

MULTI-DESIGNATED CUSTODIAN

BondEvalue

BondbloX Bond Exchange Rulebook

V2.0

This Rulebook is dated 23 August 2021

NOTHING IN THIS RULEBOOK CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. PLEASE READ THE INFORMATION MEMORANDUM REFERRED TO IN THIS RULEBOOK FOR MORE INFORMATION.



| Rulebook

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1. Definitions and Interpretation

In this Rulebook, unless the context otherwise requires, the provisions in this Rule 1 apply:

1.1. **Definitions.** The following terms shall have the meanings set out below:

“Access Agreements” means the agreements entered into between the Direct Member Participants and BondEvalue relating to each Direct Member Participant’s access to the BBX (as defined below), each as amended and restated from time to time;

“Accredited Investor” has the meaning given to it in section 4A of the SFA;

“Admission Criteria” has the meaning given to it in Rule 4.3;

“Appeals Committee” means the Appeals Committee formed to consider a Member Participant’s decision to appeal any disciplinary action imposed by BondEvalue on the Member Participant pursuant to Rule 14.3;

“Appeals Procedure” has the meaning given to it in Rule 14.6;

“Banker” means a banker who has entered into a Deposit Account Agreement with BondEvalue and which has been designated by BondEvalue as a Banker;

“BondbloX” means the fractional bonds issued by BondEvalue and traded on the BBX pursuant to this Rulebook;

“BondbloX Bond Exchange” or **“BBX”** means the financial market operated by BondEvalue for the creation and trading of Eligible Instruments;

“BondbloX Operating Procedures” means the BondbloX operating procedures set out in Notice 13;

“BondEvalue” means Bondevalue Pte. Ltd;

“Capital Markets Services Licence” has the meaning given to it in section 2(1) of the SFA;

“Cash” means Deposited Cash and Underlying Bonds Cash;

“Companies Act” means the Companies Act, Chapter 50 of Singapore;

“Conditions” means, in relation to the BondbloX of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Schedule 1 to the Deed Poll, and shall also incorporate any additional provisions forming part of such terms and conditions set out in the Final Terms relating to the BondbloX of such Series, and any reference to a particularly numbered Condition shall be construed accordingly;

“Custody Agreement” means an agreement entered into between BondEvalue and a Designated Custodian relating to the custody obligations of such Designated Custodian to BondEvalue in respect of such Deposited Bonds and Underlying Bonds Cash as may be held from time to time by such Designated Custodian, which agreement may be amended, supplemented and/or restated from time to time;

“Debentures Register” has the meaning given to it in Rule 10.3;

“Deed Poll” means the deed poll entered into by BondEValue constituting the BondbloX and in favour of the persons from time to time who are Direct Member Participants and which includes the persons recorded in the Debentures Register as Holders for the time being of BondbloX;

“Deposit Account Agreement” means an agreement entered into between BondEValue and any Banker relating to the obligations of the Banker to BondEValue with respect to such Deposited Cash as may be deposited from time to time in the name of BondEValue (as bare trustee for the Member Participants), which agreement may be amended, supplemented and/or restated from time to time. For the avoidance of doubt, a Deposit Account Agreement may also be set out in a Custody Agreement. ;

“Deposited Bonds” means Underlying Bonds which are for the time being registered in the name of BondEValue, a nominee or as otherwise permitted under the Custody Agreement and in respect of which BondbloX have been issued;

“Deposited Cash” means the funds received by BondEValue from Member Participants into an account held in the name of BondEValue (as bare trustee) with one or more Bankers and reflected in the Distributed Ledger Record in the System pursuant to Rule 13.2;

“Designated Custodian” means a custodian who has entered into a Custody Agreement with BondEValue in respect of certain Deposited Bonds and/or Underlying Bonds Cash and which has been designated by BondEValue as a Designated Custodian;

“Designated Market Maker” means a Direct Principal Member Participant authorised by BondEValue to be a market maker pursuant to Rule 6;

“Direct Agent Member Participants” means Member Participants admitted to the BBX pursuant to Rule 4 which authorise MPCs to have access to the BBX or which submit Transactions to the BBX on behalf of MPCs;

“Direct Member Participants” means the Direct Principal Member Participants, the Direct Agent Member Participants and any person who has agreed in writing with BondEValue to be a direct member participant;

“Direct Principal Member Participants” means Member Participants admitted to the BBX pursuant to Rule 4 which submit Transactions to the BBX for their own account;

“Distributed Ledger” means the database that is shared, replicated and synchronised among the nodes of a decentralised computer network, including any such database built with Hyperledger Sawtooth and its extensions and updates, or any other blockchain platform from time to time;

“Distributed Ledger BondbloX Record” means, in relation to a Member Participant, a record on the Distributed Ledger of all Series of BondbloX which such Member Participant is entitled to;

“Distributed Ledger Cash Record” means, in relation to a Member Participant, a record on the Distributed Ledger of the Cash (in the relevant Settlement Currencies) which such Member Participant is entitled to;

“Distributed Ledger Record” means, in relation to a Member Participant, its Distributed Ledger Cash Record and Distributed Ledger BondbloX Record;

“Eligible Instrument” has the meaning given to it in Rule 11.1.1.1;

“Expert Investor” has the meaning given to it in section 4A of the SFA;

“Fee Schedule” means the Fee Schedule set out in Notice 13.9;

“Final Terms” means, in relation to a Series, a set of final terms, supplemental to the Conditions, issued specifying the relevant issue details of such Series, substantially in the form of Schedule 2 to the Deed Poll;

“Holders” means the persons recorded in the Debentures Register as holders for the time being of BondbloX;

“Hyperledger Sawtooth” means the enterprise blockchain platform known as “Hyperledger Sawtooth” for building distributed ledger applications and networks, founded by the Linux Foundation;

“Information Memorandum” means the information memorandum relating to the BondbloX (which term shall include those documents incorporated by reference into it in accordance with its terms) as from time to time amended, supplemented or replaced and, in relation to each Tranche, the applicable Final Terms, and which is available at <http://www.bondbloX.com>;

“Insolvency Event” means where a person:

1. is dissolved (other than pursuant to a consolidation, amalgamation or merger);
2. becomes insolvent or unable to pay its debts, or fails, or admits in writing its inability generally, to pay its debts as they become due;
3. makes a general assignment, arrangement or composition with or for the benefit of its creditors;
4. (A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (a) results in a judgment of insolvency or bankruptcy, or the entry of an order for relief, or the making of an order for its winding-up or liquidation; or (b) is not dismissed, discharged, stayed or restrained, in each case, within 15 calendar days of the institution or presentation thereof;
5. has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

6. seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets;
7. has a secured party take possession of all or substantially all its assets, or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets, and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case, within 15 calendar days thereafter;
8. causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs 1 to 7 above; or
9. takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;

“ISIN” means International Securities Identification Number;

“Issue Certificate” has the meaning given to it in Notice 13;

“Limit Order” has the meaning given to it in Rule 12.7.2.a ;

“Market Abuse” means any behaviour that constitutes market abuse, market manipulation, insider dealing, fraudulent acts, round-trip transactions for the same investor or entities within the same group or any other similar or analogous behaviour prohibited or subject to sanctions or penalties under applicable law;

“Market Maker Obligations” has the meaning given to it in Rule 6.4;

“Market Order” has the meaning given to it in Rule 12.7.2.b ;

“MAS” means the Monetary Authority of Singapore;

“Master Ledger” has the meaning given to it in Rule 10.1;

“Member Participants” means the Direct Member Participants and their Member Participant Clients (if any);

“Member Participant Client” or **“MPC”** means a person authorised by its Direct Agent Member Participant in accordance with Rule 5.1.3 to have access to, and the ability to submit Transactions to or authorise its Direct Agent Member Participant to submit Transactions to, the BBX;

“Member Participant Client Agreements” means the agreements entered into between the Direct Agent Member Participants and their respective MPCs relating to each MPC’s access to the BBX, as amended and/or restated from time to time;

“Notices” has the meaning given to it in Rule 2.1.5;

“Order” means a Limit Order or a Market Order or such other order type as BondEValue may prescribe from time to time;

“Participation Agreements” means the Access Agreements, the Member Participant Client Agreements and the Deed Poll;

“Professional Investor” means:

- (a) a bank that is licensed under the Banking Act (Cap. 19);
- (b) a merchant bank that is licensed, or treated as having been granted a merchant bank licence, under the Banking Act (Cap. 19);
- (c) a finance company that is licensed under the Finance Companies Act (Cap. 108);
- (d) a company or society registered under the Insurance Act (Cap. 142) as an insurer;
- (e) the Singapore Government;
- (f) a statutory body established under any Act in Singapore;
- (g) the Government of Singapore Investment Corporation Pte Ltd;
- (h) a pension fund;
- (i) a collective investment scheme, as defined under section 2(1) of the SFA;
- (j) a holder of a capital markets services licence under the SFA;
- (k) a person who is exempted from the requirement to hold a capital markets services licence to carry on business in dealing in capital markets products that are futures contracts or over-the-counter derivatives contracts under the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (**“LCB Regulations”**);
- (l) a person who is exempted from the requirement to hold a capital markets services licence to carry on business in fund management in the Second Schedule to the LCB Regulations, and who has assets under its management of not less than S\$15 million;
- (m) a headquarters company or Finance and Treasury Centre which carries on a class of business involving fund management but only to the extent that the business in fund management has been approved as a qualifying service in relation to that headquarters company or Finance and Treasury Centre under section 43E(2)(a) or 43G(2)(a) of the Income Tax Act (Cap. 134), as the case may be;
- (n) a company in the Global Trader Programme of Enterprise Singapore;
- (o) a financial adviser licensed under the Financial Advisers Act (Cap. 110) who uses BEV’s services solely for the purposes of trading for its own account; or
- (p) a hedge fund that has assets under management of not less than S\$15 million;

“Rulebook” means this Rulebook as amended and/or restated from time to time and includes the Notices hereto, and which is available at <http://www.bondbloX.com>;

“**Rules**” means the rules set out in this Rulebook and shall include the Notices wherever the context so permits;

“**S\$**” means Singapore dollars, the lawful currency of the Republic of Singapore;

“**Series**” means a series of BondbloX or, as the case may be, Eligible Instruments comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of distribution) relate to a series of Underlying Bonds and have identical terms on issue and are expressed to have the same series number;

“**Settlement Currencies**” has the meaning given to it in <http://www.bondbloX.com>;

“**SFA**” means the Securities and Futures Act, Chapter 289 of Singapore;

“**SGT**” means Singapore Standard Time or Singapore Time, being eight hours ahead of Greenwich Mean Time (GMT+8);

“**System**” means the network and related applications, built on the Distributed Ledger that allows, *inter alia*, (i) the creation of BondbloX, (ii) transactions to take place on the BBX and (iii) instruction for the request of exchange of BondbloX for Underlying Bonds;

“**System Terms of Use**” means the terms of use of the BondbloX Interface for Trading on the System;

“**Trade Confirmation**” has the meaning given to it in the BondbloX Operating Procedures;

“**Trading Day**” means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore, other than any days scheduled for maintenance of the BBX and the System as notified by BondEValue to the Member Participants and each Designated Custodian pursuant to Rule 12.3;

“**Trading Hours**” means the hours that the BBX is open for trading as set out in Notice 1;

“**Tranche**” means, in relation to a Series, those BondbloX of that Series that are issued on the same date pursuant to the same Issue Certificate;

“**Transaction**” means a transaction executed on the System by a Member Participant;

“**Transfer Certificate**” has the meaning given to it in the BondbloX Operating Procedures;

“**Underlying Bonds**” has the meaning given to it in Rule 11.1.5;

“**Underlying Bonds Cash**” means all cash for the time being held by a Banker or a Designated Custodian (as applicable) for BondEValue which is attributable to the Deposited Bonds; and

“**Underlying Bond Supplier**” means a Member Participant which supplies an Underlying Bond to BondEValue in exchange for BondbloX.

