

NORDIC ABM

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Nordic ABM
Member and trade
reporting rules

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DOCUMENT HISTORY

Version	Date	Description
1.0	15.01.2010	
1.1	10.09.2012 <i><u>In force from and including 12.09.2012</u></i>	Amendments in anticipation of implementation of new trading system (Millennium Exchange), and other amendments
1.2	16.06.2014	Amendments in relation to the migration to T+2 and minor adjustment in relation to indicative orders
1.3	03.01.2018	Various amendments
1.4	01.01.2019	Update of references in connection with the repeal of the Exchange Act and amendments to the Securities Trading Act entering into effect as of 1 January 2019.

THE RULEBOOK

Introduction

This Rulebook applies to Nordic ABM. The Rulebook comprise a complete set of rules on membership conditions and reporting rules in relation to fixed income securities.

The Rulebook has been prepared in an English version only.

The latest updated version of the Rulebook is at any given time available on www.oslobors.no.

Structure and content

The Rulebook consists of the following main sections:

Section	Rules beginning	Content
Definitions	~	Definitions applicable to these rules
Core Rules	1000	Ongoing requirements for ABM member firms and rules that apply at all times
Trade reporting rules	3000	Rules applying for trade reports
Compliance	C series	Compliance procedures

Supplementary guidance to the rules are, when applicable, located immediately after the relevant rule in the Rulebook. Rules with supplementary guidance are flagged with the notation “**G**”. The **ABM member firms** are equally bound by the supplementary guidance set out in the Rulebook and should accordingly always consult the applicable guidance when considering a rule.

Words written in bold in the Rulebook are defined in the definitions chapter of the Rulebook.

In general, the Rulebook contains relevant legal provisions (the rights and obligations that Oslo Børs and the **ABM member firms** are subject to) while descriptions of functionality available in **Millennium Exchange** can be found in supplementary documentation. Accordingly, attached to the Rulebook is the **technical description**. The **technical description** will be continuously updated in order to ensure that it fully and accurately describes the operation of **trade reports** on Nordic ABM. The **technical description** is part of the rules and is equally binding on the **ABM member firms**. The latest updated version of the **technical description** will at any given time be found on our website together with the Rulebook.

Nordic ABM is not authorised as a regulated market or a multilateral trading facility as defined in the **Securities Trading Act**. Nordic ABM is operated and organised by Oslo Børs ASA.

DEFINITIONS

ABM member firm	a partnership, corporation, legal entity or sole practitioner admitted to Nordic ABM membership and whose membership has not been terminated. For the purposes of the compliance procedures , ABM member firm shall include a former ABM member firm where appropriate
admitted to registration	admission to registration on Nordic ABM
agency cross	a trade by which an ABM member firm acting as an agent matches the buy and sell orders of two or more non-members at the same price and on the same terms
agent	an ABM member firm acting on behalf of a customer or counterparty in an agency capacity
any other trading capacity	dealing capacity other than dealing on own account and matched principal . Any other trading capacity includes an agency cross
associate	in relation to any person , means that person's associate as defined in Section 2-5 of the Securities Trading Act
buyer	an ABM member firm purchasing securities registered on NordicABM;
compliance procedures	the 'C' series of these rules which sets out the rules and procedures for disciplinary proceedings and disciplinary and non-disciplinary appeals
counterparty	a person who is not a customer with whom an ABM member firm undertakes a trade
current market value	means prices, which upon a comprehensive assessment, reflect the current pricing of the instrument in question.
customer	a person for whom an ABM member firm undertakes a trade or otherwise performs services
dealing on own account	means trading against proprietary capital resulting in the conclusion of transactions in one or more financial instruments
deferred publication	a facility for ABM member firms to delay the publication of a trade for a period of time

EEA	the European Economic Area
employee	in relation to an ABM member firm a director, partner or principal or person employed in or about the firm's business as an ABM member firm , whether under a contract of service or for services (including a training contract) and any person seconded to work in or about that business
fixed income security	a security which carries a right to a stated rate of interest or dividend on an annual or other periodic basis and which is admitted to registration
foreign	non-Norwegian
instruments	financial instruments as defined in Section 2-2 first subsection of the Securities Trading Act , cf. Article 4 section 1, subsection (15), cf. Section C of Annex I of MiFID which are admitted to registration
investment services	business related to specified investments in Norway as set out in Section 2-1 of the Securities Trading Act or in other EEA states as set out in legislation adopted for the implementation of Article 4, section 1., subsection (1) - (2) , cf. Section A of Annex I A of MiFID , or equivalent business conducted in third states outside the EEA
Nordic ABM enforced cancellation	the cancellation by Oslo Børs of a trade report to Millennium Exchange , either in response to a request from a party to the trade or undertaken unilaterally by Oslo Børs. Discretion as to whether or not to cancel a trade report lies solely with Oslo Børs
Price list	the price list for Nordic ABM, from time to time, as available on www.oslobors.no .
matched principal	a member firm or other person interposing itself between the buyer and the seller to the transaction in such a way that it is never exposed to market risk throughout the execution of the transaction, with both sides executed simultaneously, and where the transaction is concluded at a price where it makes no profit or loss, other than a previously disclosed commission, fee or charge for the transaction
member ID	the highest level of identification of an ABM member firm in Millennium Exchange

membership profile	the trading and non trading profile of an ABM member firm as held by Oslo Børs
MiFID	Markets in Financial Instruments Directive [Directive 2014/65/EU]
Millennium Exchange	the system operated by Oslo Børs to which ABM member firm may report trades
Nordic ABM	Nordic ABM, as operated and organised by Oslo Børs ASA, including, where the context so permits, any committee, sub-committee, employee or officer of Oslo Børs to whom any function of Oslo Børs may for the time being be delegated
Norway	the Kingdom of Norway
notice	any notice issued by Oslo Børs from time to time to ABM member firms generally or to any class of ABM member firms
person	an individual, corporation, partnership, association, trust or other entity as the context admits or requires
principal	an ABM member firm or other person acting as principal
relevant contracts	any contracts arising between Nordic ABM and an ABM member firm , including but not limited to the Membership Agreement
Securities Trading Act	Securities Trading Act of 29 June 2007 No 75
seller	an ABM member firm selling securities registered on Nordic ABM
settlement agent	a person providing settlement services
subsidiary	as defined in section 1-3 second subsection of the Public Limited Companies Act of 13 June 1997 No. 45
technical description	the document “Market Model – Oslo Børs Fixed Income” available on www.oslobors.no
trade report	a report of the details of a trade which is made to Millennium Exchange in a fixed income security registered on Nordic ABM and which Oslo Børs may publish subject to certain criteria
trade reporting period	the period each day when Millennium Exchange accepts trade reports as further defined in the technical description .
unique trade identifier	a unique reference assigned to a transaction by either a member firm

