



ARRACO IRELAND LIMITED

OTF RULEBOOK

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1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this AIL OTF Rulebook, the following terms are used:

“AIL” means ARRACO Ireland Limited.

“AIL OTF” means the Organised Trading Facility operated by Arraco Ireland Limited.

“AIL OTF Management” means the management team of AIL OTF.

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

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

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

“ARRACO” means ARRACO Global Markets Limited.

“ARRACO Group” means ARRACO and all its affiliates and subsidiaries.

“ARRACO Ireland’s Trayport Interface” means AIL’s real time market data platform;

“Bilateral Agreement” means an existing contractual relationship (such as an ISDA or EFET) between a Client and counterparty (who is also a Client) with which a Client wishes to enter into any a transaction which contractual relationship shall govern the rights and obligations between a Client and such counterparty in connection with such transaction.

“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 St Stephens Day.

“Central Bank” means the Central Bank of Ireland;

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

“Client” means a Client of AIL OTF admitted in accordance with Rule 3 who can submit Orders to the AIL OTF and whose admission has not been terminated in accordance with the Rules set out herein;

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

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

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

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

“Erroneous Order” means an Order submitted to AIL 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 AIL 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 Master Broking Agreement; or
- e) an Insolvency Event.

“Financial Instrument” means any of the instruments specified in Section C of Annex I of MiFID II;

“Good for Day” means an Order which will be available for matching on AIL 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 AIL OTF until cancelled;

“Good till Date” means an Order which will be available for matching on AIL 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;

“ICA” means the International Court of Arbitration;

“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.

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

“Master Brokerage Agreement” means the overarching client agreement(s) that Clients enter into with AIL and the ARRACO Group;

“MiFID Regulations” means the European Union (Markets in Financial Instruments) Regulations 2017 as amended.

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

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

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

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

“Order” means an order submitted to the OTF to buy or sell an OTF Product;

“OTF” means as defined in Article 4(23) of MiFID II as “a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in accordance with Title II of this Directive”.

“OTF Fees” means the fees as set out in the OTF Fees Schedule;

“OTF Fees Schedule” means the breakdown of OTF Fees set out on the Website;

“OTF Products” means the energy market i.e., natural gas and electric power, financially or physically settled commodity derivatives, eligible for trading on AIL OTF in accordance with Rule 7.

“OTF Product Schedule” means the schedule of OTF Products 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 the sub-set of OTF Products that are physically settled wholesale gas and power instruments;

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

“Rules” means this AIL OTF Rulebook, the OTF Electronic User Guide, any Trading Notices, and any amendments thereto;

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

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

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

“Voice Trading System” means the voice broking system operated by AIL OTF.

“Website” means www.arraco.com.

1.2 Interpretation

- a) References to times shall mean those times in Dublin, Ireland, 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 AIL OTF Rulebook and any other document relating to the AIL OTF, the former shall prevail.

2. ARRACO IRELAND LIMITED

2.1 ARRACO Ireland Limited (hereinafter referred to as “AIL” or “the Firm”) [is an “investment firm” authorised by the Central Bank of Ireland] under the MIFID Regulations 2017 to provide the services of:

- a) Reception and Transmission of orders in relation to one of more Financial Instruments;
- b) Execution of Client Orders; and
- c) Operation of an OTF.

2.2 These Rules supplement and form part of the Terms of Business and Master Brokerage Agreement in place between each Client and AIL. In the case of any conflict between these Rules and the Terms of Business or Master Brokerage Agreement pertaining to the subject matter herein, these Rules shall govern.

2.3 Orders submitted by Clients through both the Electronic Trading System and the Voice Trading System of AIL OTF are governed by these Rules unless otherwise specified.

3. HOW DO APPLICANTS BECOME CLIENTS OF THE AIL OTF?

3.1 Application

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

3.2 Eligibility

- a) Applicants are eligible to become Clients of AIL OTF provided they meet the Eligibility Criteria set out in Rule 3.2(b) below.
- b) The Applicant must:
 - i. be classified as an Eligible Counterparty or Professional Client (as defined under MiFID II);
 - ii. be in compliance with these Rules and all applicable laws and regulations;
 - iii. have agreed Terms of Business, or Master Brokerage Agreement in place with AIL;

