

This Circular No 4: Trading Mechanics for the Central Limit Order Book is issued under the Elixirium Rules, forms part of those Rules and is addressed to all Participants.

1. Definitions, Interpretation and Construction

1.1 In this Circular unless the context otherwise requires, the following words and expressions shall have the following meanings:

“CLOB” means the Central Limit Order Book;

“Expiry Time” shall have the meaning set out in Circular 1 which sets out the Trading Mechanics for Auctions;

“Market Open” means in respect of a Trading Day and the relevant segment of the CLOB, the time specified as such on the Elixirium Website;

“Market Close” means in respect of a Trading Day and the relevant segment of the CLOB, the time specified as such on the Elixirium Website; and

“Un-Matched” means the opposite of Matched.

1.2 Capitalised terms used herein and not otherwise defined herein shall bear the meaning set out in the Elixirium Rules or the Prescribed Documentation as the case may be.

1.3 A Participant that wishes to sell collateral and raise cash shall be known as Seller of Securities for the purposes of the Elixirium Transaction and a Participant that wishes to buy collateral and invest cash shall be known as the Buyer of Securities for the purposes of the Elixirium Transaction.

2. The Central Limit Order Book Rule 6.2

The following additional provisions shall apply to an Elixirium Transaction which is initiated through the CLOB:

2.1 A Participant that wishes to enter into an Elixirium Transaction through the CLOB shall submit an Order to be the Seller of Securities or the Buyer of Securities as the case may be, against:

(i) a predefined Financial Product Specification (which for the avoidance of doubt shall include a predefined settlement method which specifies the applicable bilateral settlement mechanics, CCP or Triparty Agent as the case may be);

(ii) with (a) a specific start date (Purchase Date) which is likely to be T+0,T+1, T+2 or such other date(s) as specified by Elixium on the Elixium Platform; and (b) a specific end date (Repurchase Date) as specified by Elixium on the Elixium Platform; and

(iii) at a specific rate.

2.2 An Order may only be submitted at or after Market Open and prior to Market Close. Once submitted and unless Matched an Order may be cancelled at any time until Market Close. Until further notice an Order may only be amended by cancelling the Order and submitting a new Order which will not have the time priority of the original Order but instead will have the time priority of the newly submitted Order.

2.3, Orders on the CLOB shall be Matched on the basis of the following order of priority:

- (i) rate; and then
- (ii) time, with the oldest Order being Matched first.

Matching of Orders is however subject to credit being available to both Participants prior to Matching. Where credit is available to both Participants but the amount of credit is not sufficient to result in both Orders being completely Matched, then the Order(s) shall be partially Matched and the un-Matched part of the Order(s) shall remain on the CLOB as a reduced Order(s) and shall retain the time priority of the original Order(s). Where credit is available to both parties but the size of the opposite Orders are not identical, then a partial Match shall occur and the un-Matched part of the Order shall remain on the CLOB as a reduced Order and shall retain the time priority of the original Order.

2.4 An Order which has been submitted in respect of an Auction shall be included in the CLOB and shall be available to be Matched on the CLOB in the same order of priority as set out at paragraph 2.3 above but only whilst the Auction is in progress. Partial Matching may occur in accordance with paragraph 2.3 above but only whilst the Auction is in progress.

2.5.1 Subject to sub-paragraph 2.6.2 below, Orders shall continue to be Matched until the soonest to occur of (i) all possible Matching; and (ii) the Expiry Time, in respect of Orders which have been submitted through an Auction; or (iii) Market Close, in respect of Orders which have been submitted through the CLOB.

2.5.2 All un-Matched Orders submitted through the Auction shall be cancelled by the Elixium Platform immediately following the Expiry Time. All un-Matched Orders submitted through the CLOB shall be cancelled by the Elixium Platform immediately following Market Close.

2.6.1 Unless otherwise specified on the Elixium Website, an Error Collar shall apply in respect of all Financial Products that are the subject matter of Orders that have been submitted for execution through the CLOB. An Error Collar is not set in respect of an Order that has been submitted for execution through an Auction (even if the Order is subsequently executed on the CLOB). An Error Collar shall be determined and amended by Elixium in its absolute discretion. However without limitation to the foregoing, Elixium will generally determine an Error Collar having regard to the mid-price as determined by Elixium in respect of a particular Financial Product.

2.6.2 Where there is a change in an Error Collar, all Un-Matched Orders (whether submitted through the CLOB or an Auction) shall be immediately deleted and Participants shall be responsible for resubmitting their Orders.

