MORGAN STANLEY MTF

PARTICIPANT MANUAL

VERSION 1.0

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Contents

This Participant Manual contains practical information for Participants on the technology and operation of MORGAN STANLEY MTF, as well as an overview of the Operator's main policies and business features. Such information is subject to modification by the Operator at any time.

Capitalised terms not defined in this Participant Manual shall have the meaning given to them in the English language version of the MORGAN STANLEY MTF Rulebook, unless the context requires otherwise.

1. About MORGAN STANLEY MTF

MORGAN STANLEY MTF is operated by Morgan Stanley France SA (*"MSF"*) which is authorised and regulated by the Autorite des Marches Financiers (*"AMF"*) and the French Prudential Supervision and Resolution Authority (*"ACPR"*).

There are three order books on MORGAN STANLEY MTF that operate independently of each other:

(1) a displayed liquidity pool, which will function as a periodic auction order book, with eligible Orders triggering periodic auctions. During each auction, the uncross price and volume will be published in compliance with the MiFIR transparency requirements applicable to a periodic auction trading system. There will be no reliance on any transparency waivers (the "*Periodic Auction Book*");

(2) a non-displayed liquidity pool, where Orders will be submitted for execution/crossing at the midpoint of the relevant reference market utilising either the MiFIR reference price waiver or the MiFIR large in scale waiver (depending on the size of the Orders) (the "*Continuous Cross Book*");

(3) a negotiated trade book, which provides a mechanism for members to agree off-book negotiated trades which are subject to conditions other than current market price (e.g. benchmark trades) and bring those negotiated trades onto the MORGAN STANLEY MTF subject to the rules of MORGAN STANLEY MTF (the "*Negotiated Trade Book*"). The Negotiated Trade Book operates under an uncapped MiFIR waiver from pre-trade transparency and will therefore not make any pre-trade information public.

For the avoidance of doubt, references herein to MORGAN STANLEY MTF include the Periodic Auction Book, Continuous Cross Book, and the Negotiated Trade Book unless stated otherwise, or the context requires otherwise.

MORGAN STANLEY MTF will operate during Primary Market hours of continuous trading (which excludes any auction periods) and offer trading in cash equities and equity-like instruments in Austrian, Belgian, Danish, Dutch, Finnish, French, German, Irish, Italian, Norwegian, Portuguese, Spanish[1], Swedish, Swiss and UK markets.

MORGAN STANLEY MTF will outsource certain technology and operations support to Euronext Technologies SAS (*"ENXT"*).

Operation of MORGAN STANLEY MTF will be overseen by the MORGAN STANLEY MTF Governance Committee which consists of senior representatives from various areas of the Morgan Stanley group including the securities, compliance, finance and risk management divisions.

[1] The Periodic Auction Book will not be available in the Spanish market.

2. **Eligibility**

Any person that meets the Admission Criteria set out in MORGAN STANLEY MTF Rulebook may become a Participant in one or more of the Periodic Auction Book, the Continuous Cross Book, and the Negotiated Trade Book, by indicating this on the MORGAN STANLEY MTF application form available on the Website.

As well as supplying information to demonstrate compliance with the Admission Criteria, Participants will be required to provide information on matters including, but not limited to, incorporation (including constitutional documents), contact details of key personnel, regulatory status, permissions and the governmental authority or agency having regulatory oversight in respect of the Participant, where applicable.

In addition, to satisfy the Operator's on-boarding checks, all Participants will need to:

(1) provide the Operator with such information as it may reasonably require to (i) satisfy itself that it has complied with all applicable anti-money laundering checks, "know your customer" checks and other similar checks under all applicable laws and regulations and under any of the applicable policies of the Operator; and (ii) demonstrate that they have appropriate anti-money laundering measures in place in compliance with all applicable law and regulations and with any of the applicable policies of the Operator; and

(2) satisfy the credit standards, anti-money laundering checks and other requirements of the relevant Central Counterparty(ies).

Prior to go-live Participants must also complete conformance testing successfully. Conformance testing will involve:

i. testing the functional interface between MORGAN STANLEY MTF and each Participant, the relevant Central Counterparty(ies) and Participant's agent bank to ensure that the Participant will be in a position to comply with ongoing regulatory requirements from time to time, including that the Participant's systems or algorithms interact as expected with MORGAN STANLEY MTF and that data flows to and from MORGAN STANLEY MTF can be adequately processed;

ii. end-to-end testing to verify the functionality of Participant's applications, hardware and infrastructure through a number of test cases (e.g. buy, sell, cancel, amend) including static and market data downloads and all business data flows;

iii. testing executions and execution message handling;

iv. verifying that the Participant's internal end-to-end and MORGAN STANLEY MTF's external end-to- end tests are completed; and

v. verifying the connectivity, including the cancel on disconnect command, market data feed loss, and the recovery, including the intra-day resumption of trading and the handling of suspended instruments or stale market data.

The Participant must also undertake conformance testing within the MORGAN STANLEY MTF conformance testing environment prior to any substantial update to a Participant's trading system, trading algorithm or trading strategy.

The Operator shall provide the Participant with a report containing the results of the conformance testing on request.

In addition to the abovementioned conformance testing, a conformance testing environment is provided to allow Participants to test their algorithms in several scenarios, including disorderly trading conditions.

Participants will be required to demonstrate compliance with MORGAN STANLEY MTF's requirements for use of its order submission systems upon admission and on a periodic basis, no less than annually.

Participants will also be required to submit any information requested by MORGAN STANLEY MTF in order to demonstrate their ability to comply with the provisions in the Rulebook, including any information required by MORGAN STANLEY MTF to meet its regulatory obligations. Such information includes but is not limited to:

i) A valid LEI, including short-to-long code mappings to enable MORGAN STANLEY MTF to transaction report to European regulators; and

ii) Non-MiFID Participants will need to confirm their ability to provide MORGAN STANLEY MTF with all Required Transaction Reporting Fields for their trades in the format and within the timescale prescribed by the MORGAN STANLEY MTF, in addition to any other information required by MORGAN STANLEY MTF in order to comply with its reporting obligations.

3. Trading Capacities and Order Flagging

Participants are required to identify in relation to each Order such information as the Operator shall require in accordance with (i) Commission Delegated Regulation (EU) 2017/580, supplementing MiFIR with regard to regulatory technical standards for the maintenance of relevant data relating to Orders in financial instruments; and (ii) as specified in the MORGAN STANLEY MTF Technical Specifications documents available on the Website. If this information is not included, the Order will be rejected.

