



EDX Markets LLC
Exchange Rules

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TABLE OF CONTENTS

CHAPTER 1. DEFINITIONS	1
Rule 1.1. Definitions	1
CHAPTER 2. MEMBERS OF THE EXCHANGE	3
Rule 2.1. Member Eligibility	3
Rule 2.2. Restrictions	3
Rule 2.3. Retail Member Eligibility	4
CHAPTER 3. TRADING RULES	6
Rule 3.1. Hours of Trading and Trading Days; Opening Process	6
Rule 3.2. Tokens Eligible for Trading	6
Rule 3.3. Access.....	7
Rule 3.4. Definitions and Order Modifiers	7
Rule 3.5. Order Types	8
Rule 3.6. Priority of Orders.....	9
Rule 3.7. Order Execution	10
Rule 3.8. Finality of Trades.	12
Rule 3.9. Risk Settings.....	12
Rule 3.10. Anonymity	14
Rule 3.11. Data Products	14
Rule 3.12. Clearing & Settlement	15
CHAPTER 4. TRADING PRACTICE RULES	16
Rule 4.1. Violations Prohibited.....	16
Rule 4.2. Use of Fraudulent Devices	16
Rule 4.3. Publication of Transactions and Quotations.....	16
Rule 4.4. Market Manipulation is Prohibited.....	16
Rule 4.5 Standards of Commercial Honor and Principles of Trade	16
CHAPTER 5. SUPERVISION	17
Rule 5.1. Written Procedures	17
Rule 5.2. Obligation to Disclose	17
Rule 5.3. Responsibility of Members	17
Rule 5.4. Records and Furnishing of Records to Exchange	17
Rule 5.5. Review of Activities	17



Rule 5.6. Anti-Money Laundering Compliance Program..... 17

Rule 5.7. Sanctions Compliance Program 18

CHAPTER 1. DEFINITIONS

Rule 1.1. Definitions

Unless the context otherwise requires, terms used in these Exchange Rules shall have the meaning set forth below or within the User Agreement. In the event of a conflict, the definition set forth in these Exchange Rules shall apply.

(a) Authorized Trader

The term “Authorized Trader” or “AT” shall mean a person who may submit Orders (or who supervises a routing engine that may automatically submit Orders) to the Exchange’s trading facilities on behalf of his or her Member. Members are required to implement systems and controls to prevent persons who are not Authorized Traders from submitting Orders to the Exchange.

(b) Exchange

The term “Exchange” shall mean EDX Markets LLC.

(c) Member

The term “Member” shall mean a firm who has completed the relevant User Agreement and onboarding paperwork, and received a confirmation letter that they are a Member of the Exchange.

(d) Order

The term “Order” shall mean a message submitted by a Member (or its Authorized Trader) to buy or sell a Token that contains the necessary terms specified by the Exchange in order to process such message. The Exchange will reject any message that does not contain the specified necessary terms and will not consider such message to be a valid Order.

(e) Order Book

The term “Order Book” shall mean the System’s electronic file of Orders.

(f) Person

The term “person” shall mean a natural person, partnership, corporation, limited liability company, entity, government, or political subdivision, agency, or instrumentality of a government.

(g) Principal Capacity

The term “Principal” shall mean an order and/or execution in which a Member buys or sells a Token for its own account.

(h) System

The term “System” shall mean the electronic communications and trading facility operated by the Exchange through which Orders of Members are consolidated for ranking and execution.

(i) Token

The term “Token” shall mean any digital asset that is available to trade on the Exchange, including cryptocurrency and fiat currency trading pairs. As a general matter of policy, EDX Markets will only admit to trading on the Exchange, Tokens which are not deemed securities under applicable laws and regulations in the United States, i.e., Tokens traded for immediate delivery in the market at settlement, as opposed to at a future or forward price. However, prior to trading Members are required to undertake their own assessment and determination of the Tokens admitted on EDX Markets to independently confirm the Token a Member is trading is not a security under applicable laws and regulations in the United States.

(j) Top of Book

The term “Top of Book” shall mean the best-ranked Order to buy (or sell) in the Order Book as ranked pursuant to Rule 3.6. “Best Bid and Offer” or BBO is synonymous with Top of Book as defined.