or, the trade code assigned by **Millennium Exchange** to such **trade report**

1 CORE RULES

1.1 ABM MEMBER FIRMS

1.1.1 CATEGORIES OF MEMBERSHIP [1000]

G	1000	Oslo Børs may permit membership under one of the following categories:
	1000.1	an ABM member firm ;
	1000.2	a limited ABM member firm

Guidance to Rule:

A limited **ABM member firm** may report trades in certain segments, sectors or securities as further defined by Oslo Børs.

1.1.1 AUTHORISATION [1010-1015]

G	1010	A member firm must at all times be authorised under relevant Norwegian, or appropriate EEA or overseas legislation, or in the view of Nordic ABM be otherwise sufficiently regulated, in respect of capital adequacy, and fitness and probity.
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Guidance to Rule:

Nordic ABM will consider a **person** that is a legal entity to be appropriately authorised or sufficiently regulated if that **person** is:

1. an investment firm, as defined under Directive 2014/65/EU, which is authorised or permitted within the meaning of that Directive to carry on a regulated activity, or the equivalent of a regulated activity, in its home state;
2. a credit institution, as defined under Directive 2013/36/EU, which is authorised or permitted within the meaning of that Directive to carry on a regulated activity, in its home state;
3. any other person who:
 - a. is of sufficiently good repute;
 - b. has a sufficient level of trading ability, competence and experience;
 - c. has, where applicable, adequate organisational arrangements; and
 - d. has sufficient resources for the role they are to perform and, where applicable, clearing and settlement arrangements.

An applicant which is seeking authorisation under the **relevant Norwegian** or equivalent foreign legislation may be considered but any decision to grant membership based on this will be subject to authorisation being granted and will not become effective until that condition is satisfied.

Nordic ABM's assessment of an **ABM member firm's** authorisation may include, but is not limited to, consideration of:

- *the scope of its authorisation or permission; and*
- *evidence of satisfactory regulation of the applicant's financial integrity and fitness and probity.*

*Where Nordic ABM deems it necessary to protect the integrity of **Nordic ABM**, action may be taken under Rule 1015 without prior notice to the **ABM member firm** concerned.*

According to the Securities Trading Act section 12-4 (3) regulated markets may admit as members or participants investment firms, credit institutions authorised under Directive 2013/36/EU and other persons who: (a) are of sufficient good repute; (b) have a sufficient level of trading ability, competence and experience; (c) have, where applicable, adequate organisational arrangements; (d) have sufficient resources for the role they are to perform, taking into account the different financial arrangements that the regulated market may have established in order to guarantee the adequate settlement of transactions.

Oslo Børs will apply similar principles to entities applying for membership on ABM.

Nordic ABM may require to perform such due diligence as it sees fit of members who are not credit institutions or investment firms under EU law.

1015	If, at any time, an ABM member firm does not comply with Rule 1010 or is sanctioned by an authority responsible for the supervision or regulated activity, Oslo Børs may:
1015.1	restrict the scope of trade reports conducted by the ABM member firm ; or
1015.2	terminate the membership of the ABM member firm in accordance with the compliance procedures .

1.1.2 SUITABILITY [1020-1026]

1020	An ABM member firm must, to ensure compliance with these rules, at all times have:
1020.1	adequate recording and reporting systems and sufficient staff with adequate knowledge, experience, training and competence;
1020.2	adequate internal procedures and controls; and
1020.3	one or more compliance officers who shall be identified to Oslo Børs and be competent to advise the ABM member firm and its employees on the application of these rules.

Guidance to Rule:

*In determining whether an **ABM member firm** has met the requirements of rule 1020, Nordic ABM may require information regarding the level of training and qualifications of individual traders, including the taking of any relevant examinations.*

Nordic ABM may require to perform such due diligence as it sees fit of members who are not credit institutions or investment firms under EU law.

G	1021	Where Nordic ABM has reason to believe that an ABM member firm is not conducting, or may not conduct, its operations in accordance with Rule 1300, 1305 and 1310, and that requirements or restrictions are reasonably necessary to ensure that it does so, Nordic ABM may at any time:
	1021.1	suspend, either in part or in full, an ABM member firm's membership of Nordic ABM in accordance with the compliance procedures or its access to any of services on Nordic ABM; or
	1021.2	restrict the scope of trade reports conducted by the ABM member firm .

G	1022	In accordance with notification Rule 1050, an ABM member firm shall notify Nordic ABM immediately of any matter that is material to the ABM member firm's suitability as an ABM member firm .
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Guidance to Rule:

Such matters shall include, but are not limited to:

- (i) the presentation of a petition for debt settlement proceedings or bankruptcy of the **ABM member firm** or of a company which is a subsidiary or holding company of the **ABM member firm**;*
- (ii) the appointment of a receiver, administrator or trustee of the **ABM member firm**;*
- (iii) the making of a composition or arrangement with creditors of the **ABM member firm**;*
- (iv) a company proposal or decision to dissolve the **ABM member firm**, including receipt of a notice of dissolution from any public authority and the filing of a claim for dissolution by a shareholder*
- (v) the imposition of disciplinary measures or sanctions on the **ABM member firm** or any employee by any statutory, professional or other body exercising a regulatory or disciplinary jurisdiction with regard to the provision of **investment services** or matters related thereto, whether within Norway or elsewhere;*
- (vii) an event equivalent to those identified in (i) to (vi) above under foreign legislation; and*
- (viii) any material change to any matter previously notified to Nordic ABM that is pertinent to Oslo Børs' consideration of an **ABM member firm's** authorisation.*

G	1023	An ABM member firm shall be bound by and observe:
	1023.1	these rules (as amended from time to time);
	1023.2	any rules and procedures set out in any supplementary documentation issued by the Nordic ABM under these rules;
	1023.3	the provisions of any notice ; and
	1023.4	any requirement, decision or direction of Oslo Børs.