2. General

2.1. Application of Rules

- 2.1.1. The Rules operate to ensure a fair, orderly and transparent market for the trading of BondbloX.
- 2.1.2. BondEvalue operates a financial market where Member Participants may create and trade Eligible Instruments and exchange Eligible Instruments for the relevant Underlying Bonds.
- 2.1.3. Each Member Participant's access to and use of the BBX shall be governed by these Rules and the Participation Agreement to which it is a party.
- 2.1.4. Unless otherwise stated expressly in these Rules, if there is any inconsistency between these Rules and the relevant Participation Agreements, these Rules shall prevail.
- 2.1.5. BondEvalue may from time to time issue notices ("**Notices**") to amend and/or supplement the Rules in accordance with Rule 3.
- 2.1.6. These Rules operate as a binding contract between BondEvalue and each Member Participant and between a Member Participant and all other Member Participants. Nothing in these Rules shall create a contractual, trust, equitable, Quincecare or fiduciary relationship between a Member Participant (on the one hand) and any Banker and/or Designated Custodian (on the other hand) and Member Participants acknowledge and agree that each Banker and/or Designated Custodian shall owe no obligations to, shall assume no duties or duty of care to, Member Participants under these Rules even if a Banker and/or Designated Custodian has notice of the Member Participants' interests and that no provision of these Rules is enforceable or capable of being enforced against any Banker and/or Designated Custodian by any Member Participant or otherwise.
- 2.1.7. Unless expressly provided to the contrary, all questions concerning the interpretation or application of or any other matter in connection with these Rules shall be determined by BondEvalue, whose decision shall be final and binding on all parties.
- 2.1.8. In the interpretation of any provision of these Rules, a construction that would promote the purpose or object underlying these Rules (whether the purpose is expressly stated in these Rules or not) is to be preferred to a construction that would not promote that purpose or object.
- 2.1.9. The Rules shall be interpreted and given effect in the manner most conducive to the promotion and maintenance of:
 - a the reputation of BondEvalue, BBX and its Member Participants;
 - b an orderly, fair and transparent market, free of undesirable situations or practices;
 - c high standards of integrity and fair dealing in accordance with MAS requirements;
 - d proper protection for all persons interested in the execution and performance of Transactions (as defined below) entered on or pursuant to the Rules; and

- e the safe and efficient functioning of BBX and the protection of the interests of the Member Participants.
 - 2.1.10. BondEValue shall, at its discretion and determination, have the right to take any action necessary against any Member Participant or Member Participant Client so as to reduce any risk posed to BBX or the System.
- 2.2. Governing law and arbitration**
- 2.2.1. This Rulebook and any non-contractual obligations arising out of or in connection with this Rulebook shall be governed by and construed in accordance with Singapore law.
 - 2.2.2. Arbitration
 - a Any dispute, claim, difference or controversy arising out of, relating to, or having any connection with this Rulebook, including any dispute as to the existence, validity, interpretation, performance, breach or termination of this Rulebook, or the consequences of the nullity of this Rulebook and any dispute relating to any non-contractual obligations arising out of or in connection with this Rulebook (a “**Dispute**”), shall be referred to and be finally resolved by arbitration administered by the Singapore International Arbitration Centre (“**SIAC**”) under the Arbitration Rules of the SIAC in force when the Notice of Arbitration is submitted (the “**SIAC Rules**”).
 - b There shall be a single arbitrator selected by the President of the SIAC.
 - c The seat, or legal place of arbitration, shall be Singapore. All hearings shall take place in Singapore unless the arbitral tribunal in its absolute discretion decides that a different location will be appropriate.
 - d Except as modified by the provisions of this Rule 2.2.2 and the SIAC Rules, Part II of the International Arbitration Act, Chapter 143A of Singapore shall apply to any arbitration proceedings commenced under this Rule 2.2.2.
 - e The language used in the arbitral proceedings shall be English.
 - f The arbitration award(s) rendered by the arbitral tribunal shall be final and binding on the parties to the Dispute. The parties to the Dispute undertake to reasonably carry out the award(s) without delay.
- 2.3. Right of BondEValue to retain cash and securities**
- 2.3.1. BondEValue has the right at any time to take any action including the right to retain cash or securities up to an amount which BondEValue in its opinion believes will cover any amount due or payable to BondEValue by a Member Participant.
 - 2.3.2. BondEValue shall be entitled to apply any sums denominated in any currency standing to the credit of the Distributed Ledger Cash Record of any Member Participant in satisfaction of any sum denominated in any currency due or payable by such Member Participant to BondEValue, whether actual or contingent, and whether solely or jointly with any other person.

2.4. Provision of Information and Assistance

- 2.4.1. Each Member Participant shall, upon BondValue's request, provide any information (including the personal data of any MPC) or records and take all necessary actions to render such assistance as BondValue requires to discharge any of BondValue's duties or any of the duties of its agents or service providers (including each Banker and Designated Custodian), to make authorised disclosures or perform any other act described in this Rulebook, or to investigate compliance with or enforce any Rule, law or regulation applicable to BondValue, its agents or service providers, from time to time ("**Purposes**"). BondValue and each of its affiliates, agents and service providers (including each Banker and Designated Custodian) may use or disclose, for such Purposes, all information and records so received and each Member Participant irrevocably consents to such use or disclosure. Each Member Participant must ensure that any information or records provided do not contain untrue statements, are not misleading and include all material statements.
- 2.4.2. Where a Member Participant provides personal data on any MPC, the Member Participant undertakes that it has obtained consent from the MPC concerned to disclose such personal data to BondValue, and for BondValue to collect, use and disclose such personal data, for the Purposes.
- 2.5. BondValue shall also render such reasonable assistance to a Direct Agent Member Participant's MPCs to allow them to transfer their trading activities under the BBX and the System to any other Direct Agent Member Participant at all times.
- 2.6. BondValue shall carry out and implement itself (and shall procure carrying out and implementation through the Direct Member Participants or Member Participants Clients, where required) appropriate measures, checks and related actions that each Banker and Designated Custodian considers necessary to ensure compliance with any legal and regulatory obligations applicable to such Banker, Designated Custodian, BondValue and the Direct Member Participants ("**Appropriate Measures**"). Such Appropriate Measures shall include but not be limited to those relating to the prevention of fraud, anti-money laundering, terrorist financing, bribery, corruption, tax evasion and the provision of financial and other services to persons who may be subject to economic or trade sanctions, on an ongoing basis, in accordance with each Banker's or Designated Custodian's relevant policies and procedures.

3. Amendments, Waivers and Variations

- 3.1. BondValue may amend, supplement or update this Rulebook from time to time through Notices or amendments and/or restatements to the Rulebook to reflect such changes to the terms of access to the BBX as BondValue may deem necessary or appropriate. BondValue shall notify Member Participants of any such change prior to its effective date. Each Member Participant shall be bound by any amendment to this Rulebook with respect to any matter, dealing or transaction occurring at or subsequent to the time such amendment takes effect as fully as though such amendment were a part of this Rulebook on the date hereof.
- 3.2. No failure by BondValue to exercise or enforce any rights conferred upon it by these Rules shall be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time. A Member Participant shall not be entitled to

rely on a delay in the exercise or non-exercise of any right arising from a breach or non-performance of these Rules or on a default under these Rules as constituting a waiver of such right.

4. Admission Requirements for a Direct Member Participant

4.1. To be eligible for admission to the BBX as a Direct Principal Member Participant, an applicant must be a corporation and demonstrate to BondEValue's satisfaction that:

4.1.1. where it is an entity carrying on business in Singapore, it is an "Expert Investor" or an "Accredited Investor" (each as defined in the SFA and, in respect of the "Accredited Investor", such investor has opted to be treated as an Accredited Investor) or a "Professional Investor" (as defined in this Rulebook) other than an individual;

4.1.2. where it is an entity carrying on business outside of Singapore, it may purchase Eligible Instruments on the BBX in compliance with all applicable rules and regulations of any relevant country or jurisdiction;

4.1.3. it will conduct its activities on the BBX through personnel who have adequate knowledge and experience of the relevant bond market(s), and experience in the trading of securities;

4.1.4. it is a fit and proper person, and the following persons are fit and proper persons:

- a each of its substantial shareholders;
- b each of its directors and chief executive officer, and/or equivalent persons; and
- c each of its personnel conducting activities on the BBX,

and it has in place appropriate recruitment policies and adequate internal control systems and procedures that would reasonably ensure that the persons that it employs, authorises or appoints to act on its behalf, in relation to its conduct of activities on the BBX, are fit and proper persons.

For the purposes of the above, BondEValue shall evaluate whether a person is fit and proper in a manner similar to the fit and proper criteria set out in the Guidelines on Fit and Proper Criteria issued by MAS (as may be amended from time to time);

4.1.5. it has adequate systems, internal controls and processes in place for the purposes of conducting its activities on the BBX; and

4.1.6. it has adequate business continuity arrangements. Such business continuity arrangements must be documented in a business continuity plan, and must be reviewed and tested regularly.

4.2. To be eligible for admission to the BBX as a Direct Agent Member Participant, an applicant must be a corporation and demonstrate to BondEValue's satisfaction that:

- 4.2.1. it has procured and maintains the requisite licence(s) from the relevant regulatory authority to engage in regulated activities, as follows:
- a where it is an entity carrying on business in Singapore, a Capital Markets Services Licence or such other licence satisfactory to BondEValue; or
 - b where it is an entity not carrying on business in Singapore and not registered or incorporated in Singapore, an equivalent licence from a relevant regulatory authority in the country where it is carrying on business,
- in each case, unless it is otherwise exempted from holding such licence(s);
- 4.2.2. where it is an entity carrying on business in Singapore, it is an “Expert Investor” or an “Accredited Investor” (each as defined in the SFA) or a “Professional Investor” (as defined in this Rulebook) other than an individual;
- 4.2.3. where it is an entity carrying on business outside of Singapore, it may purchase Eligible Instruments on the BBX in compliance with all applicable rules and regulations of any relevant country or jurisdiction;
- 4.2.4. it will conduct its activities on the BBX through personnel who have adequate knowledge and experience of the relevant bond market(s), and experience in the trading of securities;
- 4.2.5. it is a fit and proper person, and the following persons are fit and proper persons:
- a each of its substantial shareholders;
 - b each of its directors and chief executive officer, and/or equivalent persons; and
 - c each of its key management officers conducting activities on the BBX;
- and it has in place appropriate recruitment policies and adequate internal control systems and procedures that would reasonably ensure that the persons that it employs, authorises or appoints to act on its behalf, in relation to its conduct of activities on the BBX, are fit and proper persons.
- For the purposes of the above, BondEValue shall evaluate whether a person is fit and proper in a manner similar to the fit and proper criteria set out in the Guidelines on Fit and Proper Criteria issued by MAS (as may be amended from time to time);
- 4.2.6. it has adequate systems, internal controls and processes in place for the purposes of conducting its activities on the BBX, including to ensure that any MPC that it provides access to the BBX is a Professional Investor, Accredited Investor or Expert Investor; and
- 4.2.7. it has adequate business continuity arrangements. Such business continuity arrangements must be documented in a business continuity plan, and must be reviewed and tested regularly.

- 4.3. To become a Direct Member Participant, an applicant must:

- 4.3.1. satisfy all of the criteria set out in Rule 4.1 (for admission to become a Direct Principal Member Participant) and/or all of the criteria set out in Rule 4.2 (for admission to become a Direct Agent Member Participant), as applicable;
- 4.3.2. enter into an Access Agreement in the form prescribed by BondEValue and provide all relevant documentation required by BondEValue to BondEValue's satisfaction;
- 4.3.3. pass all due diligence, know-your-customer and anti-money laundering checks to BondEValue's satisfaction;
- 4.3.4. acknowledge these Rules and agree to be bound by this Rulebook; and
- 4.3.5. satisfy any other criteria notified by BondEValue to the applicant at the time of such application,

together, the "**Admission Criteria**".

4.4. BondEValue may, at its discretion, approve or reject an application to be a Direct Member Participant. BondEValue is not obliged to give any reasons for any such rejection.

4.5. Without prejudice to Rule 4.4, BondEValue may reject an application to be a Direct Member Participant, if:

- 4.5.1. the applicant does not provide sufficient information in its application;
- 4.5.2. any information presented by the applicant to BondEValue is found to be false or misleading;
- 4.5.3. BondEValue is not satisfied with the financial standing of the applicant;
- 4.5.4. BondEValue is not satisfied with the manner in which the applicant's business is to be conducted;
- 4.5.5. the applicant, or any of its key personnel, is convicted of an offence involving fraud or dishonesty or is found by a court of law to have acted fraudulently or dishonestly, whether within or outside of Singapore;
- 4.5.6. BondEValue has reason to believe the applicant may not perform its duties efficiently, honestly and fairly;
- 4.5.7. BondEValue is not satisfied that the applicant has satisfied one or more of the criteria applicable under Rule 4.1 and/or Rule 4.2 (as applicable); or
- 4.5.8. BondEValue has reason to believe that the applicant may not act in the best interest of the BBX and/or its MPCs.

