



MTF Participant & Onward Router Application Form

Guidance Notes For A Successful Application

These Guidance Notes are intended to support the application process of any applicant that wishes to join the Chi-X Europe Ltd MTF or become a client of the order router (Chi-Vision) or an external liquidity provider (ELP) of the order router.

Throughout these Guidance Notes and Application Form all references to Chi-X are intended to refer to Chi-X Europe Ltd.

Only one application is required to access both the visible order book and the non-displayed order book (Chi-Delta) on the MTF. The order type submitted by Trading Participant dictates which order book is accessed.

Please return the completed Application Form to:

Email: compliance@chi-x.com

Postal Address: Chi-X Europe Ltd
Quay Level
Commodity Quay
East Smithfield
London
E1W 1AZ

Section I – Applicant Details

This section should include the name and address of the firm that will access the Chi-X trading platform and the onward router (Chi-Vision), if applicable. Please also include a copy of your firm's group organisation chart.

Any firm wishing to connect to the router, either as a client or as an Electronic Liquidity Provider must meet the definition of an eligible counterparty as defined in Article 24 of MiFID. The firm may be asked to provide evidence to demonstrate why it believes that it meets the definition of an eligible counterparty.

Any firm wishing to connect to the router must also be a client of the MTF.

We would like to display our Trading Participants' corporate logos on our website. Please attach a copy of your firm's corporate logo.

Section II –Branch Office Details

This section should only be completed if the firm has branch offices that will access Chi-X from those locations.

Please note: Chi-X applications are made on a Legal Entity basis. If the firm has an affiliate firm that is a separate Legal Entity which would also like to connect to Chi-X, then a separate Application Form is required.

Section III – Details of the person handling the Chi-X application at your firm

This person will be the contact used by Chi-X for all queries during the application process.

Section IV – Regulated status

The applicant must confirm that the relevant regulatory authorisation is in place to trade on Chi-X, such as the authority to deal in securities, MIFID passports etc. The applicant must provide details of the name of the regulator and proof of such authorisation; this could be a link to the regulator's website.

If the firm is not authorised a brief explanation as to why authorisation is not required should be included. Chi-X Compliance may require further information prior to approving access including, but not limited to, certificate of incorporation, memorandum and articles of association, names of directors, and beneficial owners of the company all subject to Chi-X compliance approval. In this case please contact Chi-X Compliance on +44 20 7131 3399 who will provide further guidance.

The applicant must also supply details of any other trading venue memberships. This is for the purpose of establishing the complete profile of the company.

Section V – Compliance

In this section the applicant must confirm that all relevant staff are familiar with the Chi-X rules. This would incorporate the Chi-X Rule Book, Exchange Guide and Guidance Notes.

The applicant must also confirm that it has in place the correct measures to prevent disorderly trading. It is requested that the firm give examples of these.

Section VI – Contact and Billing Details

This section asks for a list of contacts in specific areas. The reason for this request is so that the relevant teams at Chi-X can make contact swiftly with the relevant teams at the applicant firm both during the application process and once access has been granted.

The firm is encouraged to set up an internal generic email group; this should include all the necessary recipients within your firm to receive Chi-X Trading Notices. This is in order to ensure that emails continue to be received by the correct recipients even if staff changes occur in the firm.

The firm should provide GBP or EUR bank details for the payment of any net rebates to the trading participant by Chi-X.

Section VII – Clearing Details

This section requires the applicant to provide details of how it will clear and settle its Chi-X business.

All Chi-X Trading Participants must have a valid Statement of Authority (SOA) prior to commencing activity – this is a signed agreement between the Clearing Participant and EMCF indicating who will be clearing the firm’s business. This document will be produced by the clearing participant and sent to EMCF. EMCF will send a copy to Chi-X.

The applicant must also provide its BIC code (Bank Identifier Code).

Section VIII - Access to Markets

The applicant must confirm the markets it would like to access on Chi-X, the relevant clearer and its clearing BIC. The firm must ensure that it lists all markets it wishes to access as access will only be provided to the markets selected.

Please note: All trades in UK stocks are subject to SDRT (Stamp Duty Reserve Tax). Please see the note on the SDRT form below.

All trades in Irish stocks are also subject to stamp duty. Please see the note below regarding Irish stamp tax.

Section IX – Cancel on Disconnect

As a default, Chi-X will automatically cancel any open orders from a Trading Participant in the event that the Trading Participant loses connection to Chi-X. However, Trading Participants have the option to retain all open orders if their connection to Chi-X is lost. This option should be selected here.