(k) The Rulebook

The term “Rulebook” applies to the Rules of the Exchange, as set out herein. The Rulebook is as of the effective date and is reviewed periodically. For the most up to date version of the Rulebook, please refer to the website: www.edxmarkets.com

CHAPTER 2. MEMBERS OF THE EXCHANGE

Rule 2.1. Member Eligibility

Except as hereinafter provided, businesses and institutions that hold the applicable registrations and licenses, and satisfy the financial, credit, and related qualifications established and maintained by the Exchange are eligible to be, and to remain, Members.

Rule 2.2. Restrictions

The Exchange may determine not to permit a person to become a Member, to limit or suspend a Member's access to the Exchange, or to terminate a Member's access to the Exchange, where such person:

- (a) fails to meet, or fails to continue to meet after initial approval, any of the applicable qualification requirements for membership;
- (b) fails to demonstrate to the Exchange adequate systems capability, capacity, integrity, or security necessary to conduct business on the Exchange or engages in acts or practices that threaten the reputational or operational integrity of the Exchange;
- (c) fails to meet any condition placed by the Exchange on such Member;
- (d) such person violates any agreement with the Exchange;
- (e) is subject to any unsatisfied liens, judgments or unsubordinated creditor claims of a material nature, which, in the absence of a reasonable explanation therefor, remain outstanding for more than six months;
- (f) has been subject to any bankruptcy proceeding, receivership or arrangement for the benefit of creditors within the past three years;
- (g) engages in or is reasonably likely to engage in unlawful or disruptive acts or practices that do or may violate any law, rule, or regulation, or which are inconsistent with just and equitable principles of trade, or which are reasonably likely to damage the reputation of the Exchange or the Members;
- (h) fails to obtain or maintain any license, charter, registration, or similar legal authority required by law to conduct transactions on or through the Exchange. This includes implementing the requisite policies and procedures in order to maintain applicable licenses;
- (i) fails to implement or continue to maintain, the applicable AML and Sanctions compliance programs, including identification of Chief Compliance Officer and BSA/AML Officer, in accordance with Rules 5.6 and 5.7.

(j) fails or refuses to promptly (within 7 business days) and accurately disclose to the Exchange any change in Member eligibility criteria, including any act, practice, or occurrence that is grounds for not extending or for revoking Member status, as identified in items (a) to (i) of this Section.

Rule 2.3. Retail Member Eligibility

A “Retail Member Organization” or “RMO” is a Member (or a division thereof) that has been approved by the Exchange under this Rule to submit Retail Orders (as defined in Rule 3.4(h) below).

(1) Eligibility. To qualify as a Retail Member Organization, a Member must conduct a retail business or route retail orders on behalf of underlying clients. To become a Retail Member Organization, a Member must submit:

(A) an application form;

(B) supporting documentation, which may include sample marketing literature, website screenshots, other publicly disclosed materials describing the Member’s retail order flow, and any other documentation and information requested by the Exchange in order to confirm that the applicant’s order flow includes Retail orders; and

(C) an attestation, in a form prescribed by the Exchange, that substantially all Orders submitted as Retail Orders will qualify as such under this Rule, and that Retail Orders are either prefunded by the underlying retail customer or that the underlying retail customer is an Eligible Contract Participant (“ECP”) as defined by the Commodity Exchange Act of 1936 (the “CEA”).

(2) After a Member submits the application form, supporting documentation and attestation, the Exchange shall notify the Member of its decision in writing.

(3) A Retail Member Organization may voluntarily withdraw from such status at any time by giving written notice to the Exchange.

(4) A Retail Member Organization must have written policies and procedures reasonably designed to assure that it will only designate orders as Retail Orders if all the requirements of a Retail Order are met. Such written policies and procedures must require the Retail Member Organization to: (i) exercise due diligence before entering a Retail Order to assure that entry as a Retail Order is in compliance with the requirements of this Exchange Rule, and (ii) monitor whether orders entered as Retail Orders meet the applicable requirements.

(5) Disqualification. If a Retail Member Organization designates Orders submitted to the Exchange as Retail Orders and the Exchange determines, in its sole discretion, that such Orders fail to meet any of the requirements set forth in



this Rule, the Exchange may disqualify a Member from its status as a Retail Member Organization.