MORGAN STANLEY MTF supports trading in a principal or agency capacity. Where a Participant flags an Order as an agency Order, the Participant represents that it is submitting such Order in the legal capacity of an agent on behalf of its client.

Participants are required to flag each Order with the relevant trading capacity. If this information is not included, the Order will be rejected. Participants are solely responsible for every Order submitted by or through the Participant, regardless of whether such Orders are placed in a principal or agency capacity.

4. Access

All MORGAN STANLEY MTF Participants will have access to the same functionality and services and will be subject to the same Fees. MORGAN STANLEY MTF may be accessed either directly by a Participant or through a Participant by its client via a Direct Electronic Access arrangement, subject to the requirements set out in this Participant Manual, the MORGAN STANLEY MTF Technical Specifications, the Participant Agreement and the Rulebook.

Access via the Common Customer Gateway (*"CCG"*) (including logins, ports and target IP) will be issued to each Participant as part of the connectivity set-up and testing once a Participant's application to join MORGAN STANLEY MTF has been approved. The CCG implements Network Source identification such that in order for a Participant to connect to the CCG the following mechanism is implemented:

- A Participant can have one or multiple CCG accesses;[2]
- A Participant can connect to their designated port only if their own IP addresses match the range of authorised addresses for that particular port; and
- In case of error or intrusion, a message is written in the CCG log file which can be trapped by a log viewer.

Order messages must match the list of Participant and source IP address combinations authorised to access MORGAN STANLEY MTF. They must also comply with relevant pre-trade controls as further specified below in Section 12 (Market Guide – General).

For the avoidance of doubt, Participants are wholly responsible for all Orders submitted to MORGAN STANLEY MTF.

[2] One CCG access can connect to only one port on the CCG.

5. Regulatory Obligations

Participants are required to ensure that all employees, officers or other related persons ("Staff") accessing the Services on the Participant's behalf comply with the Rulebook, Applicable Law and any rulings or guidance of any Regulator. This includes ensuring: that Staff members are competent to trade, including the operation of any algorithms, on MORGAN STANLEY MTF; that they have been adequately trained and made aware of their regulatory obligations; and that the appropriate control infrastructure and surveillance systems are in place to prevent market abuse or other unlawful or inappropriate behaviour. In addition, Participants must ensure that they comply with all applicable transaction reporting obligations, record retention requirements, and any regulatory requirements related to algorithmic trading (including operation of their own kill switch functionality), significant shareholdings and short selling.

The Operator bears no responsibility for fulfilling any of the obligations outlined above on the Participant's behalf.

6. Notices

The Operator shall publish or issue notifications to Participants from time to time informing them of matters related to MORGAN STANLEY MTF including interpretations, supplements or amendments to the Rulebook and the addition or removal of Securities. Such notifications will be communicated to each Participant either by email and/or by being issued on the Website by the Operator. The Operator will be under no obligation to notify Participants of pending market events or corporate actions which are likely to affect the pricing of Securities.

Notifications given by a Participant to the Operator must be delivered to the Operator by email to msmtfcompliance@morganstanley.com. Where the Notice relates to significant events affecting the Participant, for example, a change in regulatory status or a change of control, Participants must notify the Operator immediately.

7. Complaints procedure

Should a Participant wish to complain about any aspect of the Services, the Participant should contact msmtfcompliance@morganstanley.com

8. Suspension or Termination of Access

In certain circumstances the Operator may suspend, terminate or restrict a Participant's access to one or more books of the MORGAN STANLEY MTF and, in some cases, without prior notice. The Operator will notify Participants that their access has been suspended, restricted or terminated in accordance with the Rulebook.

9. Fees

Each Participant shall pay all applicable Fees. These will be set out in the Fee Schedule (as amended from time to time) displayed on the Website.

Fees will be charged by the Operator in Euros, on a monthly basis, using such FX rates as the Operator shall determine in its sole discretion. Upon request from a Participant, the Operator shall provide details of FX rates applied from time to time.

Any Fees imposed by the Operator may also be subject to applicable taxes which each Participant shall also pay.

The Operator reserves the right to charge interest on any amount due to the Operator from the date on which payment was due to the date of actual receipt at such rate or rates as the Operator may specify from time to time in the Fee Schedule.

10. Taxes and Levies

Purchases of certain shares on MORGAN STANLEY MTF may be subject to stamp duty, levies or other forms of taxation which Participants are responsible for assessing and paying. The general information provided below does not constitute tax advice, and Participants are urged to obtain independent advice regarding their tax liability or potential exemption status in the UK, Ireland, France and Italy, as well as other markets in which the Operator offers trading.

10.1 **UK SDRT**

With regards to purchases by Participants of UK chargeable securities (as defined in section 99 of the Finance Act 1986, as amended) on MORGAN STANLEY MTF, these may be chargeable to UK stamp duty reserve tax (*"SDRT"*) at the prevailing rate. Some Participants may be exempt from SDRT by virtue of qualifying for intermediary relief (as defined in section 88A of the Finance Act 1986).

Section 88A of the Finance Act 1986 sets out the conditions that must be fulfilled in order for a person to qualify as an intermediary, which are being a bona fide securities dealer and not carrying out an excluded business (as defined in section 88A of the Finance Act 1986). The full text of section 88a Finance Act 1986 can be found at www.legislation.gov.uk/ukpga/1986/41/section/88A. Participants who consider that they may be eligible to be treated as an intermediary for the purposes of the intermediary relief can apply to HM Revenue and Customs (*"HMRC"*) to be approved as an exempt intermediary. An application can be made by a Participant directly to HMRC.

Where a Participant has already been approved as an intermediary for the purposes of section 88A of the Finance Act 1986 (or otherwise considers that it qualifies for intermediary relief) by virtue of being recognised as an intermediary by a recognised market upon which securities of the type which are to be traded on MORGAN STANLEY MTF are traded, then such Participant should make its status known to the Operator for the purpose of obtaining recognition as an intermediary by the Operator.

Where a Participant undertakes trades on the platform, other than those which are internalised for this purpose, the Participant may need to consider any potential SDRT reporting issues. Where a Participant is dealing in an agency capacity on behalf of some other person, the Participant and that other person will need to ensure that any SDRT issues are addressed.