4.6. BondEValue may pay such fees to any Direct Member Participants as agreed between BondEValue and such Direct Member Participant.

5. Continuing Obligations of a Direct Member Participant

5.1. A Direct Member Participant shall at all times:

- 5.1.1. continue to meet and satisfy the Admission Criteria;
 - 5.1.2. comply with these Rules, as well as the relevant Participation Agreements;
 - 5.1.3. authorise MPCs to have access and the ability to submit Transactions to the BBX and ensure that each MPC it authorises is (a) if such MPC is in Singapore: an “Expert Investor” or an “Accredited Investor” (each as defined in Section 4A of the SFA) or a “Professional Investor” (as defined in this Rulebook), or (b) if such MPC is not in Singapore: a person who may purchase Eligible Instruments on the BBX in compliance with all applicable rules and regulations of any relevant country or jurisdiction;
 - 5.1.4. conduct appropriate and thorough due diligence on persons it admits as MPCs, including all know-your-customer and anti-money laundering checks required under applicable laws and regulations;
 - 5.1.5. ensure that it acts in the best interests of its MPCs, and, without prejudice to Rule 2.4.1, anonymise their interactions with the BBX;
 - 5.1.6. without prejudice to Rule 2.4.1, maintain the confidentiality of a MPC’s account credentials, and proper registers that uniquely identifies each MPC;
 - 5.1.7. ensure that (a) it segregates its own BondbloX holdings and Cash from the BondbloX holdings and Cash of its MPCs and (b) segregates the BondbloX holdings and Cash of its MPCs from each other; and
 - 5.1.8. comply with all applicable laws and regulations when transacting on the BBX.
- 5.2. A Direct Member Participant must ensure that:
- 5.2.1. it has adequate personnel, operational capability, systems, facilities, equipment and controls to ensure that it is able to support the proper operation of the BBX and, where the Direct Member Participant is a Direct Agent Member Participant, to support access by MPCs to Eligible Instruments traded on the BBX;
 - 5.2.2. it complies with the terms and conditions, and any other requirements imposed by BondEValue, for accessing the System or in relation to order management systems or for any other purpose; and
 - 5.2.3. it immediately informs BondEValue if it or any member of its senior management (a) breaches the SFA, any law, regulation or requirement of the MAS or any other relevant applicable laws and regulatory requirements relating to the regulation of organised markets and licensed entities; (b) breaches the Rules; (c) breaches any relevant law or regulation that governs that person's other business activities; (d) breaches the rules of any other exchange; (e) has been alleged or found to have breached director's duties under common law or applicable statute; (f) is the subject of a written complaint or investigation involving an allegation of fraud or dishonesty, is convicted of an offence involving fraud or dishonesty or is found by a court of law to have acted fraudulently or dishonestly, whether in or out of Singapore; (g) is the subject of any disciplinary action by the Member Participant involving suspension, termination, withholding of commissions, fines or any other significant limitation of activities; (h) is experiencing an emergency or potentially debilitating situation that threatens its operations (e.g. a cyber threat or terrorist

attack); (i) engages in conduct that has the effect of circumventing the SFA, any relevant law, regulation or requirement of the MAS, any other relevant applicable laws and regulatory requirements relating to the regulation of organised markets and licensed entities or the Rules; (j) has had its licence or relevant approval to conduct the relevant regulated activities suspended, revoked or expired, or in the case where it is exempted from holding a licence or obtaining approval, the MAS withdraws the exemption or imposes conditions or restrictions in respect of the relevant regulated activities; (k) engages in conduct that is inconsistent with the principles of good business practice; (l) engages in conduct detrimental to the financial integrity, reputation or interests of BondEValue, or organised markets established or operated by BondEValue; (m) is insolvent or wound-up, or has had an insolvency or winding-up application presented, or an order made by a court of competent jurisdiction, or any step is taken or a resolution passed, for its winding-up, dissolution, judicial management or administration; or (n) has had any attachment, distress, execution or legal process instituted against its assets, or has had any liquidator, receiver or any similar person appointed (or an application has been made for the appointment of such person) in respect of any of its assets.

6. Designated Market Makers

- 6.1. To be eligible for admission to the BBX as a Designated Market Maker, an applicant must:
- 6.1.1. be a corporation that is deemed appropriate by BondEValue; and
 - 6.1.2. initially satisfy and continue to satisfy the Admission Criteria for Direct Member Participants.
- 6.2. For the avoidance of doubt, BondEValue may, at its discretion, approve or reject an application to be a Designated Market Maker. BondEValue is not obliged to give any reasons for any such rejection.
- 6.3. A Designated Market Maker shall make a market in Eligible Instruments in accordance with all applicable laws with the objective of promoting a fair, orderly and transparent market in such Eligible Instruments.
- 6.4. A Designated Market Maker may make a market in such Eligible Instruments as approved by BondEValue from time to time, and it shall comply with the following market making obligations (“**Market Maker Obligations**”) in relation to such Eligible Instruments:
- 6.4.1. (i) establish and maintain adequate internal control systems to ensure smooth operation of its market-making activities and (ii) pre-notify BondEValue of any change to its internal control systems that may affect the carrying out of its obligations stipulated under this Rule 6. BondEValue reserves the right to review current, or impose additional, requirements if it is not satisfied with the internal control systems of the Designated Market Maker;
 - 6.4.2. publish a list of each Eligible Instrument for which it will make a market in and to inform BondEValue as soon as reasonably practicable any time such list is published or updated;

- 6.4.3. on a continuous basis, publish competitive bid and offer quotations for each such Series of Eligible Instruments:
- a where the bid/offer spread is within maximum spread to be determined by BondEValue in its discretion taking into consideration the liquidity level of the Eligible Instrument;
 - b which are for not less than the minimum quantity of Eligible Instruments that BondEValue prescribes; and
 - c which are available for not less than the prescribed per cent. of the aggregate Trading Hours in each calendar month;
- 6.4.4. be a counterparty in a prescribed per cent. of Transactions (by volume) in each Series of such Eligible Instruments in each calendar month; and
- 6.4.5. be a counterparty in Transactions for each Series of Eligible Instruments in each calendar month such that the volume of Price Maker Transactions is more than a prescribed per cent. of the aggregate volume of Price Maker Transactions and Price Taker Transactions.

For the purposes of this Rule 6.4.5:

“Price Maker Transaction” means a Transaction where either the bid or offer quotation published by such Designated Market Maker is subsequently accepted by a person other than the Designated Market Maker; and

“Price Taker Transaction” means a Transaction where the Designated Market Maker accepts either a bid or offer quotation in the order book for a Series of Eligible Instruments and such bid or offer quotation was not published by such Designated Market Maker.

The commencement date of the Market Maker Obligations shall be agreed between BondEValue and the Designated Market Maker.

- 6.5. BondEValue may waive the Trading Fee and Platform Fee specified in the Fee Schedule incurred by a Designated Market Maker for each calendar month in which such Designated Market Maker performs its Market Maker Obligations.
- 6.6. A Designated Market Maker must pay all fees, levies and charges BondEValue prescribes. BondEValue may at its discretion reduce or waive any fee, levy or charge.
- 6.7. A Designated Market Maker must, if requested by BondEValue, provide an independent auditor’s report to BondEValue for review of its performance or suitability as a Designated Market Maker on an ongoing basis.
- 6.8. A Designated Market Maker must notify BondEValue immediately when it is no longer able to satisfy any of its obligations as a Designated Market Maker (including when it ceases to provide bid and offer quotations whether due to foreseen or unforeseen circumstances) under these Rules. If a Designated Market Maker ceases to provide bid and offer quotations, it shall make a public announcement thereof on the System.

- 6.9. Upon any failure of a Designated Market Maker to perform one or more of its Market Maker Obligations, where such failure continues for a period determined by BondEValue it may, at its discretion, suspend or terminate the Designated Market Maker in respect of the relevant Eligible Instrument.
- 6.10. Without prejudice to Rule 3, this Rule 6 may be amended by BondEValue at its discretion provided that BondEValue shall provide at least one month notice to the Designated Market Makers before making any amendment to this Rule 6.

7. Cessation, Suspension and Termination

- 7.1. A Member Participant may terminate its status as a Member Participant by terminating the Participation Agreement to which it is a party in accordance with its terms and (in the case of a Direct Member Participant) by giving BondEValue two months' written notice. If the Participation Agreement to which it is a party is terminated by the Member Participant or any other party to such Participation Agreement, this Rulebook shall cease to be effective immediately in respect of that Member Participant.
- 7.2. BondEValue may, at its discretion, suspend or terminate a Member Participant's access to the BBX and/or System where:
- 7.2.1. the Member Participant has failed to comply with, or perform any obligations under, its Participation Agreement or this Rulebook;
 - 7.2.2. the Member Participant has disaffirmed, disclaimed, repudiated or rejected, in whole or in part, or has challenged the validity of, its Participation Agreement or this Rulebook and any Transaction executed by or through the Member Participant;
 - 7.2.3. an Insolvency Event has occurred in relation to the Member Participant;
 - 7.2.4. such termination or suspension is necessary or desirable in the interest of maintaining a fair, orderly and transparent BBX;
 - 7.2.5. the Member Participant has failed to assist BondEValue in an investigation;
 - 7.2.6. in BondEValue's opinion, any suspicious activity has been carried out on the BBX by the Member Participant;
 - 7.2.7. BondEValue deems it necessary, at its discretion, to uphold the integrity of the BBX or to comply with applicable law, or as directed by the MAS;
 - 7.2.8. requested by that Member Participant; or
 - 7.2.9. such suspension or termination is in accordance with the relevant Participation Agreement.
- 7.3. Any suspension or termination of a Member Participant will not affect any right or obligation arising out of events occurring, or securities delivered, prior to the effectiveness thereof, and all such rights and obligations shall continue to be subject to these Rules. A Member Participant who has been suspended or terminated by BondEValue remains liable for actions

and omissions that it performed or failed to perform prior to its suspension or, as the case may be, termination.

- 7.4. A Direct Agent Member Participant may suspend or terminate a MPC's account or may be directed by BondEvalue to do so. A Direct Agent Member Participant shall notify BondEvalue of its decision to suspend or terminate a MPC's account as soon as practicable.
- 7.5. A Direct Agent Member Participant must have the ability to immediately suspend or terminate a MPC's access to the BBX whenever necessary, or as directed by BondEvalue.
- 7.6. A Direct Agent Member Participant must, if required by BondEvalue in relation to ensuring BondEvalue's compliance with any applicable law, regulation, rule, guideline or requirement, immediately provide any data, documents or information relating to any MPC obtained by such Direct Agent Member Participant to BondEvalue.
- 7.7. Where a Member Participant is suspended or terminated by BondEvalue, it shall take all necessary steps to minimise the disruption to other Member Participants which the suspension or termination could cause. It shall co-operate with BondEvalue in those matters that BondEvalue reasonably requires in relation to the suspension or termination. If it fails to take any action required by BondEvalue, BondEvalue will be entitled to take appropriate action on the Member Participant's behalf at such Member Participant's risk and cost.
- 7.8. Once a Member Participant is notified of the suspension or termination decided by BondEvalue, a Member Participant has notified BondEvalue of its decision to terminate its participation or a Direct Member Participant has notified BondEvalue of its decision to suspend or terminate a MPC's account, BondEvalue may decline to accept instructions or to give effect to instructions which would result in any credit or debit to any Distributed Ledger Record of that Member Participant.
- 7.9. BondEvalue shall inform other Member Participants of the suspension or termination of a Member Participant when and to the extent necessary, in BondEvalue's reasonable opinion, for the provision of the services contemplated by these Rules. In instances where BondEvalue has informed one or more persons of any such suspension, BondEvalue will inform such persons upon the lifting of such suspension.

