



MTF Rules





(1) MidChains Limited is authorised and regulated by the Abu Dhabi Global Market Financial Services Regulatory Authority to operate a multilateral trading facility (defined below as the "MTF") in relation to Accepted Virtual Assets.

(2) These MTF Rules constitute a contractually binding agreement (via the MidChains Client Agreement) between MidChains and each Client governing access to the MTF and its facilities.

(3) In relation the trading of Stablecoin to Fiat Currency Pairs, such pairs are not directly regulated by the FSRA nor subject to FSRA's oversight. Market Abuse provisions are therefore not applied to the Stablecoin-Fiat Currency pairs, however, the said pairs are still subject to fair and orderly trading requirements, AML and Financial Crime provisions, as well as other checks and controls performed by MidChains.

1. DEFINITIONS AND INTERPRETATION

1.1 In these MTF Rules, certain words and terms have been given the specific meanings set out below. These are shown throughout the MTF Rules as capitalised words and terms:

Accepted Virtual Asset	The Virtual Assets permitted by the FSRA and determined by MidChains in accordance with MTF Rule 4.6 as eligible to be the subject of a Trade on the MTF, details of which are published on the Platform;
Account	In relation to each Client the account set up in that Client's name for use in relation to the MTF, created when an Applicant's application for access to and use of the MTF is granted. Each Client's Account may have the following subaccounts: (a) Fiat Currency sub-account(s) reflecting the Client's Fiat Currency balance(s); and (b) Accepted Virtual Asset sub-account(s) reflecting the Client's Accepted Virtual Asset balance(s); and (c) Stablecoin sub-account(s) reflecting the Client's Stablecoin balance(s)
ADGM	Abu Dhabi Global Market;
AML Procedures	MidChains' anti-money laundering (AML) and countering the financing of terrorism (CFT) procedures;
Applicable Law	All laws, regulations, and rules of the ADGM;
Applicant	A Person applying for Client access to the MTF in accordance with MTF Rule 2;
Available Balance	Available Balance In relation to each Client's Account and to the relevant sub-account(s), the



	total amount of Accepted Virtual Assets, Fiat Currencies or Stablecoins available for Transactions;
Authorised Representative	A natural person designated by an Entity for the purposes of MTF Rule 2.4;
Bid Order	An Order constituting an offer to buy a quantity of an Accepted Virtual Asset or Stablecoin;
Client	Any Applicant granted a right of access to and use of the MTF, and whose access or use has not been terminated;
Client Agreement	An agreement between MidChains and an Applicant which is made or entered into to meet the requirements of MTF Rule 2.2.2 and in accordance with COBS 3.3;
Client Default	A Default declared in accordance with MTF Rule 20.2;
Closed (as an MTF status)	The MTF trading state in which Orders cannot be entered or cancelled by Clients;
Close Price	The last traded price for an Accepted Virtual Asset or Stablecoin at the End of Day;
COBS	The FSRA Conduct of Business Rulebook (as amended, replaced or republished from time to time);
Complaints Handling and Appeal Procedure	MidChains' complaints handling and appeal procedure published on and accessible via the Platform;
Counterparty	Another Client with whose Order a Client's Order is Matched and Executed on the MTF to effect a Trade;
Custodian	MidChains or any other Person from time to time appointed by MidChains to provide custody services;
Default	either (i) Client Default, or (ii) Systemic Default;
Defaulter	Any Client declared to be in default in accordance with MTF Rule 20.2 (Client Default) or MTF Rule 20.4 (Systemic Default);
Default Rules	The provisions set out in MTF Rule 20;



Downtime	Any scheduled or unscheduled period during which the MTF is inaccessible or any material functionality of the MTF does not function as normal;
End of Day	Where the MTF is in continuous operation in accordance with MTF Rule 4.1 means 01.00am;
Entity	Any Person other than a natural person including a body corporate or body unincorporated, trust, government or state;
Error Trade	(a) a Trade which has been Executed at a price which MidChains reasonably considers to be substantially inconsistent with the prevailing market levels at the time of Execution and which reasonably appears to MidChains, to have been entered in error; (b) a Trade which MidChains reasonably considers to be substantially inconsistent with the normal trading size of that pair, and which reasonably appears MidChains to have been entered in error; or (c) a Trade determined by MidChains to have been an Error Trade following receipt of a written request from a Client in accordance with MTF Rule 11.2 or (where applicable) MTF Rule 11.3;
Execute, Executed, Executing and Execution	Effecting a Trade where Orders have been Matched by debiting and crediting the Available Balance in the relevant Client's Accounts;
Fair Trade Range	In relation to each Accepted Virtual Asset or Stablecoin the difference between the highest and lowest price for Trades Executed on the MTF reasonably considered by MidChains to indicate an acceptable degree of volatility and risk as published on and accessible via the Platform;
Fees	Transaction fees, costs and charges published on the Platform and payable to MidChains in relation to a Client's access to and use of the MTF;
Fiat Currency	Government issued currency that is designated as legal tender in its country of issuance through government decree, regulation or law;



Force Majeure	Any circumstances not within a party's reasonable control, including fire, storm, flood, earthquake, explosion, accident, acts of war, rebellion, insurrection, sabotage, epidemic, quarantine restriction, labour dispute, labour shortage, power shortage including without limitation loss of access to the internet, server crashes, deletion, corruption, loss or removal of data, transportation embargo, failure or delay in transportation, any act or omission (including laws, regulations, refusals or failures to approve) of any government, government agency or regulatory authority;
Former Client	A Person who has resigned in accordance with MTF Rule 3.4 or whose access to and right to use the MTF have been terminated;
FSMR	The Financial Services and Markets Regulations 2015 published by FSRA, and as amended, replaced or republished from time to time;
FSRA	Abu Dhabi Global Market Financial Services Regulatory Authority;
Halt	A trading stoppage on the MTF implemented for a minimum of 30 minutes to a maximum of 3 hours in respect of one or more Accepted Virtual Assets or Stablecoins;
Instruction	Any Order, request, response, direction or similar communication from a Client via the Platform or (where directed by these MTF Rules) by email to the relevant MidChains email address;
Limit Order	An Order to buy or sell an Accepted Virtual Asset or Stablecoin at a specific or better price. A Limit Order that is a Bid Order can only be Executed at the specified limit price or lower price, and a Limit Order that is an Offer Order can only be Executed at the specified limit price or higher price;
Maker Order	An Order to buy or sell an Accepted Virtual Asset or Stablecoin at the current market price. This type of Order guarantees that the order will be Executed if there is liquidity on the other side of the Order Book



