



## CBOE NL RULE BOOK

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## Chapter 1: General Provisions

### 1.1. Definitions and Interpretations

1.1.1. In this Rule Book the following terms shall have the following meanings:

<i>Actionable IOI</i>	instruction entered into Cboe BIDS Europe on a conditional basis that contains all necessary information to agree on a trade.
<i>AFM</i>	the Dutch Authority for the Financial Markets ( <i>Autoriteit Financiële Markten</i> )(or such successor regulator(s) as may be applicable from time to time).
<i>AFS</i>	the Act on Financial Supervision ( <i>Wet op het financieel toezicht</i> )
<i>Appeal Committee</i>	a sub-committee of the Board of Directors of Cboe NL that has been convened according to Rule 1.10.14
<i>Applicant</i>	a person applying to become a Participant in accordance with Rule 1.2.
<i>Arranger</i>	a Participant that arranges a Negotiated Transaction on behalf of two Participants but is not a counterparty to the resulting Negotiated Transaction.
<i>AIM</i>	an automated improvement mechanism available in the Options Simple Book (AIM) and the Options Complex Book (C-AIM) that allows for the submission and execution of two sided orders.
<i>Block Trade</i>	a transaction in a Derivative that is reported to Cboe NL and meets the minimum size requirement set out in Rule 3.3 of the Derivatives Trading and Admission Rules
<i>Business Day</i>	a day on which the Cboe Markets are open.
<i>Cboe BIDS Europe Service</i>	a facility operated by Cboe that allows Participants and Cboe BIDS Europe Users to enter Actionable IOIs and negotiate Large in Scale Transactions.

<i>Cboe BIDS Europe User</i>	an investment firm who has an agreement with, and has been approved by, a Designated Broker to use the Cboe BIDS Europe.
<i>Cboe NL</i>	Cboe Europe B.V. (Company Number 72273968), trading under the names Cboe NL Equities and Cboe NL Derivatives.
<i>Cboe NL Closing Price</i>	in relation to a Security or Derivative admitted to a Cboe NL Market on any given Working Day, the closing price published by Cboe NL in accordance with the methodology specified in the Participant Manual or in a Participant Notice.
<i>Cboe NL Listed Security</i>	a Security that has been listed and admitted to trading on the Cboe NL RM Equities
<i>Cboe NL Market</i>	an MTF or Regulated Market operated by Cboe NL
<i>Cboe NL MTF Equities</i>	the MTF trading platform consisting of the Integrated Books, Periodic Auction Books and Dark Books operated by Cboe NL for the trading of Cboe NL Traded Securities in accordance with the Rules.
<i>Cboe NL RM Derivatives</i>	Cboe NL Regulated Market Derivatives, the Regulated Market operated by Cboe NL consisting of the Simple and Complex Books operated by Cboe NL for the trading of Cboe NL Derivatives in accordance with the Rules
<i>Cboe NL RM Equities</i>	Cboe NL Regulated Market Equities, the Regulated Market operated by Cboe NL consisting of the Integrated Books, Periodic Auction Books and Dark Books operated by Cboe NL for the trading of Cboe NL Listed Securities in accordance with the Rules.
<i>Cboe NL Traded Security</i>	a Security that has been admitted to trading on the Cboe NL MTF Equities
<i>Cboe NL Transaction</i>	a trade in a Cboe NL Listed Security, a Cboe NL Traded Security or a Derivative that has been conducted on the Cboe Markets. This will include all trades that have been electronically executed and any trades that have been executed as Off Book Transactions under the Rules.
<i>Cboe NL Volume Weighted Spread</i>	the spread between the average price if a sell Order executed against Displayed buy Orders on the Integrated Book up to the transaction size or the aggregate buy Displayed size, and the average price of a buy Order executed against Displayed sell Orders on the Integrated Book up to the transaction size or the aggregate sell Displayed size.

<i>Cboe Europe</i>	Cboe NL and Cboe Europe Ltd. (trading as Cboe UK Equities) collectively
<i>Central Counterparty</i>	the entity or entities appointed by Cboe NL from time to time to act as counterparty to transactions executed on the Cboe NL Markets and provide clearing services.
<i>Change of Control</i>	the occurrence of a change in the person or entity who: (a) directly or indirectly owns or Controls; or (b) is directly or indirectly owned or Controlled by; or (c) is in common ownership of Control, with the Participant.
<i>Clearing Authority</i>	a statement provided by a Central Counterparty to Cboe NL authorising Participants to clear and settle in specific market segments.
<i>Clearing Rules</i>	the rules as set out in a Central Counterparty's clearing rule book.
<i>Competent Authority</i>	a competent authority for listing and approval of Prospectuses in the relevant EEA member state.
<i>Complex Book</i>	order books on Cboe NL RM Derivatives that support trading in multiple options series or futures.
<i>Complex Instrument</i>	an instrument traded on the Complex Book
<i>Complex Order Auctions/COA</i>	an auction mechanism available in the Options Complex Book that allows for the submission and execution of single sided orders.
<i>CFD</i>	Contract For Difference or Swap.
<i>Contract Specification</i>	document that describes the attributes of a given Derivative, including the contractual terms and conditions and details of how the Derivative must be cleared and settled.
<i>Consolidated European Market</i>	for any Security any relevant Listing Market or MTF as determined by Cboe NL.

<i>Control</i>	means holding more than 50% of the shares, or stock having the power to vote at a general meeting or equivalent; or by having the power to control the composition of the board of directors or the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of stock, by contract or agency or otherwise.
<i>Dark Books</i>	order books on Cboe NL RM and MTF Equities, which are separate from the Integrated and Periodic Auction Books, where all Orders are Non Displayed Orders.
<i>Derivative</i>	a derivative instrument that has been admitted to trading on Cboe NL RM Derivatives.
<i>Designated Broker</i>	a Participant who has an agreement with a Cboe BIDS Europe User to offer execution and clearing services on Cboe BIDS Europe.
<i>Direct Clearing Member</i>	an entity designated by a Central Counterparty as a Direct Clearing Member and authorised by a Central Counterparty to clear transactions which have been executed for its own account or have been executed for the account of clients of the Direct Clearing Member.
<i>Direct Electronic Access</i>	Direct Market Access (DMA) or Sponsored Access (SA).
<i>Direct Cboe BIDS Europe Broker</i>	a Participant who is using the Cboe BIDS Europe Service to submit IOIs and receive the corresponding trades in their own name
<i>Direct Market Access</i>	an arrangement involving the use by a third party of the infrastructure of a Participant, or any connecting system provided by the Participant, to transmit orders to a Cboe NL Market using the Participant's bank code. This will include, but is not limited to direct market access as defined in Article 4(1)(41) of MiFID.
<i>Disciplinary Committee</i>	the executive committee convened according to Rule 1.10.8 to consider the findings of any disciplinary investigation.
<i>Displayed Order</i>	an order that is displayed on the Cboe NL Markets and visible to all Participants.
<i>Eligible Broker-Dealer/Eligible Institution</i>	<i>An Eligible Broker-Dealer/Eligible Institution (and, individually, an Eligible Broker-Dealer or Eligible Institution) is any entity that meets the following standards:</i> <i>(a) it must be a "qualified institutional buyer" as defined in Rule 144A(a)(1) under the Securities Act of 1933 ("Securities Act"), or an</i>

	<i>international organization excluded from the definition of "U.S. person" in Rule 902(k)(2)(vi) of Regulation S under the Securities Act; and (b) it must have had prior actual experience with traded options in the U.S. options market (and, therefore, would have received the disclosure document for U.S. standardized options called for by Rule 9b-1 under the Exchange Act).</i>
<i>Eligible Option</i>	<i>Eligible Option means an index option or option on an individual security traded on Cboe NL that is not fungible or interchangeable with options traded on any market other than Cboe NL and, accordingly, each position in an Eligible Option issued by a Direct Clearing Member or General Clearing Member of Cboe NL can be closed out only on Cboe NL.</i>
<i>Eligibility Criteria</i>	the criteria for eligibility for participation in the Cboe NL Markets as set out in Rule 1.2.2.
<i>EBBO</i>	the best Displayed buy Order and the best Displayed sell Order available from the Consolidated European Market.
<i>EEA</i>	the European Economic Area.
<i>European Volume Weighted Spread</i>	the spread between the average price if a sell Order executed against Displayed buy Orders on the Consolidated European Market up to the transaction size or the aggregate buy Displayed size, and the average price if a buy Order executed against Displayed sell Orders on the Consolidated European Market up to the transaction size or the aggregate sell Displayed size.
<i>Exceptional Circumstances</i>	as defined in Article 3 of Commission Delegated Regulation (EU) 2017/578 ("RTS 8").
<i>Exchange Trade Report</i>	a report of an Off Book Transaction submitted by a Participant in accordance with Rules 2.3 or 2.4.
<i>General Clearing Member</i>	an entity designated by a Central Counterparty as a General Clearing Member and authorised by a Central Counterparty to clear its own transactions (where relevant), transactions executed by its clients and transactions executed by Participants or their clients.
<i>Integrated Books</i>	order books on Cboe NL RM and MTF Equities, which are separate from the Dark and Periodic Auction Books, where Orders may be Displayed Orders or Non Displayed Orders.



