

MARKET NOTICE – Change to the Turquoise Rule Book – Negotiated transactions

Turquoise Services Limited ("Turquoise") will be offering Members the ability to bring a privately negotiated transaction within the Rules to amended Rules 5.12 and 5.13 as shown below:

5.12. Trade reporting

5.12.1. Turquoise Management will distribute information on the conclusion of a trade on Turquoise **and trades reported to it under Rule 5.13** that will constitute a trade report for the purposes of the FSA Rules. Members must not report elsewhere, trades concluded on Turquoise, in satisfaction of any trade reporting requirement imposed by MiFID.

5.13. Negotiated Transactions

5.13.1. A Member may bring a privately negotiated transaction within the Rules subject to the following:

- (i) The security is a MiFID security that is admitted to trading on Turquoise.
- (ii) The transaction is negotiated privately between two Members and is, by agreement, subject to the Rules of Turquoise.
- (iii) **The negotiated transaction must be flagged as such and must be priced at or within the TBBO. Transactions priced outside the TBBO will be rejected.**
- (iv) A transaction reported to Turquoise pursuant to this rule must not duplicate another report in respect of the same transaction unless it requests the suppression of the report by using the appropriate indicator. ~~Where there is no bid or offer the negotiated transaction must be priced within 10% of the TLTP.~~
- (v) ~~Where there is no TLTP, the negotiated transaction must be priced within 10% of the TRP.~~

5.13.2. Turquoise may, at its absolute discretion, refuse a transaction being brought under its Rules.

This amendment will become effective on 15 February 2010.

Should you have any questions in this regard, kindly contact me on the details provided.

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- All defined terms are as appearing in the Turquoise Rulebook

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