Guidance to Rule:

Requirements, decisions and directions of Nordic ABM mentioned in Rule 1023.4 must be made pursuant to these rules.

1024	An ABM member firm shall take all reasonable steps to ensure that its employees comply with all applicable obligations arising under these rules.
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1025	A former ABM member firm shall be bound by these rules in respect of all activities which took place prior to termination of membership (and which were subject to these rules) until the latest of:
1025.1	one year after it ceases to be an ABM member firm ;
1025.2	the date on which all of its trade reports are settled and completed; or
1025.3	the date on which all outstanding subscriptions, charges or other sums due to Oslo Børs have been paid in full.

1026	Breaches of these rules conducted by a former member firm prior to termination of membership may be sanctioned by Oslo Børs in accordance with the compliance procedures .
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1.1.3 RESIGNATION OF MEMBERSHIP [1030-1031]

G 1030	An ABM member firm may resign by giving Oslo Børs at least one month's prior written notice.
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Guidance to Rule:

*The one month's notice period will be counted from the end of the month in which the **ABM member firm's** resignation was received by Oslo Børs*

1031	An ABM member firm that has ceased to carry on business activities for which it was deemed suitable for membership may have its membership terminated with immediate effect or upon such notice as otherwise determined by Oslo Børs.
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1.1.4 NOTIFICATIONS [1050-1051]

Immediate notifications

G 1050	An ABM member firm shall, immediately upon becoming aware of any circumstances which have, will or may lead to a contravention of any of the rules, including system problems, notify Oslo Børs of such circumstances in as much detail as is available to it. Failure of an ABM member firm to notify Oslo Børs in such circumstances may result in a contravention of the rules by the ABM member firm .
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Guidance to Rule:

Such notifications should be made to the Market Surveillance Department.

Advanced notifications

G	1051	An ABM member firm shall notify Oslo Børs in writing, at least 21 calendar days in advance of the proposed effective date, of any proposed changes to its membership profile .
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Guidance to Rule:

Oslo Børs would expect notification of, at a minimum, the following profile changes:

- *name and address of the **ABM member firm**;*
- *senior executive officer or compliance officer of the **ABM member firm**;*
- *access to **Millennium Exchange**;*
- *scope of settlement arrangements in relation to **trade reports** including settlement codes; and*

Such notifications should be made to the Market Surveillance Department.

1.1.5 TRADE RECORDS [1070]

1070	An ABM member firm shall retain a record of each trade entered into by it in fixed income instruments admitted for trade registration on Nordic ABM for at least five years. Any such record shall be produced for inspection to Oslo Børs on demand and, where it is not retained in legible form, must be capable of being reproduced in that form.
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1.1.6 LANGUAGE REQUIREMENT [1080]

1080	Every document that is required to be provided to Oslo Børs under these rules shall be in Norwegian, English, Swedish or Danish.
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1.1.7 VOICE RECORDING [1090]

1090	Voice recording equipment shall be installed, maintained and used with respect to trading activities in accordance with the Securities Trading Act or similar legislation adopted in the ABM member firm's home state.
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1.1.8 SETTLEMENT AGENT [1095]

G	1095	An ABM member firm may act as, or use the services of, a settlement agent to settle reported trades.
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Guidance to Rule:

ABM member firms must agree how reported trades are to be settled and make their own arrangements for settling their trades. An **ABM member firm** may, but is not obliged to, employ one or more **settlement agents**.

1.2 COMPLIANCE AND ENFORCEMENT

1.2.1 COMPLIANCE AND ENFORCEMENT [1100]

1100	Oslo Børs may, at its discretion, waive the enforcement of these rules.
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1.2.2 DUTY OF CONFIDENTIALITY [1105-1106]

1105	The ABM member firm shall ensure that officers, employees and parties retained to provide services are bound by a duty of confidentiality and do not make any unauthorised disclosure of or utilise information regarding business circumstances or personal circumstances which is obtained in the course of the ABM member firm's activities towards Nordic ABM. The duty of confidentiality shall apply notwithstanding that the employment relationship has terminated or the services have been completed.
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If the **ABM member firm** erroneously receives information from Oslo Børs, the **ABM member firm** shall immediately notify Oslo Børs.

1106	Oslo Børs and officers and employees of Oslo Børs may not make any unauthorised disclosure or use of information regarding any business or personal circumstances that relates to the operations of Nordic ABM. The duty of confidentiality shall apply notwithstanding that the employment has terminated or the services have been completed.
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1.2.3 INFORMATION, MONITORING AND INVESTIGATION [1110-1114]

G 1110	Oslo Børs may request or require information from a member firm, or interview any employee of a member firm, about any matter which it considers may relate to these rules or to the integrity of Nordic ABM , or which Oslo Børs may require for the purpose of compliance with applicable law or regulation..
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Guidance to Rule:

*In relation to any request for information, Oslo Børs would expect the provision of accurate information in a timely manner about the **ABM member firms** in a format, electronic or otherwise, specified by Oslo Børs.*

1111	An ABM member firm shall comply or procure compliance with any requirement of Nordic ABM made pursuant to these rules.
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1112	An ABM member firm is responsible to Oslo Børs for the conduct of its employees and agents. Such conduct shall be treated for the purposes of these rules as conduct of the ABM member firm .
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Oslo Børs may at any time require an **ABM member firm** to disclose the identity of the **employee** registering a trade in **Millennium Exchange**. The **ABM member firm** should disclose the information immediately upon demand.

1113 An **ABM member firm** shall not knowingly provide Oslo Børs with any information (including information for the purpose of becoming an **ABM member firm**) which is false, misleading or inaccurate and shall comply or procure compliance with a request by Oslo Børs for explanation or verification of information provided to Oslo Børs.