	that can be immediately Matched, but does not guarantee the Execution price;
Market Abuse	Conduct which contravenes a provision contained in Part 8 of the FSMR and is only applied to Accepted Virtual Assets traded on the MTF;
Market Order	An Order to buy or sell an Accepted Virtual Asset at the current market price. This type of Order guarantees that the order will be Executed if there is liquidity on the other side of the Order Book that can be immediately Matched, but does not guarantee the Execution price;
Market Manipulation	The behaviour specified in section 92(4) of the FSMR;
Match, Matching, Matched	The matching of Maker Orders and Taker Orders on the MTF in accordance with these MTF Rules;
MTF	The multilateral trading facility operated by MidChains and accessible to a Client via the Platform;
Offer Order	An Order constituting an offer to sell a quantity of an Accepted Virtual Asset;
Onboarding Procedures	MidChains' online application and registration procedures available via the Platform;
Open (as an MTF status)	The continuous MTF trading state in which Orders can be entered, Executed and cancelled;
Open Order	An Order which remains to be Matched and Executed;
Order	An order to buy or sell a quantity of an Accepted Virtual Asset or Stablecoin which may be: (a) a Bid Order, being an offer to buy; or (b) an Offer Order, being an offer to sell.
Order Book	A facility operated by the MTF for the electronic submission and recording of Orders, by Price-Time Priority;
Person	Any natural person or Entity;
Platform	MidChains' user interface providing Clients with access to the MTF and includes the publicly accessible website www.midchains.com (the "Website") and or the API ws.midchains.com (the



	"API") as well as any other medium for provision of services by MidChains and any online communication tool operated within the Platform for notification to Clients and/or the public and for management of Client information;
Pre-Open (as an MTF session)	This is the Order accumulation period during which all Orders entered by Users are automatically recorded in the Order Book without being executed, and Orders can be cancelled;
Price-Time Priority	The principle where time priority is based on the time stamped on an Order when it has been accepted in the Order Book;
Protected Parties	MidChains, its affiliates, directors, officers, employees, and agents;
Realised Gain	The increase in value when an Accepted Virtual Asset or Stablecoin owned by a Client is sold for more than the price at which it was initially acquired;
Realised Loss	An Order to buy or sell an Accepted Virtual Asset/Stablecoin once the price of the Accepted Virtual Asset/Stablecoin reaches a specified price, known as the stop price. When the stop price is reached, a stop order becomes a Market Order or Limit Order;
Stablecoin	A blockchain-based token whose value is fully backed by an underlying Fiat Currency, and is accepted to be traded on the MTF.
Stop Order	An Order to buy or sell an Accepted Virtual Asset once the price of the Accepted Virtual Asset reaches a specified price, known as the stop price. When the stop price is reached, a stop order becomes a Market Order or Limit Order;
Suspension	A Halt on the MTF implemented for a period of more than 3 hours in respect of one or more Accepted Virtual Assets/Stablecoin;
Systemic Default	A Default declared in accordance with MTF Rule 20.4 where as a result of



	<p>(i) a malicious attack, whether directly on the MTF, the Custodian, the Platform or on any third party providing services in relation to the MTF; or</p> <p>(ii) any act, omission or failure of the Custodian or any third party providing services to the MTF; or</p> <p>(iii) an Accepted Virtual Assets, Stablecoin or Fiat Currency becomes unavailable or inaccessible causing loss or damage to any Client.</p>
Taker Order	An Order that consumes liquidity by Executing against another Order within the Order Book;
Time in Force	In respect of an Order other than a Market Order, the duration applicable to the Order, which may be:
Trade	the Matching and Execution of Orders on the MTF (and the terms pre-Trade and post-Trade shall be interpreted accordingly);
Trading (as an MTF session)	This is the continuous period where Orders can be entered by Users, Executed, and any Open Order could be cancelled ;
Transaction	A transaction effected on the MTF that results in modification of a Client's Available Balance including deposit into or withdrawal from a Client's Account of Accepted Virtual Assets, Stablecoins or Fiat Currency;



Withheld Balance	The amount of Accepted Virtual Assets (and/or Stablecoins and/or Fiat Currency) that is currently unavailable when a User places an Order within the Order Book. The Withheld Balance will include any amounts blocked reflecting Open Order(s) and any Fees applicable to the Execution of Open Order(s) and any Instruction to effect a withdrawal from the relevant Client's Account.

1.2 Headings are for convenience only and do not affect the interpretation of these MTF Rules.

1.3 Any words following the terms "including", "include", "in particular", "for example" or any similar expression shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

1.6 Any word or expression defined in the table at MTF Rule 1 shall include grammatical variations and cognate expressions.

1.7 Unless expressly stated any reference to a time of day is a reference to Gulf Standard Time ("GST").

1.8 References to "publish", "published", "notification", "notified", "notice", "written notice" and/or "public notice" given by MidChains are to notices published on the Platform and/or communicated to the public and/or Clients via the Platform and/or to Clients by means of email.

1.9 References to these MTF Rules and to any particular MTF Rule are references to such MTF Rules as they may be amended, restated or otherwise modified from time to time.

1.10 These MTF Rules supplement and form part of the Client Agreement entered into by each Client and in the event of any conflict between these MTF Rules and the Client Agreement, these MTF Rules shall prevail.