10.2 **Irish Stamp Duty**

With regard to purchases of Irish securities on MORGAN STANLEY MTF, these may be subject to Irish stamp duty (as defined in the Stamp Duties Consolidation Act 1999) at the prevailing rate. Certain Participants purchasing shares on MORGAN STANLEY MTF may be able to claim intermediary relief pursuant to section 75 Stamp Duties Consolidation Act 1999. In order for such a relief to be claimed, the Participant must be approved by the Irish Revenue Commissioners as a "recognised intermediary" and the trade in question must not be carried out for the purposes of an excluded business as defined in section 75 Stamp Duties Consolidation Act 1999. Participants that already have approval as a recognised intermediary by the Irish Revenue Commissioners for trading on other exchanges or designated markets do not need to apply for a separate approval for trades conducted on MORGAN STANLEY MTF. Where a participant is already approved, they should make this status known to the Operator.

Copies of the guidance published by the Irish Revenue Commissioners on Irish intermediary relief and the Irish Revenue Commissioners self-certifying form for approval as an Irish "recognised intermediary" are available to Participants on the Irish Revenue Commissioners' website (www.revenue.ie/en/property/stamp-duty/other-stamp-duty/crest/index.aspx). Any applications for Irish "recognised intermediary" status should be sent directly to the office of the Irish Revenue Commissioners and not to MORGAN STANLEY MTF.

10.3 French Financial Transactions Tax

With regard to purchases by Participants on MORGAN STANLEY MTF of French chargeable securities (as defined under article 235 ter ZD, I of the French tax code) issued by French listed companies with a market capitalisation exceeding EUR 1 bn on 1 December of the year preceding that of the purchase under consideration, these may be chargeable to French Financial Transactions Tax (*"FFTT"*) at the prevailing rate (0.3% at present). A list of the concerned French listed companies updated as at 31 December 2017 can be found under reference BOI-ANNX-000467-20171221 at http://bofip.impots.gouv.fr/bofip/9789-PGP.html.

FFTT is calculated on the daily net buying position of a Participant, as defined in the French tax authorities' published guidelines (BOI-TCA-FIN-10-30-20170503, ## 130 *et seq*).

Exemptions from FFTT may be available in relation to a particular purchase. Available exemptions are provided in article 235 ter ZD, II of the French tax code and include, most significantly, a primary market exemption and a market-making exemption (in various forms: on-market liquidity provision, "facilitation" exemption, "hedging" exemption).

The full text of article 235 ter ZD of the French tax code can be found at: https://www.legifrance.gouv.fr/affichCodeArticle.do?idArticle=LEGIARTI000027795332&cidTexte=LEGITEXT000006069577&dateTexte=20130728&oldAction=rechCodeArticle.

Even where an exemption is available, reporting obligations may need to be considered.

The party legally liable for the FFTT and responsible for any reporting obligations is the investment services provider that executes the purchase order giving rise to the chargeable acquisition (or that purchases chargeable securities for its own account) or, if no investment services provider is involved, the institution responsible for the custody of the acquirer's financial instruments account. Participants should communicate with the legal FFTT taxpayer to ensure that any available exemption in relation to a particular purchase will be applied.

10.4 French Stamp Tax

With regard to purchases by Participants of French listed securities (as defined under article 726, I-1°of the French tax code) on MORGAN STANLEY MTF, these may be chargeable to French stamp tax at the prevailing rate (0.1% at present) in cases where no FFTT is payable, and the transaction documentation amounts to a stampable contract.

Note that where a transaction in non-French stocks is affected pursuant to a stampable contract executed in France, the tax applies in the same way as if the stocks were French.

Whether a stampable contract exists in each particular instance is dependent on the facts-specific. Generally, no stampable contract should exist unless the parties have executed a (typically, bilateral) agreement setting forth the main terms of a particular sale and purchase of securities. The French tax authorities have confirmed in their published guidelines that on-exchange transactions *per se* do not give rise to stampable contracts (BOI-ENR-DMTOM-40-10-10, # 70). In practice, the French stamp tax should concern only block trades in circumstances where no FFTT applies.

Where a stampable contract exists, the French stamp tax is payable by the buyer unless the parties have elected differently. In any case, all the parties to the stampable contract are jointly liable to the French tax authorities in the event of non- / under-payment.

10.5 Italian Financial Transactions Tax

With regard to purchases of Italian chargeable equities (as defined under Law No 228 of 24 December 2012 and the Ministerial Decree dated 21 February 2013, as subsequently amended and supplemented – the *"IFTT Decree"*) made on MORGAN STANLEY MTF, these may be chargeable to Italian financial transactions tax (*"IFTT"*).

The IFTT on purchases of Italian chargeable equities ordinarily applies at the rate of 0.2%. However, if the relevant transactions are executed "on exchange" in a multilateral trading facility of a white-list State of the European Economic Area (according to the relevant definitions set out by the IFTT Decree), a reduced 0.1% IFTT rate would apply.

The IFTT due on equities is calculated on the "value of the relevant transaction" which is, in principle, determined *inter alia* making reference to the net balance of transactions undertaken within the same day (i.e. same settlement date) calculated for each "taxable person" and for each taxable instrument.

Exemptions from IFTT may be available in relation to a particular purchase. Available exemptions are provided in the IFTT Decree and include, most significantly, a market-making exemption as defined by the same IFTT Decree.

Even where an exemption is available, reporting obligations may need to be considered.

The IFTT has to be generally levied/paid by banks, investment companies, brokers and other entities authorized in the State of origin to the professional offering activity to the public of services and investment activities similar to "dealing on own account", "execution of Orders for clients", "reception and transmission of Orders" ("FI"), which are involved in the execution of IFTT-chargeable transactions in any such capacities. FIs have to comply with IFTT-related obligations, in accordance with the IFTT Decree and other applicable IFTT laws and regulations. If no FI is involved, the IFTT is to be levied and disclosed by the "taxable person".

Italian and English versions of the IFTT laws and regulations are generally available at the following link:
https://www.agenziaentrate.gov.it/wps/content/Nsilib/Nsi/Schede/Pagamenti/Imposta+sulle+transazioni+finanziarie/Normativa+e+prassi+Imposta+transazioni+finanziarie/?page=pagamentiImposteimp. We cannot guarantee that the content of the page is updated, accurate and complete.

10.6 **PTM Levy**

In addition to stamp duty liability, Participants may also be subject to Panel of Takeovers and Mergers levy (*"PTM Levy"*). The PTM Levy is a charge levied on certain transactions in securities. The current levy rate is available on the Fees and Charges section of the Takeover Panel's website: http://www.thetakeoverpanel.org.uk.