8. Designated Custodian and Banker

- 8.1. BondEvalue shall appoint one or more Designated Custodians at its discretion. Each Designated Custodian must:
 - 8.1.1. be a corporation that is deemed appropriate by BondEvalue; and
 - 8.1.2. hold a Capital Markets Services Licence, or be exempt from the requirement to hold such licence, for the regulated activity of "providing custodial services" as defined under Section 2(1) of the SFA or be licensed in its jurisdiction of operations to provide custodial services.
- 8.2. BondEvalue shall appoint one or more Bankers at its discretion. Each Banker must:
 - 8.2.1. be a corporation that is deemed appropriate by BondEvalue; and

- 8.2.2. be licensed in its jurisdiction of operations to provide banking and account services.
- 8.3. The appointment of a Designated Custodian may be terminated in accordance with the relevant Custody Agreement. The appointment of a Banker may be terminated in accordance with the relevant Deposit Account Agreement.
- 8.4. For the avoidance of doubt, under no circumstances shall any Designated Custodian or Banker be construed to be a trustee in respect of any Cash, Deposited Bonds, BondbloX or Underlying Bonds. Member Participants understand and acknowledge that they shall not have any direct rights against such Designated Custodian or Banker in respect of their holdings of Cash, Deposited Bonds, BondbloX or Underlying Bonds.
- 8.5. In the case of multiple Designated Custodians and/or Bankers:
 - 8.5.1. Direct Member Participants may select one or more Bankers to send any Deposited Cash, or one or more Designated Custodians to hold the relevant Deposited Bonds;
 - 8.5.2. Member Participants agree and confirm that BondEvalue shall have discretion to:
 - a allocate Deposited Bonds and/or Cash to one or more Designated Custodians and/or Bankers (as relevant).
 - b move Deposited Bonds and Cash between Designated Custodians and/or Bankers (as relevant).

See Notice 13 for further references to the use of multiple Designated Custodians and/or Bankers.

9. BondEvalue's Obligations

- 9.1. To provide for a fair, orderly and transparent market for the trading of BondbloX, BondEvalue shall endeavour to:
 - 9.1.1. operate the BBX and make the BBX available to Member Participants in accordance with these Rules and applicable law;
 - 9.1.2. maintain the registers set out in Rule 9.3;
 - 9.1.3. admit Member Participants into the BBX in accordance with Rule 4;
 - 9.1.4. maintain the Distributed Ledger and the System; and
 - 9.1.5. ensure that there is a Designated Custodian and a Banker at all times while the BBX is operating.
- 9.2. BondEvalue shall not participate as a Member Participant, or enter into any Transaction as a principal, in the BBX. For the avoidance of doubt, this Rule shall be without prejudice to BondEvalue's actions which are performed pursuant to Notice 12.6
- 9.3. BondEvalue shall maintain registers of:
 - 9.3.1. Direct Member Participants;

- 9.3.2. MPCs (on an anonymised basis);
- 9.3.3. Designated Market Makers; and
- 9.3.4. Eligible Instruments,

as well as any other registers BondEValue determines to be necessary at its discretion.

10. The Distributed Ledger

- 10.1. BondEValue shall operate and maintain, or cause to be operated and maintained, at all times in Singapore, a computer which functions as the master node of the Distributed Ledger in Singapore (the “**Master Ledger**”) which shall contain the information set out in Rule 10.2.
- 10.2. The Master Ledger shall contain:
 - 10.2.1. the identification details of each Direct Member Participant;
 - 10.2.2. in respect of each Direct Member Participant, the number of BondbloX held (“**House Account Holdings**”) for its own account (the “**House Account**”) and (in respect of Direct Agent Member Participants) the number of BondbloX held (“**Client Account Holdings**”) for its Member Participant Clients in the aggregate (the “**Client Account**”);
 - 10.2.3. the anonymised account of each Member Participant Client and the number of BondbloX held by each of them;
 - 10.2.4. in respect of each Member Participant Client, the number of BondbloX held for its benefit by the relevant Direct Member Participant; and
 - 10.2.5. the amount of Cash standing to the record of each Member Participant.
- 10.3. The identification details, House Account Holdings and Client Account Holdings of the Direct Member Participants (and anyone else agreed in writing to be a registered holder of BondbloX pursuant to Rule 10.8) on the Master Ledger comprise the “**Debentures Register**” of the BondbloX for the purposes of the Companies Act.
- 10.4. The Master Ledger is the conclusive register of all BondbloX and is conclusive evidence of the entitlements of Member Participants to BondbloX and Cash.
- 10.5. Title to the BondbloX passes by registration in the Debentures Register in accordance with the Rulebook. Entries in the Debentures Register in relation to a BondbloX constitute conclusive evidence that the person so entered is the registered owner of the BondbloX. The entity registered in the Debentures Register as the Holder of any BondbloX registered in the Debentures Register as such will (except as otherwise required by law) be treated as its absolute owner for all purposes.
- 10.6. The Member Participants and BondEValue acknowledge that each Transaction (i) is permanently and unconditionally recorded on the Distributed Ledger, (ii) represents the final, irrevocable and definitive record of that Transaction and (iii) once recorded on the Distributed Ledger, constitutes a binding contract between the parties to that Transaction.
- 10.7. Each Direct Agent Member Participant agrees and acknowledges that, unless otherwise agreed in writing with BondEValue and a particular Member Participant Client, (a) it holds the

BondbloX in its Client Account, its interest in the Underlying Bond and its interest in Cash as agent for its Member Participant Clients and (b) each Member Participant Client has a beneficial interest in the BondbloX, the Deposited Bonds and Cash so held by it to the extent of such Member Participant Client's holdings of BondbloX, the Deposited Bonds and Cash set out in the Master Ledger.

- 10.8. BondEValue may at its discretion agree with Direct Member Participants that certain Member Participant Clients may be recorded as the registered owner of the BondbloX and, for the purposes of ownership of the relevant BondbloX, such Member Participant Clients will be recorded in the Debentures Register as holders for the time being of BondbloX.
- 10.9. Each event occurring on the BBX and the System and Transaction recorded on the Distributed Ledger (including, but not limited to, the events described in the BondbloX Operating Procedures) shall be final and irrevocable and shall be binding upon BondEValue and each Member Participant which is a party to such event. This Rule 10.9 remains subject to BondEValue's ability to take disciplinary action pursuant to Rule 14 or other action pursuant to Notice 12.6.
- 10.10. BondEValue may at its discretion provide the MAS with access to the Distributed Ledger at any time.

11. Eligible Instruments

11.1. Instrument Eligibility Criteria

- 11.1.1. The Instrument Eligibility Criteria is set out in Notice 11.
- 11.1.2. BondEValue shall list any Series of BondbloX on, and admit any Series of BondbloX onto, the BBX (an "**Eligible Instrument**") at its discretion.
- 11.1.3. BondEValue shall, to its best ability, act in the interest of the BBX in listing Eligible Instruments.
- 11.1.4. Only Eligible Instruments that have been admitted to trading on the BBX may be traded. No other security shall be traded on the BBX.
- 11.1.5. Eligible Instruments are created in respect of eligible bonds (the "**Underlying Bonds**"). The list of eligible Underlying Bonds is available at <http://www.bondbloX.com>.
- 11.1.6. BondEValue shall not be under any obligation to ensure that any Underlying Bond is not forged or fraudulent and can be freely transferred or delivered without encumbrance and shall not be responsible for any loss suffered by any Member Participant relating thereto.
- 11.1.7. BondEValue shall notify the Member Participants immediately in the event that any Underlying Bond proves to be forged, fraudulent or invalid.

11.2. Suspension of Eligible Instrument(s)

- 11.2.1. BondEValue may, at any time, suspend an Eligible Instrument from trading on the BBX if it deems it necessary to do so in order to (i) maintain the integrity of the BBX, (ii) to comply with applicable law, (iii) as directed by a relevant regulator or (iv) at its discretion.
- 11.2.2. In the event of such suspension:
- a the suspended Eligible Instrument shall cease to be traded on the BBX;
 - b all open Orders for the suspended Eligible Instrument shall be terminated by BondEValue immediately; and
 - c holders of the BondbloX for the suspended Eligible Instrument shall retain their respective holdings thereof.
- 11.3. The Information Memorandum is available at <http://www.bondbloX.com>. Each Member Participant acknowledges that it has read and understood, and will comply with the provisions of, the Information Memorandum.

12. BondbloX Bond Exchange Structure & Trading Rules

- 12.1. The BBX will be open for trading on a Trading Day during Trading Hours. BondEValue may vary the Trading Hours at its discretion.
- 12.2. BondEValue reserves the right to reduce or extend Trading Hours generally, or in relation to a particular Eligible Instrument if it deems necessary at its discretion.
- 12.3. BondEValue may, at its discretion, perform scheduled maintenance on the BBX and the System. BondEValue will provide at least 5 Trading Days' notice of any such scheduled maintenance to Member Participants, each Banker and Designated Custodian.
- 12.4. The BBX shall have the market phases set out below.
- 12.4.1. **Market Open**
- a A Member Participant may perform Order entry and Order cancellation in this phase.
 - b All unmatched, valid and unexpired Orders remain in the orderbook and are carried over to the next Trading Day.
- 12.4.2. **Market Close**
- a A Member Participant may perform Order cancellation in this phase.
 - b No Orders shall be executed, and no Transactions settled, in this phase.

- 12.5. During the Market Open phase described in Rule 12.4.1, all Orders are continuously matched in the orderbook by the System and in accordance with price-time priority¹.
- 12.6. Notice 12.6 applies to all Transactions placed on the BBX.
- 12.7. The following Rules apply for all Orders placed on the System.
- 12.7.1. The minimum order quantity for Eligible Instruments is 1 BondbloX and Orders may be entered in integral multiples of the minimum order quantity. Without prejudice to Rule 3, BondEValue may vary the minimum order quantity and multiples thereof at its discretion.
- For the avoidance of doubt, the minimum order quantity is not determined by the currency denomination of the BondbloX.
- 12.7.2. Two types of orders may be entered on the BBX, as follows:
- a a “**Limit Order**”, which is an order to buy or sell which specifies the price and quantity that a buyer or seller is willing to buy or, as the case may be, sell. A Limit Order can only be executed at the limit price set by the buyer or seller or at a better price than such limit price subject to Rule 12.7.4; and
 - b a “**Market Order**”, which is an order to sell at the best bid price or buy at the best offer price (in the case of an order to buy) currently available in the BBX (the “**Current Market Price**”) and which specifies the quantity the buyer or seller is willing to buy or, as the case may be, sell. A Market Order will be executed immediately at the Current Market Price, subject to Rule 12.7.4.
- 12.7.3. Checks are performed at the time of Order entry. These consist of sufficiency checks on the amounts recorded on the Distributed Ledger BondbloX Record and the Distributed Ledger Cash Record, as relevant, for the relevant Member Participants before the Order enters the orderbook. BondbloX and cash are earmarked accordingly and an Order will not be added to the orderbook if there is insufficient BondbloX or cash. If at any time an Order is cancelled, the earmarked BondbloX or cash will be released.
- 12.7.4. Orders may be executed by the System in part.
- a Following the execution of a Market Order in part, any part of a Market Order that remains unfilled shall be cancelled by the System in its entirety².
 - b Following the execution of a Limit Order in part, any part of a Limit Order that remains unfilled shall remain in the order book with the same time stamp as the original Limit Order.
- 12.7.5. All Orders placed on the BBX constitute binding agreements for straight-through processing once they are matched in accordance with Rule 12.5.

¹ This means that Orders at the best price would receive priority over other Orders. Orders entered at the same price will then be matched based on time priority.

² This is also known as “Fill and Kill”.

- 12.7.6. Following the matching of Orders in accordance with Rule 12.5, the Distributed Ledger Records of the relevant Member Participants shall be updated in accordance with Rule 13.5. Settlement is complete when the Master Ledger has been so updated.
 - 12.7.7. Subject to Rule 12.7.8, an Order is valid for the length of time indicated in that Order.
 - 12.7.8. All Orders will expire no later than 14 calendar days from the date such Order was submitted to the BBX, including any trading halts imposed pursuant to Rule 12.8. Such expiry date may be varied by BondEValue from time to time at its discretion.
 - 12.7.9. A Member Participant may cancel an Order at any time if that Order has not been matched.
 - 12.7.10. BondEValue may, at its discretion, review the validity and/or reverse or otherwise cancel, any Order, including where (a) BondEValue deems it necessary for the proper maintenance of a fair, orderly and transparent market, (b) there has been a technical and/or system failure and/or error leading to the Order confirmation, (c) there is prima facie evidence of fraud or willful misrepresentation in relation to the Order, (d) in BondEValue's opinion, it is desirable to cancel the Order to protect the integrity and reputation of the BBX (including where a Member Participant has engaged or attempted to engage in any prohibited trading conduct), (e) in the event of a trading suspension or (f) in the event of a suspension or termination of the relevant Member Participant's trading account.
- 12.8. A trading halt may be imposed by BondEValue in accordance with this Rule 12.8.
- 12.8.1. Trading halts may be imposed at BondEValue's discretion, without limitation, on:
 - a the BBX;
 - b a Series of BondbloX; or
 - c a segment of the BBX based on specific characteristics (e.g. the locality of users) as determined by BondEValue at its discretion.
 - 12.8.2. A trading halt may be imposed by BondEValue at its discretion upon the occurrence of certain events, including, but not limited to:
 - a unforeseen external market disturbance;
 - b natural disasters;
 - c major technical issues including but not limited to a general restriction on access to the System, the Distributed Ledger not being available, act of God, fire, flood, terrorism, war whether declared or undeclared, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity, accidental or mechanical or electrical breakdown, interruption of communications or computer facilities, computer failure or failure of any money transmission system and other causes beyond BondEValue's control whether or not of the same class or kind as specifically named above;

- d detection of suspicious activity;
- e any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions or currency exchange rates or foreign exchange controls such as would in BondEValue's view be likely to prejudice materially the success of the listing and admission of any BondbloX on the BBX or dealings in any Eligible Instruments in the BBX; or
- f where BondEValue is of the opinion that the BBX is not orderly, informed or fair or circumstances which would with the lapse of time result in the lack of a fair, orderly or transparent market.