2. CLIENT ACCESS TO THE MTF

2.1 The admission of any Applicant as a Client shall be at the sole discretion of MidChains.

2.2 MidChains shall grant Client access only to an Applicant:

2.2.1 who has expressly agreed to be bound by and to comply with these MTF Rules; and

2.2.2 who has entered into a valid and enforceable Client Agreement: and

2.2.3 whom MidChains reasonably considers (as applicable):

(a) to be fit and proper, and of sufficient good repute;

(b) to have a sufficient level of ability, competence and experience, including appropriate standards for any staff;

(c) to have adequate organisational arrangements, including financial and technological resources;

Al Sila Tower, Al Maryah Island, Abu Dhabi, UAE

T: +9712 4481578 E: info@midchains.com W: midchains.com



- (d) to have sufficient technical competence to use the facilities of the MTF;
- (e) to have full legal capacity to agree to and be bound by these MTF Rules, and to be subject to valid and effectual enforcement proceedings in relation to its conduct of business on the MTF and its compliance with these MTF Rules; and
- (f) to have completed MidChains' Onboarding Procedures and AML Procedures to the satisfaction of MidChains.

2.3 Any Applicant must:

2.3.1 open an Account; and

2.3.2 declare and demonstrate to MidChains' satisfaction that they meet the criteria set out in MTF Rule 2.2.3(a) to 2.2.3(f) (inclusive).

2.4 Any Applicant that is an Entity must as part of Onboarding Procedures designate an Authorised Representative who will:

2.4.1 represent and be empowered to act on behalf of that Entity in connection with access to and use of the MTF; and

2.4.2 act as recipient of any written notices and other communications issued in accordance with these MTF Rules.

2.5 An Entity is responsible for ensuring that its Authorised Representative:

2.5.1 has sufficient authority;

2.5.2 is fit and proper, and of sufficiently good repute;

2.5.3 has sufficient knowledge and understanding of their responsibilities under the MTF Rules and Applicable Law; and

2.5.4 has sufficient level of ability, competence and experience to use the facilities of the MTF;

2.5.5 has full legal capacity to agree to and be bound by these MTF Rules, and to be subject to valid and effectual enforcement proceedings in relation to its conduct of business on the MTF and its compliance with these MTF Rules; and

2.5.6 has completed MidChains' Onboarding Procedures to the satisfaction of MidChains.

2.6 An Entity may at any time withdraw designation of an Authorised Representative by giving written notice to MidChains by email to support@midchains.com.

2.7 MidChains will be entitled to rely on any Instruction given by an Authorised Representative designated in accordance with MTF Rule 2.4 as binding on the Entity.

2.8 MidChains will reject an Applicant if MidChains reasonably considers that valid enforcement of obligations under these MTF Rules would be precluded or would be made materially more difficult and/or costly having regard to:

2.8.1 the countries or jurisdictions in which the Applicant is resident, incorporated or operating, or where any property or assets of that Applicant are located, and

2.8.2 (without limitation) whether all or any of those factors might preclude or make materially more difficult and/or costly the enforcement of that Applicant's obligations under these MTF Rules and/or the Client Agreement should that Applicant be admitted as a Client.

2.9 When granting Client access to any Applicant MidChains shall classify that Applicant as a Retail Client or as a Professional Client as those terms are defined in, and in accordance with the Client Agreement entered into by that Applicant.



2.10 MidChains shall not grant Client access to any Applicant (or, where the Applicant is an Entity, to any Authorised Representative) who is a natural person of less than 18 years of age.

2.11 MidChains shall be entitled, having regard to information provided by an Applicant and to any information obtained by MidChains as part of its Onboarding Procedures, to impose Account Limits (as defined in the Client Agreement) or to impose limits on the Client including (without limitation) the imposition of minimum or maximum Order sizes or values.

3. AGREEMENT TO BE BOUND BY THE MTF RULES

3.1 MidChains shall:

3.1.1 make the MTF available to Clients, subject to these MTF Rules and Applicable Law; and

3.1.2 operate the MTF in accordance with these MTF Rules and Applicable Law.

3.2 Each Client expressly agrees to be bound by and comply with:

3.2.1 these MTF Rules (as amended from time to time under and in accordance with the provisions set out at MTF Rule 24);

3.2.2 any rules and procedures issued by MidChains under these MTF Rules;

3.2.3 the provisions of any notice issued by MidChains; and

3.2.4 any requirement, decision or direction of MidChains made in accordance with these MTF Rules, subject always to MidChains' Complaints Handling and Appeal Procedure.

3.3 A Client must deal with MidChains, the FSRA and any other regulatory authority, body or agency with oversight of MidChains and the Client in an open and co-operative manner and each Client expressly acknowledges and agrees that MidChains may provide to the FSRA a list of Clients including details of all addresses and other identification data used by Clients in connection with their use of the MTF.

3.4 A Client may at any time resign by giving not less than 10 days' written notice by email to support@midchains.com.

3.5 A Former Client shall be bound by these MTF Rules in respect of all activities which took place prior to termination of its Client access and privileges (and which were subject to these MTF Rules) until the latest of:

3.5.1 one year after it ceases to be a Client;

3.5.2 the date on which any investigation into any breach or alleged breach of these MTF Rules by the Client, together with any enforcement action or other legal proceedings relating to that breach or alleged breach, have been concluded or discontinued;

3.5.3 the date on which all of its MTF Trades are Executed and settled; or

3.5.4 the date on which all outstanding Fees, subscriptions, charges or other sums due to MidChains have been paid in full.

4. MTF TRADING RULES

Hours of operation

4.1 Except for any Downtime the MTF is intended to be open for trading 24 hours a day, 7 days a week each day of the year.

4.2 MidChains shall notify Clients via the Platform in relation to:

4.2.1 whether the MTF status (per pair) is:

(a) Open; or

(b) Close;



4.2.2 in relation to the Open status, whether the current MTF session (per pair) is:

- (a) Pre-open;
- (b) Trading; or
- (c) Halt or Suspension; and

4.2.3 In relation to each session and market status referred to in MTF Rules 4.2.1 and 4.2.2 certain activities are permitted and facilitated on the MTF, including whether Orders may be placed, Matched and Executed, cancelled, reversed or purged..