Section X – Declaration

This section is the legally binding declaration of the applicant. The declaration should be signed by an authorised representative of the applicant.

Additional forms to complete:

Trading Profile Authorised Signatory List

This form must be completed by the applicant to enable the correct individuals to request changes to the participant's trading profile, such as mass order deletion. We suggest that more than one individual is named on this list in order to provide staff coverage. It is important that this list be kept up to date by the applicant.

Trade Bust Contacts

This form must be completed by the applicant to provide contact names for Chi-X to contact in the event that Chi-X deems a trade to be erroneous and cancels that trade. We suggest that more than one individual is named on this list in order to provide staff coverage. It is important that this list be kept up to date by the applicant.

Chi-X Rules Declaration Form

This must be completed to evidence that all relevant staff at the firm have read and understood the Chi-X Rule Book, Exchange Guide and Guidance Notes.

MTF Participant Agreement

Two copies of the MTF Participant Agreement must be signed, dated and returned along with the Application Form for approval. Upon successful application Chi-X will countersign and return one of the Application Forms for your records.

Data Recipient Agreement

If the applicant would like to receive market data from Chi-X two copies of the Data Recipient Agreement must be signed, dated and returned along with the Application Form for approval. Upon successful application Chi-X will countersign and return one of the copies of the Data Recipient Agreement for your records.

Chi-Vision Client Agreement

Two copies of the Chi-Vision Client Agreement must be signed, dated and returned. Upon successful application Chi-X will countersign and return one of the Application Forms for your records.

Chi-Vision ELP Agreement

Two copies of the Chi-Vision ELP Agreement must be signed, dated and returned. Upon successful application Chi-X will countersign and return one of the Application Forms for your records.

Direct Debit Form

Chi-X trading participants are required to pay Chi-X invoices by the use of direct debit. A direct debit form is included in this application pack. At present Chi-X is only able to process direct debits in GBP.

SDRT Form:

All trades in UK stocks are subject to SDRT (Stamp Duty Reserve Tax). This is defined in the UK Finance Act 1986. However, some firms may be able to claim exemption from SDRT.

As a guide, share purchases by intermediaries who are members of an EEA exchange or recognised foreign exchange are generally exempt from SDRT. In more detail, the following business types are usually exempt from SDRT:

- any business which consists wholly or mainly in the making or managing of investments;
- any business which consists wholly or mainly in, or is carried on wholly or mainly for the purpose of, providing services to persons who are connected with the person carrying on the business;
- any business which consists of insurance business;
- any business which consists of managing or acting as trustee in relation to a pension scheme or which is carried on by the manager or trustee of such a scheme in connection with or for the purposes of the scheme;
- any business which consists in operating or acting as trustee in relation to a collective investment scheme or is carried on by the operator or trustee of such a scheme in connection with or for the purposes of the scheme.

Note: the above is for guidance only and the decision as to whether an applicant is eligible for SDRT relief is made by HM Revenue and Customs.

If the applicant believes that it can claim exemption from SDRT, then it is required to complete the SDRT Form. This form should be completed and supplied to Chi-X Compliance, who will pass it on to the HM Revenue & Customs.

In order for a firm to be eligible for SDRT exemption it must have a UK address for HM Revenue & Customs to inspect its records. In the event that the firm does not have a UK address then the firm may use the UK address of its clearing participant with their agreement.

Irish stamp duty relief

On 15th August 2008, Chi-X Europe was designated as a market for the purposes of section 75(5)(a) of the Stamp Duties consolidation Act 1999.

Trading Participants that already have approval as a recognised intermediary by the Irish Revenue Commission (IRC) for trading on other exchanges or designated markets do not need to apply for a separate approval for trades conducted on Chi-X.

Trading Participants wishing to apply for intermediary relief should complete the form on the following link:

[IRC Recognised Intermediary Application](#)

Trading Participants should send completed forms to the IRC details below:

Where a Participant firm is not certain that it is entitled to apply as a "recognised intermediary" it should seek clarification from the Crest unit of the IRC.

Mary O'Keeffe
CREST Unit
Large Cases Division
Office of the Revenue Commissioners
2nd Floor, Setanta Centre
Nassau Street
Dublin 2
Ireland

The IRC will notify participants directly regarding the approval process and update Euroclear UK & Ireland.

Euroclear UK & Ireland will link the Participant to Chi-X as a designated market.