<i>Introducing Broker</i>	a Participant that has a relationship with a Cboe BIDS Europe User and a relationship with a European Designated Broker. The Introducing Broker can be the same legal entity as the Designated Broker.
<i>Issuer</i>	any company or other legal person or undertaking any class of whose securities have been admitted or are proposed to be the subject of an application for admission to trading on the Cboe NL RM Equities.
<i>Issuer Application Form</i>	the application form to be completed by Issuers applying for the admission of its securities to the Cboe NL RM Equities, as amended from time to time.
<i>Issuer Rules</i>	the rules setting out the requirements for Issuers as described in Sections 2.7 to 2.11 of the Rules.
<i>Large in Scale Transaction</i>	a transaction that meets the waiver criteria specified in table 1 of Annex II of the Commission Delegated Regulation (EU 27/587) ("RTS 1").
<i>Liquid Market</i>	as defined in Article 4(1)(25) of MiFID as implemented into the AFS.
<i>Liquidity Provider</i>	a Participant which has entered into a Liquidity Provider Program.
<i>Liquidity Provider Program</i>	the Liquidity Provider Program(s) operated by Cboe NL for Participants that wish to provide liquidity on the Cboe NL Markets in accordance with the criteria set out in the Participant Manual.
<i>Listing Market</i>	the market on which Cboe NL determines a Security has its primary listing. For Cboe NL Listed Securities this will be the Cboe NL RM .Equities
<i>Listing Market Closing Price</i>	in relation to a Security on any given day that the Listing Market is open for business, the price of the last transaction on the Listing Market on that day. If there are no transactions in a Security on a given day, the last Listing Market Closing Price is used.
<i>Market Disruption</i>	the disruption or malfunction in the use or operation of any electronic communications and trading facilities of a Cboe NL Market, the suspension or limiting of trading in a Security on the Listing Market, the failure of a Central Counterparty, or other extraordinary market conditions or circumstances (each as determined by Cboe NL)
<i>Matching Confirmation</i>	a confirmation of a Matching Exchange Trade Report in accordance with Rule 2.3.

<i>Matching Exchange Trade Report</i>	an Exchange Trade Report where the transaction is separately reported and confirmed by each Participant in accordance with Rules 2.3 or 2.4.
<i>Material Amendment</i>	an amendment to the Rules which does not constitute a minor change of an administrative or commercial character.
<i>MiFID</i>	European Parliament and Council Directive 2014/65/EU, as amended from time to time.
<i>MiFIR</i>	European Parliament and Council Regulation (EU) No 600/2014, as amended from time to time.
<i>MTF</i>	a Multilateral Trading Facility as defined in article 4(1)(22) of MiFID as implemented into the AFS.
<i>Negotiated Transaction</i>	has the meaning given in Rule 2.3.
<i>Non Displayed Order</i>	a qualifying Order that is not displayed on a Cboe NL Market.
<i>Off Book Transaction</i>	a Negotiated Transaction, Large in Scale Transaction or Block Trade
<i>Officers</i>	in relation to a corporate or unincorporated body, any director, officer, partner, member or senior manager and any committee appointed by its board of directors or members or senior management and any of their respective agents.
<i>Order</i>	any order to buy or sell a Security or Derivative submitted by a Participant to a Cboe NL Market.
<i>Order to Trade Ratio</i>	the ratio of unexecuted orders to transactions calculated according to the methodology set out in Commission Delegated Regulation (EU) 2017/566 (“RTS 9”).
<i>Participant</i>	an entity which has entered into a Participant Agreement and has been admitted to participate in a Cboe NL Market in accordance with the Rules.

<i>Participant Agreement</i>	the agreement governing participation in the Cboe NL Markets as entered into by a Participant with Cboe NL, as amended from time to time.
<i>Participant Manual</i>	the manual (as amended from time to time) available to Participants, which describes and gives guidance on the functioning of the Cboe NL Markets.
<i>Participant Notice</i>	a notice published or issued by or on behalf of Cboe NL from time to time, which is displayed on the Cboe NL website and may be e-mailed or copied to all Participants where it relates to a Material Amendment to the Rules.
<i>Periodic Auction Books</i>	order books on Cboe NL RM and MTF Equities, which are separate from the Integrated and Dark Books, which operate periodic auctions throughout the day.
<i>Prospectus</i>	the document prepared according to the requirements of Directive 2003/71/EC of the European Parliament and of the Council as applied by the relevant EEA Competent Authority.
<i>Regulated Information Service</i>	a mechanism that has been approved by an Issuer's Competent Authority for the dissemination of price sensitive information and other required disclosures or can otherwise be shown to meet the minimum requirements set out in Article 12 of Commission Directive 2007/14/EC .
<i>Regulated Market</i>	a Regulated Market as defined in article 4(1)(14) of MiFID as implemented into the AFS
<i>Regulator</i>	an authority designated by a member state of the EEA in accordance with Article 48 of MiFID, the government of any EEA member state or any department or agency thereof, including (without limit) any authority in the EEA competent for the investigation and prosecution of market abuse.
<i>Rule Book</i>	this Cboe NL rule book, as amended from time to time.
<i>Rules</i>	the rules set out in this Rule Book and any Participant Notice, as amended or extended from time to time.
<i>Security</i>	a security admitted to trading on a Cboe NL Market.

<i>Simple Book</i>	order books on Cboe NL RM Derivatives which support trading in individual options or futures.
<i>Sponsored Access</i>	an arrangement which allows a third party to send orders to a Cboe NL Market using the Participant's bank code and that does not involve the use of a Participant's infrastructure or connecting system. This will include, but is not restricted to, sponsored access as defined in Article 4(1)(41) of MiFID.
<i>Sponsored Client</i>	a third party permitted access to and use of a Cboe NL Market and other services pursuant to a Sponsored Access Addendum.
<i>Sponsored Access Addendum</i>	an addendum to a Participant Agreement between Cboe NL and a Sponsoring Participant relating to access to and use of a Cboe NL Market and other services by Sponsored Client(s).
<i>Sponsoring Participant</i>	a Participant which (i) proposes to sponsor a Sponsored Client; and (ii) has entered into a Sponsored Access Addendum.
<i>Supplement</i>	supplement to the Prospectus containing specific detail about securities to be admitted.
<i>Trade Desk Notice</i>	a notice published or issued by or on behalf of Cboe NL from time to time, which is displayed on the Cboe NL website and may be e-mailed or copied to all registered subscribers.
<i>Trading Manual</i>	the manual (as amended from time to time) available to Participants, which describes and gives detailed guidance on the functioning of the Cboe NL Markets.
<i>Trading Profile Contact (s)</i>	person(s) who have the authority to request changes to a Participant's trading profile.
<i>Working Day</i>	day that a Cboe Market is open for business.

1.1.2. In this Rule Book words in the singular include the plural and in the plural include the singular. References to a person include a corporate or unincorporated body. References to one gender include the other gender. References to a law are to such law as it is in force for the time being and any amendment, extension, application or re-enactment thereof and includes any subordinate legislation for the time being in force made under it.

## 1.2. Participation

1.2.1. Participation in a Cboe NL Market is at the discretion of Cboe NL and open to Applicants who meet the Eligibility Criteria and who in each case:

- 1.2.1.1. agree to abide by the Rules, the Participant Agreement, the Participant Manual and any guidance or other requirements issued by Cboe NL from time to time; and
- 1.2.1.2. meet the technical specifications and standards required by Cboe NL from time to time; and
- 1.2.1.3. are applying to be a Participant and, where required, have in place an agreement in such form as a Central Counterparty may specify or, in the case of a Participant who is not a General Clearing Member or a Direct Clearing Member, an agreement with a General Clearing Member; and
- 1.2.1.4. provide any other additional information as required by Cboe NL.

1.2.2. The Eligibility Criteria are as follows:

- 1.2.2.1. Participants must be either an EEA regulated investment firm or credit institution (as defined by MiFID) or such other persons whom Cboe NL determines to be suitable for admission as a Participant which may include (without limit) UCITS management companies and members of regulated markets;
- 1.2.2.2. Participants must be able to demonstrate to Cboe NL (by completion of Cboe NL approved certification testing) that their systems are compatible with the Cboe NL Markets;
- 1.2.2.3. Participants must certify that their trading algorithms have been tested prior to their deployment on the Cboe NL Markets. In submitting an order identifying a specific algorithm or algorithms, a Participant is certifying that algorithm or algorithms has been tested to the extent required by Commission Delegated Regulation (EU) 2017/584 ("RTS 6").
- 1.2.2.4. Participants must have in place adequate systems, procedures and controls to ensure their ongoing compliance with the Rules and to prevent the entry of erroneous Orders or Exchange Trade Reports to Cboe NL; and

1.2.2.5. Participants must have in place appropriate order management, order routing, execution, voice and other recording facilities to provide Cboe NL (if requested) with such information as Cboe NL may require in relation to the validity and execution of any Order.

1.2.3. Applications for participation shall be made to Cboe NL in such form as Cboe NL may specify or accept from time to time.

1.2.4. In becoming a Participant each Applicant agrees to abide by, comply with, and adhere to the Rules and the Participant Manual.

1.2.5. Cboe NL will notify each Applicant of the date on which its participation shall become effective.

1.2.6. Cboe NL has a relationship with and deals exclusively with Participants. Cboe NL does not have any relationship with any customer of any Participant including (without limit) any Sponsored Client.

### 1.3. Direct Electronic Access

1.3.1. Cboe NL expects all orders that meet the Cboe NL definition of Direct Electronic Access to be flagged as such.

#### 1.3.2. Direct Market Access

1.3.2.1. Provided that relevant due diligence as prescribed in Article 22(2) of Commission Delegated Regulation (EU) 2017/589 has been conducted, a Participant who is an EEA regulated investment firm or credit institution (as defined by MiFID) may allow a third party to use Direct Market Access to submit orders to the Cboe NL Markets.