11. Technology

The following information is a high level summary of the technology requirements, full details of which are set out in the MORGAN STANLEY MTF Technical Specifications documents. These documents are regularly updated and can be found on the Website.

A. Connectivity

Direct connectivity to the Universal Trading Platform (*"UTP"*) trading platform is provided via the Common Customer Gateway (*"CCG"*). This is an open and direct Application Program Interface (*"API"*) allowing members and independent software vendors to interface their existing order management systems directly to the UTP and it supports protocols including UTP Direct in binary format and industry standard FIX 4.2. Access to the Negotiated Trade Book is only available via the UTP format. Access to MORGAN STANLEY MTF through both messaging protocols is treated on a non-discretionary basis. Their respective performance may change over time relative to multiple factors.

For details please refer to the MORGAN STANLEY MTF Technical Specifications.

B. FIX Specification

The general format of a CCG message is a standard header, followed by the message body fields, and terminated with a standard trailer. The MORGAN STANLEY MTF Technical Specifications detail the standard header and trailer of the private (or directed) messages used to communicate with the CCG application (which provides access to members to a UTP in its cash-market versions). For details, please refer to the MORGAN STANLEY MTF Technical Specifications.

C. Sessions

MORGAN STANLEY MTF operates limits on the number of messages a Participant may submit within a 1-second interval. Such limits may be configured by Participants during their initial set-up per session, subject to a maximum number of messages per session. For the avoidance of doubt, such configurations are on a non-discriminatory basis such that there is equal treatment among Participants. Where a Participant breaches the maximum number of messages per session, messages exceeding the limit will be queued until the next second.

MORGAN STANLEY MTF manages the load balancing between CCGs at the point of set-up and monitors it on a real-time basis.

Cancel on Disconnect is optional for Order entry sessions. It is designed to cancel all open Orders submitted through that session in the event of a disconnection of that session.

D. Market Data Bandwidth Requirements

Bandwidth allocation for MORGAN STANLEY MTF Exchange Data Publisher (*"XDP"*) is 1Mb/s. For details, please refer to the MORGAN STANLEY MTF Technical Specifications.

12. **Market Guide – General**

A. Eligible Securities

MORGAN STANLEY MTF will offer trading in Securities traded on the primary trading venue of Austria, Belgium, Denmark, Finland, France, Germany, Italy, Ireland, Netherlands, Norway, Portugal, Spain*, Sweden, Switzerland and the UK. A list of Securities admitted to trading on MORGAN STANLEY MTF, and the Regulated Market which the Operator has determined to be the Primary Market for each Security, can be found on the Website. MORGAN STANLEY MTF will not support "grey market" trading (i.e. trading in shares before they are issued in an initial public offering or prior to their becoming listed on a Primary Market), nor does it support conditional transactions in shares that are authorised for issuance but not yet issued.

Participants will be given access to trade in all Securities for which they have valid clearing arrangements, as confirmed by the relevant Central Counterparty(ies).

The Operator reserves the right to add and delete Securities from the list of Securities if the Operator deems it necessary to do so. Any additions or deletions of Securities traded on the MORGAN STANLEY MTF will be posted on the Website.

The Operator will not list securities which are not listed or admitted to trading on at least one Regulated Market.

** Spanish securities are not permitted to trade on the Periodic Auction book*

B. Trading Hours

MORGAN STANLEY MTF operates Monday to Friday from 09:00 to 17:30 Central European Time, with the exception of holidays. The schedule of holidays applicable to MORGAN STANLEY MTF markets is available on the Website. Subject to the foregoing, MORGAN STANLEY MTF will typically observe the practice of the Primary Market with respect to continuous trading hours (in the event that they differ from aforementioned trading hours) and business days, and where the Primary Market for a Security is closed, there will be no trading on MORGAN STANLEY MTF in respect of such Security. If a Primary Market for a Security suspends trading temporarily, for example due to an outage, trading in such Security will be suspended temporarily on MORGAN STANLEY MTF as well.

If a Regulated Market or other Multilateral Trading Facility (as defined in the AMF Rules) suspends trading in a Security temporarily due to a Regulator suspending the listing of such Security (a *"Regulatory Suspension"*), trade matching on MORGAN STANLEY MTF in such Security will be halted for the duration of such Regulatory Suspension.

The Operator does not support opening, closing or other scheduled auction periods.

Any Orders present in MORGAN STANLEY MTF order Book will be automatically cancelled at the end of trading on each Business Day.

C. Trading Controls

<u>Pre-trade controls</u>

Participants will be subject to a number of pre-trade controls in respect of Orders submitted to MORGAN STANLEY MTF, including the following:

- Maximum Order quantity calibrated per Security class;

- Maximum Order value calibrated per Security class.

Orders submitted that breach the relevant controls for a particular Security will be automatically rejected.

In addition, Participants must ensure that at all times they have in place their own pre-trade controls including maximum Order quantity, maximum Order value and appropriate limits on prices attached to Orders, in order to mitigate the risk of erroneous trading on their part. Participants must provide information on such controls to the Operator upon request.

<u>Kill Functionality</u>

Participants must have controls in place that allow them to be able to cancel immediately, as an emergency measure, any or all of its unexecuted Orders submitted to MORGAN STANLEY MTF. This shall include Orders originating from individual traders, trading desks or any client with whom it has a Direct Electronic Access Agreement (where applicable).

<u>Mechanisms to manage volatility</u>

Each of the Periodic Auction Book, the Continuous Cross Book and the Negotiated Trade Book are dependent upon live reference market data feeds to facilitate trade matching, for example from the Primary Market. MORGAN STANLEY MTF uses live reference market data feeds to initiate and end trading halts for each Security based on the status of the Security on the reference market. This ensures a consistent approach per Security between regulated markets and MORGAN STANLEY MTF Examples of halts include:

- a halt for significant price movement of a Security; or

- if the Primary Market switches to an auction call on a scheduled or unscheduled basis.

In addition, MORGAN STANLEY MTF applies a number of controls to manage the integrity of the market data.

All halts on MORGAN STANLEY MTF are communicated via XDP or otherwise to Participants in accordance with the Rulebook.

<u>Order:Trade Ratio</u>

All Participants are subject to a maximum Order:Trade Ratio Policy (the *"OTR Policy"*). The OTR Policy is available on the Website.