CHAPTER 3. TRADING RULES

Rule 3.1. Hours of Trading and Trading Days; Opening Process

- (a) The System shall be open for Order entry 24 hours per day, 7 days per week for continuous operations, unless otherwise specified by the Exchange.
- (b) The Exchange shall have the power to temporarily suspend trading for maintenance or System upgrades. The Exchange will provide prior notice to Members whenever practicable and will provide details regarding any modified market procedures for suspending trading or re-opening.
- (c) The Exchange shall have the power to halt or suspend trading in any and all Tokens traded on the Exchange or to take other actions such as canceling all pending and open (unexecuted) Orders or restricting Orders to certain types of Orders (e.g., Limit Orders only) when deemed necessary for the maintenance of fair and orderly markets, the protection of investors, or otherwise in the public interest. The Exchange shall have the power to determine the duration of any such halt, suspension, closing, or other action and will announce such action to Members. Orders submitted for a halted Token will be rejected by the System.
- (d) All new Tokens will be considered to be halted until the System has opened such Tokens for trading. Orders for Tokens that are halted will be rejected by the System. The Exchange will open a newly added Token or a Token that has been halted by the Exchange as described below:

(1) **Quoting Period.** The Exchange will open a Token that is halted by initiating a quoting period. The Exchange will determine the length of the quoting period in its sole discretion. During the quoting period, Members may submit Orders to the System, however, such Orders will not execute. Information regarding Orders placed on the Order Book during the quoting period shall be disseminated through the Exchange's MEMOIR data products identified in Rule 3.11(a).

(2) **Limit-Only Period.** Following the quoting period, the Exchange will initiate a limit-only period, during which only Limit Orders will be accepted by the System. The Exchange will determine the length of the limit-only period in its sole discretion. Limit Orders submitted for a Token during the limit-only period will be eligible for execution pursuant to Rule 3.7. Market Orders submitted for a Token during the limit-only period will be rejected by the System.

(3) **Trading Period.** Following the limit-only period, the Exchange will open the System for trading and all eligible Orders will be accepted by the System.

Rule 3.2. Tokens Eligible for Trading

The Exchange shall designate Tokens eligible for trading. Orders shall be accepted for full or fractional volumes. Supported fractional volumes shall be established by the Exchange on a Token-by-Token basis.

Rule 3.3. Access

The System shall be available for entry and execution of Orders by Members with authorized access to the System. All Members who have been admitted to EDX Markets shall have access to the System in an impartial, transparent, fair, and non-discriminatory manner. To obtain authorized access to the System, each participant must be a Member in good standing with the Exchange pursuant to Chapter 2 and must enter into a User Agreement with the Exchange in such form as the Exchange may provide and update from time to time (“User Agreement”).

Rule 3.4. Definitions and Order Modifiers

For purposes of this Chapter, the following definitions shall apply:

(a) **Crossing Quotation.** The display of a bid at a price higher than the price of an offer on the Order Book with respect to a Token or the display of an offer at a price lower than the price of a bid on the Order Book with respect to a Token.

(b) **Crypto Participant Identifier.** The identifier used by the System to identify the Member and associated clearing number for execution of Orders submitted to the System. Members may use multiple CPIDs, which may map to the same or different clearing numbers.

(c) **Locking Price.** The price at which an Order to buy or sell, that if displayed on the Order Book would be a Locking Quotation.

(d) **Locking Quotation.** The display of a bid at a price that equals the price of an offer on the Order Book with respect to a Token or the display of an offer at a price that equals the price of a bid on the Order Book with respect to a Token.

(e) **Posting Instructions**

(1) **Post Only.** An instruction that may be attached to an Order that is to be ranked and executed on the Exchange pursuant to Rule 3.7 or cancelled, as appropriate, but which will not remove liquidity from the Order Book. An order with a Post Only instruction that would result in a Locking Quotation or Crossing Quotation will be cancelled by the System.

(f) **Retail.** “Retail” is an instruction that indicates that an Order submitted to the Exchange by a Retail Member Organization, provided that no change is made to the terms of the Order with respect to price or side of market and the Order does not originate from a trading algorithm or any other computerized methodology.

(g) **Retail Liquidity.** “Retail Liquidity” is an instruction that indicates that an Order is submitted to provide liquidity to incoming Orders with a Retail modifier and, as such, when resting on the Order Book is only eligible to execute against Orders with a Retail modifier through the execution process described in Rule 3.7. An incoming Order with a Retail Liquidity modifier shall be eligible to execute against any resting liquidity on the Order Book other than contra-side Orders with a Retail Liquidity instruction. Any remaining size shall be posted to the

Order Book unless otherwise instructed by the Member. Any Member is permitted, but not required, to submit an Order with a Retail Liquidity modifier.