- iv. have requisite capacity to undertake trading on an OTF;
 - v. satisfy AIL OTF as to the Applicant's arrangement for settlement;
 - vi. be fit and proper;
 - vii. be approved by AIL's Chief Compliance Officer following the completion of new client due diligence procedures; and
 - viii. have adequate execution, order management and settlement systems in place; and
- c) AIL does not provide access to the OTF by way of Algorithmic Trading or offer co-location or market making arrangements.
- d) AIL only provides direct market access to the OTF in respect of certain REMIT Products. This is not applicable to Financial Instruments and such service does not fall within the scope of "Direct Market Access" as defined in MIFID.
- e) Continuing Obligations
- i. Each Client must meet the Eligibility Criteria at all times when they a Client.
 - ii. Client shall be subject to these Rules (including any amendments or Trading Notices), and supplementary documentation issued by AIL OTF and by any direction or decision of AIL OTF relating to a Client's trading activity on AIL OTF;
 - iii. AIL OTF 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.
 - iv. The Client will be bound by any contacts or obligations and will be liable to indemnify AIL OTF in full for any loss or expenses entered or incurred by AIL OTF, whether on behalf of the Client, in consequence of, or in connection with any such communication;
 - v. Client must have and maintain adequate internal procedures and controls to prevent the submission of Erroneous Orders to AIL OTF and to ensure its continuing compliance with the Rules;
 - vi. Client must have and maintain adequate execution, voice recording, order management and settlement systems in place;
 - vii. Clients will co-operate with AIL OTF and the Central Bank (or any other Competent Authority) in any investigation conducted in relation to trading on AIL OTF; and
 - viii. Client must ensure that any persons, whether staff or clients, who submit Orders to the AIL 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.

3.3 Confidentiality

AIL OTF Management will treat as confidential any information received from Clients in relation to any business carried out on AIL OTF except where:

- a) the information is in the public domain;
- b) disclosure is required by law or requested by any tax or regulatory authority anywhere in the world;
- c) disclosure is in accordance with any regulatory investigation conducted by a Competent Authority;
- d) disclosure is expressly permitted by law;
- e) disclosure has been agreed to in writing by the Client; or
- f) disclosure is made to facilitate the settlement of Transactions.

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 AIL 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 AIL OTF for a period of six (6) months or more;
 - v. is a subject of an intervention order or regulatory investigation by the Central Bank 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 AIL OTF or compromise, impair, restrict, or prevent the ability of AIL OTF to operate a fair and orderly market; or

- vii. fails to meet or ceases to meet the Eligibility Criteria;

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

- b) AIL 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 Central Bank or any other regulatory authority.
- c) The Client will be notified in writing of any action taken, or proposed to be taken, by AIL OTF Management in accordance with this Rulebook.

3.5 Resignation

- a) Clients may resign by giving AIL OTF at least three (3) calendar months' written notice unless such notice period is waived by AIL OTF in its absolute discretion.
- b) AIL OTF Management may, in its absolute discretion, refuse to accept notice of resignation if AIL 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 AIL OTF by AIL OTF Management, a Client shall continue to be bound by these Rules in respect of all activity on AIL OTF until the latest of:
 - i. the date on which all outstanding charges, or other sums, due relating to activity on AIL OTF have been settled; and
 - ii. two years after it ceases to be a Client.

4. AMENDMENTS TO THE RULES AND REQUIRED CLIENT NOTIFICATIONS

4.1 Amendments

- a) AIL OTF 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). If AIL OTF 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 AIL OTF by written notice given to AIL 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 3.4 and 3.5.

4.2 Notification by Clients

- a) All notifications by a Client under these Rules shall be made as soon without delay to the AIL Compliance department. Such notifications should be addressed to the Chief Compliance Officer at (i) ARRACO Ireland Limited, Two Haddington Buildings, Haddington Road, Dublin, D04 HE94, Ireland or (ii) by email at: dub_compliance@arraco.com.
- b) A Client will notify AIL OTF in writing, or by electronic mail, without delay and in no event later than seven (7) calendar days in advance of the occurrence of any of the following:
 - i. an Insolvency Event;
 - ii. a change in control;
 - iii. a material breach of these Rules;
 - iv. the commencement of any investigation or disciplinary action by the Central Bank or a Competent Authority relating to the Client's activities on the AIL OTF or which may otherwise be material in the exercise of the Client's obligations under these Rules;

- v. a material adverse change which affects the Client's ability to comply with these Rules; or
 - vi. a change which results in the Client being unable to fulfil the Eligibility Criteria;
- c) A Client will notify AIL 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 of name;
 - ii. a change of address;
 - iii. a change in its legal status;
 - iv. a change in control; or
 - v. a change in the Client's AIL OTF contacts or the Client's list of authorised persons.

