and the Voice Trading System of MSEL OTF.

3. PARTICIPATION

3.1. Application

Applicants shall be able to apply to become Clients of the MSEL OTF at any time. MSEL will notify each Applicant of the date on which its participation in the MSEL OTF shall become effective.

3.2. Eligibility

- (a) Applicants are eligible to become Clients of MSEL OTF provided that they meet the Eligibility Criteria set out in Rule 3.2(b) below.
- (b) The Applicant must:
 - (i) have a Terms of Business in place with MSEL;
 - (ii) be an Eligible Counterparty or Professional Client (as defined under MiFID II);
 - (iii) have capacity to undertake trading on an OTF;
 - (iv) be in compliance with these Rules and all applicable laws and regulations;
 - (v) be fit and proper;
 - (vi) satisfy MSEL OTF as to the Applicant's arrangement for settlement;
 - (vii) have adequate execution, order management and settlement systems in place.
 - (viii) satisfy MSEL OTF's due diligence requirements relating to systems and controls for Algorithmic Trading-(REMIT Products only), if applicable.
 - (viii) satisfy MSEL OTF's due diligence requirements in accordance with relevant Anti-Money Laundering/Counter Terrorist Financing legislation.

3.3. Continuing Obligations

- (a) Client must have and maintain adequate internal procedures and controls to prevent the submission of Erroneous Orders to MSEL OTF and to ensure its continuing compliance with the Rules.
- (b) Client shall be bound by these Rules (including any amendments or Trading Notices), and supplementary documentation issued by MSEL OTF Management and by any direction or decision of MSEL OTF Management relating to a Client's trading activity on MSEL OTF.

- (c) Client must have and maintain adequate execution, voice recording, order management and settlement systems in place.
- (d) Client must ensure that any persons, whether staff or clients, who submit Orders to the MSEL OTF through the Client are sufficiently trained, are adequately supervised, and have adequate experience, knowledge and competency to abide by and comply with the Rules.
- (e) MSEL OTF Management may rely on any instructions, commitments, notices or requests or other communications in any form which purport to have been made and which it reasonably accepts in good faith as having been made by the Client or on the Client's behalf without further enquiry as to the genuineness, authority or identity of the person giving or purporting to give such instruction. The Client will be bound by any contacts or obligations and will be liable to indemnify MSEL OTF in full for any loss or expenses entered into or incurred by MSEL OTF, whether or not on behalf of the Client, in consequence of, or in connection with any such communication.
- (f) Each Client shall, at all times, have one or more persons, who must be identified to MSEL OTF Management, who are competent to advise the relevant Client on the application of these Rules.
- (g) Each Client must continue to meet the Eligibility Criteria at all times whilst they continue to be a Client.
- (h) Clients will co-operate with MSEL OTF Management and the CBI (or any other Competent Authority) in any investigation conducted in relation to trading on MSEL OTF.

3.4. Suspension or termination of a Client

- (a) If, at any time, a Client:
 - (i) has failed to pay any fees or other amounts due to MSEL within 60 days of the same becoming due and payable;
 - (ii) fails to comply with the Rules;
 - (iii) suffers an Insolvency Event;
 - (iv) does not submit any Orders to MSEL OTF for a period of six (6) months or more;
 - (v) is a subject of an intervention order or regulatory investigation by the CBI or any other Competent Authority;
 - (vi) engages (or is suspected of engaging) in any activity or conduct which has or is likely to impair the functionality, speed or reliability of MSEL OTF or compromise, impair, restrict or prevent the ability of MSEL OTF to operate a fair and orderly market; or
 - (vii) fails to meet or ceases to meet the Eligibility Criteria;
 - (viii) becomes the subject of relevant sectoral or financial sanctions.

MSEL OTF Management may, at its absolute discretion, suspend, restrict or terminate that Client's access to the OTF.

- (b) MSEL OTF Management will suspend, restrict or terminate that Client's access to the OTF or the business conducted by the Client on the OTF if requested to do so by the CBI or any other regulatory authority.
- (c) The Client will be notified in writing of any action taken, proposed to be taken, by MSEL OTF Management in accordance with this Rulebook.