Please use the tick box provided to ensure that all necessary documentation has been completed to enable a swift application process.

SECTION	DESCRIPTION	COMPLETED
I	Participant Details	<input type="checkbox"/>
II	Branch Office details	<input type="checkbox"/>
III	Details of person handling Chi-X Application	<input type="checkbox"/>
IV	Regulated Status	<input type="checkbox"/> Proof of authorisation
V	Compliance	<input type="checkbox"/>
VI	Other contact details	<input type="checkbox"/>
	GBP Bank Details	<input type="checkbox"/>
VII	Clearing details	<input type="checkbox"/> Statement of Authority
	BIC Code	<input type="checkbox"/>
VIII	Access to markets	<input type="checkbox"/>
IX	Cancel on Disconnect	<input type="checkbox"/>
X	Declaration	<input type="checkbox"/>
	Trading Profile Authorised Signatory List	<input type="checkbox"/>
	Trade Bust Contacts	<input type="checkbox"/>
	Chi-X Rules Declaration Form	<input type="checkbox"/>
	SDRT Form	<input type="checkbox"/>
	MTF Participant Agreement x2	<input type="checkbox"/>
	Data Recipient Agreement x2	<input type="checkbox"/>
	Chi-Vision Client Agreement x2	<input type="checkbox"/>
	Chi-Vision ELP Agreement x 2	<input type="checkbox"/>
	Copy of latest audited accounts or a web-link to latest audited accounts	<input type="checkbox"/>
	Direct Debit Form	<input type="checkbox"/>



MTF Participant & Onward Router Application Form

Please indicate which service(s) your firm will require access to, and the necessary sections of the application which need to be completed.

Please indicate which service(s) your firm requires access	
MTF	General Yes/No...all sections to be completed
Onward Router (Chi-Vision) Client	Yes/No...all sections to be completed
Onward Router (Chi-Vision) ELP	Yes/No...all sections to be completed

Section I Applicant details

Name of legal entity	
Address	
Please provide a copy of your firm's group organisation chart	
Please attach your firm's logo for inclusion on our website as a GIF or JPEG format. Website address	

Section II Branch office details

If the firm in Section I has a branch office(s) from which the Chi-X platform will also be accessed, please provide details below.

If an affiliate firm that is not a branch requires Chi-X access, that firm will be required to complete a separate application form.

Name of branch office(s)	
Address of branch office(s)	

Section III Details of person handling the Chi-X application at your firm

Name	
Position held at firm	
Telephone number	
E-mail address	

Section IV Regulated status

Is your firm regulated?	Yes/No If no, please contact Chi-X Compliance on +44 20 7131 3399 who will provide further guidance on what information is required
Name of regulator	
Proof of regulated status attached?	
Is your firm a member of any Trading Venue(s)?	Yes/No
Name of Trading Venue(s)	

Section V Compliance

Are relevant staff at your firm familiar with the Chi-X Rule Book, Guidance Notes and Exchange Guide?	Yes/No
Will any of your affiliate firms/branches be accessing the Chi-X platform from an address different to that specified in Section 1?	Yes/No If yes, please provide further details.
Please give examples of the measures your firm has in place to prevent disorderly trading.	

Section VI Contact and Billing details

<u>Department</u>	<u>Name</u>	<u>Telephone</u>	<u>E-mail</u>	<u>Fax</u>
Trading				
Compliance				
Money Laundering Reporting Officer				
I.T				
Legal				
Operations (for settlement queries)				
Finance				
Billing (for invoices)				
Generic email address/telephone number for Chi-X notifications.				

GBP or EUR Bank Details

Bank Name & Address	
Account Name	
Account No	
Sort code (if applicable)	
SWIFT code (if applicable)	
IBAN (if applicable)	

Section VII Clearing Details

Will your firm clear its own Chi-X business?	Yes <input type="checkbox"/> see note 2 No <input type="checkbox"/> If no please provide details of your Third Party Clearer / Clearers.
Please confirm the applicant firm's BIC (Bank Identifier Code) to be included on the Statement of authority for cross reference.	

Note 1: A valid Statement of Authority (SOA) is required before an applicant can commence trading on Chi-X.

Note 2: If self clearing, the firm must obtain a copy of the EMCF Clearing Participant Agreement Form from EMCF. This is required before an applicant can commence trading on Chi-X.