4.3 MidChains shall use all reasonable endeavours to notify Clients via the Platform in advance of any Downtime.

4.4 MidChains may reduce trading hours permanently or for any period in relation to one, more or all of the Accepted Virtual Assets or Stablecoins and shall notify Clients via the Platform of any such reduction.

4.5 MidChains shall use all reasonable endeavours to limit scheduled maintenance or upgrades to 30 minutes per week, but shall provide Clients via the Platform with as much advance notice as reasonably practicable if maintenance or upgrades are to be carried out at any other time or if such maintenance or upgrades are likely to take longer than 30 minutes.

Accepted Virtual Assets and Stablecoins

4.6 MidChains shall admit to trading on the MTF only Accepted Virtual Assets which have been approved by the FSRA for MidChains. The decision to admit an Accepted Virtual Asset for trading on the MTF is at the sole discretion of MidChains, and MidChains shall publish on the Platform details of Accepted Virtual Assets that are from time to time available for trading.

4.7 In determining whether to admit an Accepted Virtual Asset for trading on the MTF MidChains will have regard to the eligibility criteria set out in its virtual asset compliance policy published on the Platform.

4.8 MidChains may also admit a Stablecoin to Fiat Currency pair as an ancillary product for trading on the MTF.

Orders

4.9 A Client may place an Order on the MTF only if:

- 4.9.1 that Client's Available Balance is sufficient to meet both the price and any Fees applicable to the Trade that would result from Matching and Execution of that Order; and
- 4.9.2 the Order is fully in compliance with Applicable Law and with these MTF Rules.

4.10 MidChains shall (unless the Client has elected to disable the feature) provide a Client via the Platform with pre-confirmation that an Order meeting the criteria set out in MTF Rule 4.8 has been received before it is included in the Order Book for Matching with Orders from other Clients.

4.11 An Order placed that exceeds the Client's Available Balance will be rejected, and the Client will be notified via the Platform that they have exceeded their trading limit.

4.12 An Order placed in accordance with MTF Rule 4.8 must be specified by the Client as:

- 4.12.1 A Market Order;
- 4.12.2 A Limit Order; or
- 4.12.3 A Stop Order.

4.13 When placing an Order (other than a Market Order) in accordance with MTF Rule 4.8 a Client must specify the Time in Force applicable to that Order.



Matching

4.14 MidChains shall:

4.14.1 Match Orders based on "Price-Time Priority" (**PTP**) where time priority is based on the time stamped on an Order when it has been accepted in the Order Book; and

4.14.2 Execute Orders that have been Matched by debiting and crediting the Available Balance in the relevant Clients' Account(s).

4.15 Once a Maker Order has been placed in the Order Book, PTP means that each time a Taker Order has been placed:

4.15.1 the Taker Order will be Matched with the earliest Maker Order at the best price available in the Order Book;

4.15.2 if the Taker Order is not completely filled by the Maker Order, then it is Matched with any other subsequent Maker Orders at that price in the sequence the Maker Orders were placed; and

4.15.3 to the extent that the Taker Order is not completely filled by one or more Maker Orders, as described above, it is then Matched with one or more Maker Orders at the next best available price, in the sequence the Maker Orders were placed.

4.16 This process is repeated until the Taker Order is completely filled, cancelled or becomes a Maker Order.

4.17 If all or a portion of a Client's Order is Matched with another Client, then upon Execution the Client's Account will be updated to reflect that the Order has either been closed due to having been fully Executed, or updated to reflect any partial fulfilment of the Order.

5. SETTLEMENT

5.1 The settlement of a Trade is effected on a bilateral basis between the relevant Clients and each Client shall give Instructions as principal and be the Counterparty of the other in respect of the relevant Trade.

5.2 MidChains is not a Counterparty to, and (subject always to MTF Rule 21.1.1) is not responsible or liable to a Client under or in connection with any such Trade.

6. TRADING FEES

6.1 A Client must pay to MidChains as Fees all applicable charges or other sums set out in the relevant MTF fee schedule from time to time published on the Platform.

MARKET ORDERS[GUIDANCE]

A Market Order may be filled at a number of different prices based on the quantity of the Market Orders and the quantities of the existing Orders in the Order Book at any given time .

Depending on the volume and prices of Orders in the Order Book at the time when a Market Order has been placed, a Market Order could be filled at a price, which is less favourable than the most recently traded price ("**Slippage**").

7. PRE-TRADE CONTROLS

7.1 MidChains shall implement, and each Client must cooperate with, pre-Trade risk controls for all Orders, both on receipt and prior to Execution, to:

7.1.1 provide appropriate protection for Clients against fraud or misconduct, recklessness, negligence or errors by MidChains and/or other Clients;

7.1.2 detect activities that might reasonably be considered to be or to involve any element of Market Abuse (except for Stablecoin to Fiat Currency pairs);



7.1.3 mitigate risks and prevent entering potential Orders that may:

- (a) cause market disruptions and/or involve or constitute Market Manipulation (except for Stablecoin to Fiat Currency pairs);
- (b) could create false and misleading appearance of Trade activity;
- (c) Execute any Trade for improper purposes; and
- (d) assist or conceal any potentially identifiable trading abuse.

8. PRE- AND POST-TRADE OBLIGATIONS

8.1 MidChains shall make available via the Platform, on a continuous basis while the MTF is in operation, details of current bid and offer prices and an indication of trading interest at those prices.

8.2 MidChains shall make available via the Platform, as close to real-time as technically possible, the price, volume and time of each Trade Executed on the MTF.

9. FAIR AND ORDERLY TRADING

9.1 MidChains shall operate the MTF in accordance with internal procedures and in a manner that:

9.1.1 ensures no Client will have undue advantage over any other Client by manipulating prices and/or engaging in insider trading;

9.1.2 applies the MTF Rules in a fair and consistent manner to each and every Client; and

9.1.3 provides the same MTF features and data to all Clients.