3.5. Confidentiality

- (a) MSEL OTF Management will treat as confidential any information received from Clients in relation to any business carried out on MSEL OTF except where:
 - (i) the information is in the public domain;
 - (ii) disclosure is required by law or requested by any tax or regulatory authority anywhere in the world;
 - (iii) disclosure is in accordance with any regulatory investigation conducted by a Competent Authority;
 - (iv) disclosure is expressly permitted by law;
 - (v) disclosure has been agreed to in writing by the Client; or
 - (vi) disclosure is made to facilitate the settlement of Transactions.

3.6. Resignation

- (a) Clients may resign by giving MSEL OTF Management at least three (3) calendar months' written notice, unless such notice period is waived by MSEL OTF Management in its absolute discretion.
- (b) MSEL OTF Management may, in its absolute discretion, refuse to accept notice of resignation in the event that MSEL OTF Management considers there is an outstanding matter concerning the Client that is subject to an on-going investigation.
- (c) Notwithstanding either the resignation by a Client or the termination of a Client's access to the MSEL OTF by MSEL OTF Management, a Client shall continue to be bound by these Rules in respect of all activity on MSEL OTF until the latest of:
 - (i) one year after it ceases to be a Client; and
 - (ii) the date on which all outstanding charges, or other sums, due relating to activity on MSEL OTF have been settled.

4. PAYMENTS

4.1. Fees and Charges

- (a) A Client shall pay the OTF Fees as set out in the MSEL OTF Fees and Pricing Policy. The MSEL OTF Pricing Policy is available on the Website and may be updated by MSEL OTF Management from time to time.

- (b) MSEL OTF or MSEL on its behalf will invoice Clients directly for all OTF Fees relating to Transactions in OTF products executed by that Client. All payments to MSEL OTF shall be made within 30 days of the date of the relevant invoice.

4.2. (c) Taxes

- (a) A Client shall be liable for the payment of any applicable taxes, duties or deductions that arise from its trading of a Product on the MSEL OTF, including, inter alia, stamp duty reserve tax.
- (b) Each Client is required to determine whether taxes, duties or deductions arise from its trading of a Product on the MSEL OTF, and to apply for any exemptions from such taxes, duties or deductions.

5. NOTIFICATIONS AND AMENDMENTS

5.1. Notification by Clients

- (a) All notifications by a Client under these Rules shall be made as soon as is reasonably practicable to the MSEL Compliance department. Where a notification is initially made verbally or via electronic mail there may be a requirement for the notice to be confirmed in writing.
- (b) A Client will notify MSEL OTF in writing, or by electronic mail, at least twenty-one (21) calendar days in advance of the proposed effective date of any significant changes to its structure. The types of changes which would be considered relevant would include:
 - (i) a change in control;
 - (ii) a change of name;
 - (iii) a change of address;
 - (iv) a change in its legal status;
 - (v) an Insolvency Event;
 - (vi) a material breach of these Rules;
 - (vii) the commencement of any investigation or disciplinary action by the CBI or a Competent Authority relating to the Client's activities on the MSEL OTF or which may otherwise be material in the exercise of the Client's obligations under these Rules;
 - (viii) a material adverse change which affects the Client's ability to comply with these Rules;
 - (ix) a change which results in the Client being unable to fulfil the Eligibility Criteria; or
 - (x) a change in the Client's MSEL OTF contacts or the Client's list of authorised persons.
- (c) The following address should be used for any notifications by electronic mail:
MSELOTFCompliance@marexspectron.com

5.2. Amendments

- (a) MSEL OTF Management may implement new Rules, amend existing Rules or revoke Rules in their entirety and will inform Clients by an appropriate means, whether it be via letter, email, facsimile, notice on a website or by issuing some other communication (such means being a Trading Notice). In the event that MSEL OTF Management proposes a material change in the Rules, it may, at its sole discretion, consult with Clients for comments.
- (b) Any Trading Notice shall be given to Clients at least five (5) Business Days prior to the changes taking effect.
- (c) If any modification of the Rules, other than as required by European Community law, national laws or any Competent Authority, materially adversely affects the rights or obligations of any Client, that Client may resign from the MSEL OTF by written notice given to MSEL OTF within five (5) Business Days from the date of the relevant Trading Notice, it being understood that such request will be handled pursuant to the principles set out in Rules 3.6(b) and (c).

6. RESPONSIBILITY OF PARTICIPANTS

6.1. Transaction Records

Each Client must retain a record of each Transaction entered into by it on MSEL OTF in accordance with;

- (a) the five (5) year standard required pursuant to MiFID II; and
- (b) any further regulatory or legal requirements applicable to the Client.