(h) Retail Order. A “Retail Order” is an Order with a Retail instruction. A Retail Order is eligible to execute on entry against any resting liquidity in the Order Book. Any remaining quantity will be posted to the Order Book unless otherwise instructed by the Member. A resting Retail Order is eligible to execute against any incoming Order unless the terms of the incoming Order prevent such execution.

(i) Time-in-Force (“TIF”).

(1) Immediate-or-Cancel (“IOC”). An instruction the Member may attach to an Order stating the Order is to be executed in whole or in part as soon as such Order is received. The portion not executed immediately on the Exchange is treated as cancelled and is not posted to the Order Book.

(2) All-or-None (“AON”). An instruction the Member may attach to an Order stating that the Order is to be executed in its entirety as soon as it is received and, if not so executed, cancelled.

(3) Good-‘til Time (“GTT”). An instruction the Member may attach to an Order specifying the calendar date and time of day at which the Order expires. Any unexecuted portion of an Order with a TIF instruction of GTT will be cancelled at the expiration of the Member’s specified time.

Rule 3.5. Order Types

Members may enter into the System the types of Orders listed in this Rule, only in a Principal capacity, and subject to the limitations set forth in this Rule or elsewhere in these Exchange Rules. To the extent the Exchange maintains any minimum Order size requirements or maximum Order size limitations, such details will be maintained in Exchange specifications made available to Members.

(a) Market Order. An Order to buy or sell a stated amount of a Token that is to be executed at the best price available when the Order reaches the Exchange.

(1) Time-In-Force. A Market Order must have a TIF instruction of IOC or AON. A Market Order with a TIF instruction of GTT will be rejected by the System.

(2) Post Only. A Market Order with a Post Only instruction will be rejected by the System.

(3) Display. A Market Order is not eligible to be displayed on the Order Book and will be cancelled if not executed by the System.

(4) Execution and Posting. A Market Order will be cancelled if, when reaching the Exchange, it cannot be executed on the System. A Market Order may execute at multiple different prices, based on the quantity of the Order and the available

contra-side liquidity existing on the Order Book when the Market Order is executed by the Exchange.

(5) Retail Orders. A Market Order submitted by an RMO may contain a Retail instruction.

(6) Retail Liquidity Orders. A Market Order with a Retail Liquidity instruction will be rejected by the System.

(b) Limit Order. An Order to buy or sell a stated amount of a Token at a specified price or better. A marketable Limit Order is a Limit Order to buy (sell) at or above (below) the lowest (highest) offer (bid) for the token.

(1) Time-in-Force. A Limit Order must have one of the following TIF instructions: IOC, AON or GTT.

(2) Post Only. A Limit Order with a TIF instruction of GTT may include a Post Only instruction. A Limit Order with a TIF Instruction of IOC or AON and a Post Only instruction will be rejected by the System.

(3) Display. A Limit Order posted to the Order Book will be displayed by the System. The Exchange does not offer any non-Displayed order types or instructions.

(4) Execution and Posting. A Limit Order with a TIF of IOC or AON will be cancelled if, when reaching the Exchange, it cannot be executed on the System. A Limit Order with a TIF of GTT will be executed or posted to the Order Book unless, based on Member instructions or applicable Exchange Rules, such Order is not executable or cannot be posted to the Order Book.

(5) Retail Orders. A Limit Order with a TIF of IOC, AON or GTT submitted by an approved RMO may contain a Retail instruction. A Limit Order that contains a Retail instruction and a Post Only instruction will be rejected by the System.

(6) Retail Liquidity Orders. A Limit Order with a TIF of GTT may contain a Retail Liquidity instruction. A Limit Order with a TIF of GTT that contains a Retail Liquidity instruction may also contain a Post Only instruction. A Limit Order with a TIF Instruction of IOC or AON and a Retail Liquidity instruction will be rejected by the System.

Rule 3.6. Priority of Orders

(a) Ranking. Orders of Members shall be ranked and maintained in the Order Book based on the following priority:

(1) Price. The highest-priced Order to buy (lowest-priced Order to sell) shall have priority over all other Orders to buy (sell).

(2) Time. Where Orders to buy (sell) are entered into the System at the same price, the Order clearly established as the first entered into the System at such particular price shall have precedence at that price.