1.3.2.2. A Participant providing Direct Market Access to a third party shall be responsible and liable for the acts and omissions of the third party, including ensuring the third party's compliance with (so far as applicable) the Rules and any guidance or other requirements issued by Cboe NL.

1.3.2.3. A Participant wishing to commence providing Direct Market Access must seek and receive prior approval in a format specified by Cboe NL.

#### 1.3.3. Sponsored Access

- 1.3.3.1. Provided that a relevant Sponsored Access Addendum has been entered into and has not been terminated and relevant due diligence as prescribed in article 22(2) of the Commission Delegated Regulation (EU) 2017/589 (“RTS 6”) has been conducted, a Sponsoring Participant who is an EEA regulated investment firm or credit institution (as defined by MiFID) may allow a third party to access and use a Cboe NL Market for the submission of orders on its behalf as its Sponsored Client. A Sponsored Client shall receive the services as set out in the Sponsored Access Addendum.
- 1.3.3.2. A Sponsoring Participant shall be responsible and liable for the acts and omissions of each of its Sponsored Clients and shall be subject to the duties and obligations as set out in the Sponsored Access Addendum, including ensuring the Sponsored Client's compliance with (so far as applicable) the Rules and any guidance or other requirements issued by Cboe NL.
- 1.3.3.3. Cboe NL reserves the right to refuse to accept any request for the addition of a Sponsored Client in its absolute discretion and without assigning any reason for such refusal.

## 1.4. Continuing Obligations

- 1.4.1. Participants shall at all times ensure their continuing compliance with the Rules including (without limit) the Eligibility Criteria and any decision or direction of Cboe NL.
- 1.4.2. Each Participant shall be responsible for compliance with all legal and regulatory responsibilities which may be imposed on the Participant by any Regulator including (but not limited to) making appropriate arrangements for the reporting of any transactions executed on a Cboe NL Market.
- 1.4.3. Participants that are not an EU investment firm or credit institution shall provide Cboe NL with transaction reporting information for on-exchange activity conducted on Cboe NL Markets. That information shall include, where relevant, the details set out in the annex to Commission Delegated Regulation (EU) 2017/590 (“RTS 22”). Details of how Participants can provide transaction reporting information are set out in Section 1.16 of the Participant Manual. It is a Participant’s responsibility to ensure that all information required under this Rule is complete and accurate.
- 1.4.4. The responsibility for accurately pricing any Security or Derivative is solely with the Participant and, for the avoidance of doubt, Cboe NL will have no responsibility for providing Participants with information relating to any Security including (without limit)

marking any Security as being subject to a pending corporate action or having the benefit of any entitlements (including, but not limited to, dividends).

## 1.5. Notifications

1.5.1.A Participant shall notify Cboe NL immediately on the occurrence of any of the following in relation to it (or where relevant, its Sponsored Clients or any holding company of the Participant or a Sponsored Client):

1.5.1.1. an order being made or resolution being passed for the winding up of the Participant, a Sponsored Client or a holding company thereof (other than voluntarily for the purposes of solvent amalgamation or reconstruction), or if an administrator, administrative receiver or receiver is appointed in respect of the whole or any part of the assets or business of the Participant, a Sponsored Client or a holding company thereof, or if the Participant makes any composition with its creditors or takes or suffers any similar or analogous action in consequence of debt (or equivalent action is taken in relation to the Participant, a Sponsored Client or a holding company thereof in any other jurisdiction);

1.5.1.2. the commencement of enforcement or other proceedings whether before any court or tribunal by any Regulator to the extent that such action or proceedings could impair, restrict or prevent the Participant or a Sponsored Client complying with the Rules, Participant Manual, Sponsored Access Addendum (as applicable) save to the extent that such notification or disclosure is prohibited by law or any relevant Regulator;

1.5.1.3. it becoming aware that the Participant or a Sponsored Client is in breach of the Rules, Participant Manual, Sponsored Access Addendum (as applicable) and such breach may impair the integrity of a Cboe NL Market.

1.5.2.A Participant shall notify Cboe NL as soon as possible on the occurrence of any of the following in relation to it (or where relevant, its Sponsored Clients or any holding company of the Participant or a Sponsored Client):

1.5.2.1. any proposed change in the name, registered office, or status of the Participant, a Sponsored Client or a holding company thereof or the business name under which it carries on business;

1.5.2.2. any significant changes in the Officers of the Participant, a Sponsored Client or a holding company thereof, including but not limited to the Trading Profile Contacts;



- 1.5.2.3. any Change of Control of the Participant, a Sponsored Client or a holding company thereof;
- 1.5.2.4. the Participant becoming aware that the Participant, a Sponsored Client or a holding company thereof is in breach of the Rules unless such a breach may impair the integrity of a Cboe NL Market (in which case immediate notification is required in accordance with Rule 1.5.1.3);
- 1.5.2.5. any other significant activities or events which the Participant reasonably believes is necessary to bring to the attention of Cboe NL.

## 1.6. Rules of Fair Practice

- 1.6.1. No Participant shall engage in any conduct which damages, or is likely to damage, the fairness or integrity of a Cboe NL Market, is intended or designed to or results in the creation of a false or misleading impression as to the market in or price of any Security or Derivative or effect a transaction in, or induce the purchase or sale of, any Security or Derivative by means of any manipulative, deceptive or other fraudulent device or contrivance.
- 1.6.2. No Participant or Applicant or any of its Officers shall make any false or misleading statements or representations to Cboe NL in any application, report or other communication.

## 1.7. Suspension, Sanctions and Termination

- 1.7.1. If it appears to Cboe NL that a Participant (or any person acting in the name of the Participant):
  - 1.7.1.1. has failed to pay any dues, fees, assessments, charges or other amounts due to Cboe NL within sixty (60) calendar days after the same has become payable;
  - 1.7.1.2. is in breach of the Rules;
  - 1.7.1.3. is subject to enforcement or other proceedings by a Regulator which could impair, restrict or prevent the Participant's compliance with the Rules;
  - 1.7.1.4. is in such financial condition that Cboe NL reasonably considers that it would not be prudent to permit it to continue trading on a Cboe NL Market; or
  - 1.7.1.5. engages (or is suspected of engaging) in any activity or conduct which has or is likely to impair the functionality, speed or reliability of a Cboe NL Market or

compromise, impair, restrict or prevent the ability of Cboe NL to operate a fair and orderly market;

- 1.7.1.6. is unable to settle any Cboe NL Transaction or appears likely to become unable to settle Cboe NL Transactions;

Cboe NL may in its absolute discretion give a written warning, suspend or terminate the participation of a Participant or restrict the Participant's right to place Orders or to receive information from a Cboe NL Market.

- 1.7.2. Cboe NL will notify a Participant of its decision to suspend, terminate or restrict the Participant's participation as soon as is reasonably practicable.

- 1.7.3. A Participant may terminate its participation in a Cboe NL Market by giving Cboe NL at least thirty (30) calendar days written notice.

- 1.7.4. Cboe NL may, in its absolute discretion, refuse to accept notice of termination in the event that Cboe NL considers there is an outstanding matter concerning the Participant that is subject to an ongoing investigation.

- 1.7.5. A Participant will remain subject to the Rules notwithstanding the termination of its participation for a period of one year after termination. A Participant will remain responsible for its acts and omissions during any period of participation on a Cboe NL Market.

## 1.8. Information

- 1.8.1. A Participant must retain a record of each transaction executed on or through a Cboe NL Market for at least five (5) years.

- 1.8.2. A Participant shall furnish to Cboe NL, upon request within such reasonable time and in such manner or format as Cboe NL may require, any records, files, or financial information directly pertaining to transactions executed on or through a Cboe NL Market (save to the extent that such disclosure is prohibited by law or any relevant Regulator).

- 1.8.3. Cboe NL may disclose information and documents received from a Participant and any other relevant information to any Regulator for any purpose including (without limit) enabling any Regulator to commence or pursue any investigation or enquiry or institute, continue, or defend any proceedings. Cboe NL may also disclose information and documents to co-operate, by the sharing of information and documents and otherwise,

with any regulated exchange having responsibility for the supervision or regulation of any regulated activity or other financial service or for law enforcement purposes.

## 1.9. Complaints by Participants

1.9.1. Cboe NL will consider and respond to complaints by any Participant relating to the operation of a Cboe NL Market by Cboe NL. Cboe NL will also consider and respond to complaints about the conduct of Participants. Any complaint shall be made in writing as detailed in the Participant Manual.

1.9.2. If the complaint relates to the conduct of a Participant, then the disciplinary process set out under Rule 1.10 will be followed.

## 1.10. Discipline

1.10.1. Where Cboe NL believes that a Participant or an Issuer has breached or is in breach of the Rules, or receives a complaint about the conduct of a Participant, an initial investigation will be conducted by Cboe NL market supervision staff and an executive committee will be established in accordance with Rule 1.10.8 to consider the findings of the investigation ("the Disciplinary Committee"). If the investigation requires access to a Participant or Issuer's records, or interviews with a Participant or Issuer's staff, the Participant or Issuer must grant such access. Cboe NL may also request further information from the complainant.