13. Distributed Ledger Records and BondbloX Operating Procedures

13.1. General

- 13.1.1. BondEValue shall not deposit or hold any monies received from or on account of Member Participants other than through or with a Banker.
- 13.1.2. BondEValue shall open and maintain bank account(s) with one or more Bankers, which accounts shall operate to segregate Cash from BondEValue's monies and BondEValue shall not commingle its monies with the Cash of any Member Participant.
- 13.1.3. Deposited Cash shall be held by a Banker as banker and not as trustee. Similarly, Underlying Bonds Cash shall be held by a Designated Custodian as banker and not as trustee. Any such Deposited Cash or Underlying Bonds Cash shall not be held by either the Banker or Designated Custodian as client money in accordance with any client money rules.
- 13.1.4. Each Direct Agent Member Participant and Member Participant Client agrees and acknowledges that all actions taken by each Member Participant Client in Rules 13.2 to 13.8 are taken through its Direct Agent Member Participant via the System.
- 13.1.5. Where a Member Participant is not an individual, it represents, warrants and agrees that it has authorised all actions taken in Rules 13.2 to 13.8 by each of its directors, officers, employees or agents and that it agrees to be bound by the System Terms of Use upon the taking of the actions described in this Rule 13.1.5 by any of its directors, officers, employees or agents.
- 13.1.6. For the purposes of the recording of any amount on the Distributed Ledger Cash Record of any Member Participant pursuant to this Rule 13 (unless otherwise specified), all currency amounts to be so recorded shall be rounded to the nearest hundredth of a unit of such currency (with halves being rounded up). For these purposes, "unit" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

13.2. Deposit of Cash for Purchase of BondbloX

- 13.2.1. A Member Participant shall deposit cash for purchase of BondbloX in accordance with this Rule 13.2.
- 13.2.2. The procedures for making a deposit of cash for a Member Participant's purchase of BondbloX are set out in the BondbloX Operating Procedures under the heading "Deposit of cash for Member Participant's purchase of BondbloX".

13.3. **Withdrawal of Deposited Cash of Member Participants**

- 13.3.1. A Member Participant may make a withdrawal of Cash from the System in accordance with this Rule 13.3.
- 13.3.2. A Member Participant must have sufficient balance in its Distributed Ledger Cash Record prior to any such withdrawal.
- 13.3.3. The procedures for a withdrawal of Cash from the System are set out in the BondbloX Operating Procedures under the heading "Withdrawal of Cash of Member Participant from the System".

13.4. **BondbloX Creation**

- 13.4.1. BondbloX may be created in accordance with this Rule 13.4.
- 13.4.2. An Underlying Bond Supplier may request the creation of BondbloX only in respect of Underlying Bonds with a minimum aggregate principal amount no less than the specified denomination of such Underlying Bond or integral multiples thereof prior to such creation.
- 13.4.3. The BondbloX are constituted by the Deed Poll which is available at <http://www.bondbloX.com>. The Conditions of the BondbloX are set out in the Deed Poll and each Series of BondbloX is subject to the provisions of the Conditions and the Final Terms relating to that Series.
- 13.4.4. The procedures for the creation of BondbloX for an Underlying Bond Supplier are set out in the BondbloX Operating Procedures under the heading "BondbloX Creation".
- 13.4.5. When an Underlying Bond Supplier requests the creation of BondbloX in accordance with this Rule 13.4, it shall be deemed to have represented and warranted to BondEValue that the relevant Underlying Bond of such BondbloX is freely transferable, free and clear of all liens, charges, encumbrances, security interests or claims of third parties and will not be subject to calls for further funds.

13.5. **Trading of Eligible Instruments**

- 13.5.1. A Member Participant may trade Eligible Instruments on the BBX in accordance with this Rule 13.5.
- 13.5.2. A Member Participant must have sufficient cash or, as the case may be, BondbloX standing to the balance of the Distributed Ledger Cash Record or, as the case may be, Distributed Ledger BondbloX Record prior to such trade. The System performs sufficiency checks on the Distributed Ledger Records in accordance with Rule 12.7.3 prior to any trade.

- 13.5.3. The procedures for the trading of Eligible Instruments by Member Participants on the BBX are set out in the BondbloX Operating Procedures under the heading “Trading of Eligible Instruments”.
- 13.5.4. For the avoidance of doubt, each Member Participant agrees that the (i) Transfer Certificate is a proper instrument of transfer and (ii) the Issue Certificate is the issue certificate in respect of the relevant BondbloX for the purposes of the Companies Act. BondEValue confirms and acknowledges that the generation of the Transfer Certificate constitutes its approval of the relevant transfer of the BondbloX.
- 13.5.5. All transfers of BondbloX made in accordance with this Rule 13.5 shall be deemed to be made in Singapore and shall be valid and shall not be challenged on the ground that the transfer is not accompanied by a proper instrument of transfer or that otherwise the transfer is not made in writing.
- 13.5.6. BondEValue, its directors and officers shall not refuse to register a transfer of BondbloX made in accordance with this Rule 13.5.
- 13.5.7. Member Participants may receive Trade Confirmations in various formats and means depending on their application setting and method of connecting to the System.

13.6. Distribution of Monies on BondbloX

- 13.6.1. BondEValue shall distribute monies on BondbloX in accordance with this Rule 13.6.
- 13.6.2. The procedures for the distributing of monies on BondbloX are set out in the BondbloX Operating Procedures under the heading “Distribution of Monies on BondbloX”.

13.7. Redemption and Maturity of BondbloX

- 13.7.1. BondEValue shall redeem the BondbloX in accordance with this Rule 13.7. For the avoidance of doubt, such redemption shall include a redemption on maturity of BondbloX.
- 13.7.2. The procedures for the redemption of (including redemption on maturity of) BondbloX are set out in the BondbloX Operating Procedures under the heading “Redemption and Maturity of BondbloX”.

13.8. Exchange of BondbloX for Underlying Bonds

- 13.8.1. A Member Participant may exchange its BondbloX for Underlying Bonds and transfer such Underlying Bonds to its order in accordance with this Rule 13.8.
- 13.8.2. A Member Participant must:
 - a own BondbloX, the aggregate principal amount of which is equal to the specified denomination of the Underlying Bond, or in increments of the multiple tradeable amount; and
 - b pay the fees associated with such transfers, as set out in the Fee Schedule.

- 13.8.3. The procedures for the exchange of a Member Participant's BondbloX for Underlying Bonds and transfer of such Underlying Bonds to its order are set out in the BondbloX Operating Procedures under the heading "Exchange of BondbloX for Underlying Bonds".
- 13.8.4. BondEValue may suspend the withdrawal of all or any Deposited Bonds during any period when the register of bondholders or other relevant holders of other securities of the issuer of the Underlying Bond is closed, generally or in one or more localities, or in order to comply with any applicable law or governmental or stock exchange regulations.
- 13.8.5. Each Member Participant must comply with all applicable laws and regulations when exchanging its BondbloX for Underlying Bonds.

13.9. Fees

- 13.9.1. All fees set out in the Fee Schedule shall be paid in accordance with this Rule 13.9 upon the occurrence of the events set out therein. To the extent that any goods and services tax or other value added tax is payable on any fees, such fees shall be grossed up for such amount.
- 13.9.2. Without prejudice to Rule 3, BondEValue may, from time to time, amend the Fee Schedule at its discretion.
- 13.9.3. The procedures for the payment of any fees pursuant to this Rule 13.9 are set out in the BondbloX Operating Procedures under the heading "Payment of Fees".

13.10. Ledger Balances

- 13.10.1. **Reporting of balances.** The balance of each Member Participant's Distributed Ledger Records shall be made available to that Member Participant as soon as practicable, whether through the System or otherwise. The balance of the Distributed Ledger Records of each Direct Agent Member Participant's MPCs shall be made available to that Direct Agent Member Participant as soon as practicable, whether through the System or otherwise.
- 13.10.2. **Update of Distributed Ledger Records.** Each Member Participant grants BondEValue authority to update its Distributed Ledger Records following the occurrence of the events described in Rules 13.2 to 13.9.

13.11. Holding of Deposited Bonds and Underlying Bonds Cash by a Designated Custodian and holding of Deposited Cash by a Banker

- 13.11.1. The relevant Designated Custodian shall hold Deposited Bonds and Underlying Bonds Cash, subject to the terms of the relevant Custody Agreement. BondEValue shall have the discretion to transfer Underlying Bonds Cash held by a Designated Custodian to a Banker.
- 13.11.2. The relevant Banker shall hold Deposited Cash, subject to the terms of the relevant Deposit Account Agreement.
- 13.11.3. BondEValue has covenanted in the Deed Poll that it will hold each Series of Deposited Bonds (and any other securities relating to such Deposited Bonds which

are distributed pursuant to the terms of such Deposited Bonds) for the relevant Holders (as defined in the Deed Poll and including Direct Member Participants) as bare trustee. Holders, unless otherwise agreed in writing with BondEvalue, will accordingly be tenants in common of such Deposited Bonds (or other securities) to the extent of the Deposited Bonds (or other securities) corresponding to the Series of BondbloX in respect of which they are the holders as set out in the Debentures Register. Each Series of Deposited Bonds shall be subject to a separate trust and events affecting one Series shall not affect any other.

BondEvalue has further covenanted in the Deed Poll that it will hold all Cash for the Holders as bare trustee. Holders, unless otherwise agreed in writing with BondEvalue, will accordingly be tenants in common of such Cash in such amount as set out in the Master Ledger.

For the avoidance of doubt, in acting as such under the Deed Poll, BondEvalue shall have only those duties, obligations and responsibilities expressly specified in the Deed Poll and the Conditions and, other than holding the Deposited Bonds (or other securities) and Cash as bare trustee as aforesaid, does not assume any relationship of trust for or with the Direct Member Participants, the Member Participant Clients or any other person.