D. Post-trade Market Data

Post-trade market data from Transactions on MORGAN STANELY MTF will be disseminated via XDP feed as close to real time as possible. There will be no deferrals of such data available on MORGAN

STANLEY MTF. Participants can subscribe to the XDP feed directly or obtain it from external vendors who have the relevant subscriptions. Where Participants subscribe directly, such data will be provided on a reasonable commercial basis. Further details are available on the Website.

Participants will receive confirmation of Transactions executed by them on MORGAN STANLEY MTF via the FIX or Binary message protocol. Trade reports for the different MORGAN STANLEY MTF books will be differentiated by their respective MIC:

MORGAN STANLEY MTF Periodic Auction Book – MSAX

MORGAN STANLEY MTF Continuous Cross Book – MSCX

MORGAN STANLEY MTF Negotiated Trade Book – MSNT

E. Order and Trade Instructions, including cancellations

<u>Cancel All Orders</u>

If a Participant wishes to recall all Orders or a substantial part of all Orders submitted to MORGAN STANLEY MTF by such Participant (a "Cancel All Orders Instruction"), the Operator will only comply with such Cancel All Orders Instruction if it is received from a person authorised by the Participant to submit Cancel All Orders Instructions. A list of persons authorised by the Participant to submit Cancel All Orders Instructions must be provided to the Operator at least five (5) business days prior to the relevant person submitting a Cancel All Orders Instruction.

<u>Erroneous Transactions</u>

In the event of a trading error, a Participant may apply to the Operator to have an executed Transaction cancelled and declared an erroneous trade, in accordance with the Rulebook. Examples of Transactions that may constitute an erroneous trade may include (but are not limited to):

i. A Transaction executed on the wrong side of the order book (buy or sell);

ii. A Transaction which has resulted in the breach of an internal restriction;

iii. A Transaction executed at a price level significantly different from any recognised benchmark;

iv. A Transaction executed for an abnormal quantity for the Security in question; or

v. Any other Transaction which the Operator believes to result from a legitimate trading error.

All erroneous trade applications must be communicated to the MORGAN STANLEY MTF Compliance Officer immediately by telephone, to be followed by a written email request within thirty (30) minutes of execution. The contact details for the Compliance Officer are available on the Website. The email should contain full details of the Transaction in question (including the time of execution, the Security, side (buy or sell), quantity and price) along with any other supporting information surrounding the execution of the Transaction.

The Compliance Officer will inform all parties to the Transaction under review by phone or email and will review the Transaction and any supporting information provided by the parties to determine whether the Transaction constitutes an erroneous trade as soon as reasonably practicable. In making such determination, the Compliance Officer may consider:

i. information provided by the relevant Participants;

ii. analysis of market data;

iii. analysis of market events;

iv. any discrepancy between the details of the relevant Transaction and the market conditions at the time of execution; and

v. any other factors which the Compliance Officer deems relevant.

If the Compliance Officer considers that an erroneous Transaction has occurred, they will declare an erroneous Transaction and promptly notify the parties to the Transaction of their decision. Where appropriate, the Compliance Officer will take any necessary action to facilitate cancellation of the erroneous Transaction including cancellation of post-trade transparency reports.

The Operator may cancel a Transaction, regardless of whether a Participant has made an application to have such Transaction declared an erroneous trade in accordance with the Rulebook, where it believes such Transaction:

- Is erroneous, invalid, deceptive, or fraudulent;
- may impair the integrity of MORGAN STANLEY MTF;
- in case of malfunction of MORGAN STANLEY MTF's mechanisms, to manage volatility; or
- may impair the operational and technical functions of the trading system, including issues related to the finalisation, clearing and settlement process for Transactions executed on MORGAN STANLEY MTF.

All cancellations on MORGAN STANLEY MTF are carried out in accordance with the Rules and procedures set out in this Participant Manual.

To the extent a Participant wishes to raise a complaint regarding the outcome of any process invoked under this Section 12.E, it should follow the complaints procedure specified in the Rulebook.

F. Default, Clearing and Settlement

Participants may elect not to send Transactions to the Central Counterparty for clearing and settlement where the Participant is both buyer and seller. Participants must notify MORGAN STANLEY MTF in advance of their intentions to do this. In such cases, Transactions will be netted internally by such Participant ("Internalised").

All Transactions executed on MORGAN STANLEY MTF which are not Internalised must be cleared through the relevant Central Counterparty at the time the Transaction is effected (subject to the Transactions being notified to the relevant Central Counterparty and subject to compliance with certain conditions set out in the relevant Central Counterparty's rules, such as checking that each counterparty has appropriate clearing arrangements in place and that the Securities have been validly traded). Transactions which are not Internalised and which are unable to be cleared through the relevant Central Counterparty will not be considered valid Transactions. Settlement defaults on cleared Transactions will be dealt with in accordance with the rules and procedures of the relevant Central Counterparty.

Assuming a Transaction has been validly cleared through the relevant Central Counterparty, each Participant that is a party to a cleared Transaction is released from its obligations under that Transaction to the other Participant, such obligations instead being owed to the relevant Central Counterparty who becomes the buyer to the seller and the seller to the buyer.

Transactions on MORGAN STANLEY MTF will be settled in accordance with the settlement calendars of the Primary Market on which the relevant Securities are listed. For the avoidance of doubt, the settlement date for all Transactions shall be no later than on the second business day after the trade date, where so required under Regulation (EU) 909/2014 (the Central Securities Depositories Regulation).

The Operator reserves the right to suspend or extend a settlement period in relation to all or specified Transactions in exceptional circumstances.

No Securities which are delivered in settlement of a Transaction on MORGAN STANLEY MTF may be subject to a charge or other encumbrance of any kind.

G. Execution Quality Reporting

MORGAN STANLEY MTF shall publish information relating to quality of execution on a quarterly basis. Such information will be made available on the Website.

13. Market Guide – Book Specific

A. Market Guide – MORGAN STANLEY MTF Periodic Auction Book

I. General Description

The Periodic Auction Book is an order book where periodic auctions are triggered by opposing Orders eligible for matching. The Periodic Auction book has two phases: Pre-Auction and Auction Call. During Pre-Auction, Orders are validated at point of entry and monitored in real time to identify where there are opposing Orders present in the Periodic Auction Book (“Potential Match”) within the Primary market Best Bid and Offer (“PBBO”). Participants can submit new Orders or amend/cancel existing Orders during the Pre-Auction phase. No market data pertaining to the auction shall be transmitted by the MORGAN STANLEY MTF during the Pre-Auction phase.