6.2. Misleading acts, conduct, security and prohibited practices

- (a) A Client shall not, in respect of its business on MSEL OTF:
 - (i) do or engage in any conduct which is in breach of MAR. This may include but is not limited to:
 - (A) commit or attempt to commit any act or engage in any course of conduct which creates, or is likely to give false or misleading signals as to supply and demand, or to secure a price at an abnormal or artificial level, in any Product;
 - (B) cause or enter into any artificial Transaction or any other form of deception or contrivance;
 - (C) submit an Order with a fictitious quantity or price to the MSEL OTF;
 - (D) effect a pre-arranged Transaction that is designed to give the market a false view of supply, demand or pricing of a Product;
 - (E) conduct to secure a dominant position over supply and demand which has, or is likely to have, the effect of fixing or creating other unfair trading conditions;
 - (F) unlawfully disclose any inside information it may possess; or
 - (G) attempt to engage in insider dealing, or, recommend or induce another to engage in insider dealing;

- (ii) engage in any course of conduct which is likely to damage the fairness or integrity of MSEL OTF;
 - (iii) commit any act or engage in any course of conduct which causes, or contributes to, a breach of the Rules by another Client;
 - (iv) do or engage in any conduct in breach of the Rules;
 - (v) procure, require or encourage another to engage in conduct falling within any of the principles in this Rule 6.2(a); or
 - (vi) engage in Algorithmic Trading in relation to OTF Products which are not subject to REMIT carve-out.
- (b) MSEL OTF Management may take disciplinary action under Rule 11.5 in relation to a Client's conduct which in the opinion of MSEL OTF Management falls or could potentially fall within this Rule 6.
- (c) Each Client shall implement reasonable security procedures to prevent unauthorised use or misuse of the MSEL OTF. Such procedures shall include, but are not limited to:
- (i) ensuring that the MSEL OTF is only accessible by authorised personnel; and
 - (ii) ensuring that data entries entered by a Client are not altered, lost or destroyed.

7. TRADING RULES

7.1. Products traded on MSEL OTF

- (a) MSEL OTF Management will determine in its absolute discretion which Products are eligible for trading on MSEL OTF by reference to the OTF Product Eligibility Criteria in 7.1 (b) below, and will ensure that the Product Schedule is updated on a regular basis to reflect the Products that are admitted to trading on MSEL OTF.
- (b) In order to be eligible to be admitted to trading on MSEL OTF, a product must meet each of the following eligibility criteria:
- (i) it must be a "commodity derivative", "emissions allowance" or "emissions allowance derivative" for the purposes of MIFID II;
 - (ii) it must be capable of being traded on either the Electronic Trading System or the Voice Trading System;
 - (iii) it must be capable of being executed on MSEL OTF and not require blocking onto an Exchange;
 - (iv) the price of the product must be reliable and publicly available;
 - (v) sufficient information of a kind needed to value the product is publicly available;
 - (vi) the terms of the contract establishing the product are clear and unambiguous; and
 - (vii) where the settlement of the derivative requires or provides for the possibility of physical delivery of the product rather than cash settlement, there are adequate arrangements to enable Clients to obtain relevant information about

that product as well as adequate settlement and delivery procedures for the product.

- (c) MSEL OTF Management may in its absolute discretion immediately prohibit, suspend or remove any Products or other financial instruments from trading on the MSEL OTF at any time for any reason provided that such suspension or removal would not be likely to cause significant damage to Clients' interests or the orderly functioning of MSEL OTF. Where required by the CBI, MSEL OTF Management shall remove or suspend any Products from trading on the MSEL OTF immediately.
- (d) Where MSEL OTF Management suspends or removes any Product from trading on MSEL OTF, MSEL OTF Management shall issue a Trading Notice making public such suspension or removal and immediately notify the CBI of the suspension or removal.

7.2. Days of Operation

OTF will be open for business on all Business Days unless otherwise communicated.

7.3. Access to MSEL OTF

- (a) A Client is responsible for all obligations and liabilities arising from the entry, deletion and execution of all Orders submitted to the MSEL OTF by that Client.
- (b) MSEL OTF Management reserves the right to restrict a Client's access to and use of the MSEL OTF.
- (c) MSEL OTF Management reserves the right to temporarily halt, constrain or delete any Order submitted to the MSEL OTF where MSEL OTF Management believes it necessary in order to preserve market orderliness, including where there is a significant price movement in the relevant OTF Product during a short period.
- (d) Direct Electronic Access (DEA) is not permitted in relation to OTF Products which are not subject to REMIT carve-out on the MSEL OTF.