5. CLIENT OBLIGATIONS

5.1 Transaction Records

Each Client must retain a record of each Transaction entered by it on AIL OTF in accordance with:

- a) the standard record retention requirements as set out in MiFID II; and
- b) any further regulatory or legal requirements applicable to the Client.

5.2 Misleading acts, conduct, security, and prohibited practices

- a) Each Client shall implement reasonable security procedures to prevent unauthorised use or misuse of the AIL OTF. Such procedures shall include, but are not limited to:
 - i. ensuring that the AIL OTF is only accessible by authorised personnel; and
 - ii. ensuring that data entries entered by a Client are not altered, lost, or destroyed.
- b) A Client shall not, in respect of its business on AIL OTF:
 - i. do or engage in any conduct which is in breach of MAR or REMIT. 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 a false or misleading signal as to supply and demand, or to secure a price at an abnormal or artificial level, in any OTF Product;
 - (B) cause or enter any artificial transaction or any other form of deception;
 - (C) submit an Order with a fictitious quantity or price to the AIL OTF;
 - (D) effect a pre-arranged transaction that is designed to give the market a false view of supply, demand, or pricing of an OTF 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. do or engage in any conduct in breach of the Rules;
 - 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. engage in any course of conduct which is likely to damage the fairness or integrity of AIL OTF;
 - v. procure, require, or encourage another to engage in conduct falling within any of the principles in this Rule [6.2(a)].
- c) AIL OTF Management may take disciplinary action in relation to a Client's conduct which in the opinion of AIL OTF Management falls or could potentially fall within this Rule 6.

5.3 Entry of Bilateral Agreements

Each Client is responsible for ensuring that it has entered into the appropriate Bilateral Agreement with prospective counterparties.

6. SETTLEMENT

- 6.1 All Transactions on the OTF are bi-laterally settled between the Clients. AIL OTF will send a Transaction confirmation to the relevant Clients following execution of the Transaction on the AIL OTF which specify the Transaction details and the counterparty to the Transaction.
- 6.2 Neither AIL nor the AIL 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 AIL OTF.
- 6.3 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 law of Ireland.
- 6.4 Any failure by a Client to comply with Rule 9.3 above shall result in such Client's access to AIL OTF being revoked immediately upon AIL OTF becoming aware of such failure.

7 AIL OTF TRADING RULES

7.1 OTF Products

- a) AIL OTF Management will determine in its absolute discretion which products are eligible for trading on AIL OTF by reference to the OTF Product Eligibility Criteria and will ensure that the OTF Product Schedule is updated on a regular basis to reflect the Products that are admitted to trading on AIL OTF.
- b) To be eligible to be admitted to trading on AIL OTF, a product must meet each of the following eligibility criteria:
- i. it must be a "commodity 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 AIL 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) AIL OTF may in its absolute discretion immediately prohibit, suspend, or remove any OTF Products or other instruments from trading on the AIL 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 AIL OTF. Where required by the Central Bank, AIL OTF shall remove or suspend any products from trading on the AIL OTF immediately.
- d) Where AIL OTF suspends or removes any OTF Product from trading on AIL OTF, AIL OTF shall issue a Trading Notice making public such suspension or removal and immediately notify the Central Bank of the suspension or removal.

7.2 Hours of Operation

OTF will be open for business on each day specified by AIL OTF Management and communicated to Clients.

7.3 Access to the AIL OTF

- a) A Client is responsible for all obligations and liabilities arising from the entry, deletion and execution of all Orders submitted to the AIL OTF by that Client.

- b) AIL OTF Management reserves the right to restrict a Client's access to and use of the AIL OTF.
- c) AIL OTF Management reserves the right to temporarily halt, constrain or delete any Order submitted to the AIL OTF where AIL OTF Management believes it necessary to preserve market orderliness, including where there is a significant price movement in the relevant OTF Product during a short period.

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 AIL OTF Management from time to time.