9.2 MidChains shall notify Clients via the Platform, and reserves the right also to notify Clients by email, of:

9.2.1 Fiat Currency – Accepted Virtual Asset/Stablecoin pairings available for trading on the MTF; and

9.2.2 Accepted Virtual Asset – Accepted Virtual Asset/Stablecoin pairings available for trading on the MTF; and

9.2.1 or 9.2.2 ceasing to be available for trading on the MTF.

9.3 MidChains shall notify Clients via the Platform if it becomes aware in relation to any Accepted Virtual Asset/Stablecoin of any update, proposed or scheduled update to the software governing the distributed network that makes existing rules and/or protocols governing the Accepted Virtual Asset/Stablecoin either valid or invalid (“**Fork**”) or of any airdrop or similar event affecting an Accepted Virtual Asset/Stablecoin.

9.4 On becoming aware of a Fork, airdrop or similar event affecting an Accepted Virtual Asset or Stablecoin, MidChains shall evaluate its impact and publish notification and advice to Clients in accordance with the current version of MidChains' Fork Policy published on the Platform.

10. CANCELLATION

10.1 MidChains may cancel any Order placed by a Client where any of MTF Rules 12.3, 18.1.2 or 20.6 apply, on Instruction from the Client or in any other circumstance in which MidChains reasonably considers that cancellation is appropriate to protect fair and orderly trading on the MTF, and in particular where an Order is or appears to be:

10.1.1 contrary to Applicable Law;

10.1.2 indicative of Market Abuse or Market Manipulation (except for Stablecoin to Fiat Currency pairs);

10.1.3 an Error Trade.

10.2 A Client may cancel an Order:

10.2.1 following receipt of pre-confirmation in accordance with MTF Rule 4.9 (where the Client has not elected to disable that feature of the MTF) and before it is submitted to the Order Book; and/or



10.2.2 before it is Executed (including, in case of partial Execution, in relation to any part that remains to be Executed).

11. ERROR TRADES

11.1 MidChains reserves the right, in its sole discretion, to review and (where practicable) reverse any Order that has been Executed where:

11.1.1 MTF Rule 20.6 applies;

11.1.2 it is considered to be an Error Trade;

11.1.3 a breach of the MTF Rules has been identified; or

11.1.4 in any other circumstance in which MidChains reasonably considers that reversal is appropriate to protect fair and orderly trading on the MTF.

11.2 Where a Client believes that the Trade Executed has been entered in error and is outside of the applicable Fair Trade Range, a Client may, within 30 minutes after Execution, initiate reversal of an Error Trade by means of sending a request to support@midchains.com with details of the Trade and factual basis for believing that the Trade is an Error Trade.

11.3 Requests for review received from a Client more than 30 minutes after Execution of the relevant Trade may be reviewed in MidChains' discretion; however, MidChains reserves the right to decline to review any request that fails to satisfy the required notification process.

11.4 MidChains must provide to any Client affected by a potential Error Trade notifications of its initial determination and, where a Trade is determined to have been an Error Trade, of any final resolution reached.

11.5 MidChains must create and retain records in relation to each Error Trade review.

12. INTERRUPTIONS, HALTS AND SUSPENSION

12.1 MidChains may at any time impose a Halt or Suspension if required:

12.1.1 to comply with Applicable Law;

12.1.2 to protect the fair and orderly operation of the MTF;

12.1.3 to respond to a Virtual Asset no longer being an Accepted Virtual Asset, whether as a result of FSRA action, MidChains' decision or as a result of a hard fork affecting the relevant Virtual Asset;

12.1.4 as a result of Downtime notified in accordance with MTF Rule 4.3;

12.1.5 to respond to an Accepted Virtual Asset/Stablecoin exceeding or being likely to exceed any specified parameters published on the Platform, including MidChains' reasonable assessment that the relevant Accepted Virtual Asset/Stablecoin is displaying unusual or excessive price volatility;

12.1.6 As a result of MidChains' insolvency, or in the event that MidChains authorisation to operate the MTF is revoked; or

12.1.7 There being an interruption in the services being provided by MidChains, including any event of Force Majeure that results in an interruption to the operation of the MTF and that is notified to Clients via the Platform.

12.2 MidChains may also impose a Halt or Suspension, wholly or partly halting trading on the MTF in order to effect circuit breakers for periods and in accordance with thresholds published and from time to time amended on the Platform.

12.3 During a Halt or Suspension, MidChains shall be entitled to cancel any Open Order.

12.4 An Order cancelled in accordance with MTF Rule 12.3 will not be reinstated when the Halt or Suspension is lifted.



12.5 When lifting a Halt or Suspension MidChains may schedule a pre-open cycle within which Orders may be entered but will not be Executed. Clients will be notified via the Platform and the MTF will indicate when a pre-open cycle is scheduled and any pre-open cycle will be available for a minimum of 15 minutes.

12.6 Clients are not obliged during a pre-open cycle referred to in MTF Rule 12.5 to replicate the terms of any cancelled order and may adjust Orders in terms of quantity and price.

12.7 On the resumption of trading, Matching will occur in accordance with MTF Rule 4.13.

13. TRADE DATA

13.1 Upon receipt of a Client's Order, MidChains shall record the following information:

13.1.1 the identity of the Client;

13.1.2 the date and time where the Order was received by the MTF;

13.1.3 the Accepted Virtual Assets/Stablecoins to which the Order relates, including the quantity, its value and any price and/or Time in force where specified pursuant to MTF Rule 4.12;

13.1.4 whether the Order is a Bid Order or Offer Order.