7.4. Orders

- (a) Clients must specify when entering their Order into the Electronic Trading System or the Voice Trading System whether their Order is:
 - (i) Good For Day;
 - (ii) Good Till Date;
 - (iii) Good Till Cancelled; or
 - (iv) any other Order type specified as acceptable by MSEL OTF Management from time to time.

Orders that do not comply with these requirements will be rejected.

- (b) A Client may specify that their Order is "all or nothing", which if specified will require that all of the Order is executed in a single trade.
- (c) A Client may submit an instruction to the MSEL OTF that its Order must not be matched against another Order unless that other Order is of a minimum acceptable quantity.

- (d) Orders shall be made in accordance with such technical specifications as MSEL OTF Management may specify from time to time in respect of the Electronic Trading System and the Voice Trading System.
- (e) All Orders entered on to the MSEL OTF will be treated by MSEL as firm and available for execution and therefore, when executed, will be binding on the Client placing the Order (subject to Rule 9.3 below) even if the Order was placed on behalf of a third party.
- (f) A Client that submits or routes Orders to the MSEL OTF shall, at all times, have sufficient order management systems, procedures and controls designed to prevent the entry of Erroneous Orders to the MSEL OTF.
- (g) By submitting an Order for an OTF Product, Client agrees that they are specifically instructing MSEL OTF to execute the Transaction on MSEL OTF and no other trading venue.

7.5. Order Matching

- (a) Non-automatic matching of Orders placed using either the Electronic Trading System or the Voice Trading System will occur in the MSEL OTF System during normal trading sessions.
- (b) Orders will be available for matching when both Clients (i) have indicated that they have available bilateral credit and (ii) are within the commodity position limits prescribed by the CBI or the relevant Central Competent Authority for the Products.
- (c) Subject to 7.5(b) above, Orders will be matched in accordance with the execution factors set out in the OTF Order Execution Policy.
- (d) When an Order is matched on MSEL OTF, it will create a binding contract on the Client placing the order (subject to Rule 9.3 below).

7.6. Entry and deletion of Orders

- (a) A Client may only submit, amend, or delete Orders from the MSEL OTF during the times specified by MSEL OTF Management.
- (b) A Client may submit an order to the MSEL OTF either directly into the MSEL OTF System electronically or indirectly into the MSEL OTF System by communicating to a MSEL broker via voice, messenger or other electronic means. Brokers will use reasonable endeavours to submit such orders to the System as soon as reasonably practical. In all cases the time of receipt is when the Order arrives in the MSEL OTF System.

7.7. Cancellation of Transactions

- (a) MSEL OTF Management has discretion to cancel a Transaction in whatever circumstances it considers appropriate, including but not limited to circumstances where MSEL OTF Management decides that a Transaction is an Erroneous Trade.
- (b) If an Order appears to be an Erroneous Trade in the opinion of MSEL OTF Management, MSEL OTF Management may contact the relevant Client to verify the validity of the Order (but shall be under no obligation to do so).

- (c) When considering whether to cancel an Order or a Transaction, MSEL OTF Management will take into account:
 - (i) the size of the Order or the Transaction; and
 - (ii) the price of the Order or the Transaction.

7.8. Suspension or cessation of MSEL OTF

- (a) Subject to Rule 7.8(b) below, MSEL OTF Management may in its absolute discretion suspend or cease to operate MSEL OTF, provided that MSEL OTF shall give not less than 30 days prior written notice of such suspension or cessation to Clients and the CBI.
- (b) If a suspension or cessation of MSEL OTF is (i) required by the CBI or (ii) the result of the number of materially active Clients trading on MSEL OTF falling below 3, MSEL OTF Management shall be entitled to suspend or cease to operate MSEL OTF immediately.

7.9. Transactions executed on a Regulated Market

Where MSEL arranges a transaction between Clients and the Clients decide to formalise the transaction on a regulated market, including as a block trade, the transaction will not take place on the MSEL OTF System and will be a Non-OTF Product. Non-OTF Products will not be subject to the provisions of this Rulebook or any other rules and procedures that apply to MSEL OTF.