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

- b) Orders shall be made in accordance with such technical specifications as AIL OTF Management may specify from time to time in respect of the Electronic Trading System and the Voice Trading System.
- c) A Client may specify that their Order is "all or nothing", which if specified will require the entirety of the Order be executed as a single trade.
- d) A Client may submit an instruction to the AIL OTF that its Order must not be matched against another Order unless that other Order is of a minimum acceptable quantity.
- e) A Client that submits or routes Orders to the AIL OTF shall, always, have sufficient order management systems, procedures and controls designed to prevent the entry of Erroneous Orders to the AIL OTF.
- f) All Orders entered on to the AIL OTF will be treated by AIL 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.
- g) By submitting an Order for an OTF Product, Clients agrees that they are specifically instructing AIL OTF to execute the Transaction on AIL 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 AIL 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 Central Bank or the relevant Central Competent Authority for the instrument.
- 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 AIL OTF, it will create a binding contract on the Client placing the order (subject to Rule 9.3 below).

7.6 Discretion

- a) AIL offers a hybrid trading system bringing about potential transactions between multilateral client interests on a discretionary basis via the AIL OTF.
- b) Subject to the OTF Order Execution Policy, AIL may exercise its discretion:

- i. to decide how and when to cross, arrange or facilitate client orders using the Electronic Trading System or the Voice Trading System or a hybrid of both; or
- ii. in matching all or only part of an order; or
- iii. which counterparties to match together on a transaction, or not match.

c) AIL reserves the right to not to match an Order at any given time.

7.7 Entry and deletion of Orders

d) A Client may only submit, amend, or delete Orders from the AIL OTF during the times specified by AIL OTF.

e) A Client may submit an order to the AIL OTF either directly into the AIL OTF System electronically or indirectly into the AIL OTF System by communicating to an AIL 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 AIL OTF System.

7.8 Synchronisation of Business Clocks

AIL OTF will display the time in UTC, all members will also be required to monitor maximum divergence from UTC is no more than 1 millisecond.

7.9 Cancellation of Transactions

a) AIL OTF Management has discretion to cancel a Transaction in whatever circumstances it considers appropriate, including but not limited to circumstances where AIL OTF Management decides that a Transaction is an Erroneous Trade.

b) If an Order appears to be an Erroneous Trade in the opinion of AIL OTF Management, AIL 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, AIL OTF Management will consider:

- i. the size of the Order or the Transaction; and
- ii. the price of the Order or the Transaction.

7.10 Suspension or cessation of AIL OTF

a) Subject to Rule 7.9(b) below, AIL OTF Management may in its absolute discretion suspend or cease to operate AIL OTF, provided that AIL OTF shall give not less than 30 days prior written notice of such suspension or cessation to Clients and the Central Bank.

b) If a suspension or cessation of AIL OTF is (i) required by the Central Bank or (ii) the result of the number of materially active Clients trading on AIL OTF falling below 3, AIL OTF shall be entitled to suspend or cease to operate AIL OTF immediately.

7.11 Transactions executed on a Regulated Market.

Where AIL arranges a transaction between Clients and the Clients decide to formalise the transaction on a regulated market such transaction will not take place on the AIL OTF System and will be a Non-OTF Product. Non-OTF Products will not be subject to the provisions of this Rulebook.

8 REGULATORY REQUIREMENTS

8.1 Pre-Trade Transparency

a) AIL OTF will implement 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 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 AIL OTF for the following types of Orders:

- i. Orders that relate to OTF Products for which there is not a liquid market in accordance with Article 9.1(c) of MIFIR (“Illiquid Product Orders”);
 - ii. Orders relating to those OTF Products that are REMIT Products.
- b) AIL OTF will be responsible for determining at its discretion whether Orders are Illiquid Product Orders in accordance with relevant ESMA transparency calculations.
- c) Pre-trade Data relating to all Orders placed on the AIL OTF other than those specified in Rule 8.1(a) (i) and (ii) above will be published on AIL’s OTF System on a continuous basis during the normal business hours of the AIL 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 AIL 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

- a) AIL OTF will in accordance with Articles 11.1(a), (b) and (c) of MIFIR defer the publication of the price, volume, and time of Transactions on a post-trade basis (“Post-trade Data”) required under Article 10 of MIFIR. In addition, REMIT Products are carved out from the requirements of MIFIR generally. As a result, Post-trade Data in respect of Transactions in OTF Products for which there is not a liquid market in accordance with Article 11.1(b) of MIFIR (“Illiquid Product Transactions”) will be made available by AIL OTF on a deferred basis.
- b) AIL OTF will be responsible for determining at its discretion whether Transactions are Illiquid Product Transactions in accordance with relevant ESMA transparency calculations.
- c) Post-trade Data in relation to all Transactions executed on the AIL OTF other than those specified in Rule 8.2(a) (i) above will be published on Arraco Ireland’s Trayport Interface as close to real time as is technically possible and within 15 minutes after execution of the relevant Transaction during the normal business hours of the AIL OTF in accordance with the requirements of Article 10.1 of MIFIR. Post-trade Data in relation to the Transactions specified in Rule 8.2 (i) above will be published on Arraco Ireland’s Trayport Interface by no later than 18.00 on the second Business Day following the date of the Transaction.