1.10.2. Upon completion of its investigation, Cboe NL will provide a written summary of its findings for the Participant's or Issuer's review. The Participant or Issuer will have ten (10) Working Days to respond to the findings beginning on the day on which the findings are notified to the Participant or Issuer.

1.10.3. A Participant or Issuer may apply to initiate settlement proceedings during this ten (10) Working Day period.

1.10.4. If the Participant or Issuer that is alleged to have breached the rules and Cboe NL can agree the terms of a settlement, those terms will be presented to the Disciplinary Committee for approval.

1.10.5. If agreed by the Disciplinary Committee, the terms of the agreed settlement shall take immediate effect.

- 1.10.6. If a Participant or Issuer wishes to dispute the findings, it must submit a written response by the end of the ten (10) Working Day period, including any evidence it believes relevant.
- 1.10.7. Cboe NL will review any evidence presented and, if appropriate, will amend its summary of findings. If Cboe NL concludes that there is still evidence of a breach of its Rules it will present the summary of findings to the Disciplinary Committee. A Participant or Issuer may make a written submission to the Disciplinary Committee regarding Cboe NL's summary of findings.
- 1.10.8. The Disciplinary Committee will be comprised of three senior members of Cboe NL staff, including the President or his/her deputy, but will not include staff that have been directly involved in the investigation. The Disciplinary Committee will provide its conclusions in writing to the Participant or Issuer.
- 1.10.9. Where the Disciplinary Committee concludes that there has been a breach of the Rules it may impose a sanction or sanctions. Available sanctions are:
- 1.10.9.1. private warning as to the Participant or Issuer's conduct;
  - 1.10.9.2. public warning as to the Participant or Issuer's conduct;
  - 1.10.9.3. financial penalty;
  - 1.10.9.4. suspension of a Participant's access to Cboe NL;
  - 1.10.9.5. suspension of admission to trading of an Issuer's securities on Cboe NL RM Equities;
  - 1.10.9.6. termination of access to Cboe NL; and
  - 1.10.9.7. cancellation of the admission of an Issuer's securities to trading on Cboe NL RM Equities.
- 1.10.10. The standard of proof that will be applied to any Disciplinary Proceedings brought under these Rules will be the civil standard of proof. Accordingly the weight of evidence required will vary according to the seriousness of the alleged breach.
- 1.10.11. The Disciplinary Committee may require a Participant or Issuer to pay costs as it sees fit, including the costs of the investigation and any administrative costs incurred in convening the Disciplinary Committee and any legal or professional advice required.

- 1.10.12. The Disciplinary Committee may refer the conduct of a Participant or any other natural or legal person that has been considered during the investigation to other appropriate authorities for possible action or further investigation.
- 1.10.13. A Participant or Issuer may appeal the decision of the Disciplinary Committee. Such appeal must be made in writing within ten (10) Working Days. The appeal shall be based on one of the following grounds: (i) that the sanction imposed is excessive; (ii) that not all relevant evidence was considered by the Disciplinary Committee; or (iii) that the Disciplinary Committee misdirected itself or did not follow its own procedures correctly. Appeals will be heard within two months of receipt of the written notice of appeal.
- 1.10.14. Appeals will be heard by a committee appointed by the Board of Cboe NL for that purpose (the “Appeal Committee”). The committee will be chaired by the non-executive director of Cboe NL and two senior market practitioners that are not directors or officers of Cboe NL. The Participant or Issuer that has made the appeal will be notified of the membership of the Appeal Committee and may object to the appointment of an Appeal Committee member upon reasonable grounds within ten (10) Working Days of being notified.
- 1.10.15. The Appeal Committee may conduct proceedings at the hearing as it deems appropriate. The Participant or Issuer making the appeal will be made aware of the format of the proceedings prior to the meeting and may provide a written submission to the Appeal Committee and, along with Cboe NL staff, may attend the hearing.
- 1.10.16. Having considered any evidence submitted and the facts surrounding the original investigation the Appeal Committee may:
- 1.10.16.1. dismiss or allow the appeal;
  - 1.10.16.2. amend the decision of the Disciplinary Committee with respect to finding or sanction; and
  - 1.10.16.3. substitute its own finding or sanction.
- 1.10.17. Decisions of the Appeal Committee are made by simple majority. An explanation of the decision will be provided to the Participant or Issuer making the appeal and to Cboe NL.
- 1.10.18. The Appeal Committee may require a party to pay costs as it sees fit, including the costs of the appeal and any administrative costs incurred in convening the Appeal Committee and the costs of any legal or professional advice required.

1.10.19. The proceedings of the Appeal Committee and any hearings conducted will be confidential unless the Appeal Committee concludes that any aspect, including its final decision, should be made public.

1.10.20. Any decision of the Appeal Committee shall be final.

1.10.21. In addition to the formal disciplinary proceedings described in Rules 18.1 to 18.13 above, Cboe NL may impose fixed penalty regimes for minor breaches of its rules from time to time. These will be notified by Participant Notice.

1.10.22. Where the Disciplinary process was initiated by a complaint, upon its completion, Cboe NL will write to the complainant to confirm that the matter has been resolved. Subject to confidentiality, Cboe NL may make details of the outcome known to the complainant if appropriate.

1.10.23. Cboe NL will consult Participants on its policy for the use of penalty income.

## 1.11. Amendments to the Rules

1.11.1. The Rules may be amended or extended by Cboe NL at any time. Amendments to the Rules shall not be retrospective unless required by any Regulator or by law.

1.11.2. All amendments to the Rules will be notified to Participants by Participant Notice and shall have effect at such time as may be specified in the relevant Participant Notice. Except where it is essential to make a change to the rules without delay in order to ensure an orderly market, continued compliance with Cboe NL's regulatory obligations or other legal obligations, Cboe NL will consult Participants on all Material Amendments to the Rules. The minimum period of consultation will be ten (10) working days during which Participants can provide feedback on the proposed Material Amendment. Cboe NL will provide not less than ten (10) working days' notice of the implementation of any Material Amendment following the end of the consultation period.

## 1.12. General

1.12.1. Cboe NL is authorised as an operator of a Regulated Market and supervised by the AFM.

1.12.2. The Rules are governed by and shall be interpreted in accordance with the laws of the Netherlands.

## Chapter 2: Trading and admission rules for Securities

### 2.1. Liquidity Provider Program

- 2.1.1. Provided that a relevant Liquidity Provider Program Addendum has been entered into and has not been terminated, Cboe NL will recognise the Participant as a Liquidity Provider on the Cboe NL Equities MTF and RM where it continues to satisfy the requirements of the Liquidity Provider Program, which are set out in the Participant Manual.
- 2.1.2. In a manner prescribed by Cboe NL, a Liquidity Provider must designate its intention to act as a Liquidity Provider on a per Security basis (each Security so designated, a **Relevant Security**). A Liquidity Provider that designates a Security pursuant to the program agrees to provide liquidity as required by the Liquidity Provider Program for a minimum term of thirty (30) calendar days (**Minimum Term**). Subject to the Minimum Term, a Liquidity Provider may voluntarily withdraw its status as a Liquidity Provider in one or more Relevant Security(ies) in a manner prescribed by Cboe NL.
- 2.1.3. Only orders for a Participant's own account using proprietary capital qualify for the Liquidity Provider Program. A Participant is required to be able to separately identify to Cboe NL those Orders that are Orders qualifying for the Liquidity Provider Program.
- 2.1.4. If Cboe NL determines that there has been any failure by a Liquidity Provider to comply with the requirements of Liquidity Provider Program One or Two during a calendar month, such Liquidity Provider will be notified of such failure and required to provide Cboe NL with an explanation for such failure. A Participant's failure to quote in accordance with the requirements of the Liquidity Provider Program for two (2) consecutive calendar months without any mitigating circumstances will result in suspension of the Participant's recognition by Cboe NL as a Liquidity Provider in each of the Relevant Security(ies) in which such Participant did not meet such requirements. Such suspension, in Cboe NL's absolute discretion, can be applied to a Liquidity Provider's status in all Relevant Securities. A Liquidity Provider suspended from the Liquidity Provider Program cannot re-register to act as a Liquidity Provider for such suspended securities for at least thirty (30) calendar days following such suspension being issued.
- 2.1.5. If Cboe NL determines that there has been any failure by a Liquidity Provider to comply with the requirements of Liquidity Provider Program Three during a calendar month, such Liquidity Provider will be notified of such failure and required to provide Cboe NL with an explanation for such failure. A Participant's failure to quote in accordance with the
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requirements of Liquidity Provider Program Three for two (2) consecutive calendar months without any mitigating circumstances will result in a fixed penalty fine (please see Cboe NL's Disciplinary Policy.)

2.1.6.A Liquidity Provider may voluntarily terminate its status as a Liquidity Provider by providing Cboe NL with a written notice of such termination. Notifications should be made to Cboe NL Participant Services by e-mail or at Cboe NL's registered office.

2.1.7.Cboe NL may from time to time vary the requirements of an existing Liquidity Provider Program and may introduce new Liquidity Provider Programs, the details of which will be set out in the Participant Manual. Where the requirements set out in the Participant Manual differ from the requirements set out in this Rule 6, the requirements in the Participant Manual shall take precedence.

## 2.2. Trading Rules

2.2.1.The hours of operation of Cboe NL RM and MTF Equities will be determined by Cboe NL and notified to Participants from time to time.