- 13.11.4. BondEvalue shall not be beneficially entitled to any Underlying Bonds or Underlying Bonds Cash held by a Designated Custodian or any Cash held by a Banker.
- 13.11.5. Member Participants agree and confirm that:
- a all Deposited Bonds of the same Series (with the same ISIN and Common Code) and held by one or more Designated Custodians within the System are fungible with all other Deposited Bonds held by all other such Designated Custodians within the System; and
 - b BondbloX relating to the same Series of Deposited Bonds are fungible on the System, irrespective of whether the Deposited Bonds are held by one or more Designated Custodians.
- 13.12. Member Participants acknowledge and agree that BondEvalue is not, and shall not be, acting as an agent for and on behalf of any Member Participants or any third parties in relation to any arrangements in which a Designated Custodian holds Deposited Bonds or Underlying Bonds Cash or is otherwise performing the services in accordance with the Custody Agreement.
- 13.13. Each Member Participant shall notify BondEvalue of any error/discrepancy in any Trade Confirmation in accordance with Notice 12.6.
- 13.14. Prior to the occurrence of an Insolvency Event in respect of BondEvalue, all Member Participant Clients must look solely to their Direct Agent Member Participant in relation to all rights arising under the BondbloX.
- 13.15. All Member Participants agree that, upon the occurrence of an Insolvency Event in respect of BondEvalue, in the event any liquidator (excluding a provisional liquidator) or administrator is appointed over BondEvalue:

- 13.15.1. such liquidator or administrator shall, or shall appoint a person (“Appointee”) to, or shall procure that any purchaser of the BBX and the System shall, in each case at the option of the liquidator or administrator and subject to all applicable laws, continue to operate the BBX and the System and to act as bare trustee in respect of the Deposited Bonds (or other securities), Underlying Bonds Cash and Deposited Cash;
 - 13.15.2. If such liquidator, administrator, Appointee or purchaser of the BBX and the System does not continue to operate the BBX and the System and to act as bare trustee in respect of the Deposited Bonds (or other securities), Underlying Bonds Cash and Deposited Cash, it shall (i) sell the relevant Deposited Bonds (or other securities) for fair value as soon as practicable and, after deducting reasonably incurred expenses of sale, distribute the proceeds from such sale to each Direct Member Participant in proportion to its holdings of BondbloX relating to the Deposited Bonds as recorded on the Debentures Register and (ii) distribute Cash to each Direct Member Participant in the amount recorded on the Debentures Register. For the avoidance of doubt, any such distribution shall satisfy such Direct Member Participant’s claim against BondEValue in full and that Direct Member Participant shall not have any recourse against BondEValue for any other claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the BondbloX or any Cash;
 - 13.15.3. if so requested by a Direct Member Participant, such liquidator, administrator, Appointee or purchaser of the BBX and the System shall (i) sell the Deposited Bonds (or other securities) relating to such Direct Member Participant for fair value as soon as practicable and, after deducting reasonably incurred expenses of sale, distribute the proceeds from such sale to the Direct Member Participant in proportion to its holdings of BondbloX relating to the Deposited Bonds as recorded on the Distributed Ledger BondbloX Record of that Direct Member Participant on the Master Ledger and (ii) distribute Cash to the Direct Member Participant in the amount recorded on the Distributed Ledger Cash Record of that Direct Member Participant on the Master Ledger. For the avoidance of doubt, any such distribution shall satisfy the Direct Member Participant’s claim against BondEValue in full and that Direct Member Participant shall not have any recourse against BondEValue for any other claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the BondbloX or any Cash;
 - 13.15.4. if there are Deposited Bonds in respect of which Direct Member Participants are not able to agree whether to retain or sell, the liquidator or administrator may retain or sell such Deposited Bonds at its discretion.
- 13.16. Upon the occurrence of an Insolvency Event in respect of BondEValue, each Direct Member Participant may take direct enforcement action against BondEValue for the transfer of the Underlying Bond (or the value thereof) and Cash allocated to them in the Debentures Register. Each Direct Member Participant agrees that any Underlying Bond (or the value thereof) and Cash received by it pursuant to such enforcement action shall be transferred on a *pro rata* basis to each of their respective Member Participant Clients in proportion to their entitlements evidenced by the Master Ledger.

- 13.17. Upon the occurrence of an Insolvency Event in respect of a Direct Agent Member Participant, all Member Participant Clients must look to the liquidator or administrator of such Direct Agent Member Participant in relation to all rights arising under the BondbloX.

14. Market Monitoring and Disciplinary Actions

- 14.1. BondEValue shall, at its discretion, monitor Member Participants' use of the BBX so as to maintain fair and orderly trading and to uphold the integrity of the BBX.
- 14.2. BondEValue may retain records of communications, records relating to the BBX and correspondences with Member Participants to facilitate investigations into any breach of these Rules or disorderly activity.
- 14.3. BondEValue may take disciplinary actions against a Member Participant in certain circumstances, including, but not limited to, cases where:
- 14.3.1. BondEValue is of the opinion that the Member Participant has committed any of the following:
- a prohibited conduct or disruptive trading practices as set out in Notice 14;
 - b suspicious activity, including any activity which may indicate any Market Abuse;
 - c breach of these Rules and/or the relevant Participation Agreements;
 - d disorderly conduct; and/or
 - e conduct that diminishes the integrity of the BBX;
- 14.3.2. there is an investigation involving a possible breach of the SFA, any other relevant applicable laws and regulatory requirements relating to the regulation of organised markets and licensed entities, or this Rulebook;
- 14.3.3. BondEValue receives a written complaint involving any Member Participant and/or its director, officer, representative, employee or agent;
- 14.3.4. there is a dispute between Member Participants on any matter;
- 14.3.5. in BondEValue's opinion, the circumstances so warrant; and/or
- 14.3.6. the MAS so directs.
- 14.4. Disciplinary actions may involve:
- 14.4.1. suspension of trading;
- 14.4.2. termination and/or reversal of all outstanding Orders, Transactions or entries made to Distributed Ledger Records, to the extent possible;
- 14.4.3. written warning; and/or

- 14.4.4. termination of relationship and account.
- 14.5. BondValue shall not be liable for any losses that may result due to its decision to take any disciplinary action.
- 14.6. If a Member Participant is aggrieved by a decision made by BondValue under this Rule 14, such Member Participant may appeal that decision to the Appeals Committee in accordance with the procedure set out in this Rule 14 (the “**Appeals Procedure**”). If no such appeal is made in accordance with the Appeals Procedure, the decision of BondValue will be final, unless and until otherwise determined by BondValue.
- 14.7. The aggrieved Member Participant may initiate an appeal by submitting a notice of appeal to BondValue within 15 business days following the date stated on the relevant notice of the decision from BondValue. The notice of appeal shall be in the form prescribed by BondValue, and set out the grounds of appeal.
- 14.8. A notice of appeal must set out:
- 14.8.1. the decision that the appellant is appealing; and
- 14.8.2. the principal facts and arguments relied upon by the appellant to support the appellant’s appeal.
- 14.9. BondValue shall forward all notices of appeal that it receives to the Appeals Committee.
- 14.10. Upon receipt of the notice of appeal forwarded by BondValue under Rule 14.9, the Appeals Committee must first consider whether the notice of appeal complies with the Appeals Procedure.
- 14.11. If the Appeals Committee is not satisfied that a notice of appeal complies with the Appeals Procedure, the Appeals Committee may return the notice of appeal to the appellant with brief reasons setting out why the notice of appeal did not comply with the Appeals Procedure. If a revised notice of appeal that complies with the Appeals Procedure is not received within 20 business days of the return of a notice of appeal, then the initial decision of BondValue which is the subject matter of the appeal is final.
- 14.12. If the Appeals Committee is satisfied that a notice of appeal complies with the Appeals Procedure, the Appeals Committee must request a reply to the notice of appeal from BondValue. For the avoidance of doubt, BondValue is not required to submit a reply to the notice of appeal.
- 14.13. After receipt of the notice of appeal, the Appeals Committee may:
- 14.13.1. request further information, documentation or other evidence, from the appellant or BondValue as it considers necessary or relevant to the appeal; and/or
- 14.13.2. require the appellant and BondValue to attend a hearing before the Appeals Committee.
- 14.14. For the avoidance of doubt, the rules as to the admissibility of evidence in a court of law will not apply to an appeal under this Rule 14.
- 14.15. The Appeals Committee may consider:

- 14.15.1. two or more appeals from an appellant; or
 - 14.15.2. the appeals of two or more appellants,
at the same time.
- 14.16. The Appeals Committee must notify the appellant and BondValue of its decision. In making its decision, the Appeals Committee may:
- 14.16.1. confirm;
 - 14.16.2. vary; or
 - 14.16.3. repeal
BondValue’s decision that is the subject of the appeal.
- 14.17. The Appeals Committee may, after having made a decision under Rule 14.16, make any order regarding costs arising from an appeal as it considers necessary.
- 14.18. Any decision or order made by the Appeals Committee under this Rule 14 shall be final and binding on BondValue and the appellant.

15. Regulatory Supervision and Reporting

Each Member Participant acknowledges and agrees that it must:

- 15.1.1. comply with any applicable laws relating to regulatory reporting; and
- 15.1.2. promptly assist BondValue to comply with any regulatory reporting it deems necessary, or as requested by the relevant regulator.

16. Miscellaneous Provisions

16.1. Outsourcing

- 16.1.1. Some or all of the services which BondValue offers are provided with the assistance of or are outsourced to third party providers. Such third party outsourcing may include solutions such as software as a service (“SaaS”), cloud computing, external hosting or similar solutions and may be located anywhere in the world. A Member Participant may, upon request, obtain a list of concerned countries. Such list may change from time to time.
- 16.1.2. Such solutions will be governed by applicable law relevant to the jurisdiction in which they are carried out or where the third party provider may be located. They may lead to additional obligations and responsibilities, including, but not limited to, the disclosure of information.

16.2. Limitation of Liability

- 16.2.1. None of BondEValue, its affiliates or their respective directors, officers, employees, representatives, nominees or agents (the "**Relevant Persons**") shall be liable to any person for any loss or damage (including consequential or indirect loss or damage even if advised of the possibility of such loss or damage), howsoever caused or arising, including, but not limited to, any loss or damage arising directly or indirectly from or in connection with the following or anything done or not done as a direct or indirect consequence of the following:
- a any failure, error, delay or malfunction of the BBX and/or the System operated by BondEValue howsoever caused and whether or not identified or identifiable;
 - b the access to, use of or inability to use the BBX and/or System operated by BondEValue;
 - c anything done (including any statement made) or omitted to be done in the course of, or in connection with, the discharge or purported discharge of BondEValue's obligations or rights under the SFA or any other applicable law or under these Rules;
 - d any breach or failure of any Member Participant to comply with these Rules;
 - e the acts or omissions of any Member Participant;
 - f any failure, security breach, inoperability or malfunction of equipment, software or any other product supplied to a Member Participant howsoever caused, or in respect of its installation, maintenance or removal, including, but not limited to, any virus or other destructive, malicious or corrupting programme, code, agent, script or macro;
 - g the performance, non-performance or delay in performance of any act or thing which this Rulebook provides shall or may be done or performed, or the exercise of, or failure to exercise, any decision-making, regulatory or other power or discretion provided for in this Rulebook;
 - h any provision of any present or future law or regulation of Singapore or any other country or of any relevant governmental authority, or the interpretation or application of any such present or future law or regulation or any change therein, or the occurrence of any event, including, but not limited to, (i) capital control measures or (ii) freeze orders, affecting the transferability, convertibility or availability of all or any portion of a Settlement Currency in the countries where such accounts are maintained;
 - i the originality, accuracy, adequacy, timeliness or completeness of the BBX and/or System or any content, information, materials, images, sounds, graphics, video and other materials displayed therein or any functionalities or applications, programmes or services provided therein (collectively "**Content**") or any reliance on the Content or any part thereof;

- j any information transmitted or received by or on behalf of BondEValue or a Member Participant, including through the BBX and/or System, or the interception of or access to such information by unauthorised persons; or
- k the prevention or prohibition of, or delay in, the doing or performance of any act or thing which this Rulebook provides shall or may be done or performed by reason of any provision of any present or future law or regulation of Singapore or any other country or of any relevant governmental authority, or by reason of the interpretation or application of any such present or future law or regulation or any change therein, or by reason of any other circumstances beyond their control, or by reason of any provision, present or future, of the transaction documents relating to the Underlying Bonds,

unless such loss or damage is due to the fraud, gross negligence or wilful misconduct of such Relevant Person.

- 16.2.2. BondEValue is not liable for any action taken, or any omission to take any action required to be taken hereunder or otherwise to fulfil its obligations hereunder (including, without limitation, the failure to receive or deliver securities or the failure to receive or make any payment), in the event and to the extent that the taking of such action or such omission arises out of, or is caused by, war, insurrection, riot, civil commotion, act of God, accident, fire, water damage, explosion, mechanical breakdown, computer or system failure or attack or other failure of equipment, failure or malfunctioning of any communications media for whatever reason (whether or not such media are made available to any Member Participant by BondEValue), interruption (whether partial or total) of power supplies or any other utility or service, strike or other stoppage (whether partial or total) of labour, any law, decree, regulation or order of any government or governmental body or international regulatory authority (including any court or tribunal) or any other cause (whether similar or dissimilar to any of the foregoing) whatsoever beyond BondEValue's reasonable control.
- 16.2.3. BondEValue shall be under no obligation to ensure that any instructions received from Member Participants are not forged, fraudulent or invalid.
- 16.2.4. BondEValue shall notify the Member Participants immediately in the event that any instructions prove to be forged, fraudulent or invalid.
- 16.2.5. Without limiting the generality of the foregoing, BondEValue is not liable for the bankruptcy or insolvency of any Banker or Designated Custodian.