1114 To the extent permitted by Section 14 of relevant legislation, Oslo Børs may disclose information and documents:

1114.1 to co-operate, by the sharing of information and documents and otherwise, with any recognised exchange or clearing house which clears and/or settles trades and any authority, body or **person** in **Norway** or elsewhere having responsibility for the supervision or regulation of any **investment services** or other financial service or for law enforcement purposes;

1114.2 for the purpose of enabling it to institute, carry on or defend any proceedings including any court proceedings;

1114.3 for any purpose referred to in relevant rules and regulations ,

1114.4 under compulsion of law;

1114.5 for the purpose of enabling Oslo Børs to discharge its functions having regard in particular to the protection of investors and the maintenance of high standards of integrity and fair dealing; and

1114.6 for any other purpose with the consent of the **person** from whom the information was obtained and, if different, the **person** to whom it relates

1.2.4 IMPOSITION OF SANCTIONS [1115-1116]

1115 If Oslo Børs considers that an **ABM member firm** has contravened any of these rules it may impose sanction(s) in accordance with the **compliance procedures**.

1116 Oslo Børs may bring disciplinary proceedings against a former **ABM member firm** whilst the former **ABM member firm** is bound by these rules.

1.3 CHARGES AND FEES

1.3.1 CHARGES [1200-1203]

G 1200 An **ABM member firm** shall pay to Oslo Børs:

- | | |
|--------|---|
| 1200.1 | applicable fees set out in Nordic ABM's commercial terms and the relevant price list ; |
| 1200.2 | any other sums due in accordance with relevant contracts between Oslo Børs and the ABM member firms . |

1201	Unless otherwise specified by Oslo Børs, any subscriptions, charges or other sums due to Oslo Børs shall be paid in full within 30 calendar days from the date of the invoice.
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1202	In order to pay charges and sums due to Oslo Børs, Oslo Børs may require an ABM member firm to execute and maintain in force a direct debit mandate in Oslo Børs' favour on a bank account in Norway.
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1203	Where an ABM member firm fails to pay in accordance with these rules other than in the case of dispute, Oslo Børs may terminate its membership without prejudice to any other action which Oslo Børs may take.
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1.4 GENERAL CONDUCT

1.4.1 MISLEADING ACTS, CONDUCT AND PROHIBITED PRACTICES [1300 – 1300.6]

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|---|--------|--|
| G | 1300 | An ABM member firm shall not, in respect of its trading business: |
| | 1300.1 | do any act or engage in any course of conduct which creates or is likely to create a false or misleading impression as to the market in, or the price or value of, any security; |
| | 1300.2 | cause a fictitious trade or a false price to be input into Millennium Exchange ; |
| | 1300.3 | effect a trade at any price which differs to an unreasonable extent from any price displayed on MillenniumExchange in that security; |
| | 1300.4 | do any act or engage in any course of conduct which is likely to damage the fairness or integrity of Nordic ABM; |
| | 1300.5 | do any act or engage in any course of conduct which causes, or contributes to, a breach of Nordic ABM rules by another ABM member firm ; or |
| | 1300.6 | cause a trade which do not reflect the current market value of that security to be put into Millennium Exchange . |

Guidance to Rule:

Conduct

An **ABM member firm** is at all times bound by suitability Rule 1020.

Current market value

All trades registered in **Millennium Exchange** must reflect the **current market value** of the **instrument** in question and constitute a genuine trade.

When assessing whether a trade represent current market value, consideration should be made to, among other things, the changes in the pricing of the **fixed income security** during the relevant **trade reporting periode**, the changes in the pricing of the **fixed income security** on previous days, the volatility of the **fixed interest security** and the general changes in the pricing of comparable **fixed income securities** and, where relevant other particular conditions related to the trade.

1.4.2 GOOD MARKET PRACTICE [1305]

1305	An ABM member firm shall observe good market practice.
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1.4.3 INSIDE INFORMATION RULES, GOOD BUSINESS CONDUCT ETC. [1306-1309]

1306	Subscription for, purchase, sale or exchange of fixed income securities or incitement to such dispositions, must not be undertaken directly or indirectly for its own account or any other party's account by the ABM member , its officers or employees who are privy to inside information. This also applies to entering into, buying, selling, subscription rights, or exchanging options, or forward/futures contracts or equivalent rights linked to fixed income securities or inciting such dispositions. Neither the ABM member nor anyone representing the ABM member shall have any involvement in trading in fixed income securities for a customer if the ABM member or its representative is aware or should be aware that the customer is privy to inside information.
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Inside information means any information of a precise nature relating to financial instruments, the issuers thereof or other circumstances which has not been made public and is not commonly known in the market and which is likely to have a significant effect on the price of those financial instruments or of related financial instruments.

Information of a precise nature means information which indicates circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur and which is specific enough to enable a conclusion to be drawn as to the possible effect of those circumstances or that event on the price of the financial instruments or related financial instruments.

Information likely to have a significant effect on the price of financial instruments or of related financial instruments means information of the kind which a reasonable investor

would be likely to use as part of the basis of his investment decisions.

The first paragraph applies only to the misuse of information as mentioned in that paragraph. The first paragraph does not prevent the normal performance of option or futures/forward contracts previously entered into upon the expiry of such contracts.

1307 The **ABM member**, its officers or **employees** who are privy to such inside information as defined in section 1306 must not pass such information to unauthorised parties. Any person with access to inside information is under a duty to show due care when handling such information so that the information does not come into the possession of unauthorised parties or be otherwise misused.

1308 Persons who are privy to inside information must not give advice to others about trading in the fixed income securities to which the information pertains or in financial instruments related to the fixed income securities.

1309 No one may use unreasonable business practices when trading in fixed income securities or financial instruments linked to fixed income securities. Good business practice must always be observed in all communications with the public at large or specific individuals that contain an offer or a solicitation to buy, sell or subscribe for fixed income securities or that are in any other way intended to promote purchases and sales of fixed income securities.