2.2.2.A Participant may submit, amend, or cancel their own Orders or enter into transactions with other Participants during the times specified by Cboe NL. Continuous matching of Orders will take place during the trading hours for each Security notified to Participants by Cboe NL. Opening and closing auctions will also be held in certain Securities as specified by Cboe NL. Where an opening auction is held, continuous trading will commence once the auction has uncrossed. Closing auctions will take place after continuous trading has ceased.

2.2.3.When an Order is executed (unless broken by Cboe NL in accordance with the Rules and the Participant Manual) a binding contract will immediately arise between the parties for the sale and purchase of such number or amount of the Security in question at the price displayed. The time of the trade will be the time at which details of the transaction are confirmed. Trades published in as near to real time as possible.

2.2.4.When a Negotiated Transaction is agreed by a Participant or between Participants (unless broken by Cboe NL in accordance with the Rules and the Participant Manual) a binding contract will immediately arise between the parties for the sale and purchase of such number or amount of the Security in question at the price agreed. The time of the Negotiated Transaction will be the time at which the details of the transaction, including price, size and instrument, are agreed by the counterparties to the Transaction.



- 2.2.5. The Order and Negotiated Transaction types that may be submitted to the Cboe NL RM and MTF Equities are described in the Participant Manual.
- 2.2.6. Any applicable minimum order sizes and tick sizes are detailed in the Participant Manual.
- 2.2.7. All Orders are firm and available for execution on the Cboe NL RM and MTF Equities in accordance with the terms of the Order.
- 2.2.8. All trading on an Integrated or Dark Book is subject to an Order to Trade Ratio policy as detailed in the Participant Manual.
- 2.2.9. All Orders should identify relevant parties and provide trading capacity information as set out in rows 1, 3, 4, 5, 7 and 8 of Table 2 of the Annex to Commission Delegated Regulation (EU) 2017/580 ("RTS 24"). Orders submitted via Direct Electronic Access must be flagged in accordance with Rule 3.1. This information must be provided in a format specified by Cboe NL.
- 2.2.10. Cboe NL may refuse to accept an Order or Negotiated Transaction or if it has accepted an Order or Negotiated Transaction shall have the right to cancel that Order or Negotiated Transaction if Cboe NL believes that the Order or Negotiated Transaction is erroneous, invalid, manipulative, deceptive or fraudulent or that such action is necessary in order to preserve the orderliness and integrity of the Cboe NL RM and MTF Equities .
- 2.2.11. Any Orders in a Security suspended by a Regulator shall be cancelled and any transactions in the Security executed on or after the receipt of a notice of suspension by Cboe NL from the relevant Regulator shall be broken. All Orders in any Security suspended by the Listing Market may be cancelled by Cboe NL who may also break any transaction executed by a Participant on or after the first announcement of such suspension by the relevant Listing Market. The relevant Participants shall be promptly notified of Cboe NL's determination which shall be final and binding on all Participants.
- 2.2.12. A Participant which reasonably believes that a transaction was executed as a result of an erroneously submitted Order or Negotiated Transaction may request that Cboe NL review the transaction as set out in the Participant Manual.
- 2.2.13. Cboe NL may review any transaction which it reasonably believes was executed as a result of an erroneously submitted Order or Negotiated Transaction irrespective of whether any parties to the transaction have requested Cboe NL to review the transaction. In initiating a review of such Orders or Negotiated Transactions, Cboe NL will consider a number of factors including without limit whether the price at which the Order or Negotiated Transaction in question was executed or accepted was significantly different
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from the last price at which transactions in the relevant Security were executed on the Listing Market or any other execution venues.

2.2.14. In relation to Rules 2.2.12 and 2.2.13, Cboe NL shall review each transaction in question to determine whether it is clearly erroneous, with a view to maintaining a fair and orderly market and the protection of investors and the public interest. If Cboe NL determines that the transaction in question is not clearly erroneous, Cboe NL shall notify, where relevant, all of the parties to the transaction of its determination and take no further action. If Cboe NL determines that the transaction in question is clearly erroneous, Cboe NL may break the transaction and notify, where relevant, all of the parties to the transaction.

2.2.15. Notwithstanding Rules 2.2.10, 2.2.11 and 2.2.12, where a Participant is both the buyer and seller of a Negotiated Transaction that has been submitted using an Exchange Trade Report, the Participant may request that the transaction is cancelled, or details of the transaction are amended, subject to the conditions for cancellation and amendments set out in the Participant Manual.

2.2.16. In the event of any Market Disruption, Cboe NL may for the maintenance of a fair and orderly market and the protection of investors (with or without prior notice to Participants):

2.2.16.1. cease or suspend the operation of the Cboe NL RM and MTF Equities in whole or in part; and/or

2.2.16.2. cancel all outstanding Orders; and/or

2.2.16.3. break all transactions arising out of the use or operation of a Cboe NL Market during such period of Market Disruption.

Any such action of Cboe NL pursuant to Rule 2.2.16.3 shall be taken as promptly as practicable. Each Participant involved in any transaction so effected shall be notified as soon as practicable.

2.2.17. When a Participant concludes a transaction in a Cboe NL Listed Security away from the Cboe NL RM Equities Dark Books or Integrated Books, it must report the details of that transaction to Cboe NL as a Negotiated or Large in Scale Transaction or make details of the transaction public via a trade reporting venue that has equivalent or greater post trade transparency than Cboe NL imposes for that security.

## 2.3. Cboe BIDS Europe

- 2.3.1. Cboe BIDS Europe Users are permitted to submit Actionable IOIs to Cboe BIDS Europe, provided that they have been approved by a Designated Broker or Introducing Broker. An Introducing Broker must have been approved and have a relationship with a Designated Broker. The Designated Broker shall act as a trade guarantor for the Cboe BIDS Europe User or Introducing Broker as set out in the Designated Broker Addendum. Direct Cboe BIDS Europe Brokers may also submit Actionable IOIs to the Cboe BIDS Europe Service.
- 2.3.2. In order to meet the investment objectives of Users, Cboe BIDS Europe offers the ability to submit two types of Actionable IOIs, which can be categorised as standard IOIs and directed IOIs (“DIOIs”). The provision of these alternate IOI mechanisms provides Users with the option of targeting all potential recipients of an IOI, or in the case of a DIOI a subset of potential recipients based on the User’s bespoke investment objectives for a particular transaction.
- 2.3.3. Any receipt of a DIOI will be subject to the recipient having a live trading interest in the security in question, and in accordance with scorecard filtering. A full description of all Actionable IOI functionality can be found in our Large in Scale Service Description document on our website.
- 2.3.4. Cboe BIDS Europe Users are reminded that the targeting of recipients of DIOIs must be done so based on an objective selection criteria in accordance with their obligations to take all sufficient steps, when executing orders, to obtain the best possible result for clients. Such criteria would include but are not limited to price, size, costs, speed and likelihood of execution and settlement. Where there is a specific execution instruction from a client, Cboe BIDS Europe Users shall execute orders in accordance with those instructions.
- 2.3.5. Cboe will perform surveillance and monitoring to ensure Cboe BIDS Europe Users utilise DIOI functionality in accordance with the above requirements.
- 2.3.6. Cboe reserves the right to refuse an application to use the Cboe BIDS Europe Service, or suspend a Cboe BIDS Europe User, in its absolute discretion and without assigning any reason.
- 2.3.7. Transactions that are negotiated via Cboe BIDS Europe are Large in Scale Transactions and are subject to Section 2.5 of the Rule Book.

## 2.4. Negotiated Transactions

2.4.1. Cboe NL will permit a Participant or Participants to bring a transaction (a “Negotiated Transaction”) which has not been executed on an order book operated by Cboe NL within the Rules, subject to compliance with the following:

- 2.4.1.1. the transaction relates to a share, a depositary receipt or an ETF; and
- 2.4.1.2. the transaction is negotiated privately and, by agreement, is subject to the Rules; and
- 2.4.1.3. details of the transaction are notified to Cboe NL in an Exchange Trade Report, in a Matching Exchange Trade Report or in such form as Cboe NL may in its absolute discretion specify or agree from time to time and the transaction is flagged as a Negotiated Transaction; and
- 2.4.1.4. the transaction is:
  - a) priced at or within the current Cboe NL Volume Weighted Spread; or
  - b) in a Security for which there is not a Liquid Market and where there is no Cboe NL Volume Weighted Spread and:
    - a. is priced at or within 20% greater than the highest transaction price and 20% less than the lowest transaction price on Cboe NL for that Security on that day; or
    - b. where no transaction has been executed on Cboe NL in that Security on that day, is priced at or within 20% of the Cboe NL Closing Price on the previous day; or
  - c) subject to conditions other than the current market price of the Security as set out in paragraphs (a), (b), (c), (e) or (j) of Article 6 of RTS 1 and has been identified as such in an Exchange Trade Report. Participants must notify Cboe NL and receive its approval prior to conducting Negotiated Transactions that are subject to conditions other than current market price. The notification must set out how the proposed activity will comply with Article 6 of RTS 1.

2.4.2. A Negotiated Transaction must be notified to Cboe NL in as near to real time as possible and, for trades conducted between Official Market Open and Official Market Close, no more

than one (1) minute after the time of agreement. Negotiated Transactions that are agreed after Official Market Close must be notified to Cboe NL before the next Official Market Open.

2.4.3. Where a Negotiated Transaction that is notified to Cboe NL using an Exchange Trade Report is between two Participants then, unless agreed otherwise by the Participants, the selling Participant will be responsible for the submission of the Exchange Trade Report.

2.4.4. Where a Negotiated Transaction has been negotiated by an Arranger, the Arranger will be responsible for the submission of the Exchange Trade Report.