(3) Self-Trade Protection (“STP”) Modifiers. Pursuant to Rule 3.7(c), Members may direct that Orders entered into the System not execute against Orders entered under the same Unique Identifier (as defined below). In such a case, the System will not permit such Orders to execute against one another, regardless of priority ranking.

(4) Retail. Notwithstanding anything else in these Rules, only an Order with a Retail instruction will execute against an Order with a Retail Liquidity instruction, and such executions shall occur pursuant to price-time priority in accordance with paragraphs (1) and (2) above.

(5) Cancel/Replace. In the event an Order has been cancelled or replaced in accordance with Rule 3.7(d) below, such Order only retains time priority if such modification involves a decrease in the size of the Order. Any other modification to an Order, including an increase in the size of the Order and/or price change, will result in such Order losing time priority as compared to other Orders in the Order Book and the timestamp for such Order being revised to reflect the time of the modification.

(6) Partial Execution. In the event that a resting Order is executed against an incoming Order for less than its full size, the unexecuted quantity of the Order shall retain its original time priority and be ranked in accordance with paragraphs (1) and (2) above.

(7) Priority Exceptions. A resting Order will cede price or time priority to other resting Orders in the event: (A) an incoming order is received that would otherwise execute against the Resting Order but either Member who would be party to the execution has exhausted its bilateral credit limit vis-à-vis the other Member; or (B) the resting Order contains a Retail Liquidity instruction and the incoming Order is not a Retail Order.

Rule 3.7. Order Execution

(a) Execution. Subject to the restrictions under these Exchange Rules, Orders shall be matched for execution in accordance with this Rule. For purposes of this Rule, any Order falling within the parameters of this paragraph shall be referred to as “executable.” An Order will be cancelled back to the Member, if based on Member instructions or applicable Exchange Rules, such Order is not executable or cannot be posted to the Order Book. The Exchange shall promptly communicate to Members the unavailability of the System.

(1) Execution against Order Book. An incoming Order shall attempt to be matched for execution against Orders in the Order Book as described below.

(A) Buy Orders. An incoming Order to buy will be automatically executed to the extent that it is priced at an amount that equals or exceeds any Order to sell in the Order Book and is executable, as defined above. Such Order

to buy shall be executed at the price(s) of the lowest Order(s) to sell having priority in the Order Book.

(B) Sell Orders. An incoming Order to sell will be automatically executed to the extent that it is priced at an amount that equals or is less than any other Order to buy in the Order Book and is executable, as defined above. Such Order to sell shall be executed at the price(s) of the highest Order(s) to buy having priority in the Order Book.

(b) Display of Automated Quotations. The System will display automated quotations in Tokens as described and specified in the technical documents on EDX Markets' website. All Orders will be displayed (price and size) on the MEMOIR Depth Feed and MEMOIR TOP Feed (as described in Rule 3.11) on an anonymous basis.

(c) STP Modifiers. Any incoming Order designated with an STP modifier will be prevented from executing against a resting opposite side Order also designated with an STP modifier and originating from the same Crypto Participant Identifier ("CPID"), Exchange Member identifier or STP Group identifier (any such identifier, a "Unique Identifier"). The STP modifier on the incoming Order controls the interaction between two Orders marked with STP modifiers.

(1) STP Cancel Newest ("CN"). An incoming Order marked with the "CN" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The incoming Order marked with the CN modifier will be cancelled back to the originating Member(s). The resting Order marked with an STP modifier will remain on the Order Book.

(2) STP Cancel Oldest ("CO"). An incoming Order marked with the "CO" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The resting Order marked with the STP modifier will be cancelled back to the originating Member(s). The incoming Order marked with the CO modifier will remain on the Order Book.

(3) STP Cancel Both ("CB"). An incoming Order marked with the "CB" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The entire size of both Orders will be cancelled back to the originating Member(s).

(d) Cancel/Replace Messages. A Member may cancel or replace a Limit Order resting on the Order Book, subject to the following limitations. A Member may not cancel or replace an Order with a TIF of IOC or AON.

(1) Orders may only be cancelled or replaced if the Order has a TIF instruction of GTT and if the Order has not yet been executed in its entirety.

(2) A Member may use a Replace Message to change: a Limit Order to a Market Order, the price of an Order, and/or the size of an Order. If a Member desires to

change any other term of an existing Order the existing Order must be canceled and a new Order must be entered.