16.3. Designated Custodians and Bankers

- 16.3.1. At no time shall the provision of the custody services or any services under the Deposit Account Agreement or Custody Agreement impose a duty on a Banker or Designated Custodian to monitor or enforce, or review transactions for the compliance of BondEValue with any requirement, restriction or guideline imposed by applicable law or regulation, in this Rulebook, the Deed Poll, the Information Memorandum or the BondbloX Operating Procedures, or for compliance with any requirement, restriction or guideline relating to trading or holding of the Underlying Bonds.

- 16.3.2. In respect of a Designated Custodian's obligation to provide custody services under the Custody Agreement, the Designated Custodian is responsible solely to BondEValue and to no other person. The Designated Custodian has the power to appoint sub-custodians, who may in turn sub-delegate its duties and responsibilities to other persons. The Designated Custodian shall not be responsible or liable for the acts, omissions, default and/or insolvency of any sub-custodian appointed in good faith.

16.4. Confidential Information

- 16.4.1. Member Participants must take all necessary precautions when sending BondEValue confidential information. Member Participants agree to maintain the confidentiality of confidential information received from BondEValue.
- 16.4.2. BondEValue may store, reproduce, download or transmit confidential information through any website, internet server or other secured means for use or retrieval by Member Participants. BondEValue will use adequate security, encryption and authentication procedures/software to prevent any unauthorised third party disclosure.
- 16.4.3. BondEValue may transmit or accept confidential information by means BondEValue deems appropriate to and from Member Participants or third parties if:
- a BondEValue considers it necessary to provide BondEValue's services;
 - b this is consistent with market practices;
 - c there is no other means of transmitting or receiving such confidential information; or
 - d there is a contingency situation.
- 16.4.4. BondEValue accepts no liability for the consequences of a third party intercepting confidential information or when BondEValue or any third party service provider is required to disclose confidential information in accordance with Rule 16.5.

16.5. Disclosure of Information by BondEValue

- 16.5.1. BondEValue will take all reasonable measures to protect information provided to it by or on behalf of a Member Participant under these Rules from unauthorised use or disclosure.
- 16.5.2. Disclosure of information by BondEValue is authorised use or disclosure, and each Member Participant irrevocably consents to such use and disclosure, if it:
- a is approved by the MAS or is to any governmental agency or regulatory authority (in or out of Singapore) which requests that BondEValue provide the information for the proper exercise of powers relating to the governance of Member Participants;
 - b is required under any law (in or out of Singapore) or any order of any court or regulatory authority (each in or out of Singapore);

- c is publicly available at the time of disclosure to or by BondEvalue;
- d is in connection with the discharge of BondEvalue's regulatory obligations under the SFA or when compelled under applicable laws to do so or pursuant to any cross-border regulatory sharing arrangement subject to any obligation to maintain confidentiality under the SFA;
- e is in relation to the enforcement of, or compliance with, these Rules or adjudication of a matter;
- f is to any of BondEvalue's affiliates or to a Banker or Designated Custodian;
- g is authorised by the MAS to be disclosed or furnished under the SFA; or
- h constitutes authorised use or disclosure of information at common law.

17. Communications

Any queries, complaints or feedback with regard to this Rulebook, or in relation to any Member Participants' actions and behaviour on the BBX, should be made in writing (including by electronic mail) to the following:

Bondevalue Pte. Ltd
79 Robinson Road #07-01
Singapore 068897

or

via email to: bondblox.support@bondevalue.com

Notice 1

Trading Hours

The Trading Hours for the BBX are 9.00 a.m. to 5.00 p.m. SGT (both times inclusive) on each Trading Day.

Notice 11

Instrument Eligibility Criteria

1. The listing of Eligible Instruments will be in respect of Underlying Bonds which meet the following criteria, including but not limited to:
 - a. corporate bonds; and
 - b. sovereign and supranational bonds.
2. The Underlying Bonds may be denominated in any of the following currencies:
 - a. U.S. dollars; or
 - b. Singapore dollars.
3. The Underlying Bonds must be admitted for clearing on one of:
 - a. Euroclear Bank SA/NV;
 - b. Clearstream Banking S.A.; or
 - c. The Central Depository (Pte) Limited.
4. The Underlying Bonds must have an allocated ISIN.
5. The amount of BondBlox to be issued shall not exceed the number which represents 40% of the principal amount of the Underlying Bonds.
6. Where the Underlying Bonds have matured or have been redeemed (whether through an issuer redemption event or if Holders have voted on the redemption), the corresponding BondbloX on such issues will cease to be listed on BBX.
7. BondbloX may continue to be listed on BBX even where the Underlying Bond Issuer has defaulted on the relevant Underlying Bonds.

Notice 12.6

Clearly Erroneous Trade Policy

1. General

1.1. Capitalised terms in this Notice shall have the same meaning as given in the Rulebook unless expressly stated otherwise.

1.2. For the purposes of this Notice, the following terms shall have the meanings set out below:

“Clearly Erroneous Trade” is a Transaction which BondEValue considers in its discretion (i) to have been executed at a pricing level that is clearly inconsistent with the current market for the relevant Eligible Instrument at the time of execution; (ii) to have been executed on any term that is clearly inconsistent with market practice based on any criteria (such as identity of the security, size, direction (i.e. order to buy or sell) or validity of the order); (iii) to reasonably appear to have been performed or calculated in error; or (iv) to be detrimental to the integrity of the BBX;

“Clearly Erroneous Trade Powers” has the meaning given in paragraph 2.2 of this Notice; and

“System Disruption” means any disruption, malfunction or technical failure of the System, which has resulted in a Transaction being incorrectly processed by the System.

1.3. Without prejudice to Rule 3, this Notice may be amended by BondEValue at its discretion from time to time.

1.4. A Member Participant’s continued use of the BBX following any amendments to the Rulebook shall constitute its acceptance of such amendments, and of BondEValue’s Clearly Erroneous Trade Powers.

2. Clearly Erroneous Trade Policy

2.1. In order to promote the integrity of the BBX, and to provide for all participants fair and orderly trading, BondEValue will use the Clearly Erroneous Trade Policy to address trade errors and disputes which may arise for any Transaction.

2.2. In the event that BondEValue determines that a Transaction is a Clearly Erroneous Trade or has resulted from a System Disruption, BondEValue may, but is not obliged to, modify the terms of the Transaction (subject to consent of the involved parties) (**“Clearly Erroneous Trade Powers”**). BondEValue may impose any conditions it deems appropriate for or in relation to the cancellation of a Transaction or the modification of any terms of a Transaction.

2.3. If BondEValue determines a trade should be voided in accordance with this Notice, the involved parties shall take steps as may be necessary to effect such an action.

2.4. BondEValue may conduct a review of a Transaction to determine whether it is a Clearly Erroneous Trade upon the request of a Member Participant or otherwise at BondEValue’s discretion.

- 2.5. BondEValue will consider each trade review request submitted by a Member Participant on a case-by-case basis. BondEValue shall determine in its discretion whether the circumstances warrant a trade review.
- 2.6. BondEValue will use its reasonable efforts to resolve any issue arising in connection with a trade review as soon as practicable from the time the trade review is commenced, and to notify the relevant Member Participants of any final determination that it makes. All decisions made by BondEValue pursuant to this policy are final and not subject to further review or appeal.
- 2.7. BondEValue shall not be liable for any losses that Member Participants may suffer as a result of a decision to review, or not to review, a Transaction; or to use, or not to use, its Clearly Erroneous Trade Powers.
- 2.8. The involved Member Participant(s) shall be liable to BondEValue for any losses, costs or expenses that BondEValue may incur as a result of its or their inability or failure to abide by BondEValue's determinations under this policy.
- 2.9. Review Process
 - 2.9.1. Any Member Participant may request a review of a Transaction by notifying BondEValue via email to bondblox@bondevalue.com within 120 minutes from the time of execution of the Transaction or before 6.00 p.m. SGT on the day that the Transaction was executed, whichever is earlier.
 - 2.9.2. Each request submitted by a Member Participant for the review of a Transaction must include the following details: (a) transaction identification codes; (b) security details; (c) quantity of Eligible Instruments bought or sold in the Transaction; (d) price; (e) direction of trade (buy/sell); and (f) factual evidence demonstrating that the Transaction is either a Clearly Erroneous Trade or resulted from a System Disruption.
 - 2.9.3. Upon receipt of a Member Participant's request to review a Transaction in accordance with paragraphs 2.9.1 and 2.9.2 above, or if BondEValue initiates a review, BondEValue will use its reasonable efforts to notify the other party that acted as a counterparty to the Transaction.
 - 2.9.4. The party requesting a review of a Transaction may withdraw its request via email to bondblox@bondevalue.com, at any time prior to the time BondEValue notifies the parties to the Transaction of its final determination.
 - 2.9.5. In the event that a trade review request is initiated later than 120 minutes after the time of execution of the Transaction, BondEValue may, in its discretion, attempt to exercise its Clearly Erroneous Trade Powers.

3. Determination and Action

- 3.1. Prior to a final determination of a trade review of a Transaction by BondEValue, BondEValue may place one or more restrictions on one or more of the parties involved in the Transaction, including, but not limited to, (a) the placing of any further orders, (b) the exchange of any BondbloX for any Underlying Bond, and/or (c) the withdrawal of Cash from the System.

- 3.2. Any action taken by BondEValue under this Notice is in addition to other actions which BondEValue is entitled to take against any party involved in the Transaction.
- 3.3. Upon the communication by BondEValue of any final determination of a trade review, the involved parties shall promptly take such steps as may be necessary to effect such determination. If the final determination by BondEValue is that a Transaction is a Clearly Erroneous Trade or has resulted from a System Disruption and shall be cancelled (the “**Initial Transaction**”), the parties to the Initial Transaction shall promptly take such steps as may be necessary to enter into a new Transaction (the “**New Transaction**”) on terms such that any payments or deliveries made or to be made by one party to the other under the Initial Transaction shall be completely set off against any payments or deliveries made or to be made by one party to the other under the New Transaction.
- 3.4. BondEValue shall communicate the final determination of a trade review to the BBX.

Notice 13

BondbloX Operating Procedures

A. Deposit of Cash for Member Participant's purchase of BondbloX

1. The Member Participant completes and submits (i) an instruction to its bank to transfer cash in the relevant Settlement Currency to BondEvalue and (ii) a cash deposit form on the System (together the "**Cash Deposit Instructions**"). The details of BondEvalue's available bank accounts for each Settlement Currency shall be available on the System.
2. In the case where the Banker requires a matching and settlement of the Cash Deposit Instructions, upon matching and settlement of the Cash Deposit Instructions by a Banker and the communication of such matching and settlement by the Banker to BondEvalue and by BondEvalue to the System, the System records the deposit of Cash in the Member Participant's Distributed Ledger Cash Record.
3. In the case where the Banker does not require any matching and settlement of the Cash Deposit Instructions, upon receipt by a Banker of the deposit of cash and the communication of such receipt by the Banker to BondEvalue and by BondEvalue to the System, the System records the deposit of cash in the Member Participant's Distributed Ledger Cash Record.

B. Withdrawal of Cash of Member Participant from the System

1. The Member Participant completes and submits a Cash withdrawal form on the System (the "**Cash Withdrawal Instructions**").
2. Upon communication of the Cash Withdrawal Instructions to BondEvalue through the System, the Banker makes payment of the Cash specified in the Cash Withdrawal Instructions to, or to the order of, the Member Participant and communicates such payment to BondEvalue and BondEvalue shall communicate such payment to the System. Following such communication, the System records the withdrawal of Cash in the Member Participant's Distributed Ledger Cash Record.
3. In the case of one or more Bankers, Member Participants agree and confirm that BondEvalue has the discretion to select which Banker will effect the Cash withdrawal.
4. Any withdrawal of Cash shall only be made and credited to the same-named bank account holder and bank account from which such Cash is originally transferred or remitted to the account except on a case by case basis, including without limitation, operational reasons for specific Member Participants.

C. BondbloX Creation

1. The Underlying Bond Supplier completes and submits (i) an instruction to the custodian of the Underlying Bond to deliver the Underlying Bond to BondEvalue's account with the relevant Designated Custodian on a free of payment basis and (ii) a BondbloX creation form on the System (together the "**Creation Instructions**"). The details of BondEvalue's securities account(s) shall be available on the System.