2.4.5. Where Participants have agreed to report a Negotiated Transaction using a Matching Exchange Trade Report then the selling Participant will be responsible for the submission of the Matching Exchange Trade Report and the buying Participant will be responsible for the submission of the Matching Confirmation. Both the Report and Confirmation must be provided to Cboe NL in accordance with Rule 12.2.

2.4.6. Where a Negotiated Transaction is between a Participant dealing on own account and a client of that Participant, the Participant may request that publication of the transaction be delayed. If the transaction meets the size criteria set out in the Participant Manual, Cboe NL will apply the appropriate delay prior to publication.

2.4.7. Any Negotiated Transaction that meets the “Large in Scale” (LIS) waiver criteria will be considered as a Large in Scale Transaction under Section 2.4 of the Rules.

## 2.5. Large in Scale Transactions

2.5.1. Cboe NL will allow Large in Scale Transactions In a Security which is a share admitted to trading on a Regulated Market where a Participant or Participants bring a Large in Scale Transaction which has not been executed on an order book operated by Cboe NL within the Rules, subject to compliance with the following:

2.5.1.1. the transaction relates to a Security; and

2.5.1.2. the transaction is negotiated privately and, by agreement, is subject to the Rules; and

2.5.1.3. details of the transaction are notified to Cboe NL in an Exchange Trade Report, in a Matching Exchange Trade Report or in such form as Cboe NL may in its absolute discretion specify or agree from time to time and the transaction is flagged as a negotiated Large in Scale Transaction

2.5.1.4. the transaction has been negotiated via the Cboe BIDS Europe Service

2.5.1.5. A Large in Scale Transaction that has not been negotiated via the Cboe BIDS Europe Service must be notified to Cboe NL in as near to real time as possible and no more than one (1) minutes after the time of agreement.

2.5.2. Where a Large in Scale Transaction that is notified to Cboe NL using an Exchange Trade Report is between two Participants then, unless agreed otherwise by the Participants, the selling Participant will be responsible for the submission of the Exchange Trade Report.

2.5.3. Where a Large in Scale Transaction has been negotiated by an Arranger, the Arranger will be responsible for the submission of the Exchange Trade Report.

2.5.4. Where Participants have agreed to report a Large in Scale Transaction using a Matching Exchange Trade Report then the selling Participant will be responsible for the submission of the Matching Exchange Trade Report and the buying Participant will be responsible for the submission of the Matching Confirmation.

2.5.5. Where a Large in Scale Transaction is between a Participant dealing on own account and a client of that Participant, the Participant may request that publication of the transaction be delayed. If the transaction meets the size criteria set out in the Participant Manual, Cboe NL will apply the appropriate delay prior to publication.

## 2.6. Admission, Removal and Suspension of Cboe NL Traded Securities

2.6.1. Cboe NL admits Cboe NL Traded Securities to trading on the Cboe NL MTF Equities where they have first been listed or admitted to trading or are under an application to be listed by or admitted to trading on an EEA or equivalent trading venue and are deemed eligible for trading on the Cboe NL MTF. The admission of a Cboe NL Traded Security to or removal from trading on the Cboe NL MTF Equities is at the discretion of Cboe NL and the admission or removal of any Cboe NL Traded Security from trading shall be communicated by a Trade Desk Notice.

2.6.2. Cboe NL will suspend trading in any Cboe NL Traded Security if instructed to do so by a Regulator, and may suspend trading in a Cboe NL Traded Security if Cboe NL (in its absolute discretion) deems it necessary for the maintenance of a fair and orderly market including (without limit) where there is a suspension of trading on the relevant Listing Market.

## 2.7. Corporate Actions in Cboe NL Traded Securities

2.7.1.A Participant shall treat a Cboe NL Traded Security as being ‘ex’ a benefit from the time that Security is marked ‘ex’ that benefit on the Listing Market.

2.7.2.Cboe NL will take no responsibility for marking a Cboe NL Traded Security as ‘ex’ or ‘cum’ a benefit on the Cboe NL MTF Equities.

2.7.3.The responsibility for accurately pricing a Cboe NL Traded Security undergoing a corporate action is solely with the Participant.

## 2.8. Rules for Issuers Seeking Admission to Cboe NL RM Equities

2.8.1.An application for admission to trading of any class of securities on the Cboe NL RM Equities must:

2.8.1.1. relate to all securities of that class, issued or proposed to be issued; or

2.8.1.2. if securities of that class are already admitted to trading on the Cboe NL RM Equities, relate to all further securities of that class, issued or proposed to be issued.

2.8.2.In order to have its securities considered for admission on the Cboe NL RM Equities, an Issuer must:

2.8.2.1. be in compliance with the rules and requirements of a Competent Authority by which it is regulated and any trading platform on which it has securities admitted to trading;

2.8.2.2. meet the criteria set out in the Rules;

2.8.2.3. identify a contact, either within the issuer’s organisation, or at a nominated adviser, who will be responsible for all communications between Cboe NL and the Issuer; and

2.8.2.4. ensure that all information provided in connection with the application for admission to trading is in all respects accurate, complete and not misleading.

2.8.3.All securities for which application for admission is being made must be:

2.8.3.1. freely negotiable;

2.8.3.2. capable of being traded in a fair, orderly and efficient manner;

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2.8.3.3. admitted to listing by an EEA competent authority at the time of admission;  
and

2.8.3.4. eligible for electronic settlement and clearing by a Central Counterparty.

2.8.4. The Issuer must contact Cboe NL no later than ten (10) Business Days before the application is to be considered to agree a timetable for admission.

## 2.9. Application for admission to Cboe NL RM Equities

2.9.1. For new admissions, Issuers should submit a completed Issuer Admission Form along with a draft Prospectus at least eleven (11) Business Days prior to the desired date of admission.

2.9.2. The final form and approved prospectus, along with any Supplement relating to the issue must be provided three (3) Business Days prior to the desired date of admission.

2.9.3. The application will be considered provisional until the approved prospectus has been submitted.

2.9.4. For further issues, a completed Issuer Admission Form, and Prospectus (if required) should be submitted two (2) Business Days prior to the desired date of admission.

2.9.5. The following must be provided, in addition to the details required under Rules 2.8.1 and 2.8.2, eleven (11) Business Days prior to admission:

2.9.5.1. written confirmation that the security or ETF is listed by an EEA competent authority;

2.9.5.2. if relevant, confirmation of UCITS compliance by the home competent authority; and

2.9.5.3. if relevant, confirmation of Recognition of the fund by AFM.

2.9.6. Cboe NL will consider and conclude upon the application for admission on the Business Day before that on which admission is requested.

## 2.10. Continuing Obligations for Issuers

2.10.1. Issuers must at all times be in compliance with:

2.10.1.1. their obligations, including all disclosure and transparency requirements, as imposed by the Competent Authority with whom their securities have been listed;



2.10.1.2. any obligations imposed on them by any trading platform to which their securities have been admitted to trading.

2.10.2. Whether or not required by its competent authority, an Issuer must notify a Regulated Information Service of:

2.10.3. all circulars, notices, reports or other disclosures required by the competent authority at the same time as they are issued. If the full text of the document is not published via the Regulated Information Service, then the notification must include details of where the full text can be obtained; and

2.10.4. the number of outstanding securities and the Net Asset Value per security. This notification must be made on a daily basis.

2.10.5. Issuers must immediately notify Cboe NL of any changes to the information provided in the Issuer Application Form or to that included in the approved Prospectus if one was submitted.

2.10.6. Issuers or their representatives must respond promptly to any request for information that Cboe NL may make in order to assess compliance with these Rules, or to assess Cboe NL's ability to operate a fair and orderly market in the Issuer's securities.

2.10.7. All securities must continue to be eligible for electronic settlement, as set out in Rule 2.7.3.4.

## 2.11. Corporate Actions by Issuers

2.11.1. Issuers must provide Cboe NL with a timetable for any corporate action that will have an impact on the rights of holders of its securities unless Rule 2.10.5 applies. The timetable must be received two (2) Business Days before the action is to be effective.

2.11.2. Cboe NL may require amendments to the timetable, as and when considered necessary. Cboe NL will liaise with the Issuer and its advisors as appropriate.

2.11.3. A timetable which has not been cleared in advance with Cboe NL but which has been publicly announced may be subject to change if required by Cboe NL. If this situation occurs a further correcting announcement must be made.

2.11.4. Any proposed amendments to a timetable, including amendment to the publication details of any announcement, must be immediately notified to Cboe NL.

2.11.5. Issuers need not notify Cboe NL of the timetable for dividend payments provided that they follow the dividend payment timetable that is published from time to time by Cboe NL. When announcing the dividend, issuers must include the following information:

2.11.5.1. the amount of the dividend (should state whether the dividend is net or gross); and

2.11.5.2. the record and payment dates.

2.11.6. Where an Issuer intends to depart from the timetable mentioned in Rule 2.10.5 any alternative timetable must be agreed in advance with Cboe NL.

2.11.7. Any request for an amendment to an existing Security, must also be made to the relevant Competent Authority. Amendments can only proceed once the Issuer provides confirmation of approval of the amendment to Cboe NL.