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

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

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

Upon request, AIL OTF will make Pre-Trade Data and Post-Trade Data available to both Clients and other parties on Arraco Ireland’s Trayport Interface as on a disaggregated basis. Persons who wish to access Pre-Trade Data and Post-Trade Data shall contact AIL Trade Operations using the contact details on the Website to request such access. AIL 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 Arraco Ireland’s Trayport Interface more than 15 minutes after publication will be free of charge.

8.5 Transaction Reporting

AIL OTF will comply with its transaction reporting obligations under applicable laws and regulations in relation to transactions executed for Clients on AIL OTF. To enable AIL OTF to comply with its obligations under applicable law, Clients agree to promptly deliver to AIL OTF transaction data and any other information that AIL OTF may from time

to time request to enable it to complete and submit transaction reports to the Central Bank.

Clients consent to AIL OTF providing information about them and transactions executed on AIL OTF to third party ARMs and the Central Bank while 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 Central Bank or other Competent Authority for each of the OTF Products that is a commodity derivative. A list of the relevant OTF Products and the relevant Central Bank or other Competent Authority position limits are maintained and published by AIL OTF on the Website.
- b) AIL OTF is required to apply position management controls to clients trading in OTF Products in accordance with Article 57(8) of MIFID II.
- c) AIL OTF will monitor Client's open interest position in any OTF Product based on AIL OTF's records of Transactions executed by a Client through AIL OTF in OTF Products to ensure that Clients' open interest positions do not exceed the relevant position limit.
- d) In monitoring open interest positions and the application of position management controls on AIL 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 AIL 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 an NFC entering Transactions which are objectively measurable as reducing risks directly relating to the activity of that NFC. They shall notify AIL OTF in writing that they have obtained an exemption from the Central Bank from the commodity position limit regime;
 - iii. Without such notification, AIL OTF 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 AIL OTF relating to either (i) the size of a position entered into by the client on AIL 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;
 - v. AIL OTF reserves the right, in its absolute discretion, to reject all or part of any Order placed on AIL OTF where such Order would result in the Client breaching any applicable position limit;
 - vi. AIL OTF 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 AIL OTF to ensure an applicable position limit is not exceeded;
 - vii. Client shall, upon direction from AIL OTF, reduce their open position in any OTF Product by executing Transactions on AIL OTF to the extent necessary to ensure that any applicable position limit is not exceeded, within such time as AIL OTF may prescribe;
- e) If Client fails to reduce their position following such direction from AIL OTF within the prescribed timeframe under Rule 8.6(d)(vii), in addition to its rights under Rule 11.1, AIL OTF shall be entitled, in its absolute discretion, to reduce the Client's open position to the level required by AIL OTF to ensure that any applicable position limit is not exceeded by executing Transactions on AIL OTF on behalf of the Client; and
- f) Where appropriate, AIL OTF may require a Client to provide liquidity back into AIL 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) AIL OTF is required to report certain information relating to Clients' positions to the Central Bank and ESMA in accordance with the requirements of Article 58 of MIFID II.
- b) AIL OTF will send or make available to Clients a position report detailing the open interest position in any OTF Products held by such Client daily. It is Client's responsibility to immediately inform AIL OTF of any discrepancies between the Client's records of open positions traded on AIL OTF and the position report sent by AIL OTF. The position report sent or made available by AIL OTF shall be deemed to be correct and agreed by the Client unless objections or discrepancies are notified to AIL 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 AIL OTF by a Client and a position report generated by AIL OTF and sent or made available to such Client, AIL OTF shall in its absolute discretion be entitled to rely on the position report generated by AIL OTF to meet its obligations to submit position reports to the Central Bank under Article 58 of MIFID II, unless the Client objects to such position report in accordance with Rule 8.7(b) above.