8. REGULATORY REQUIREMENTS

8.1. Pre-Trade Transparency

- (a) MSEL OTF has obtained waivers in accordance with Articles 9.1(a) and (c) of MIFIR from the requirement to make public the information relating to bid and offer prices and depth of trading ("Pre-trade Data") on a pre-trade basis under Article 8(1) of MIFIR. In addition, Article 8.1 of MIFIR excludes Orders placed by NFCs that are Hedging Orders from the pre-trade transparency requirements and REMIT Products are carved out from the requirements of MIFID generally. As a result, the Pre-trade Data will not be made public by MSEL OTF for the following types of Orders:
 - (i) Orders that are large in scale compared with normal market size in accordance with Article 9.1(a) of MIFIR ("LIS Orders");
 - (ii) Orders that relate to Products for which there is position not a liquid market in accordance with Article 9.1(c) of MIFIR ("Illiquid Product Orders");
 - (iii) Orders placed by NFCs that are Hedging Orders;
 - (iv) Orders relating to OTF Products which are subject to REMIT carve-out;
- (b) MSEL OTF Management will be responsible for determining at its discretion whether Orders are LIS Orders or Illiquid Product Orders in accordance with relevant ESMA transparency calculations. MSEL OTF Management shall determine whether an Order is a Hedging Order in accordance with the instructions given to MSEL OTF by the Client either in advance of or at the time of placing the Order with MSEL OTF. MSEL OTF Management shall ensure that the MSEL OTF is calibrated so that Pre-Trade Data

relating to Orders specified in parts (i) – (iv) of Rule 8.1(a) above is not published on NEON.

- (c) Pre-trade Data relating to all Orders placed on the MSEL OTF other than those specified in Rule 8.1(a) (i) – (iv) above will be published on NEON on a continuous basis during the normal business hours of the MSEL OTF in accordance with the requirements of Article 8.1 of MIFIR. Pre-Trade Data will consist of the following information with respect to each Order placed on MSEL OTF:
- (i) Type of Order (Buy/Sell);
 - (ii) Price of Order;
 - (iii) Order volume;
 - (iv) Time of Order;
 - (v) Asset class of OTF Product; and
 - (vi) OTF Product type/identifier.

8.2. Post-Trade Transparency

Post-trade Data in relation to all non-REMIT Product Transactions executed on the MSEL OTF will be published on NEON as close to real time as is technically possible during the normal business hours of the MSEL OTF in accordance with the requirements of Article 10.1 of MIFIR. REMIT Products are carved out from the requirements of MIFIR generally.

8.3. Charges for Pre-Trade Data and Post-Trade Data

MSEL OTF may charge Clients on reasonable commercial terms for Pre-Trade Data and Post-Trade Data published by MSEL OTF under Rules 8.1 and 8.2 above where Clients receive such information within 15 minutes of publication by MSEL OTF. Where Clients request to receive such Pre-Trade Data and Post-Trade Data after 15 minutes from the time of publication, MSEL OTF will not charge Clients for such data.

8.4. Availability of Pre-Trade Data and Post-Trade Data

Upon request, MSEL OTF will make Pre-Trade Data and Post-Trade Data available to both Clients and other parties on NEON on a disaggregated basis. Persons who wish to access Pre-Trade Data and Post-Trade Data shall contact the Marex Spectron market data team using the contact details on the Website to request such access. MSEL OTF will charge a monthly fee of EUR 150 per month for such access, or such other rate as may be published on the Website from time to time, provided that Pre-Trade Data and Post-Trade Data which is made available in NEON more than 15 minutes after publication will be free of charge.

Any such provision of Pre-Trade Data and Post-Trade Data by MSEL OTF will be subject to an undertaking from the person(s) making such request that they will not publish, re-sell or otherwise disseminate or circulate the Pre-Trade Data and Post-Trade Data to any third party other than their own responsible employees. Such undertaking shall be deemed to be effective and validly given by the person(s) who requests the Pre-Trade Data and Post-Trading Data at the time they make such request, and shall be deemed

repeated by the person(s) who accesses the Pre-Trade Data and Post-Trade Data at the time they first open the same.