Section VIII Access to Markets

Markets Currently Available	Access Required	Clearer	Clearing BIC code	CCP
UK	Yes / No			
GERMANY	Yes / No			
NETHERLANDS	Yes / No			
FRANCE	Yes / No			
SWITZERLAND	Yes / No			
SWEDEN	Yes / No			
FINLAND	Yes / No			
NORWAY	Yes / No			
DENMARK	Yes / No			
BELGIUM	Yes / No			
AUSTRIA	Yes / No			
ITALY	Yes / No			
SPAIN	Yes / No			
PORTUGAL	Yes / No			
IRELAND	Yes / No			

The Trading Participant may change the markets to which it has access by providing a signed copy of this page. This must be received by Chi-X Compliance by 4pm on the trading day prior to the trading day on which the change is required.

If any further markets are added that are not on the above list, an addendum form will be included in the Trading Notice which notifies of the addition of that market. This must be signed by the trading participant and sent to Chi-X Compliance in order for that market to be accessed.

Section IX Cancel on Disconnect

Please state whether you wish open orders from your firm to be automatically cancelled in the event that you lose your connection to Chi-X.

Automatic Cancel on Disconnect	Yes/No
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Section X Declaration

This is to confirm that the firm named in Section 1 of this application is applying to become a participant of Chi-X. We therefore authorise Chi-X to pass information to and from any relevant regulatory authority deemed necessary for this application.

The information provided above is accurate and complete and we agree to notify Chi-X if any relevant information changes once the application has been submitted.

If approved as a Chi-X participant, we agree to be bound by the Rule Book, Exchange Guide and Guidance Notes issued by Chi-X.

This declaration must be signed by an authorised representative of the applicant.

Name of Applicant	
Name of Director	
Signature of Director	
Date	
Name of Director	
Signature of Director	
Date	



TRADING PROFILE
AUTHORISED SIGNATORY LIST

The person(s) mentioned below will have authority to request certain changes to the participants' trading profile e.g. a mass order delete. Chi-X Europe Ltd (Chi-X) will only accept requests for changes from the person(s) named below. The onus is on the participant to keep Chi-X informed of any changes to this list.

Note: All authorised signatories are able to request changes to both the visible and non-displayed order books.

Chi-X Trading Participant

Name	Title	E-mail	Telephone

Contacts at Clearing Participant

Name	Title	E-mail	Telephone

Procedure:

If the firm requires to delete a number of orders on the Chi-X platform, a person named above must telephone the Chi-X Compliance department on the number below to request the mass order delete.

+44 20 7131 3399

The telephone call must be followed up by an e-mail to the following address to enable the compliance department to maintain an audit trail for regulatory purposes.

compliance@chi-x.com

Chi-X Compliance will arrange for the orders/trades to be deleted if they determine that the reason for the request is valid.



TRADE BUST CONTACTS

Name	Title	E-mail	Telephone

The persons listed above will be contacted by Chi-X in the event that Chi-X deems a trade to be erroneous and busts that trade.



Chi-X EUROPE LTD RULES DECLARATION FORM

This is to confirm that all relevant staff at [Name of Firm] have read the Chi-X Europe Ltd (Chi-X) Rule Book, Exchange Guide and Guidance Notes and are aware of their provisions. All new staff that access Chi-X will also be made aware of the Chi-X Rule Book, Exchange Guide and Guidance Notes and will be required to comply with their provisions.

(Relevant Staff include trading staff, compliance staff and any other staff that will be assisting the firm to trade upon the Chi-X platform).

Name of Firm:

Head of Compliance at Firm:

Signature of Head of Compliance:

Date:



Registration as a recognised intermediary for the purposes of UK Stamp Duty Reserve Tax (SDRT) exemption

To: Chi-X Europe Limited, Quay Level, Commodity Quay, East Smithfield, London, E1W 1AZ

From: Chi-X Europe Participant:

Name:
Company:
Address:
CREST participant code:

We hereby apply, in accordance with sections 80A and 88A of the UK Finance Act 1986, for recognition as an Intermediary and confirm that we:

- (i) carry on a bona fide business of dealing in shares; and
- (ii) do not carry on an “excluded business” as defined within the Finance Act 1986

Non-UK based Chi-X Europe Participants

Address in the UK where HM Revenue & Customs may inspect your records:

Name:
Company:
Address:

If no address is completed above, the Chi-X Europe Participant does not have an address in the UK; records may be inspected at the UK office of the appointed clearing agent, with their agreement.

Signature _____

Name (PRINT) _____

Date _____