13.2 MidChains shall record the following information for each Trade Executed by means of the MTF:

13.2.1 the identity of the Client for whom the Trade was Executed;

13.2.2 where applicable, the identity and Account number of the Counterparty Client (which shall not be disclosed to or shared with the Client);

13.2.3 the date and time the Trade was Executed;

13.2.4 the Accepted Virtual Assets/Stablecoins, including the quantity, value and price; and

13.2.5 whether the Trade was a result of a Bid Order or Offer Order.

14. TRADE RECORDS

14.1 MidChains shall maintain a full audit trail of every Order submitted to the MTF.

14.2 MidChains shall, where legally required, provide to the FSRA information relating to any Order submitted to the MTF in order to meet MidChains' obligations under Applicable Law.

14.3 MidChains shall record any information relevant to enable MidChains to meet ADGM or applicable international tax reporting requirements or standards or for law enforcement purposes, including information obtained as part of MidChains' Onboarding Procedures in relation to compliance with the United States of America's Foreign Account Tax Compliance Act and/or the Organisation for Economic Co-operation and Development's Common Reporting Standards.

15. MONITORING

15.1 MidChains shall employ proprietary and third party software applications and experts to monitor:

15.1.1 Instructions received by MidChains and Transactions and other actions resulting from those Instructions; and

15.1.2 Clients' ongoing status in relation to the criteria set out at MTF Rule 2.2.

15.2 A Client must notify MidChains immediately by email to compliance@midchains.com when it becomes aware of any contravention by itself or any other Client of these MTF Rules.

16. PROHIBITED CONDUCT

16.1 Clients, whether alone or in conjunction with any other Person, are strictly prohibited from participating, aiding, abetting, allowing, financing, supporting or otherwise endorsing any behaviour involving Market Abuse (except for Stablecoin to Fiat Currency pairs), fraud or any conduct contrary to MidChains' AML Procedures on the MTF including:



16.1.1 engaging in any conduct that is calculated to, or that creates a significant risk of, misleading the market including sharing, publishing, broadcasting or otherwise disseminating false or misleading information on Accepted Virtual Assets;

16.1.2 engaging in any conduct amounting to Market Manipulation (except for Stablecoin to Fiat Currency pairs), including the placing of any Order:

(a) to give or potentially give a false or misleading interpretation of the supply and/or demand for an Accepted Virtual Asset or Stablecoin; and/or

(b) creating an abnormal or artificial price.

16.1.3 engaging in any conduct that is calculated to create, or creates, a significant risk of, overloading or otherwise impairing the operation of the MTF.

16.2 Clients, whether alone or in conjunction with any other Person, are strictly prohibited from participating, aiding, abetting, allowing, financing, supporting or otherwise endorsing any behaviour involving Market Abuse (except for Stablecoin to Fiat Currency pairs), fraud or any conduct contrary to MidChains' AML Procedures.

16.3 Each Client acknowledges and agrees that if any such techniques or activities are detected (or are reasonably suspected) through MidChains' market surveillance system or by any other means then any Client found or reasonably suspected by MidChains to have participated, aided, abetted, allowed, financed, supported or otherwise endorsed any behaviour will be subject to disciplinary action under MTF Rule 18.

16.4 MidChains does not permit margin trading on the MTF.

16.5 Each Client must fund Orders in full. An Order which exceeds the Client's Available Balance will be rejected.

16.6 MidChains does not permit short-selling on the MTF.

17. COMPLIANCE AND ENFORCEMENT

17.1 A Client must comply or procure compliance with any request by MidChains for explanation or verification of information provided by or on behalf of that Client to MidChains.

17.2 MidChains may by written notice require information from a Client about any matter which it considers may relate to these MTF Rules or to the integrity of the MTF, or which MidChains may require for the purpose of compliance with Applicable Law.

17.3 In relation to any written notice requiring information pursuant to Rule 17.1, each Client must use all reasonable endeavours to procure the provision of accurate information in a timely manner about the Client's business (insofar as it relates to their access to and use of the MTF) in a format, electronic or otherwise, specified by MidChains.

17.4 A Client must not knowingly, recklessly or carelessly provide MidChains with any information (including information for the purpose of becoming a Client) which is false, misleading or inaccurate.

17.5 MidChains reserves the right to disclose information and documents provided by or relating to a Client:

17.5.1 to co-operate, by the sharing of information and documents and otherwise, with the FSRA, to meet ADGM or applicable international tax reporting requirements or standards or for law enforcement purposes;

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



17.5.3 under compulsion of law in any jurisdiction;

17.5.4 for the purpose of enabling MidChains to discharge its functions having regard in particular to the maintenance of high standards of integrity and fair dealing; or

17.5.5 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.

18. DISCIPLINARY ACTIONS

18.1 If MidChains considers that a Client is in breach of, or is non-compliant with, any of these MTF Rules or with any undertaking that it has given to MidChains (pursuant to these Rules), or if the Default Rules apply, MidChains may suspend, restrict or terminate that Client's access to or use of the MTF, irrespective of the service and products that are being used and traded by the Client. Where any such sanctions are contemplated or imposed in relation to a Client, MidChains shall in addition be entitled to:

18.1.1 Issue a censure or a written notice requiring the Client to remedy any breach or non-compliance that is capable of remedy and/or warning the Client that further sanctions will be imposed if such remedy is not effected within a specified period;

18.1.2 Cancel that Client's Open Orders and any outstanding Instructions from that Client; and/or

18.1.3 Restrict the scope of that Client's access to and use of the MTF;

18.2 Subject to MTF Rule 18.3 any Client in respect of whom a decision is made under MTF Rule 18.1 has the right to bring a complaint in relation to that decision, to be dealt with under and in accordance with the "Appeals" section of MidChains' Complaints Handling and Appeal Procedure.

18.3 MidChains reserves the right to report any breach of these MTF Rules and any action taken by MidChains in respect of any such breach to the FSRA and/or any other appropriate authorities (regulatory or law enforcement). MidChains will not, and has no obligation to, notify a Client before reporting any breaches to the FSRA in accordance with this MTF Rule 18.3.