8.5. Transaction Reporting

MSEL OTF Management will comply with its transaction reporting obligations under applicable laws and regulations in relation to Transactions executed for Clients on MSEL OTF. To enable MSEL OTF Management to comply with its obligations under applicable law, Clients agree to promptly deliver to MSEL OTF Transaction data and any other information that MSEL OTF Management may from time to time request to enable it to complete and submit transaction reports to the CBI, which shall include a notification as to whether the Transaction was the result of a Hedging Order. Without such notification in respect of commodity derivatives Transactions, MSEL OTF Management shall assume that the relevant Order is a Hedging Order.

Clients consent to MSEL OTF Management providing information about them and Transactions executed on MSEL OTF to third party ARMs and the CBI in the course of submitting transaction reports in accordance with applicable laws.

8.6. Commodity derivatives position limits and position management controls

- (a) Position limits will be set by the CBI for each of the OTF Products that is a commodity derivative. A list of the relevant OTF Products and the relevant CBI (or other Competent Authority) position limits are maintained and published by MSEL OTF Management on the Website.
- (b) MSEL OTF Management is required to apply position management controls to clients trading in OTF Products in accordance with Article 57(8) of MIFID II.
- (c) MSEL OTF Management will monitor Client's open interest position in any OTF Product based on MSEL OTF's records of Transactions executed by a Client through MSEL OTF in OTF Products in order to ensure that Clients' open interest positions do not exceed the relevant position limit. Clients will be automatically notified if they reach 75% or more of the relevant position limit and instructed to take action to ensure the relevant position thresholds are not breached.
- (d) In monitoring open interest positions and the application of position management controls on MSEL OTF, Clients agree that:
 - (i) It is their responsibility to monitor their open interest positions and ensure their compliance with any applicable position limits in OTF Products and that placing an Order with MSEL OTF will not result in a breach of any applicable position limits;
 - (ii) If the Client is eligible for an exemption in accordance with Article 57(12)(f) of MiFID II, as a NFC entering into Transactions which are objectively measurable as reducing risks directly relating to the activity of that NFC. They shall notify MSEL OTF in writing that they have obtained an exemption from the CBI from the commodity position limit regime;
 - (iii) Without such notification, MSEL OTF Management will assume that the Client's positions are not exempted from the commodity position limit regime;
 - (iv) Upon request Clients will promptly provide any information required by MSEL OTF Management relating to either (i) the size of a position entered into by the

client on MSEL OTF, (ii) the beneficial or underlying owners of the position, (iii) any concert arrangements and (iv) any related assets or liabilities in the underlying market, including, where appropriate, positions held in commodity derivatives that are based on the same underlying and that share the same characteristics on other trading venues and in economically equivalent OTC contracts through members and participants including all relevant documentation, from persons about the size and purpose of a position or exposure entered into, information about beneficial or underlying owners, any concert arrangements and any related assets or liabilities in the underlying market

- (v) MSEL OTF Management reserves the right, in its absolute discretion, to reject all or part of any Order placed on MSEL OTF where such Order would result in the Client breaching any applicable position limit;
- (vi) MSEL OTF Management reserves the right, in its absolute discretion, to direct that only Orders reducing the size of a Client's open position in an OTF Product will be accepted by MSEL OTF in order to ensure an applicable position limit is not exceeded;
- (vii) Client shall, upon direction from MSEL OTF Management, reduce their open position in any OTF Product by executing Transactions on MSEL OTF to the extent necessary to ensure that any applicable position limit is not exceeded, within such time as MSEL OTF Management may prescribe;
- (viii) If Client fails to reduce their position following such direction from MSEL OTF Management within the prescribed timeframe under Rule 8.6(d)(vii), in addition to its rights under Rule 10.1, MSEL OTF Management shall be entitled, in its absolute discretion, to reduce the Client's open position to the level required by MSEL OTF Management to ensure that any applicable position limit is not exceeded, by executing Transactions on behalf of the Client; and
- (ix) Where appropriate, MSEL OTF Management may require a Client to provide liquidity back into MSEL OTF at an agreed price and volume on a temporary basis with the express intent of mitigating the effects of a large or dominant position.