(3) Notwithstanding anything to the contrary in these Exchange Rules, no cancellation or replacement of an Order will be effective until such message has been acknowledged and processed by the System.

(e) Locking Quotations or Crossing Quotations. The System shall not make available for dissemination any Locking Quotations or Crossing Quotations other than Orders with a Retail Liquidity instruction that are displayed by the Exchange. Orders with a Retail Liquidity instruction are allowed to lock and cross other resting liquidity to the extent they are not executed upon entry.

(f) Price Bands. The Exchange may, from time-to-time, apply price bands that will prevent executions of Orders at prices outside of such bands. The Exchange will announce if any price bands are in effect with respect to one or more Tokens, and if such price bands are in effect, such price bands will operate as described below.

(1) Incoming Orders. Any incoming Limit Order placed at a price for which an execution would occur between the higher priced price band (the “Upper Price Band”) and the lower priced price band (the “Lower Price Band”), will be permitted to execute by the System, subject to the Member’s instructions. An incoming Limit Order to buy shall be canceled by the System if priced above the Upper Price Band and shall be allowed to post to the Order Book if priced below the Lower Price Band. An incoming Limit Order to sell shall be canceled by the System if priced below the Lower Price Band and shall be allowed to post to the Order Book if priced above the Upper Price Band.

(2) Resting Orders. Any resting Limit Order will be executable at prices between the Upper Price Band and the Lower Price Band. A resting Limit Order to buy shall be canceled by the System if priced above the Upper Price Band (i.e., aggressively through) and shall be allowed to continue to rest if priced below the Lower Price Band (i.e., non-aggressively outside). A resting limit order to sell shall be canceled by the System if priced below the Lower Price Band (i.e., aggressively through) and shall be allowed to continue to rest if priced above the Upper Price Band (i.e., non-aggressively outside).

Rule 3.8. Finality of Trades.

All executions processed by the System are final and shall not be reversed unless: (a) such reversal is required by any applicable law or regulation; or (b) due to a material technical error, Orders or executions are not processed as specified in these Rules. Any trade disputes will be handled on a post-trade basis.

Rule 3.9. Risk Settings

(a) Bilateral Counterparty Risk Settings. The Exchange requires all Members to enter into one or more bilateral counterparty credit limit agreements to manage risk, as described below.

(1) Each Member shall establish a net notional credit limit, by Token, by side, with every other Member as well as an aggregated net notional credit limit, by side, with every other Member.

(2) Both Members who are party to a counterparty agreement shall be required to update a net notional credit limit for a change to be applied to the System. Should the Members request different values, the smaller of the two values shall be used.

(3) The System shall not allow executions between the counterparties that would result in the net notional credit limit being exceeded or allow executions between counterparties if the aggregate net notional credit limit has been exceeded. Incoming orders that, if executed in whole or in part, would result in a net notional credit limit being exceeded or that are received when the aggregate net notional credit limit is exceeded shall be cancelled back to the entering Member.

(b) Other Risk Settings. The Exchange offers certain risk settings applicable to a Member's activities on the Exchange. The risk settings currently offered by the Exchange are listed below and are configured either on a port-by-port basis ("Port Controls") or across multiple ports ("Cross-Port Controls").

(1) The Exchange offers Port Controls:

(A) related to the price of an Order (including percentage-based and currency or Token-based controls);

(B) related to the size of an Order (including restrictions on the maximum notional value per Order and maximum Token quantity per Order);

(C) related to the size of an Order as compared to the average daily volume of the Token (including the ability to specify the minimum average daily volume of the Tokens on a percentage basis for which such controls will be activated); and

(D) related to the Order types or modifiers that can be utilized (e.g., Retail Orders).

(2) The Exchange offers Cross-Port Controls:

(A) to prohibit duplicative Orders (with configurable count and time windows);

(B) to restrict the overall rate of Orders (with configurable count and time windows); and

(C) measuring both gross and net credit exposure that warn when approached and, when breached, prevent submission of either all new Orders or Market Orders only.

(c) **Mandatory Risk Controls.** Other than the risk control related to the order types or modifiers that can be utilized (paragraph (b)(1)(D) above) and credit exposure (paragraph (b)(2)(C) above), the risk control settings set forth in paragraph (b) above are configured to default settings by the Exchange and can be made more stringent but cannot be removed or reduced to a more lenient standard.

(d) **Configuration.** A Member may configure custom risk controls and assign a unique identifier to each configured set of risk controls.