18.4 When considering what disciplinary measures to take in relation to a breach or non-compliance with any of these MTF Rules, MidChains shall have regard to:

18.4.1 the seriousness, size and nature of the breach or non-compliance;

18.4.2 how the breach or non-compliance came to light;

18.4.3 the actual or potential market impact of the rule breach or non-compliance, and any other repercussions;

18.4.4 the extent to which the breach or non-compliance was deliberate or reckless;

18.4.5 the general compliance history of the Client, and specific history regarding the breach or non-compliance in question;

18.4.6 consistent and fair application of the MTF Rules (including any precedents of previous similar breaches or non-compliance); and

18.4.7 the responsiveness and conduct of the Client in relation to the matter under investigation.

19. NOTIFICATIONS

19.1 A Client must, immediately upon becoming aware of any circumstances which have, will or may lead to a contravention of these MTF Rules, or to Default, notify MidChains of such circumstances in as much detail as is available to it. Failure of a Client to notify MidChains in such circumstances will be considered a breach of the MTF Rules by that Client.



19.2 A Client must, immediately upon becoming aware of any changes or prospective changes affecting its ability to meet the criteria set out at MTF Rule 2.2 notify MidChains, setting out and explaining those changes or prospective changes.

20. DEFAULT RULES

20.1 MidChains shall be entitled to declare Default under either of MTF Rule 20.2 (Client Default) or 20.4 (Systemic Default).

20.2 MidChains may declare a Client to be a Defaulter where the Client, otherwise than for reasons attributable to Systemic Default:

20.2.1 is unable to fulfil its obligations in respect of one or more Order(s); or

20.2.2 appears to be, or to be likely to become, so unable.

20.3 In assessing whether a Client appears to be or to be likely to become unable to fulfil its obligations in respect of one or more Order(s) MidChains may have regard not only to the Client's position on a per-Trade basis, but may take into account broader factors relating to the Client's Account or wider banking arrangements, or to any other structural factor potentially limiting the Client's ability to fund their positions (and therefore the ability of the MTF to operate on a fair and orderly basis) including any relevant Close Price, Realised Gain, Realised Loss, and/or Withheld Balance.

20.4 If MidChains declares Systemic Default then MidChains shall be entitled to take such action as the it deems necessary, expedient or desirable for the protection of the MTF in respect of such Default, including but not limited to the following:

20.4.1 notifying Clients regarding the Systemic Default occurrence via Platform;

20.4.2 reconciling Clients' positions and balances on the MTF and Custodian at the time when Systemic Default occurred from the most recent previous reconciliation;

20.4.3 identifying and notifying each Client affected by the Systemic Default of the nature and effects of the Systemic Default;

20.4.4 determining (on or as soon as is reasonably practicable following the Systemic Default date) the total loss or damage in relation to Accepted Virtual Assets, Stablecoins and/or Fiat Currency;

20.4.5 (subject always to MTF Rule 21.1.1) allocating any loss or damage among Clients on a fair and reasonable basis, having due regard to the nature and effects of the Systemic Default and to the results of reconciliations carried out pursuant to MTF Rule 20.4.2.

20.5 Declaration of Default shall be made by email to the Defaulter and/or via the Platform as MidChains shall reasonably decide.

20.6 Once a Client has been declared a Defaulter in accordance with this MTF Rule 20, the Default Rules shall apply to any Order to which the Defaulter is at the time of default a party and accordingly MidChains shall be entitled (acting reasonably and proportionately) to cancel or suspend any Open Order and (where practicable having due regard to the interests of the Counterparty) to reverse any Executed Order made before the declaration of default was made in relation to that Client.

20.7 MidChains may immediately suspend the access to the MTF of any Client declared a Defaulter under MTF Rule 20.2. During any period of suspension the Client shall nevertheless be bound to comply in full with these MTF Rules.

20.8 A Client may within seven days after being declared a Defaulter lodge an appeal in respect of the suspension under MTF Rule 20.7 of its MTF access through and in accordance with the "Appeals" section of MidChains' Complaints Handling and Appeal Procedure. In the event that the Defaulter does



not lodge an appeal within this time, or if the appeal is rejected, the Defaulter will immediately cease to be a Client.

20.9 Upon a declaration of Default MidChains shall, as soon as is reasonably practicable:

20.9.1 notify the Defaulter of the declaration;

20.9.2 arrange for the removal of all displayed Orders and suspend the submission of any new Orders of the Defaulter on the MTF;

20.9.3 where Default has been declared under MTF Rule 20.2 issue a public notice on the Platform in respect of any Client whose access to the MTF is suspended or terminated as a result of being declared to be a Defaulter; and

20.9.4 in relation to any unsettled or any unexecuted Orders notify the parties to such Orders of the Default and of any decision taken under the Default rules in relation to those Orders (which may include cancellation of any Orders or reversal of any Executed Trades).

21. DISCLAIMERS

21.1 Each Client acknowledges and agrees that:

21.1.1 MidChains shall not be liable in damages or otherwise for anything done or omitted to be done in the performance of its obligations, including any obligation to which it is subject under these MTF Rules, unless it is shown that the act or omission in question was taken in bad faith;

21.1.2 Access to the MTF is provided "as is" and "as available" and MidChains disclaims, to the full extent permitted by law, all warranties which are expressed, statutory, or implied. This also includes, without limitation, implied warranties of title, non-infringement, merchantability, fitness for a particular purpose, and all warranties arising from course of dealing, usage or trade practice;

21.1.3 MidChains gives no guarantee that the MTF will not face interruption or that it will operate in combination with other software, services, systems, or other data sets;

21.1.4 MidChains is not responsible for and shall have no liability in respect of any losses suffered or incurred by a Client resulting from the failure or default of any third party on any Transaction.

Transactions undertaken on the MTF are not subject to any compensation scheme

21.1.5 Accessing and use of the MTF is at the entire risk of the Client and Protected Parties shall not be responsible for anything done or omitted to be done by a Client.