9 FEES, CHARGES AND TAXES

9.1 Fees and Charges

- a) A Client shall pay the OTF Fees as set out in the AIL Fees Schedule. The AIL Fees Schedule is available on the Website and may be updated by AIL OTF from time to time.
- b) AIL OTF or AIL on its behalf will invoice Clients directly for all OTF Fees relating to transactions in OTF Products executed by that Client. All payments to AIL OTF shall be made within 30 days of the date of the relevant invoice.
- c) Neither AIL or AIL OTF is responsible for and shall not be liable for the default of any Client on any Transaction.
- d) Clients of the AIL OTF will not be within scope of the compensation scheme ran by the Investor Compensation Company DAC in Ireland.

9.2 Taxes

- a) A Client shall be liable for the payment of any applicable taxes, duties or deductions that arise from its trading of an OTF Product on the AIL 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 an OTF Product on the AIL OTF, and to apply for any exemptions from such taxes, duties, or deductions.
- c) If at any time a Client suffers an Event of Default, AIL OTF 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 suspend the Client's participation on AIL OTF; and/or
 - ii. to cancel some or all Orders; and / or
 - iii. to treat any or all Orders then outstanding as having been repudiated by the Client, in which case AIL OTF's obligations under such orders shall be cancelled and terminated.

10 MONITORING BY AIL, PROVISION OF INFORMATION AND CO-OPERATION BY CLIENTS

10.1 Monitoring by AIL

- a) AIL's 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 or REMIT.
- b) Any suspected instances of potential market abuse will be reported to the Central Bank. AIL OTF Management will supply information relevant to the investigation to the Central Bank, ACER 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 Commission for Regulation of Utilities where appropriate.

10.2 Provision of Information

- a) AIL OTF Management requires each Client to notify the AIL 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.
- b) AIL 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 AIL OTF, acting reasonably.

- c) AIL OTF Management may require the immediate production of documents relating to AIL OTF in the Client's possession, custody, power, or control.
- d) Notwithstanding Rule 3.3, AIL 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) AIL may keep information or documents which come into its possession under these Rules for such period as it considers appropriate.

10.3 Investigation by AIL

Once AIL OTF Management has determined in its absolute discretion that a Rule breach has occurred (whether such Rule breach is detected by AIL OTF or reported by a Client), AIL OTF Management will consider all the circumstances of the case to determine whether to invoke sanctions under Rule 11.5. In considering whether to impose such sanctions, AIL OTF Management will have regard to the following factors:

- a) the nature and seriousness of the breach;
- b) the conduct of the Client before and after the breach;
- c) the previous compliance record of the Client; and
- d) action taken by AIL OTF Management in previous similar cases.

10.4 Co-Operation and Access

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

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

10.5 Sanctions

In the interests of maintaining a fair and orderly market, AIL OTF will have absolute discretion in using any/all 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 Rules 3.4 and 3.6, and will notify a Client of any decision to apply any such sanction:

- a) written warning;
- b) temporary suspension;
- c) publication of details of the offender and rule infringement;
- d) issuing a cease and desist order or equivalent;
- e) termination of participation.

10.6 Complaints

- a) Any complaint about the conduct of AIL 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 and be addressed to the Chief Compliance Officer at ARRACO Ireland Limited, Two Haddington Buildings, Haddington Road, Dublin, D04 HE94, Ireland or by email at: dub_compliance@arraco.com.
- b) If it is considered the complaint has merit and that it may constitute a breach of these Rules, AIL OTF Management will commence an investigation into the potential breach of the Rules. AIL OTF Management may give notice to a Client of the results of any such investigation which may include notice of a sanction.

10.7 Waiver

AIL OTF Management may, at its discretion, waive the enforcement of these Rules but any waiver shall not prevent or restrict AIL 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.

11 GOVERNING LAW

These Rules, and any non-contractual obligations connected to these Rules will be governed by and construed in accordance with Irish law and the courts of Ireland shall have jurisdiction to determine any proceedings arising from any suit, action or other proceedings arising out of or in connection with this Agreement or a Transaction (including any proceedings regarding the existence, validity or termination of these Terms or a Transaction).

12 SUPPLEMENTARY INFORMATION AND DOCUMENTATION

12.1 Additional Information

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

- a) AIL OTF Order Execution Policy;
- b) AIL Pricing Schedule; and
- c) AIL OTF Product Schedule

- d) Summary of AIL's conflict of interest Policy

12.2 AIL OTF Rulebook

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