1.4.4 MARKET MANIPULATION [1310]

G 1310 An **ABM member firm** trading in a **fixed income security** shall not do any act or engage in any course of conduct which constitutes or is likely to constitute market manipulation under MAR

Guidance to Rule:

*In its efforts to avoid possible manipulation situations and should an **ABM member firm** have concerns about whether a particular trading strategy might be called into question by Oslo Børs, they should contact the Market Surveillance Department, as far in advance as possible, to discuss the proposed strategy. All such enquiries will be treated in the strictest confidence by Oslo Børs.*

1.5 SYSTEM AND TECHNICAL REQUIREMENTS

1.5.1 TECHNICAL REQUIREMENTS [1400-1402]

G 1400 An **ABM member firm** shall be connected to data communication networks for communication with **Millennium Exchange** as approved or instructed by Oslo Børs from time to time.

The **ABM member firm** shall be solely responsible for the installation of suitable software and hardware for connection to and communication with **Millennium Exchange**.

Oslo Børs may require that defect or deficiencies are rectified and may prohibit the **ABM member firm** from using specific software or hardware until the defect or deficiency is rectified.

Guidance to Rule:

*The **ABM member firm** shall ensure that its software and hardware is designed and located in such a manner that high standards of authorisation control, traceability and physical security are met. This implies, inter alia, that unauthorised access to **Millennium Exchange** must be prevented and it must be possible to retroactively trace the origin of separate registrations in **Millennium Exchange**. The hardware shall be located in premises that are not accessible to unauthorised persons. Oslo Børs may prescribe further security routines.*

*The **ABM member firm** must notify Oslo Børs immediately in the event of a serious breach of security measures or risk of serious breach of security measures that may affect the **ABM member firm's** connection to **Millennium Exchange**, any other **ABM member firms'** connection to **Millennium Exchange** or **Millennium Exchange** itself. If the **ABM member firm** suspects that procedures for access to **Millennium Exchange** have become known to an unauthorised party, Oslo Børs shall be immediately notified thereof.*

1401 Oslo Børs reserves the right to make modifications to **Millennium Exchange**, e.g. to modify the hardware and the location thereof, to modify the software, and to change the protocol for data communication with **Millennium Exchange**.

Oslo Børs shall notify the **ABM member firm** in due time prior to effecting modification to **Millennium Exchange**. In the event of extensive modifications which may require modification of the **ABM member firm's** hardware or software, the notification shall include a description of the modifications, scheduled time for testing and the date on which the modifications shall come into effect. Changes, amendments, and modifications in **Millennium Exchange** shall be implemented by Oslo Børs and the **ABM member firm** will be subject to deadlines and procedures as further decided by Oslo Børs.

The **ABM member firm** shall comply with instructions issued by Oslo Børs concerning modifications to **Millennium Exchange**. Upon instructions from Oslo Børs, modifications of the **ABM member firm's** hardware and software shall be subject to system tests in accordance with Rule 1420

The **ABM member firm** may modify its hardware and software being connected to **Millennium Exchange**. Modifications which have an influence on or interfere with **Millennium Exchange** must be reported to Oslo Børs. Oslo Børs may require that the modified hardware or software to be tested in accordance with Rule 1420. The **ABM member firm** may request to test the modified equipment in accordance with Rule 1420.

Oslo Børs reserves the right to close **Millennium Exchange** for repairs where necessary, or limit the functions of **Millennium Exchange** when conducting repairs. Such work shall preferably be scheduled outside the trade reporting period. Oslo Børs shall, where possible, provide the **ABM member firm** with reasonable notice prior to the implementation of such measures.

1402 The **ABM member firm** shall appoint one or more technical contacts who shall be responsible for the **ABM member firm's** hardware and software, for the **ABM member firm's** connection to **Millennium Exchange** and for handling and administering relevant enquiries from Oslo Børs. The **ABM member firm** shall notify Oslo Børs in writing of the names of the persons appointed as technical contacts and, upon replacement of such persons, provide written notice in respect of the new persons appointed.

1.5.2 SYSTEM TESTING [1420-1421]

1420 An **ABM member firm** must pass a conformance test as further defined by Oslo Børs before being given access to **Millennium Exchange** production environment.

An **ABM member firm** is only allowed to use software that has passed a conformance test for trade reporting on **Millennium Exchange**. The **ABM member firm** is responsible for making sure that all software used has passed the conformance test. This provision applies correspondingly to the deployment or material update of software.

Oslo Børs is entitled to summon **ABM member firms** to mandatory test weekends or dress rehearsals before significant system upgrades or other events of major impact.

G 1421 An **ABM member firm** shall not submit **trade reports** to **Millennium Exchange** for the purpose of testing any systems or controls.

Guidance to Rule:

*Oslo Børs expects **ABM member firms** to test their systems or controls prior to submitting **trade reports** to **Millennium Exchange**. To enable this testing, Oslo Børs offers **ABM member firms** a separate connection to a testing environment packaged within a number of services such as the Customer Development Service, Conformance Testing, High Volume Testing and Participant Test Weekends, in addition to the use of specific test segments on **Millennium Exchange**. **ABM member firms** are encouraged to contact Oslo Børs to discuss their testing requirements. Oslo Børs approved testing undertaken by **ABM member firms** (including Nordic ABM test segment on **Millennium Exchange**) is not prohibited by this rule.*

*Testing on **Millennium Exchange** is prohibited as testing may result in unusually priced and/or sized **trade reports** being entered. Oslo Børs relies on **ABM member firms** to submit only bona fide business to **Millennium Exchange**. Submitting **trade reports** to **Millennium Exchange** for the purpose of testing an **ABM member firm's** or its direct market access customer's systems or controls is not an acceptable market practice.*

ABM member firms that require further information on how to conduct testing with Nordic ABM should contact the Market Surveillance Department.

1.5.3 ABM MEMBER FIRM SYSTEM PROBLEMS [1430]

G	1430	Where an ABM member firm identifies a system problem it shall inform Oslo Børs in accordance with notification Rule 1050 and follow any subsequent instructions from Oslo Børs.
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Guidance to Rule:

For the purposes of this rule, a system problem would include, but not be restricted to, preventing:

- an **ABM member firm** submitting a **trade report**;

Dealing during a systems failure:

While an **ABM member firm** is experiencing a system failure it is not precluded from reporting trades in the relevant fixed income securities.

Trade reporting:

Where an **ABM member firm** has a system problem that prevents it from submitting a **trade report** (where it has the responsibility to do so), the **ABM member firm** must immediately upon execution of the trade inform Oslo Børs.