8.7. Commodity position limit reporting

- (a) MSEL OTF is required to report certain information relating to Clients' positions to the CBI and ESMA in accordance with the requirements of Article 58 of MIFID II.
- (b) MSEL OTF will send or make available to Clients a position report detailing the open interest position in any OTF Products held by such Client on a daily basis. It is Client's responsibility to immediately inform MSEL OTF of any discrepancies between the Client's records of open positions traded on MSEL OTF and the position report sent by MSEL OTF. The position report sent or made available by MSEL OTF shall be deemed to be correct and agreed by the Client unless objections or discrepancies are notified to MSEL OTF by 2 p.m. on the Business Day following receipt of the report by the Client.
- (c) In the event of a discrepancy between a position report sent to MSEL OTF by a Client and a position report generated by MSEL OTF and sent or made available to such Client, MSEL OTF Management shall in its absolute discretion be entitled to rely on the position report generated by MSEL OTF to meet its obligations to submit position reports to the CBI under Article 58 of MIFID II, unless the Client objects to such position report in accordance with Rule 8.7(b) above.

8.8. Intra-Day Volatility Management Mechanism

In accordance with the requirements for trading venues under Article 15 of EU Regulation 2022/2576, MSEL OTF Management has introduced a temporary intra-day tool to manage excess volatility in energy derivative markets, denominated as an “Intra-Day Volatility Management Mechanism”.

- (a) MSEL OTF management have set a price boundary of +/-20% from a reference price established in respect of front-month electricity price derivative instruments.
- (b) The percentage used in the determining the price boundary from the reference price may be varied at any time by MSEL OTF Management in accordance with the provisions of Article 15 of the above EU Regulation. Any changes to the price boundaries shall be advised to OTF market participants via the OTF Rulebook.
- (c) The first reference price of the day shall be equal to the opening price.
- (d) Bids and offers in respect of the front-month electricity derivative instruments which are outside the price boundaries set by MSEL OTF Management will be automatically rejected.
- (e) This Intra-Day Volatility Management Mechanism shall come into effect on 31st January 2023 and remain in effect until further notice.

9. SETTLEMENT

- 9.1. All Transactions on the OTF are bi-laterally settled between the Clients. MSEL OTF will send a Transaction confirmation to the relevant Clients following execution of the Transaction on the MSEL OTF which specify the Transaction details and the counterparty to the Transaction.
- 9.2. Neither MSEL nor the MSEL OTF has any responsibility for the settlement of any Transaction and are solely acting as the arranger of the Transactions and the Trading Venue on which such Transactions are traded, respectively. Clients remain responsible for the settlement of Transactions traded on the MSEL OTF.
- 9.3. In the event of any dispute arising between the Clients, including a dispute as to whether a Transaction has been entered into or how the Transaction should be settled, the Clients agree to resolve such dispute by arbitration under the ICA Rules by one or more arbitrators appointed in accordance with the ICA Rules. The number of arbitrators shall be three. The seat, or legal place, of arbitration shall be Dublin. The language to be used in the arbitral proceedings shall be English. The governing law of the contract shall be the substantive law of Ireland.
- 9.4. Any failure by a Client to comply with Rule 9.3 above shall result in such Client's access to MSEL OTF being revoked immediately upon MSEL OTF Management becoming aware of such failure.

10. PAYMENTS

- 10.1. If at any time a Client suffers an Event of Default, MSEL OTF Management may take any action in its sole discretion as it deems appropriate. Such actions may include but shall not be limited to the following:

- (i) to cancel some or all Orders;
- (ii) to suspend the Client's participation on MSEL OTF;
- (iii) to treat any or all Orders then outstanding as having been repudiated by the Client, in which case MSEL OTF's obligations under such orders shall be cancelled and terminated.

10.2. MSEL OTF is not responsible for and shall not be liable for the default of any Client on any Transaction. Transactions undertaken on the MSEL OTF are not subject to any compensation scheme.

11. INFORMATION, MONITORING AND INVESTIGATION

11.1. Monitoring

- (a) Marex Spectron has a dedicated Monitoring Unit responsible for trade monitoring and surveillance across the Marex Spectron business, including MSEL OTF. This is achieved through a combination of: (i) SMARTS Broker electronic trade monitoring tool; (ii) a communications monitoring tool; and (iii) manual monitoring. The monitoring encompasses Orders, Transactions, cancellations and both electronic and oral communications in order to identify any infringement of these Rules and any conduct that may be indicative of behaviour that is prohibited under MAR.
- (b) Any suspected instances of potential market abuse will be reported to the CBI. MSEL OTF Management will supply information relevant to the investigation to the CBI, or any other Competent Authority or relevant supervisory or investigative public body involved in an investigation of market abuse.
- (c) Infringements may also be reported to the Commission for Regulation of Utilities where appropriate.