## 2.12. Suspension, Cancellation and Restoration of Admission to Trading of securities on the Cboe NL RM Equities and Discipline

2.12.1. Cboe NL will suspend the admission to and trading of any Securities on the Cboe NL RM Equities if:

2.12.1.1. the listing of the Securities is suspended at the request of a Regulator or EEA Competent Authority;

2.12.1.2. the issuer and/or the instrument is not in compliance with all relevant registration, listing or other regulatory requirements;

2.12.1.3. Cboe NL believes that it cannot operate an orderly market in those Securities; and

2.12.1.4. at the Issuer's request.

2.12.2. Cboe NL will not suspend the admission and trading of any Security on the Cboe NL RM Equities that no longer complies with its rules, where to do so would be likely to cause significant damage to the interests of investors or the orderly functioning of the financial markets.

2.12.3. Any request by an Issuer to have its securities suspended must be submitted in writing by the issuer or its nominated representative. A request must also be made to the relevant

Competent Authority for suspension of listing. Suspension can only proceed once the Issuer provides confirmation of approval of the suspension to Cboe NL.

- 2.12.4. Where trading has been suspended, trading will only be resumed when Cboe NL believes that it will be able to operate an orderly market in those Securities and it has received confirmation by the Regulator or Competent Authority that the listing has been restored.
- 2.12.5. An Issuer must continue to comply with the Rules, even when admission of its Securities to trading is suspended, unless Cboe NL otherwise agrees.
- 2.12.6. Cboe NL will confirm all suspensions and restorations via Trade Desk Notice and by notifying a Regulated Information Service.
- 2.12.7. An Issuer may request the cancellation of the admission of its Securities in writing. Such notice must be provided twenty (20) Business Days prior to the date requested for the cancellation.
- 2.12.8. Cboe NL will confirm the cancellation via Trade Desk Notice and by notifying a Regulated Information Service. Cancellation will not be agreed to until an Issuer has confirmed that all relevant legal and regulatory obligations, including those arising under these rules, have been complied with.
- 2.12.9. Where Cboe NL believes that an Issuer is in breach of, or has breached, the Rules, a disciplinary investigation will be instigated in accordance with Section 1.10 of the Rules.

## 2.13. Clearing and Settlement

- 2.12.1. A Participant must, in respect of transactions executed on the Cboe NL Markets, settle all obligations in accordance with the rules and customs of the relevant settlement system pursuant to the Clearing Rules and any procedures established by a Central Counterparty.
- 2.12.2. Where agreed with Cboe NL that the trade will be suppressed from being sent to the Central Counterparty, a Participant must settle any obligations in accordance with the relevant settlement system. Trades may be suppressed where the Participant is the buyer and seller to that trade, and is acting under the same Clearing Authority and account type. Suppressed trades do not remove Participants' obligations to settle all transactions executed on Cboe NL.
- 2.12.3. Where the Participant is acting as agent for another party, and there is a failure to deliver securities and/or cash, the Participant will be bound as principal with the counterparty to the transaction.

- 2.12.4. The settlement due date for all transactions guaranteed by a Central Counterparty (ies) and executed on Cboe NL mirrors the settlement due date for transactions executed on the Listing Market, unless previously notified by Cboe NL.
- 2.12.5. A Participant shall ensure that Securities delivered in settlement of a transaction are free of any charge or encumbrance.
- 2.12.6. Cboe NL may postpone or extend a settlement period for all transactions or for transactions in specified Securities effected on a given day, indefinitely or for a specified period.
- 2.12.7. Unless agreed otherwise, a transaction in any Security shall be settled in the standard place of settlement for that Security, as published by Cboe NL and the Central Counterparty (ies) from time to time.
- 2.12.8. In case of settlement default by a Participant, or its Client, with regard to a transaction guaranteed by a Central Counterparty and executed on the Order Books, the Clearing Rules and procedures of the relevant Central Counterparty shall be followed.
- 2.12.9. Participants must ensure they have a valid and binding Clearing Authority in place at all times when trading on the Cboe NL Markets.

## Chapter 3: Trading and admission rules for Derivatives

### 3.1. Derivatives Liquidity Provider Program

- 3.1.1. Provided that a relevant Liquidity Provider Program Addendum has been entered into and has not been terminated, Cboe NL will recognise the Participant as a Liquidity Provider on Cboe NL RM Derivatives where it continues to satisfy the requirements of the Derivatives Liquidity Provider Program (**DLPP**) which is set out in the DLPP documentation.
- 3.1.2. In a manner prescribed by Cboe NL, a Liquidity Provider must designate its intention to act as a Liquidity Provider on a per Derivative basis (each Derivative so designated, a **Relevant Derivative**). A Liquidity Provider may voluntarily withdraw its status as a Liquidity Provider in one or more Relevant Derivative(s) in a manner prescribed by Cboe NL.
- 3.1.3. Only orders for a Participant's own account using proprietary capital qualify for the DLPP. A Participant is required to be able to separately identify to Cboe NL those Orders that are Orders qualifying for the DLPP.
- 3.1.4. If Cboe NL determines that there has been any failure by a Liquidity Provider to comply with the requirements of the DLPP during a calendar month, such Liquidity Provider will be notified of such failure and required to provide Cboe NL with an explanation for such failure. A Participant's failure to quote in accordance with the requirements of the DLPP for two (2) consecutive calendar months without any mitigating circumstances will result in suspension of the Participant's recognition by Cboe NL as a Liquidity Provider in each of the Relevant Derivative(s) in which such Participant did not meet such requirements. Such suspension, in Cboe NL's absolute discretion, can be applied to a Liquidity Provider's status in all Relevant Derivatives. A Liquidity Provider suspended from the DLPP cannot re-register to act as a Liquidity Provider for such suspended Derivatives for at least thirty (30) calendar days following such suspension being issued.
- 3.1.5. A Liquidity Provider may voluntarily terminate its status as a Liquidity Provider by providing Cboe NL with a written notice of such termination. Notifications should be made to Cboe NL Participant Services by e-mail or at Cboe NL's registered office.
- 3.1.6. Cboe NL may from time to time vary the requirements of an existing Liquidity Provider Program and may introduce new Liquidity Provider Programs, the details of which will be set out in the DLPP documentation. Where the requirements set out in the DLPP documentation differ from the requirements set out in this Rule 3.1, the requirements in the DLPP documentation shall take precedence.

## 3.2. Trading Rules

3.2.1. The hours of operation of Cboe NL RM Derivatives will be determined by Cboe NL and notified to Participants from time to time.

3.2.2. A Participant may submit, amend, or cancel their own Orders or enter into transactions with other Participants during the times specified by Cboe NL. Continuous matching of Orders will take place during the trading hours for each Derivative notified to Participants by Cboe NL. Opening and closing auctions may also be held in certain Derivatives as specified by Cboe NL. Where an opening auction is held, continuous trading will commence once the auction has uncrossed. Closing auctions will take place after continuous trading has ceased.

3.2.3. A Participant may submit Orders in individual Derivatives in the Simple Books or in multiple Derivatives in the Complex Books. Once executed, transactions arising from Complex Book Orders will be published and cleared in the individual component Derivatives.

3.2.4. When an Order is executed (unless broken by Cboe NL in accordance with the Rules and the Participant Manual) a binding contract will immediately arise between the parties for the sale and purchase of such number or amount of the Derivative in question at the price displayed. The time of the trade will be the time at which details of the transaction are confirmed. Trades will be published in as near to real time as possible.

3.2.5. When a Block Trade is agreed by a Participant or between Participants (unless broken by Cboe NL in accordance with the Rules and the Participant Manual) a binding contract will immediately arise between the parties for the sale and purchase of such number or amount of the Derivative in question at the price agreed. The time of the Block Trade will be the time at which the details of the transaction, including price, size and instrument, are agreed by the counterparties to the Transaction.

3.2.6. The Order and Block Trade types that may be submitted to the Cboe NL Markets are described in the Trading Manual.

3.2.7. The minimum order size is 1 lot.

3.2.8. Applicable tick sizes are detailed in the relevant Contract Specification.

3.2.9. All Orders are firm and available for execution on the Cboe NL Markets in accordance with the terms of the Order.

- 3.2.10. All trading on a Simple Book or Complex Book is subject to an Order to Trade Ratio policy as detailed in the Participant Manual.
- 3.2.11. All Orders should identify relevant parties and provide trading capacity information as set out in rows 1, 3, 4, 5, 7 and 8 of Table 2 of the Annex to Commission Delegated Regulation (EU) 2017/580 ("RTS 24"). Orders submitted via Direct Electronic Access must be flagged in accordance with Rule 1.3.1. This information must be provided in a format specified by Cboe NL.
- 3.2.12. All Orders submitted to the Cboe NL RM Derivatives RM on behalf of a client must identify whether the Order is opening or closing a position.
- 3.2.13. Cboe NL may refuse to accept an Order or Block Trade or if it has accepted an Order or Block Trade shall have the right to cancel that Order or Block Trade if it believes that the Order or Block Trade is erroneous, invalid, manipulative, deceptive or fraudulent or that such action is necessary in order to preserve the orderliness and integrity of the Cboe NL Markets.
- 3.2.14. Any Orders in a suspended Derivative shall be cancelled and any transactions in suspended Derivatives shall be broken. The relevant Participants shall be promptly notified of Cboe NL's determination which shall be final and binding on all Participants.
- 3.2.15. A Participant which reasonably believes that a transaction was executed as a result of an erroneously submitted Order or Block Trade may request that Cboe NL review the transaction as set out in the Participant Manual.
- 3.2.16. Cboe NL may review any transaction which it reasonably believes was executed as a result of an erroneously submitted Order or Block Trade irrespective of whether any parties to the transaction have requested Cboe NL to review the transaction. In initiating a review of such Orders or Block Trades, Cboe NL will consider a number of factors including without limit whether the price at which the Order or Block Trade in question was executed or accepted was significantly different from the price that might be expected given the value of the underlying index or instrument.
- 3.2.17. In relation to Rules 3.2.15 and 3.2.16, Cboe NL shall review each transaction in question to determine whether it is clearly erroneous, with a view to maintaining a fair and orderly market and the protection of investors. If Cboe NL determines, in its absolute discretion, that the transaction in question is not clearly erroneous, Cboe NL shall notify the party or parties to the transaction of its determination and take no further action. If Cboe NL

determines, in its absolute discretion, that the transaction in question is clearly erroneous, Cboe NL may break the transaction and notify the party or parties to the transaction.