Oslo Børs will determine what trade details it requires until such time as the problem is resolved. Such trades must be re-reported by the **ABM member firm** once the system problem has been resolved.

If Oslo Børs is not informed of an **ABM member firm's** trade reporting difficulties, it will treat resultant late **trade reports** as breaches of rule 3020.

1.6 TECHNICAL SITUATIONS

1.6.1 TECHNICAL SITUATIONS [1530]

G	1530	If technical situations arise, Oslo Børs will where relevant, inform ABM member firms thereof
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Guidance to Rule:

In connection with technical situations, Oslo Børs may inter alia

- suspend trade registrations;
- limit trade registrations;
- change the opening/closing of trade registration operations;
- limit the number of electronic connections per **ABM member firm**;
- generally limit the number for volume of trades per electronic connection;
- limit the number or volume of trades in one or more electronic connections;
- close one or several electronic connections.

1.7 SPECIFIC TRADING REGULATIONS

1.7.1 CONDITIONAL TRADES [1610]

G	1610	An ABM member firm shall not report trades subject to a condition precedent or condition subsequent without the prior consent of Oslo Børs.
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Guidance to Rule:

Applications for permission to report trades should be addressed to the Market Surveillance department as far in advance of the planned trade date as possible.

1.8 INFORMATION AND INTELLECTUAL PROPERTY RIGHTS

1.8.1 INFORMATION FROM MILLENNIUM EXCHANGE [1700–1705]

1700	Oslo Børs shall have exclusive rights to compiled information derived from Millennium Exchange , including exclusive rights to all forms of release, publication, dissemination and copying. Oslo Børs shall be entitled to publish and disseminate such information to the general public.
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1701	An ABM member firm may use information from Millennium Exchange internally, in processed or unprocessed form, in whole or in part, only following approval from Oslo Børs in accordance with the arrangements and policies of Oslo Børs from time to time.
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G	1702	An ABM member firm may systematically disseminate information from Millennium Exchange , in processed or unprocessed form, in whole or in part, only following execution of a separate agreement with Oslo Børs.
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Guidance to Rule:

*A "systematic dissemination of information" means continuous or frequent production of copies of information and continuous or frequent release and/or dissemination of information from **Millennium Exchange**, including extracts of information and continuous or frequent updating of such information.*

1703	The ABM member firm may only disseminate public market information as further defined by Oslo Børs.
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1704	Oslo Børs may determine the point of connection to Millennium Exchange from which the ABM member firm may disseminate information and the guidelines governing such dissemination.
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1705	The ABM member firm is solely responsible for ensuring that third parties who are granted access to the ABM member firm's hardware or software, including information from Millennium Exchange and other third parties providing service
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to the **ABM member firm** and thereby receiving information from **Millennium Exchange**, are aware of the provisions set in Rules to 1700-1705 and undertake to comply therewith.

1.8.2 INTELLECTUAL PROPERTY RIGHTS [1710–1716]

1710 Oslo Børs undertakes to maintain at all times copyrights, licenses and other rights to use the software used in **Millennium Exchange**. By virtue of its membership on Nordic ABM, the **ABM member firm** is entitled to a non-transferable non-exclusive right to use **Millennium Exchange** subject to any restrictions on the **ABM member firm** issued by Oslo Børs in connection with its operations on Nordic ABM. The **ABM member firm** does not have and will not obtain any rights in or to **Millennium Exchange** through its use.

1711 Copyright and all other intellectual property rights to the rules, documentation relating to **Millennium Exchange**, agreements related thereto, indices, classifications, publications, market information, statistics, and all other documents produced and published by Oslo Børs, as well as any alterations or modifications thereof are vested in Oslo Børs and/or other rights holders. Furthermore copyrights and intellectual property rights Nordic ABM-related information from **Millennium Exchange** and/or other sources compiled or otherwise prepared by Oslo Børs, as well as indices and classifications produced from time to time by Oslo Børs, shall vest in Oslo Børs and/or other rights holders.

1712 **ABM member firms** may only use trademarks, which are the property of Oslo Børs, as signs for products and services derived from Oslo Børs.

1713 In order to use the above-mentioned trademarks and intellectual property rights in a particular manner, **ABM member firms** must enter into separate agreements with Oslo Børs or other rights holders which shall regulate the rights and obligations associated with the use of the specific trademarks and/or intellectual property rights.

1714 The rights granted under these rules convey no right, title, interest in or to **Millennium Exchange**, documents related thereto, indices, classifications, publications, market information, statistics or other documents produced by Oslo Børs.

1715 In the event a claim is brought against a **ABM member firm** by any third-party on the grounds that the **ABM member firm** has infringed the third party's intellectual property rights as a consequence of its use of **Millennium Exchange**, or where the **ABM member firm** otherwise becomes aware that rights vested in Oslo Børs, or a rights holder which Oslo Børs represents, are being challenged, the **ABM member firm** shall be required, without undue delay, to inform Oslo Børs thereof in writing. The aforesaid provisions apply where the **ABM member firm** becomes aware of any infringement of any rights pertaining to Nordic ABM or a rights holder which Nordic ABM represent. Any claim by a third party against the **ABM member firm** for infringement of intellectual property rights shall be handled by Oslo Børs or the

relevant rights holder at the expense of such party and the **ABM member firm** shall not take part in the action in its own right. Oslo Børs and the relevant rights holder shall be entitled, without the **ABM member firm's** approval but on the understanding that the **ABM member firm** is held harmless, to enter into legal proceedings with any such third party.

1716

The **ABM member firm** shall ensure that it possesses all the licenses required and right of use with respect to the hardware and software that the **ABM member firm** requires for connection to, and communication with **Millennium Exchange**.

1.9 LIMITATION OF LIABILITY

1.9.1 LIMITATION OF LIABILITY [1800.1 – 1800.6]

1800

1800.1 **ABM member firms** and Oslo Børs shall not be liable for damages incurred in connection with performance of their respective functions as regulated in the rules, provided normal care is exercised.

ABM member firms and Oslo Børs shall under no circumstances be liable in the circumstances set out in rules 1800.2 to 1800.6 below.

