



Participant Notice

Ref: PN17/06

Dated: 1st December 2017

From: Participant Services

Subject: Confirmation of proposed amendments to the Rule Book and Participant Manual

This Notice confirms a number changes of to the Rule Book and Participant Manual that Cboe Europe (“Cboe”) previously consulted on. These changes will implement elements of the revised Markets in Financial Instruments Directive and will be effective from Tuesday 2nd January 2018.

Included in the confirmation, Cboe has made a number of amendments to the proposed Rule Book and Participant Manual following Participant feedback. The amendments are highlighted in the summary tables below.

Marked up versions of the amended Rule Book and Participant Manual are attached to this Notice and will also be made available on the Cboe website at the following link:
<http://markets.cboe.com/europe/equities/regulation/>.

Any queries about the Participant Manual should be addressed to Participant Services at:
participantserviceseurope@bats.com.

Rule Book: summary of amendments between RIE version 11 and RIE version 12

| Page | Amendment |
|---------------|---|
| Cover | Change of date, change of version number. |
| Pages 4 to 12 | New definitions for Direct Electronic Access, Direct Market Access, Exceptional Circumstances, Liquid Market, MiFIR, Order Routing Facility, Order to Trade Ratio, Sponsored Access and updated definitions for Large in Scale Transaction and MiFID. |
| Page 12 | Additional text requiring Participants to certify that algorithms have been tested and setting out how they must do so. |
| Page 14 | Change of section name from “Sponsored Access” to “Direct Electronic Access”. Additional text. |
| Page 15 | Additional text setting out transaction reporting requirement for non-MiFID firms. |
| Page 16 | Additional text setting out additional requirements for new Liquidity Provider Program 3. |
| Page 17 | Additional text setting out imposition of Order to Trade ratio and requirement to include capacity, relevant party and direct electronic access information on Orders. |



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| Pages 22-24 | Revised text for Rules on Negotiated Transactions. |
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Participant Manual: summary of amendments between RIE version 29 and RIE version 30

| Page | Amendment |
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| Cover | Change of date, change of version number. |
| Page 8 | Amended text regarding asset classes supported for the Dark Books |
| Page 10 | Additional text stating that details of Cboe's compliance with RTS 10 can be found in the Connectivity Manual. |
| Pages 13 to 14 | Updated values for the Order to Trade Ratio thresholds. New section detailing the Maximum Order to Trade Ratio Policy. |
| Pages 14 to 18 | Updated the specified price for Liquidity Provider Program 3. Additional text providing detail of Liquidity Provider Program 3 and clarifying that Cboe will temporarily release LPs from their obligations during Exceptional Market Conditions. |
| Page 24 | Additional text stating that Participants wishing to cancel more than 100 Negotiated Transactions and which are unable to do so electronically will be subject to a fixed penalty. |
| Page 28 | Removal of text that allowed for off-tick limit process in Cboe Dark Books. |
| Pages 29 to 30 | Update to text describing behaviour of iceberg orders. |
| Page 32 | Amended text regarding the Dark-Lit Sweep Order behaviour introduces as of PN17/05 on the 9 th of November. Deletion of text describing DRT routing strategy. |
| Pages 33 to 35 | Updates to text describing Exchange Trade Reports. |
| Pages 34 to 35 | Additional text explaining Cboe's approach to the Double Volume Cap. |