Following Price Determination, successful completion of the first Price Stability Indicator check (“PSI1”) and Order Prioritisation, the Auction Call Phase may begin.

During the Auction Call phase, the Indicative Match Price (“IMP”), Indicative Match Volume (“IMV”) and Imbalance Indicator are published. The Imbalance Indicator indicates the presence of an imbalance between the total quantity of buy Orders and the total quantity of sell Orders eligible to trade at the IMP. The Imbalance Indicator does not show the imbalance side or size.

During the Auction Call Phase, cancellation of Marketable Orders will be queued and not take effect until the current Auction Call period has finished. The following amendments shall be permitted for Marketable Orders:

(A) amendments that increase the quantity; or

(B) amendments to a more aggressive price (higher price for a buy order or lower price for a sell order).

Non-Marketable Orders may be cancelled or modified during the Auction Call phase. However, modification of an Order’s Minimum Acceptable Quantity (“MAQ” as described in section VIII below) is not permitted at any time.

New Orders or amendment/cancellation of existing Orders received during the Auction Call phase contribute to IMV and Imbalance Indicator only. Any changes to IMV or Imbalance Indicator are published. IMP is determined during Price Determination at the start of the Auction Call period and remains fixed for the duration of the Auction.

Each auction shall have a minimum and maximum duration, currently configured to 25 milliseconds and 100 milliseconds, respectively. After the minimum duration has passed, a randomised end time applies up to the maximum auction duration.

During the Auction Call phase, additional PSI checks are performed which may prevent an auction from uncrossing, restarting the Pre-Auction phase.

The segment MIC code for the Periodic Auction book is MSAX.

II. Price Determination

In order to form a Potential Match, an order must be priced so that it is eligible to trade within the then current PBBO. After a Potential Match is identified and subject to successful completion of PSI, the Indicative Match Price ("IMP") is determined at the start of the Auction Call period. IMP shall be determined as the value which is closest to the midpoint of the European Best Bid and Offer *("EBBO")* and which results in a trade. IMP shall be truncated to 4 decimal places.

In the event that a maximum of three possible prices, each capable of resulting in a trade, are determined (one price higher than mid-EBBO ("H"); one price at mid-EBBO ("M"); and/or one price lower than Mid-EBBO ("L")), IMP will be set to H, M or L by applying the following rules in order:

(A) if there is a potential match at price M then the IMP will be M;

(B) if H is nearer to M than L then the IMP will be H;

(C) if L is nearer to M than H then the IMP will be L;

(D) if H and L are equidistant from M then the IMP will be whichever of H or L results in the maximum tradeable quantity;

(E) if the maximum tradeable quantity with the IMP set to H is numerically equal to the maximum tradeable quantity with the IMP set to L then the IMP is set to H unless the timestamp of the earliest order that determined L is earlier than the timestamp of the earliest order that determined H, in which case IMP is set to L.

At the point where the Auction call phase is triggered, the IMP is fixed for that Auction and will not change unless the auction is cancelled. At that stage, new Orders or permitted amendments will only affect the IMV.

Pegged Orders sent during the Auction Call Phase will be pegged to the static EBBO midpoint determined at the start of the Auction Call phase. Limit Orders are also accepted into the Periodic Auction Book during the Auction Call Phase.

<u>III. Price Stability Indicator checks ("PSI")</u>

Price stability indicator checking ("Price Stability Indicator" or "PSI") shall be performed during the Pre-Auction Phase ("PSI1"), during the Auction Call Phase ("PSI2") and at the point of execution ("PSI3") using the following data:

(A) consolidated market number of shares at the touch of the EBBO Price;

(B) IMP; and

(C) PBBO price

Should any of these checks fail, the current trading phase shall be aborted and the Pre-Auction Phase shall restart with the indicative price and indicative volume set to zero.

Pre-Auction (PSI1)

Define Market Imbalance (“MI”) as Number of shares at the European Best Bid *(“EBB”)* / Number of shares at the European Best Offer *(“EBO”)*.

Upon identifying a match, a PSI check is computed as follows:

(A) MI is captured;

(B) a configurable time period (“PSI1 Time Period”) begins;

(C) at the end of the PSI1 Time Period, the MI shall be captured again;

(D) the check shall fail if either:

i. The MI at the end of the PSI1 Time Period has changed by a configurable multiple of the MI at start of the PSI1 Time Period; or

ii. IMP falls outside the PBBO.

Auction Call (PSI2)

(A) The current PBBO shall be sampled periodically (the “PSI2 Time Period”);

(B) The check shall fail if the IMP falls outside the PBBO for three consecutive PSI2 Time Periods.

Point of Execution (PSI3)

(A) At the end of the random auction time and immediately prior to execution, the MI shall be captured;

(B) The check shall fail if immediately prior to execution the MI has changed by a configurable multiple of the MI at the time of starting the Auction Call; and

(C) If the check passes, should the execution price at the end of the Auction Call Phase fall outside current PBBO, the auction shall not un-cross and Pre-Auction Phase shall restart

<u>IV. Order Prioritisation for execution</u>

During the Pre-Auction phase, Orders are prioritised on the basis of price / member / member sub-group / size / time, taking into account any specified MAQ values.

Order prioritisation follows Price Determination, resulting in Orders being omitted from Order Prioritisation where the Order limit price is outside the price determined.

Following Order Prioritisation in the Pre-Auction phase, Orders forming participating in the potential match are flagged within the system as Initiating Orders.

Order prioritisation during the Auction Call phase follows Initiating Orders / size / time priority.

Participants may elect in the application form to make use of MORGAN STANLEY MTF's self-cross prevention service. The self-cross prevention service allows Participants to prevent two Orders from the same Participant Member code from matching against themselves.

An explicit amendment to an Order, where permitted, will result in a new timestamp and accordingly, may result in the loss of priority for such Order in accordance with Order Prioritisation. However, an implicit modification to the quantity of an Order due to an initial partial execution will not result in the loss of priority.

V. Order Types

The Periodic Auction Book accepts limit Orders and pegged Orders. Pegged Orders will be pegged to the midpoint of the European Best Bid and Offer ("EBBO") and can optionally also have a limit price applied.