1800.2 **ABM member firms** and Oslo Børs shall not be liable for damages incurred due to force majeure or other extraordinary events.

Force majeure or any other extraordinary event shall be deemed to exist where the **ABM member firm** or Oslo Børs or any subcontractor thereof or other entity exercising functions as regulated in the rules is prevented, in whole or in part, from performing its obligations under these rules or where such performance may be deemed to be unreasonably burdensome due to national or foreign legislation, the actions of national or foreign governmental authorities, provisions or other measures from bodies within the **EEA**, electricity outages, fire, water damages, telecommunications outages, strikes, blockades, lockouts, boycotts, natural disasters, acts of war or terror, or other similar circumstances beyond the control of such party. The reservation in respect of strikes, blockades, lockouts and boycotts shall apply notwithstanding that the **ABM member firm** or Nordic ABM is the object of, or executes, such measures.

In the event the **ABM member firm** or Nordic ABM is prevented, in whole or in part, from executing measures pursuant to these rules as a consequence of circumstances set forth in the paragraph above, such performance may be postponed until such time as the impediment has terminated. In the event the **ABM member firm** or Oslo Børs is prevented from making or receiving payment as a consequence of such circumstances, the parties shall not be liable for penalty interest (forsinkelsesrente), cf. law on penalty interest (forsinkelsesrenteloven) dated 17 December 1976 no 100.

- 1800.3 The **ABM member firm** and Oslo Børs shall under no circumstances be liable for indirect or consequential damages, such as for example loss of data, lost profits or gains.
- 1800.4 Oslo Børs shall under no circumstances be liable for damages incurred as a consequence of, or in conjunction with, the dissemination of public or non-public market information. Oslo Børs shall not be obligated to notify or correct errors in public or non-public market information unless, in the opinion of Oslo Børs, such notification or correction is reasonable and may be deemed to be of significance to the **ABM member firm**.
- 1800.5 Oslo Børs shall under no circumstances be liable for damages incurred as a consequence of, or in conjunction with, any measures implemented by Oslo Børs in connection with technical situations pursuant to Rule 1530.
- 1800.6 A claim for damages may be reduced or eliminated where the injured party has, through its own actions, caused or contributed to its loss or failed to mitigate its loss, whether directly or indirectly.

1.10 AMENDMENTS TO THE RULES

1.10.1 AMENDMENTS TO THE RULES [1900]

- 1900 Amendments to the rules will enter into force one month after the amendments have been notified to the **ABM member firms** and published on Oslo Børs' website. Oslo Børs may in special circumstances shorten or prolong the one month period.
- Oslo Børs shall consult **ABM member firms** and other interested parties with a reasonable consultation period before amendments are announced save where such consultation is clearly unnecessary or impractical.
- The procedure for making amendments to these rules may be waived where the amendments are the result of legislation, regulation, legal ruling, administrative decision or in other special cases.

2 TRADE REPORTS

2.1 TRADE REPORTS

2.1.1 REQUIREMENT TO TRADE REPORT [3010-3013]

Obligation to trade report

G	3010	A trade report shall be submitted to Nordic ABM in respect of every trade to which an ABM member firm is a party in accordance with the trade reporting responsibility rule 3012.
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Guidance to Rule:

Every trade must have a **trade report**, whether it is to be published or not, with each trade representing a distinct market contract. The absence of a **trade report** therefore implies a breach of Nordic ABM's trade reporting responsibility rules.

Agency crosses, where there is only one contract, require a single **trade report**.

For the purposes of this rule, a trade is considered concluded or executed as soon as:

- (a) the terms of the trade with regard to the price and volume are agreed between the buyer and the seller; or
- (b) where a trade includes multiple legs and where an agreement on the terms of each of the legs is a pre-condition to the completion of the trade, the trade is completed when all the legs have been put in place and agreed

G	3012	The following trade reporting responsibility rules apply, unless otherwise agreed in accordance with Rule 3013:
	3012.1	a trade between an ABM member firm and a non-member, the ABM member firm reports;
	3012.2	a trade between two ABM member firms , the selling ABM member firm reports.

Guidance to Rule 3012.1:

This would include an **agency cross** where the orders are matched by the **ABM member firm**.

G	3013	In relation to Rule 3012, where two ABM member firms agree at or prior to the time of the trade, the responsibility for trade reporting may be delegated to the other ABM member firm .
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Guidance to Rule:

The rule recognises that **ABM member firms** may wish to delegate the trade reporting responsibility to the other **ABM member firm**. This may arise where an **ABM member firm** trades infrequently and hence wishes to always delegate the reporting process or where the non reporting **ABM member firm**

wishes to gain protection under the **deferred publication** facility but the reporting **ABM member firm** does not.

See guidance for trade types under Rule 3040.

2.1.2 STANDARD TRADE REPORT DEADLINES [3020-3022]

G	3020	Where a trade is executed during the trade reporting period , a trade report shall be submitted to Millennium Exchange as close to real time as possible to, and , except repo-transactions, in any case within 15 minutes of execution. Repo-transactions shall be reported within expiry of the trade reporting period .
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Guidance to Rule:

ABM member firms should ensure that **trade reports** are submitted to Nordic ABM as close to instantaneously as technically possible.

Millennium Exchange will instantaneously publish a **trade report** unless **deferred publication** is requested via the trade type indicator, see also Rule 3034.

	3021	If one leg in a trade is not reported within the end of the trade reporting period , the ABM member firm having reported the other leg should cancel the trade report within the end of the trade reporting period . The trade should be re-reported prior to commencement of trading on the following trade reporting periode.
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	3022	Where a trade is effected outside the trade reporting period , a trade report shall be submitted at the start of the next trade reporting period and in any case within 09:00 CET.
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2.1.3 TRADE PUBLICATION [3030-3034]

Deferred publication

G	3030	An ABM member firm may elect to use the deferred publication facility for all trade reports .
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Guidance to Rule:

An **ABM member firm** may elect to delay the publication of a trade by submitting a **trade report** with the relevant trade type.