2. In the case of one or more Designated Custodians, Member Participants agree and confirm that BondEValue has the discretion to select which Designated Custodian will hold the relevant Underlying Bonds.
3. Upon matching of the Creation Instructions by the System, the communication of such matching to the relevant Designated Custodian, settlement of the Underlying Bond by the relevant Designated Custodian and the communication of such settlement to BondEValue and by BondEValue to the System, the System records a credit of BondbloX relating to the Underlying Bond in the Underlying Bond Supplier's Distributed Ledger BondbloX Record equal to the number of BondbloX created in respect of the Underlying Bond.
4. Upon each credit of BondbloX pursuant to paragraph 3 above, BondEValue shall issue an issue certificate ("**Issue Certificate**") representing such BondbloX.
5. For the avoidance of doubt, BondbloX relating to the same Series of Underlying Bonds are fungible on the System, irrespective of whether the Underlying Bonds are held by one or more Designated Custodians.

D. Trading of Eligible Instruments

1. Following the matching of Orders in accordance with Rule 12.5, the System shall update the Distributed Ledger Records as follows:
 - a. in the case of an Order to buy by a Member Participant, by recording (i) a debit to such Member Participant's Distributed Ledger Cash Record in an amount equal to the aggregate of the purchase price of the quantity of Eligible Instruments purchased pursuant to such Order, the accrued interest on the Underlying Bond relating to such Eligible Instruments and the fees associated with such Order as set out in the Fee Schedule and (ii) a credit to such Member Participant's Distributed Ledger BondbloX Record in an amount equal to the quantity of Eligible Instruments purchased pursuant to such Order; and
 - b. in the case of an Order to sell by a Member Participant, by recording (i) a credit to such Member Participant's Distributed Ledger Cash Record in an amount equal to the sale price of the quantity of Eligible Instruments sold pursuant to such Order and the accrued interest on the Underlying Bond relating to such Eligible Instruments less the fees associated with such Order as set out in the Fee Schedule and (ii) a debit to such Member Participant's Distributed Ledger BondbloX Record in an amount equal to the quantity of Eligible Instruments sold pursuant to such Order.
2. Following complete settlement of each Transaction on the Master Ledger in accordance under Rule 12.7.6, the System shall generate a transfer certificate (the "**Transfer Certificate**") and provide a confirmation to each party to such Transaction (a "**Trade Confirmation**") no later than the end of the Trading Day on which settlement is complete.

E. Distribution of Monies on BondbloX

Upon receipt of any payments on an Underlying Bond by the relevant Designated Custodian and the communication of such receipt to BondEValue and by BondEValue to the System, the System shall record a credit to the Distributed Ledger Cash Records of each Member Participant holding BondbloX relating to such Underlying Bond in an amount proportional to such Member Participant's holdings of BondbloX.

In the case of one or more Designated Custodians, receipt of the full payment on an Underlying Bond by the relevant Designated Custodians will be required before the relevant credit of cash is made on the System.

F. Redemption and Maturity of BondbloX

On the redemption or maturity of an Underlying Bond, upon the receipt of any payments relating to such redemption or maturity by the relevant Designated Custodian and the communication of such receipt to BondEValue and by BondEValue to the System, the Distributed Ledger shall be updated as follows:

1. a credit to the Distributed Ledger Cash Records of each Member Participant holding BondbloX relating to such Underlying Bond in an amount proportional to such Member Participant's holdings; and
2. a debit to the Distributed Ledger BondbloX Records of each such Member Participant in an amount equal to such Member Participant's holdings of BondbloX relating to such Underlying Bond.

In the case of one or more Designated Custodians, receipt of the full payment on an Underlying Bond by the relevant Designated Custodians will be required before the relevant credit of cash is made on the System.

G. Exchange of BondbloX for Underlying Bonds

1. A Member Participant completes and submits (i) a BondbloX exchange form on the System and (ii) an instruction to the custodian of the Underlying Bond to receive the relevant Underlying Bond free of payment (together the "Exchange Instructions").
2. A Member Participant may only exchange or withdraw BondbloX if the specified amount is above the minimum tradeable amount of the relevant Underlying Bonds.
3. Upon matching of the Exchange Instructions by the System and the communication of such matching to the relevant Designated Custodian, such Designated Custodian delivers the Underlying Bond to, or to the order of, the Member Participant. The Designated Custodian will communicate such delivery to BondEValue which will communicate such delivery to the System. The System records a debit of BondbloX relating to the Underlying Bond in the Underlying Bond Supplier's Distributed Ledger BondbloX Record equal to the number of BondbloX exchanged for the Underlying Bond.
4. In the case of one or more Designated Custodians, Member Participants agree and confirm that BondEValue has the discretion to select which Deposited Bonds and Designated Custodian will be used to satisfy the Exchange Instructions.

H. Payment of Fees

The System shall record:

1. a debit to the Distributed Ledger Cash Records of the Member Participant from whom fees are due pursuant to Rule 13.9 in an amount equal to such fees; and
2. a credit to the Distributed Ledger Cash Records of BondEValue in an amount equal to such fees.

Notice 13.9

Fee Schedule

Description	Event	Fee due to	Amount
<i>Trading Fee</i>	Entry of Transaction for the sale and purchase of BondbloX	BondEValue	S\$2.00 or US\$2.00 per Transaction (as applicable), payable by each party to the Transaction
<i>Platform Fee</i>	Quarterly fee for access to the BBX	BondEValue	0.20 per cent. per annum per Member Participant calculated on a daily basis based on the value of BondbloX held by such Member Participant at the end of each day. The calculated amount will be earmarked from each Member Participant's Distributed Ledger Cash Record and payable by each Member Participant on 21 March, 21 June, 21 September and 21 December in each year
<i>Others</i>	-	BondEValue	BondEValue may charge any other fees as it deems appropriate. Any such fees shall be notified to Holders and/or Member Participants 30 business days prior to such fees being levied
<i>Direct Member Participant Fees</i>	Direct Member Participants may charge their Member Participant Clients fees and charges as agreed between such Direct Member Participants and Member Participant Clients	Direct Member Participants	As agreed between the parties. Member Participants agree and confirm that: - such Direct Member Participant Fees may be deducted from Member Participant accounts as directed by Direct Member Participants. - BondEValue shall not be responsible for any incorrect calculations of fees as provided by Direct Member Participants.

GST or other value added taxes: To the extent that any goods and services tax or other value added tax is payable on any fees, such fees shall be grossed up for such amount.

Notice 14

Prohibited Conduct

A. Prohibited Conduct

1. No Member Participant shall knowingly or recklessly permit the use of its services, facilities or membership by any individual, corporation, partnership, statutory body, government ministry, association, trust or entity (“**Person**”) in a manner which is in BondEValue’s opinion liable to bring BondEValue, the BBX or any other Member Participant into disrepute, impair the dignity or degrade the reputation of BondEValue or the BBX. No Member Participant shall knowingly or recklessly create or maintain or exacerbate manipulations (or attempted manipulations), corners (or attempted corners) or violations (or arrangements, provisions or directions made or given thereunder), or otherwise be substantially detrimental to the interests or welfare of BondEValue or the BBX.
2. No Member Participant, in relation to any Order or Transaction on the BBX or otherwise in accordance with the Rules, shall:
 - a. commit any act of fraud or bad faith;
 - b. act dishonestly;
 - c. engage or attempt to engage in extortion;
 - d. knowingly or recklessly disseminate false, misleading or inaccurate reports concerning any Order, Transaction, product or market information or conditions that affect or tend to affect prices on BBX;
 - e. manipulate or attempt to manipulate BBX, or create or attempt to create a disorderly BBX, or assist its clients, or any other person to do so;
 - f. make or report a false or fictitious trade;
 - g. knowingly front-run a client’s order, unless the client has prescribed that the order be executed under specified conditions and the order cannot be executed by reason of those conditions; or
 - h. use or reveal any information, records, materials or documents provided to or obtained by another Person by reason of participating in any investigation or disciplinary actions set out in Rule 14.
3. No Member Participant shall engage in the following acts of misconduct:
 - a. any conduct contrary to Rule 2.1.9;
 - b. participating in conduct by a third party which would be a violation or attempted violation of these Rules if that third party were subject to these Rules;
 - c. failing to pay an order for costs imposed by the Appeals Committee;
 - d. any other event or practice which has developed or is developing on the BBX and is thought to be capable of impairing the orderly conduct of business on the BBX or affecting the due performance of Transactions;

- e. provision to BondEValue or the BBX of information which is false, misleading or inaccurate; or
 - f. any other matter of which BondEValue or the BBX may, from time to time, notify Member Participants through Notices issued in accordance with Rule 3.
4. After receiving notice that BondEValue is conducting an investigation, it shall be considered a violation of the Rules for the Member Participant who is the subject of the notice (and, if the subject of the notice is an individual employed by a Member Participant, such Person) to:
- a. fail to appear before BondEValue or any duly authorised staff of the BBX in connection with any investigation;
 - b. fail to fully answer all questions and produce all books and records at such investigation;
 - c. fail to produce any books or records requested by BondEValue or any duly authorised staff of the BBX, in the format and medium specified in the request, within ten (10) business days after such request is made or such shorter period of time as determined by BondEValue or the BBX in exigent circumstances (unless such Person is granted an extension of time to produce such books and records by BondEValue or any duly authorised staff of the BBX);
 - d. make any false or misleading statements to BondEValue, any duly authorised staff of the BBX or to the Appeals Committee; or
 - e. fail to comply with a decision or an order of the Appeals Committee.
5. A Member Participant whose behaviour amounts to any behaviour prohibited under the SFA shall be in breach of these Rules.

B. Disruptive Trading Practices Prohibited

- 1. All Orders must be entered for the purpose of executing bona fide Transactions.
- 2. All non-actionable messages must be entered in good faith for legitimate purposes.
- 3. No Person shall:
 - a. enter or cause to be entered an order with the intent, at the time of order entry, to cancel the order before execution or to modify the order to avoid execution;
 - b. enter or cause to be entered an actionable or non-actionable message or messages with intent to mislead other Member Participants;
 - c. enter or cause to be entered an actionable or non-actionable message or messages with intent to overload, delay, or disrupt the systems of the BBX or other Member Participants;
 - d. engage in, or knowingly act with any other Person in, any act or practice that will or is likely to create a false or misleading appearance of active trading in any Transaction or a false or misleading appearance with respect to the price of any Transaction;
 - e. knowingly execute, or hold out as having executed, an Order, without having effected a bona fide Order in accordance with these Rules;
 - f. induce or attempt to induce another person to trade in a Transaction:

- i. by making or publishing any statement, promise or forecast that it knows or ought reasonably to know to be false, misleading or deceptive;
 - ii. by any dishonest concealment of material facts;
 - iii. by the reckless making or publishing of any statement, promise or forecast that is false, misleading or deceptive; or
 - iv. by recording or storing in any mechanical, electronic or other device information that is knowingly false or materially misleading;
- g. directly or indirectly in connection with any Transaction:
- i. employ any device, scheme or artifice to defraud;
 - ii. engage in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception upon any Person;
 - iii. make any false statement of a material fact; or
 - iv. omit to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

C. Wash Trades Prohibited

1. Buy and sell orders for different accounts with common beneficial ownership that are entered with the intent to negate market risk or price competition shall be deemed to violate the prohibition on wash trades. The prohibition on wash trades extends to instances where a Member Participant knows or reasonably should know that the purpose of the orders is to avoid taking a bona fide market position exposed to market risk.
2. No Member Participant shall knowingly execute or accommodate the execution of such transactions by direct or indirect means.

D. Pre-arranged Trades Prohibited

A Member Participant shall not make any purchase or sale which has been prearranged, or for which such Member Participant engaged in pre-execution communications.

For the purpose of this Notice 14(D), pre-execution communications means communications for the purpose of discerning interest in the execution of a Transaction prior to the terms of an Order being submitted.

E. Trading Against Member Participant Clients' Orders Prohibited

No Member Participant in possession of an Order shall knowingly take, directly or indirectly, the opposite side of such Order for his own account, an account in which he has a direct or indirect financial interest, or an account over which he has discretionary trading authority.

The following restriction shall not apply if any Member Participant Client's Order has been entered immediately upon receipt and has first been exposed on BBX for a minimum of 10 seconds.

F. Disclosing Orders Prohibited

No Member Participant shall disclose another Person's order to buy or sell except to a BBX official or a relevant regulatory authority, and no Person shall solicit or induce another Person to disclose order information.