

Product Appendix 3 – Bonds

1 Definitions and Interpretation

The following definitions shall apply only to this Product Appendix 3, in addition to the definitions contained in the Rulebook.

Issuer Minimum Size	Has the meaning given to such term in Rule 7.2 of this Product Appendix.
Original Order	Has the meaning given to such term in Rule 7.2 of this Product Appendix.
Product	Bonds.

2 General

- 2.1 This Product Appendix sets out additional Rules for participation and trading the Product on the ISL MTF, to ensure the orderly conduct of business.
- 2.2 Where indicated, certain Rules in this Appendix have specific application to the Product. The Rules are binding on all Participants.
- 2.3 The ISL MTF allows for trading on a MP basis.
- 2.4 Participants shall at all times be responsible for fulfilling any applicable transaction reporting obligations.

3 Trading Day

- 3.1 Trading is not permitted outside the Trading Day. The Operator shall, at its sole discretion, determine what the Trading Day shall be for the Eligible Instruments.

4 Eligibility Criteria

- 4.1 All Participants must be clients of the Operator.

5 Categories

- 5.1 The Product is traded through Optimisation Sessions in the following Categories:
 - a. Corporate Bonds; and
 - b. Government Bonds.

6 Eligible Instruments

- 6.1 The Eligible Instruments available on the ISL MTF are published at <https://support.icap.com/Account/LogOn?ReturnUrl=%2f&supportarea=46>

7 Optimisation Sessions

- 7.1 Participant acknowledges and agrees that the price for each Optimisation Session Order is quoted clean as per market convention.

- 7.2. Optimisation Session Orders must conform to the following size requirements:

- a. any size requirements set by the Operator in respect of any Eligible Instrument; and
- b. the minimum tradeable size requirements set by the issuer of the relevant Eligible Instrument (the “**Issuer Minimum Size**”). In the event that a Participant submits an Optimisation Session Order which is below the Issuer Minimum Size (the “**Original Order**”), the Operator shall deem the Original Order to be an Optimisation Session Order for two Optimisation Session Orders, each above the Issuer Minimum Size, which offset to reflect the size of the Original Order. For example:

Issuer Minimum Size: 100,000, and then in increments of 1,000
Counterparty A submits a sell Optimisation Session Order for 30,000

The Optimisation Session would generate the following Optimisation Session Orders:

- (i) a sell Optimisation Session Order for 130,000; and
- (ii) a buy Optimisation Session Order for 100,000.

7 Clearing and Settlement

- 7.1 Participants are required to provide for the clearing and settlement of the Eligible Instruments.