G	3032	An ABM member firm may release a deferred publication trade for publication at any time prior to automatic publication.
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Publication

3034	Nordic ABM shall publish details of trades derived from trade reports as specified in the technical description .
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2.1.4 REQUIRED CONTENT OF TRADE REPORTS [3040]

G	3040	An ABM member firm must ensure that the content of a trade report is accurate and entered in accordance with the guidance to this Rule and the technical description .
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Guidance to Rule:

Counterparty ID

Where the **customer** or **counterparty** is an **ABM member firm**, the **member ID** for the **ABM member firm** must be used.

Date and time of the trade

The time of execution of a 'give up', which should be shown as the trade time on the **trade report** for the 'give up', is the time at which the 'give up' is agreed between the two **ABM member firms** involved.

ABM member firms shall submit the exact date and time of when a trade is agreed to the nearest second. Therefore, the trade time submitted on a **trade report** should not automatically default to 00 seconds or any other automatic default of time traded.

The **trade report** must specify the settlement date. For repo-trades, the **trade report** must specify the settlement date for both legs of the transaction.

Buy or Sell

The reporting party must state whether they are the buyer or the seller.

Trade type

Each **trade report** can only have one trade type indicator. An **ABM member firm** must therefore decide the most appropriate indicator in relation to the trade.

Price and Size of the trade

All **trade reports** must be the gross price (excluding any commission).

Trading capacity of the **ABM member firm**

A member firm must specify the correct trading capacity, as specified in the **technical description**.

Reporting condition

Where the terms of a trade conflict with the market conditions prevailing at the time of the trade, the reporting condition should be included. Examples where the reporting condition should be used include, but are not limited to:

- where the trade is for non standard settlement; or
- where a **negotiated trade** is subject to conditions other than the current market price of the fixed income instrument.

Unique trade identifier

Where a firm wishes to include a **unique trade identifier** this should be entered in the buy client reference field where the trade is a purchase or in the sell client reference field where the trade is a sale.

2.1.5 TRADE REPORT CORRECTIONS [3050]

3050	If an ABM member firm becomes aware of a trade report it has submitted in error, or of an error in a trade report submitted by it under the Rules, it shall immediately submit a cancellation to Millennium Exchange , and where correcting and error in the original trade report , submit a new trade report .
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2.1.6 NORDIC ABM ENFORCED CANCELLATION OF ERRONEOUS TRADES [3060 - 3061]

G	3060	To ensure the integrity of the market or in extraordinary situations Oslo Børs may undertake a Nordic ABM enforced cancellation of a trade reported to Millennium Exchange , either at the request of an ABM member firm or of its own volition.
	3060.1	A request for a Nordic ABM enforced cancellation must be submitted to the Market Surveillance Department as soon as possible and in any event within the end of the trade reporting period .
	3060.2	The ABM member firm requesting Nordic ABM enforced cancellation must provide appropriate information to the Market Surveillance Department as set out in the guidance below.;

Guidance to Rule:

Oslo Børs may, in its absolute discretion, cancel **trade reports**, either in response to a request from an **ABM member firm** or of its own volition. Oslo Børs' decision regarding a **Nordic ABM enforced cancellation** is final. If cancelled, it is only the **trade report** in **Millennium Exchange** that will be cancelled, not the agreement between the **ABM member firm** and its clients.

Generally, Oslo Børs will only consider an **ABM member firm's** request for a **Nordic ABM enforced cancellation** when it considers, in its sole discretion, that to cancel the trade is in the best interests of the overall market.

Criteria for the consideration of a **Nordic ABM enforced cancellation**

When considering cancellation, Oslo Børs will generally have regard to the following non-exhaustive list of considerations:

- time elapsed since the trade(s)
- erroneous nature of the trade - any trades to be cancelled must be manifestly erroneous in the judgement of Oslo Børs
- market impact – Oslo Børs may take into account other factors including, but not limited to, the potential market disorder that would be caused if the trade(s) were upheld or the potential adverse market impact if the trade(s) were cancelled.

3061	Nordic ABM may at its own discretion choose not to delete the trade report , but rather to render the transaction unofficial in Millennium Exchange
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3 COMPLIANCE PROCEDURES

3.1 DISCIPLINARY PROCESS

Where Oslo Børs believes there has been a breach of these rules by an **ABM member firm**, or **employees** or directors of the **ABM member firm**, Oslo Børs may commence disciplinary action against such **ABM member firm**, **employees** or officers in accordance with the provisions set out below. There are a number of factors which Oslo Børs takes into account when considering what disciplinary action to take in relation to a rule breach.

- The seriousness, size and nature of the rule breach
- How the rule breach came to light
- The actual or potential market impact of the rule breach, and any other repercussions
- The extent to which the rule breach was deliberate or reckless
- The general compliance history of the **ABM member firm**, and specific history regarding the rule breach in question
- Consistent and fair application of the rules (any precedents of previous similar rule breaches)
- The responsiveness and conduct of the **ABM member firm** in relation to the matter under investigation.

Oslo Børs' approach to regulation is aimed at maintaining the integrity, orderliness, transparency and good reputation of its markets and changing **ABM member firms'** behaviour in those markets where necessary. Oslo Børs will investigate the facts of each case, seeking to understand why the rule breach occurred and will assess whether any remedial action the **ABM member firm** has taken is adequate to prevent similar future occurrence.

C100	Where an ABM member firm breaches law, regulations, these rules, good business practices, or otherwise demonstrates unsuitability to be a member, Oslo Børs may report the ABM member firm to the relevant authorities.
C101	Oslo Børs may, in respect of any such breach: (i) Issue a warning to the ABM member firm ; (ii) Suspend the ABM member firm from reporting trades; (iii) Call attention to the situation by issuing public criticism (iv) Terminate the membership or withdraw the right to report trades, provided that the breach is material.
C102	The ABM member firm shall be informed that sanctions are under consideration and of the circumstances on which this is based. The ABM member firm shall have reasonable time to express its views before Oslo Børs makes its decision.
C103	An ABM member firm in respect of whom a decision is taken regarding termination of membership or withdrawal of authorisation, shall be notified in writing of the decision and the grounds for the decision.

C104

A decision to impose sanctions and the reasons for the decision shall be published by Nordic ABM unless there are particular reasons for not doing so.



OSLO BØRS

OSLO STOCK EXCHANGE

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