11.2. Information

- (a) MSEL OTF Management requires each Client to notify the MSEL Compliance team immediately upon becoming aware of a significant breach by itself, or any other Client, of these Rules, or of disorderly trading conditions or conduct that may amount to market abuse. The MSEL Compliance team can be contacted on MSELOTFCompliance@marexspectron.com
- (b) MSEL OTF Management may require the immediate provision by a Client of accurate information about its Transactions in a format, electronic or otherwise, as specified by MSEL OTF, acting reasonably.
- (c) MSEL OTF Management may require the immediate production of documents relating to MSEL OTF in the Client's possession, custody, power or control.
- (d) Notwithstanding Rule 3.5, MSEL OTF Management may disclose any information or documents for the purpose of enabling it to institute, continue, or defend any proceedings, including any court proceedings.
- (e) MSEL may keep information or documents which come into its possession under these Rules for such period as it considers appropriate.

11.3. Investigation

- (a) Once MSEL OTF Management has determined in its absolute discretion that a Rule breach has occurred (whether such Rule breach is detected by MSEL OTF or reported by a Client), MSEL OTF Management will consider all the circumstances of the case in order to determine whether to invoke sanctions under Rule 11.5. In considering whether to impose such sanctions, MSEL OTF Management will have regard to the following factors:
- (i) the nature and seriousness of the breach;
 - (ii) the conduct of the Client before and after the breach;
 - (iii) the previous compliance record of the Client; and
 - (iv) action taken by MSEL OTF Management in previous similar cases.

11.4. Assistance

Clients will provide all reasonable assistance to MSEL OTF Management and its delegates including without limitation providing access to information, premises and individuals reasonably within the control of the Client regarding:

- (i) the provision of all information and documents requested by MSEL OTF Management; and
- (ii) investigations by MSEL OTF Management of a Client's compliance with these Rules.

11.5. Sanctions

In the interests of maintaining a fair and orderly market, MSEL OTF Management will have absolute discretion in using any/all of the following sanctions for breach of the Rules in relation to a Client or a former Client who is still bound by the Rules in accordance with Rule 3.6 and will notify a Client of any decision to apply any such sanction:

- (i) written warning;
- (ii) temporary suspension;
- (iii) publication of details of the offender and rule infringement;
- (iv) issuing a cease and desist order;
- (v) termination of participation.

11.6. Complaints

- (a) Any complaint about the conduct of MSEL OTF or a Client, or suspicion that a Client has committed or is about to commit a breach of these Rules, shall be made in writing, where possible, and be addressed to the Marex Head of Compliance or the MSEL Head of Compliance.

- (b) If it is considered the complaint has merit and that it may constitute a breach of these Rules, it may be recommended to MSEL OTF Management that it commence an investigation into the potential breach of the Rules. MSEL OTF Management may give notice to a Client of the results of any such investigation which may include notice of a sanction pursuant to Rule 11.5.

11.7. Waiver

MSEL OTF Management may, at its discretion, waive the enforcement of these Rules but any waiver shall not prevent or restrict MSEL OTF Management from taking action to enforce these Rules whether in respect of any other infringement of them (even if related) or against any other Client in relation to the same breach.

12. ADDITIONAL DOCUMENTATION

12.1. Additional Information

Additional information in respect of the MSEL OTF is provided separately on request or can be accessed at www.marex.com. These additional documents are described below:

- (a) MSEL OTF Internal Controls:
 - (i) MSEL OTF Conflicts of Interest Policy
 - (ii) MSEL OTF Order Execution Policy
- (b) Trading and User information
 - (i) MSEL OTF System Functionality Document
- (c) Technical Information:
 - (i) MSEL OTF Product Schedule
 - (ii) MSEL OTF Contract Descriptions
 - (iii) MSEL OTF Pricing Policy

12.2. MSEL OTF Rulebook

This MSEL OTF Rulebook shall be maintained and updated on a regular basis. By accessing the MSEL OTF the Client confirms that it has read the most recent version of the MSEL OTF Rulebook as published from time to time on the Website.

13. GOVERNING LAW

These Rules and any non-contractual obligations arising out of or in connection with these Rules are governed by, and shall be construed in accordance with, Irish law.