21.1.6 Each Client is solely responsible for keeping, and for keeping secure, any password(s) required by that Client to access its Account or its Wallet, to place an Order, to obtain any information from the Website or for any other purpose relating to its use of the MTF.

22. LIMITATION OF LIABILITY

22.1 To the full extent permitted by Applicable Law, Protected Parties will not be liable for any direct, indirect, related, special, disciplinary, or consequential damages of any kind.

22.2 The limitation set out at MTF Rule 22.1 extends to losses or profit reductions or trading losses which are related to the Client's access to and use of the MTF regardless of whether such damages arise from claims brought in contract, offence, negligence, warranty, strict liability, or any other applicable theory or principle of liability.

23. INDEMNITY

23.1 Each Client must indemnify, keep indemnified and hold harmless Protected Parties from and against all liabilities, costs, damages, and expenses arising from or relating from that Client's access to or use of the MTF.



23.2 The indemnity provided for by MTF Rule 23.1 includes and extends to damages arising from direct acts or omissions (including without limitation breach of these MTF Rules) as well as any judgments, settlements, and expenses (including reasonable legal fees and other legal costs) arising from a threatened or actual lawsuits, investigations, proceedings, or other claims between a Client and Protected Parties or a third party relating to the use of the MTF.

23.3 MidChains may elect to control the defence of any claim at the cost and expense of a Client and that Client must provide MidChains with any assistance that MidChains may reasonably request in defending any such claim.

24. CONSULTATION AND AMENDMENT OF MTF RULES

24.1 MidChains may from time to time review, modify and consider making any amendment to these MTF Rules.

24.2 An amendment to these MTF Rules will (except where MTF Rule 24.4 applies) become effective only when approved by the FSRA.

24.3 MidChains shall undertake a public consultation on the proposed amendment before making any amendment to these MTF Rules, unless the FSRA has agreed that the requirement for public consultation may be dispensed with.

24.4 Where the FSRA has agreed to dispense with the requirement for public consultation in accordance with MTF Rule 24.3 an amendment to these MTF Rules will become effective immediately.

24.5 Where public consultation is required, MidChains shall publish via the Platform a consultation paper setting out:

24.5.1 the text of both the proposed amendment and the MTF Rules that are to be amended;

24.5.2 the reasons for proposing the amendment;

24.5.3 an assessment of the likely costs and benefits; and

24.5.4 a reasonable consultation period, which will not be less than 14 calendar days from the date of publication, within which Clients and other stakeholders may provide comments.

24.6 Where consultation is restricted in accordance with MTF Rule 24.11 MidChains may issue its consultation paper by email only to the Persons specified for the purposes of that consultation.

24.7 MidChains shall lodge with the FSRA the consultation paper no later than the time at which it is published for public comment.

24.8 Where required by the FSRA to do so, MidChains shall extend the period of public consultation specified in the consultation paper.

24.9 MidChains shall:

24.9.1 facilitate, as appropriate, informal discussions on the proposed amendment with Clients and other stakeholders including any appropriate representative bodies of such Persons;

24.9.2 consider the impact the proposed amendment has on the interests of its Clients and other stakeholders; and

24.9.3 have proper regard to any public comments received.

24.10 Following public consultation, MidChains will publish the final amended MTF Rules via the Platform and consider whether it would be appropriate to discuss with the FSRA, with Clients or with any other Person the comments received and any amendments made prior to their becoming effective.



24.11 MidChains may restrict consultation to specified Persons with appropriate technical expertise and experience where it reasonably considers that only limited, technical changes to the MTF Rules are proposed.

24.12 MidChains may restrict consultation where it is reasonably considers it essential to make a change to the MTF Rules without delay in order to ensure continued compliance with FSRA requirements or Applicable Law.

24.13 In conducting consultations, MidChains shall, wherever reasonably practicable and subject to MTF Rules 24.3, 24.11 and 24.12, seek to facilitate and promote:

24.13.1 informal discussions at an early stage with Clients and any other users of its facilities or appropriate representative bodies;

24.13.2 publication to Clients and any other users of its facilities of a formal consultation paper which includes clearly expressed reasons for the proposed changes and an appropriately detailed assessment of the likely costs and benefits;

24.13.3 adequate time for Clients and any other users of its facilities to respond to the consultation paper and for MidChains to take their responses properly into account;

24.13.4 adequate arrangements for making responses to consultation available for inspection by Clients and any other users of its facilities, unless the respondent requests otherwise or unless (and to the extent) that publication might involve or lead to a breach of any Applicable Law or laws of any jurisdiction other than ADGM relating to personal data protection or privacy;

24.13.5 adequate arrangements for ensuring that MidChains has proper regard to the representations received; and

24.13.6 publication, no later than the publication of the amended MTF Rules, of a reasoned account of MidChains' decision to amend its MTF Rules.

24.14 MidChains shall notify Clients of the date on which any amendment to these MTF Rules becomes effective. Unless the requirement for public consultation has been dispensed with by the FSRA in accordance with MTF Rule 24.3, that date will be at least four weeks after publication of the relevant consultation paper.

25. COMPLAINTS

25.1 Any Person may, through and in accordance with MidChains' Complaints Handling and Appeal Procedure, lodge a complaint or (where indicated in these MTF Rules by reference to the "Appeals" section of the Complaints Handling and Appeal Procedure) a Client may appeal in relation to certain decisions of MidChains pursuant to these MTF Rules and/or in relation to any aspect of MidChains' operation of the MTF.

25.2 MidChains shall ensure that any complaint is dealt with through and in accordance with MidChains' Complaints Handling and Appeal Procedure.

25.3 MidChains shall ensure that its Complaints Handling and Appeal Procedure is published on the Platform and is accessible both to Clients and any other Person.

26. GOVERNING LAW AND JURISDICTION

26.1 These MTF Rules are governed by and shall be interpreted in accordance with the laws of ADGM.

26.2 The courts of ADGM shall have exclusive jurisdiction to settle any and all claims and disputes that may arise out of or in relation to these MTF Rules.