VI. Order Attributes

The MORGAN STANLEY MTF Periodic Auction Book supports the following Time In Force ("TIF") values:

i. Good for Day ("GFD"): An Order to buy or sell a Security that is only valid for the current trading day. All GFD Orders on the Periodic Auction Book, or the residual thereof, will be automatically cancelled when the Primary Market for the relevant Security ceases continuous trading at the end of the day. Until then, the unfilled volume from those Orders will rest on the Periodic Auction Book unless otherwise cancelled.

ii. Good for Auction ("GFA"): An Order to buy or sell a Security that is only valid for a specific Auction. All GFA Orders on the Periodic Auction Book, or the residual thereof, will be automatically cancelled when that Auction uncrosses or when the Auction Call phase is cancelled.

iii. Good for "n" auctions ("GFnA"): An Order to buy or sell a Security that is valid for a specified number of Auctions. All GFnA Orders on MORGAN STANLEY MTF Periodic Auction Book, or the residual thereof, will be automatically cancelled when the "nth" Auction uncrosses or the Auction Call phase is cancelled. A maximum acceptable value for "n" exists, currently set at 100.

VII. Tick Sizes

Where Orders are submitted to the Periodic Auction Book with limits, those limits must be at a full tick. The tick sizes are sourced in compliance with the MiFID tick size regime. Where an Order with an invalid tick is received, it will be rejected.

VIII. Minimum Acceptable Quantity

A Participant may wish to specify a minimum quantity for an Order. If a Participant enters an Order on the Periodic Auction Book with a MAQ specified, that MAQ will be persistent during the whole life of the Order (i.e. during the matching process, the IMP determination process and the auction itself). A MAQ will only execute if opposing Orders, in aggregate, meet the MAQ specified by the Participant. By way of example, where Participant A specifies a minimum quantity of 100 with respect to an Order to buy 500 shares, in the event that Participant B sends an Order to sell at the same Price for 50 shares, Participant A’s Order would not cross with Participant B’s Order because Participant B’s Order of 50 shares is less than Participant A’s minimum quantity of 100. When a MAQ Order is partially filled, if the remaining quantity is lower than the initial MAQ, the MAQ will be reset to the remaining Order quantity. For example, if the MAQ is set at 200 shares and the Order submitted in the system is for 900 shares, the Order may achieve partial execution against another Order for 800 shares, at which point the MAQ will be reset at 100 shares.

IX. Pre-trade Market Data

Pre-trade market data will be disseminated via an XDP feed. Participants can subscribe to this directly or obtain it from external vendors who have the relevant subscriptions. Where Participants subscribe directly, such data will be provided on a reasonable commercial basis. Further details are available on the Website.

The Periodic Auction Book pre-trade market data makes public the IMP and IMV that satisfies the auction algorithm, as well as an Imbalance Indicator. The imbalance indicator indicates the presence of an imbalance between the total quantity of buy Orders and the total quantity of sell Orders eligible to trade at the IMP. The imbalance indicator does not show the imbalance side or size.

Details of the message specifications can be found in the Market Data Specifications document on the Website.

For Orders with a specified MAQ, the MAQ volume shall be transmitted as part of the IMP and IMV if the entire MAQ is met or exceeded. If an Order’s MAQ is only partially met, that Order will not contribute to the published IMP or IMV.

X. PBBO & EBBO formation

The PBBO will be calculated using market data feeds from the Primary Market of the relevant eligible Security, where available. The Operator will compile the EBBO composed of lit quotes from the continuous trading phase of Primary Markets, Aquis Exchange, Cboe Europe BXE book, Cboe Europe CXE book and Turquoise. The EBBO formed on the basis of prices displayed by the selected venues may be affected by latency insofar as there is a time delay between the price displayed by the venue at a particular time, and the receipt of the Operator of the relevant price information.

B. Market Guide – MORGAN STANLEY MTF Continuous Cross Book

I. General Description:

The Continuous Cross Book is a dark pool that operates under pre-trade transparency waivers available to reference price systems and to Orders that are Large In Scale (“LIS”) compared to Normal Market Size under MiFID II.

If the quantity of an order is amended downwards such that it is no longer eligible for LIS processing, the order will no longer be eligible to execute under the LIS waiver. This shall also apply to amendments to residual quantity, even if the Order has already been partially filled during LIS processing.

If the quantity of an Order is amended upwards such that the order quantity meets the requirements for LIS processing, the order will be eligible to execute under the LIS waiver.

Once the LIS flag has been set for an Order, any residual volume following a partial fill, including residual volume below that required for LIS eligibility, will remain valid for LIS processing unless the Order is subsequently amended such that the amended residual is no longer eligible for LIS processing.

If two LIS eligible Orders execute against each other, the resulting trades will have their respective LIS flags set for reporting purposes. If an order ineligible to execute under the LIS waiver executes against an LIS eligible order then the resulting trades will be identified as having been executed under the Reference Price waiver, not the LIS waiver.

The segment MIC code for the Continuous Cross Book is MSCX.

II. Reference Market and Crossing Price

The Operator will use the RBBO midpoint as the reference price for all trades executed on the Continuous Cross Book, where RBBO means the best bid and offer of the reference market for the Security being traded. Generally the reference market will be the most relevant market for each security as defined by ESMA, however the Operator may choose to reference the Security's Primary Market of issuance.

The crossing of Orders will take place at the midpoint of the RBBO. The midpoint of the RBBO is calculated by adding the Reference Market Best Bid and the Reference Market Best Offer and dividing by two. The midpoint will be truncated to the number of decimal places (d.p.) which can be found in the List of Tradeable Securities on the Website.

The Operator will not execute trades where the RBBO midpoint results in a price that is outside the range of the European Best Bid and Offer ("EBBO").

The Operator will compile the EBBO composed of lit quotes from the continuous trading phase of Primary Markets, Aquis Exchange, Cboe Europe BXE book, Cboe Europe CXE book and Turquoise.

The EBBO formed on the basis of prices displayed by the selected venues may be affected by latency insofar as there is a time delay between the price displayed by the venue at a particular time, and the receipt of the Operator of the relevant price information.

III. Order Prioritisation for Execution

Orders are prioritised on the basis of Price, Member, Member sub-group, Size, Time. Trades take place only at the RBBO Mid therefore, in this context, price prioritisation shall be a binary decision that deems an order either eligible or ineligible for a potential match. Member sub-group is an order parameter optionally included by the Member on each order.