(e) **Batch Cancel and Block.** The Exchange offers batch cancel functionality that permits a Member to simultaneously cancel all or a subset of its Orders in one or more Tokens by requesting the Exchange to effect such cancellation. A Member initiating such a request may also request that the Exchange block all or a subset of its new inbound Orders in one or more Tokens. The block will remain in effect until the Member requests the Exchange remove the block.

(f) **Cancel on Disconnect.** The Exchange provides cancel on disconnect functionality, which automatically cancels a Member's Orders to the extent the Member loses its connection to the Exchange.

Rule 3.10. Anonymity

(a) The transaction reports or execution messages produced by the System will not reveal contra-party identities. Contra-party identities will be provided by the System on a post-trade basis in order to facilitate clearance and settlement of transactions.

(b) The Exchange will reveal the identity of a Member for regulatory purposes, to comply with an order of a court or arbitrator, or as otherwise required by law.

Rule 3.11. Data Products

(a) **Available Data Feeds.** The Exchange shall make available the following data feeds:

(1) **MEMOIR Depth.** MEMOIR (MEMber's Order Information Record) Depth is a data feed that contains all displayed Orders for Tokens trading on the Exchange, including Order executions, Order cancellations, Order modifications, Order identification numbers, and administrative messages (e.g., Tokens eligible to trade, trading status).

(2) **MEMOIR Top.** MEMOIR Top is an uncompressed data feed that offers top of book quotation information based on Orders for Tokens entered into the System as well as administrative messages (e.g., Tokens eligible to trade).

(b) **Retail Orders.** The Exchange's MEMOIR data products (specified in paragraph (a) of this Rule) will identify Retail Orders as such.

(c) MEMOIR Historical. MEMOIR Historical is a data product that includes prior-day information from the data feeds specified in paragraph (a) above.

Rule 3.12. Clearing & Settlement

During the bi-lateral settlement phase, EDX Markets will act as the Clearing Agent, to calculate the settlement obligations between the parties and notify each Member and the Authorized Custodian which counterparty the Member has traded with, and in what amounts. The Members will independently have their own trading data to the extent they choose to validate settlement calculations made by EDX Markets. EDX Markets is not involved in the transmission of any fiat currency pairs (cash) or Tokens – this occurs only through Authorized Custodians. Similarly, EDX Markets is not involved in the flow of funds. Settlement will occur pursuant to the legal agreements between Members and their Authorized Custodians, with no recourse to EDX Markets.

In the event of a dispute, EDX Markets will re-run the calculation, however resolution of any dispute will fall back to the provisions of the agreements between the Member and their Authorized Custodian.

CHAPTER 4. TRADING PRACTICE RULES

Rule 4.1. Violations Prohibited

No Member shall engage in conduct in violation of the Exchange Rules or any policy or written interpretation of the Exchange or any applicable law or regulation. Every Member shall so supervise persons associated with the Member as to assure compliance with applicable requirements.

Rule 4.2. Use of Fraudulent Devices

No Member shall effect any transaction in, or seek to induce the purchase or sale of, any Token by means of any manipulative, fictitious, deceptive, or other fraudulent device or contrivance.

Rule 4.3. Publication of Transactions and Quotations

No Member shall report to the Exchange or publish or cause to be published any transaction as a purchase or sale of any Token unless such Member believes that such transaction was a bona fide purchase or sale of such Token, and no Member shall purport to quote the bid or asked price for any Token, unless such Member believes that such quotation represents a bona fide bid for, or offer of, such Token.

Rule 4.4. Market Manipulation is Prohibited

Members are prohibited from directly or indirectly engaging in or attempting to engage in Market Manipulation on the Exchange. Market Manipulation is defined as actions taken by any market participant or a person acting in concert with a market participant which are intended to:

- Deceive or mislead any natural or legal person, including but not limited to: Members, the Exchange itself, customers of a Member, regulatory bodies, or the general public;
- Artificially control or manipulate the price or trading volume of a Token; or
- Aid, abet, enable, finance, support, or endorse either of the above. This may include actions on, or outside of, the Exchange.

Market Manipulation specifically includes, without limitation: front-running, wash trading, spoofing, layering, churning, and quote stuffing.

Rule 4.5 Standards of Commercial Honor and Principles of Trade

A Member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.