3.2.18. Notwithstanding Rules 3.2.15, 3.2.16 and 3.2.17, where a Participant is both the buyer and seller of a Block Trade, the Participant may request that the transaction is cancelled, or details of the transaction are amended, subject to the conditions for cancellation and amendments set out in the Participant Manual.

3.2.19. In the event of any Market Disruption, Cboe NL may, in its absolute discretion, take the following actions for the maintenance of a fair and orderly market and the protection of investors (with or without prior notice to Participants):

3.2.19.1. cease or suspend the operation of the Cboe NL Markets in whole or in part; and/or

3.2.19.2. cancel all outstanding Orders; and/or

3.2.19.3. break all transactions arising out of the use or operation of a Cboe NL Market during such period of Market Disruption.

Any such action of Cboe NL pursuant to Rule 3.2.19.3 shall be taken as promptly as reasonably practicable. Each Participant involved in any transaction so affected shall be notified as soon as reasonably practicable.

### 3.3. Block Trades

3.3.1. Cboe NL will allow Block Trades in a Derivative which has not been executed on an order book operated by Cboe NL, subject to compliance with the following:

3.3.1.1. the transaction relates to a Derivative; and

3.3.1.2. the transaction is negotiated privately and, by agreement, is subject to the Rules;

3.3.1.3. details of the transaction are notified to Cboe NL in such form as Cboe NL may in its absolute discretion specify or agree from time to time; and

3.3.1.4. the transaction meets the minimum size criteria set out in paragraph 3.3.7.

3.3.2. The transaction must be notified to Cboe NL in as near to real time as possible and no more than fifteen (15) minutes after the time of agreement.



3.3.3. Where a Block Trade that is notified to Cboe NL is between two Participants then, unless agreed otherwise by the Participants, the selling Participant will be responsible for the submission of the notification.

3.3.4. Where a Block Trade is between a Participant dealing on own account and a client of that Participant, the Participant may request that publication of the transaction be delayed. If the transaction meets the size criteria set out in the Participant Manual, Cboe NL will apply the appropriate delay prior to publication.

3.3.5. The minimum sizes for Block Trades are detailed in the Contract Specifications.

## 3.4. Admission, Removal and Suspension of Derivatives

3.4.1. Cboe NL admits Derivatives to trading where Cboe NL has determined that the Derivative is capable of being traded in a fair, orderly and efficient manner in accordance with article 5 of Commission Delegated Regulation 2017/568 (RTS 17). The admission of a Derivative to or removal from trading on Cboe NL RM Derivatives is at the absolute discretion of Cboe NL and the admission or removal of any Derivative to/from trading shall be communicated on reasonable notice by a Trade Desk Notice.

3.4.2. Cboe NL will publish Contract Specifications detailing the terms of any Derivative admitted to trading.

3.4.3. Cboe NL may amend the Contract Specifications from time to time and such amendments shall be communicated on reasonable notice by a Trade Desk Notice. Cboe NL will not amend Contract Specifications for contracts when there are open positions, unless this is immaterial or in the interests of maintaining a fair and orderly market or in other exceptional circumstances.

3.4.4. Cboe NL may mark an options series 'closing only'. Generally an options series is marked 'closing only' when Cboe NL wishes to remove the options series from trading on Cboe NL RM Derivatives but there is still open interest remaining.

Cboe NL will suspend trading in any Derivative if instructed to do so by a Regulator, and may suspend trading in a Derivative if Cboe NL (in its absolute discretion) deems it necessary for the maintenance of a fair and orderly market.

### 3.5. Clearing and Settlement

- 3.5.1. A Participant must, in respect of transactions executed on Cboe NL RM Derivatives, clear and settle all obligations in accordance with the terms set out in the relevant Contract Specification and the rules and customs of the Central Counterparty. Transactions executed on Cboe NL RM Derivatives will be novated by the Central Counterparty subject to its rules.
- 3.5.2. A Participant must, in respect of transactions executed on Cboe NL RM Derivatives, provide all information that is necessary for submitting transactions to the Central Counterparty in a format prescribed by Cboe NL RM Derivatives.
- 3.5.3. Participants must ensure they have a valid and binding Clearing Authority in place at all times when trading on the Cboe NL RM Derivatives.
- 3.5.4. A Participant who is not a Direct Clearing Member or a General Clearing Member must post adequate collateral in relation to its margin liabilities with its General Clearing Member.
- 3.5.5. Participants must ensure that they have suitable contracts in place pursuant to which the Participant or its client, as the case may be, becomes the counterparty to a cleared derivative transaction on the Cboe NL RM Derivatives pursuant to clearing arrangements with a Central Counterparty either directly or through a General Clearing Member.
- 3.5.6. Where the Participant is acting as agent for another party, and there is a failure to give up/ take up the derivative contract, the Participant will be bound as principal with the counterparty to the transaction.
- 3.5.7. In case of settlement default by a Participant, or its Client, with regard to a transaction guaranteed by a Central Counterparty and executed on the Order Books, the Clearing Rules and procedures of the Central Counterparty shall be followed.

### 3.6. Corporate Actions

- 3.6.1. For index options and index futures, corporate actions are dealt with in accordance with the Cboe Europe Index Rules and Methodology which is available on the Cboe Europe Indices website.
- 3.6.2. For single stock options Cboe NL has established a corporate actions policy which describes how Cboe NL identifies corporate actions and how particular corporate actions

affect Contract Specifications. The corporate actions policy is available on the Website. Any adjustment of Contract Specifications as a result of corporate actions shall be communicated on reasonable notice by a Trade Desk Notice.

### 3.7. SEC No-Action Letter Representations

- 3.7.1. The US Securities and Exchange Commission ("SEC") issued a no-action letter that has permitted employees of Cboe NL and Participants to familiarise certain registered broker-dealers and large financial institutions in the United States ("Eligible Broker-Dealers/Eligible Institutions", as defined in Section 1.1) with certain options traded on Cboe NL ("Eligible Options", as defined in Section 1.1). A list of these options is available on the Website.
- 3.7.2. A Participant that is not an SEC registered broker-dealer may deal with an Eligible Institution only in accordance with Rule 15a-6 under the Exchange Act, principally through a US registered broker-dealer, as provided in Rule 15a-6. Before transacting in Eligible Options with an Eligible Broker-Dealer/Eligible Institution, Participants must obtain, and maintain a record of representations from such Eligible Broker-Dealer/Eligible Institution, signed by an appropriate officer, to the following effect:
- 3.7.3. It is an Eligible Broker-Dealer/Eligible Institution, and it (i) owns and invests on a discretionary basis a specified amount of eligible securities sufficient for it to be a qualified institutional buyer under Rule 144A under the Securities Act (and if a bank, savings and loan association, or other thrift institution, has net worth meeting the requirements of Rule 144A under the Securities Act), and (ii) has had prior actual experience in the US standardized options markets and as a result thereof has received the options disclosure document entitled "Characteristics and Risks of Standardized Options" (the "Options Disclosure Document" or "ODD") that is prepared by the Options Clearing Corporation and the US options exchanges.
- 3.7.4. Its transactions in Eligible Options will be for its own account or for the account of another Eligible Broker-Dealer/Eligible Institution or for the managed account of a non-US person within the meaning of Rule 902(k)(2)(i) of Regulation S under the Securities Act.
- 3.7.5. It will not transfer any interest or participation in an Eligible Option it has purchased or written to any other US person, or to any person in the United States, that is not an Eligible Broker-Dealer/Eligible Institution.
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- 3.7.6. It will cause any disposition of an Eligible Option it has purchased or written to be effected only on Cboe NL and settled on this exchange, and it understands that any required payments for premium, settlement, exercise, or closing of any Eligible Options with respect to which it has a contract with the Participant must be made in the designated currency.
- 3.7.7. It understands that if it has a contract as a writer of an Eligible Option with a Participant, margin must be provided to that Participant in such form and amount as determined by that Participant, and such Participant, if not a Direct Clearing Member or General Clearing Member, must provide margin to its General Clearing Member in such form and amount as determined by that General Clearing Member; and if a Direct Clearing member or Clearing Member, must maintain, measure, and deposit margin on such Eligible Option with the Central Counter Party, in such form and amount as determined by the Central Counterparty.
- 3.7.8. If it is an Eligible Broker-Dealer/Eligible Institution acting on behalf of another Eligible Broker-Dealer/Eligible Institution that is not a managed account, it has obtained from the other Eligible Broker-Dealer/Eligible Institution a written representation to the same effect as the foregoing and will provide it to the Participant upon demand.
- 3.7.9. It will notify the Participant of any change in the foregoing representations prior to placing any future order, and the foregoing representations will be deemed to be made with respect to each order it gives to the Participant.