A Participant may wish to specify a minimum quantity for an Order. If a Participant enters an Order on the Continuous Cross Book with a MAQ specified, that MAQ will be persistent during the whole life of the Order. A MAQ will only execute if opposing Orders, in aggregate, meet the MAQ specified by the Participant. By way of example, where Participant A specifies a minimum quantity of 100 with respect to an Order to buy 500 shares, in the event that Participant B sends an Order to sell at the same Price for 50 shares, Participant A's Order would not cross with Participant B's Order because Participant B's Order of 50 shares is less than Participant A's minimum quantity of 100. When a MAQ Order is partially filled, if the remaining quantity is lower than the initial MAQ, the MAQ will be reset to the remaining Order quantity. For example, if the MAQ is set at 200 shares and the Order submitted in the system is for 900 shares, the Order may achieve partial execution against another Order for 800 shares, at which point the MAQ will be reset at 100 shares.

MAQ is not able to be amended during the life of an order.

Once the executable quantity of an Order has been allocated for execution, trade generation commences, subject to the self-cross prevention service, if applicable. The self-cross prevention service allows Participants to prevent two Orders from the same Participant Member code from matching against themselves.

IV. Order Types

The only Order type available is a Peg Mid Order to buy or sell at the midpoint of the RBBO, with or without a limit price.

V. Order Attributes

i. Day: An Order to buy or sell a Security that is only valid for the current trading day. All Day Orders on the Continuous Cross Book, or the residual thereof, will be automatically cancelled when the Primary Market for the relevant Security ceases continuous trading at the end of the day.

ii. Immediate or Cancel ("IOC"): An Order to execute the maximum possible Order portion immediately and cancel any residual portion.

iii. Fill or Kill ("FOK"): An Order which must be executed as a complete Order as soon as it is submitted to the Continuous Cross Book, failing which the Order will be cancelled.

VI. Tick Size

Where Orders are submitted to the Continuous Cross Book with limits, those limits will be accepted with up to 4 decimal place precision. Orders submitted with more than 4 decimal places will be rejected.

VII. Pre-trade Market Data

The Continuous Cross Book does not distribute pre-trade market data.

The Operator will reject all IOC and FOK Orders that it receives if it does not have sufficient inbound reference market data in respect of the Security. In respect of Day Orders, where the Operator does not have sufficient inbound reference market data for the relevant Security, all Day Orders will be entered into the Continuous Cross Book's trading book, however, crossing will be suspended until the relevant market data is received.

VIII. Volume Cap Controls

The Operator is required to put in place controls to ensure trading in a particular Security does not exceed the permitted percentage of trading allowed under Art 5(1) MiFIR, which is as follows:

i. trading in a Security carried out on the Continuous Cross Book under the reference price waiver shall be limited to 4% of the total volume of trading in that Security on all trading venues across the European Union over the previous 12 months.

ii. overall European Union trading in a Security carried out under the reference price waiver shall be limited to 8 % of the total volume of trading in that Security on all trading venues across the European Union over the previous 12 months.

Within five (5) working days of the end of each calendar month, the total volumes relevant to the limits set out above in each Security will be published by ESMA. Where the limits have been exceeded for that Security, the national competent authorities will suspend the use of the reference price waiver within two working days for a period of six months. At the same time, trading in that particular Security on the Continuous Cross Book under the reference price waiver will be suspended for a period of six months. The Operator shall notify the Participants of such suspension in reasonable time. For the avoidance of doubt, trading that Security on (a) the Continuous Cross Book under the Large in Scale waiver (b) the Periodic Auction Book and (c) the Negotiated Trade Book will still be permitted.

Details of the list of suspended instruments can be found in the List of Tradeable Securities on the Website.

C. Market Guide – MORGAN STANLEY MTF Negotiated Trade Book

I. General Description

The Negotiated Trade Book provides a mechanism for Participants to agree off-book negotiated trades which are subject to conditions other than current market price (e.g. benchmark trades) and bring those negotiated trades onto the MORGAN STANLEY MTF subject to the Rules of MORGAN STANLEY MTF.

The Negotiated Trade Book is a dark book that operates under pre-trade transparency waiver available to negotiated transactions subject to conditions other than the current market price under the MiFIR.

Transaction details will be published post-trade on the outbound market data feed and identified as negotiated transactions subject to conditions other than the current market price.

The segment MIC code for the Negotiated Trade book is MSNT.

II. Execution Price

The MORGAN STANLEY MTF will only accept Orders to the Negotiated Trade Book identified as being priced subject to conditions other than the current market price. The Operator does not validate prices submitted but will only accept prices with a precision of up to 4 decimal places. It is the responsibility of the submitting Participant to ensure that Orders submitted to the Negotiated Trade Book are eligible to be executed under the transparency waiver as defined in MiFIR Article 4, 1 (b) (iii).

III. Order Prioritisation for Execution

On receipt of a negotiated trade message the Trading Platform shall check that:

I. the negotiated trade is in a Security;
II. the message originated from a Participant authorised to submit negotiated trades; and
III. the Participant has identified the transaction as being subject to conditions other than the current market price

Accepted Orders are processed in time priority order.

IV. Order Types

The Negotiated Trade Book only permits Orders with the side indicator of “Cross”. Negotiated trade Orders cannot be modified or cancelled after being entered.

V. Order Attributes

The only permitted Time in Force option shall be Good For Day (“GFD”).

VI. Tick Sizes

Prices submitted to the Negotiated Trade Book will be accepted with precision of up to 4 decimal places.

VII. Pre-trade Market Data

The Negotiated Trade Book operates under a pre-trade transparency waiver and so does not publish market data pre-trade.

VIII. Volume Cap Controls

Transactions on the Negotiated Trade Book do not contribute to, and are not subject to, the MiFID II Double Volume Cap.

14. MORGAN STANLEY MTF Contact Details

For enquiries or further information on MORGAN STANLEY MTF, please refer to the Website or direct your enquiry to the MORGAN STANLEY MTF Support Team, whose contact details are available on the Website.

15. Role of Morgan Stanley France S.A.

Morgan Stanley France S.A. acts as the Operator of MORGAN STANLEY MTF. It is not, and will not be, a Participant of MORGAN STANLEY MTF. However, its Affiliates may be Participants of MORGAN STANLEY MTF, subject to satisfying the eligibility criteria and other Rules set out in the Rulebook. Morgan Stanley France S.A. has put in place internal procedures in order to manage appropriately any resulting conflicts of interest.