CHAPTER 5. SUPERVISION

Rule 5.1. Written Procedures

Each Member shall establish, maintain, and enforce written procedures which will enable it to supervise properly the activities of associated persons of the Member and to assure their compliance with applicable laws, rules, regulations and statements of policy promulgated thereunder, and with Exchange Rules.

Rule 5.2. Obligation to Disclose

Each Member is required to disclose to the Exchange any issues related to an Order, system functionality or process. Where a Member is aware that they have violated any provisions contained herein, any applicable agreement with the Exchange, or engaged in a violation of law that might materially impact the operation of the Exchange or other members, such Member must disclose such fact to the Exchange as soon as practicable.

Rule 5.3. Responsibility of Members

Final responsibility for proper supervision shall rest with the Member. The Member shall designate a partner, officer, or manager in each office of supervisory jurisdiction, including the main office, to carry out the written supervisory procedures. A copy of such procedures shall be retained in each such office.

Rule 5.4. Records and Furnishing of Records to Exchange

Each Member shall be responsible for making and keeping appropriate records for carrying out the Member's supervisory procedures. The Exchange shall be allowed access, upon request, to the books and records of the Member in order to obtain or verify information related to transactions executed on or through the Exchange or activities relating to the Exchange, including membership criteria as identified in Exchange Rule 2.1.

Rule 5.5. Review of Activities

Each Member shall review the activities of each office, which shall include the periodic examination of customer accounts to detect and prevent irregularities or abuses.

Rule 5.6. Anti-Money Laundering Compliance Program

(a) Each Member shall develop and implement an anti-money laundering program reasonably designed to achieve and monitor compliance with the requirements of the Bank Secrecy Act (31 U.S.C. 5311, et seq.), and the implementing regulations promulgated thereunder by the Department of the Treasury. Each Member's anti-money laundering program must be approved, in writing, by a member of its senior management.

(b) The anti-money laundering programs required by the Rule shall, at a minimum:

- (1) establish and implement policies and procedures that can be reasonably expected to detect and cause the reporting of suspicious transactions as required under 31 U.S.C. 5318(g) and the implementing regulations thereunder, including by filing required Suspicious Activity Reports (“SARs”), as well as other reporting as required by the Bank Secrecy Act, including Currency Transaction Reports (“CTRs”) and compliance with the Financial Action Task Force (“FAFT”) Travel Rule;
- (2) establish and implement policies and internal controls reasonably designed to achieve compliance with the Bank Secrecy Act and the implementing regulations thereunder;
- (3) provide for independent testing for compliance to be conducted by the Member’s personnel or by a qualified outside party;
- (4) designate, and identify to the Exchange (by name, title, mailing address, email address, and telephone number), a person or persons responsible for implementing and monitoring the day-to-day operations and internal controls of the program; and
- (5) provide ongoing training for appropriate persons.

In the event that any of the provisions of this Rule conflict with any of the provisions of another applicable regulator’s rule requiring the development and implementation of an anti-money laundering compliance program, the provisions of the rule of the Member’s primary regulator shall apply.

Rule 5.7. Sanctions Compliance Program

(a) Each Member shall develop and implement a sanctions compliance program reasonably designed to achieve and monitor compliance with applicable government sanctions (e.g., economic and trade sanctions), including those promulgated by the U.S. Department of the Treasury’s Office of Foreign Asset Control (“OFAC”) and the U.S. Department of State. Each Member’s sanctions compliance program must be approved, in writing, by a member of its senior management.

(b) The sanctions compliance programs required by the Rule shall, at a minimum:

- (1) establish and implement policies and procedures to prohibit any transactions on or relating to the Exchange that involve (i) persons or entities in Comprehensively Sanctioned Jurisdictions, (ii) persons identified on OFAC’s List of Specially Designated Nationals and Blocked Persons (“SDN List”), (iii) and legal entities owned 50% or more by one or more person identified on the SDN List;
- (2) provide for independent testing for compliance to be conducted by the Member’s personnel or by a qualified outside party;
- (3) designate, and identify to the Exchange (by name, title, mailing address, email address, and telephone number), a person or persons responsible for implementing and monitoring the day-to-day operations and internal controls of the program; and

- (4) provide ongoing training for appropriate persons.

In the event that any of the provisions of this Rule conflict with any of the provisions of another applicable regulator's rule requiring the development and implementation of an anti-money laundering compliance program, the provisions of the rule of the Member's primary regulator shall apply.



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