



EDXM International Pte. Ltd.

Marketplace and Clearinghouse Rules

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CHAPTER 1. DEFINITIONS

Rule 1.1. Definitions

Unless the context otherwise requires, terms used in these Rules shall have the meaning set forth below or within the Master Perpetuals Agreement or Master Services Agreement, as applicable. In the event of a conflict, the definition set forth in these Rules shall apply.

(a) Authorized Trader

The term “Authorized Trader” or “AT” shall mean a Person who may submit Orders (or who supervises a routing engine that may automatically submit Orders) to the Marketplace’s trading facilities on behalf of his or her Member and/or a Person designated by a Member as having the authority to act on behalf of the Member. Members are required to implement systems and controls to prevent Persons who are not Authorized Traders from submitting Orders to the Marketplace. means a natural person.

(b) Auto-Deleveraging

Auto-Deleveraging (ADL) is a process used by Clearinghouse to manage risk of a Clearing Member whose position cannot be fully liquidated due to a lack of available liquidity in the market by offsetting that Clearing Member’s positions against one or more other Clearing Members’ positions opposite that Clearing Member outside of the Order Book.

(c) Clearinghouse

The term “Clearinghouse” shall mean the platform operated by EDXMI for clearing trades executed on the Marketplace.

(d) Clearing Member

The term “Clearing Member” shall mean a firm that has completed the relevant Clearinghouse Master Services Agreement and onboarding paperwork and received a confirmation letter that they are a Clearing Member. A Clearing Member shall be permitted to conduct clearing and settlement activity pursuant to the Rulebook and must adhere to all Rules herein in the same manner as a Marketplace Member. For avoidance of doubt a Marketplace Member shall also be a Clearing Member upon completing the necessary requirements and receiving a confirmation letter that they are a Clearing Member. A Clearing Member may be referred to as a “Member” for purposes of these Rules, as applicable.

(e) Collateral Asset

A Collateral Asset refers to any acceptable forms of Collateral as determined in the sole discretion of the Clearinghouse, including but not limited to digital assets, that a Clearing

Member deposits into their margin account with the Custodian as collateral to support their positions on the Marketplace (collectively, “Collateral”). These assets include those digital assets that are classified as Digital Payment Tokens under Singapore regulations with Members notified via Policy Circular when changes to the inventory are made.

(f) Custodian

The term Custodian shall mean “EDXM Global Pte. Ltd. (“EDXMG”)”, which shall safeguard and custody of Collateral Assets, facilitating the settlement of payment instructions from the Clearinghouse.

(g) EDXMI

The term EDXMI shall mean EDXM International Pte. Ltd. (“EDXMI”), which operates the Clearinghouse and Marketplace.

(h) Funding Rate

A mechanism used by the Marketplace to keep the price of a Perpetual Future in line with the price of the underlying asset (such as a stock, commodity, or cryptocurrency). The Funding Rate is a periodic payment exchanged between long (buyers) and short (sellers) positions intended to prevent the contract price from drifting too far from the spot price of the underlying asset.

(i) Initial Margin Requirement

The Initial Margin Requirement refers to the minimum amount of Collateral that a Clearing Member must deposit in their margin account to open a position in a Perpetual Futures contract.

(j) Insolvent status or Insolvency of the Clearing member

Insolvency occurs when a Clearing Member is unable to meet its financial obligations due to insufficient liquidity, excessive liabilities, or insolvency events. Insolvency events can include, but are not limited to:

- Inadequate Margin Maintenance: If the Clearing Member fails to maintain the required margin levels across its Perpetual Futures contracts.
- Liquidity Shortage: If the Clearing Member does not have enough liquid assets to meet its obligations, especially during market stress or volatility.

- **Market Defaults:** If Clearing Member default on their margin calls or positions against their Perpetual Futures trading positions, the Clearing Member may face an imbalance it cannot cover.
- **Operational Failures:** Mismanagement or other internal failures that prevent the Clearing Member from fulfilling its obligations.
- **Bankruptcy:** If a Clearing Member is subject to a voluntary or involuntary petition in bankruptcy.

(k) Liquidation

Liquidation refers to a process used by Clearinghouse to manage risk of a Clearing Member by which the Clearinghouse forcibly closes one or more positions in a Clearing Member's account by submitting offsetting orders in the Perpetual Futures contracts to the Order Book.

(l) Margin Call

Margin Call refers to a process used by Clearinghouse to manage risk of a Clearing Member by which the demands additional funds or Collateral be deposited by the Clearing Member to restore the margin to the required level.

(m) Marketplace

The term "Marketplace" shall mean the platform operated by EDXMI for displaying prices and quotes and matching orders in Perpetual Futures contracts.

(n) Member

The term "Member" shall mean a firm who has completed the relevant Master Perpetuals Agreement, Master Services Agreement and onboarding paperwork and received a confirmation letter that they are a Member of the Marketplace.

(o) Obligation

Obligations means a Clearing Member's payment obligations due to the Clearinghouse or the Clearinghouse's payment obligations due to the Clearing Member, inclusive of Funding Payments and Remarketing Payments.

(p) Order

The term "Order" shall mean a message submitted by a Member (or its Authorized Trader) to buy or sell a Perpetual Future that contains the necessary terms specified by the Marketplace

to process the message. The Marketplace will reject any message that does not contain the specified necessary terms and will not consider such message to be a valid Order.

(q) Order Book

The term “Order Book” shall mean the System’s electronic file of Orders.

(r) Payment Token Derivatives

The term “Payment Token Derivatives” or “PTD” or “Perpetual Futures” shall mean derivatives contracts that reference Digital Payment Tokens “DPTs” as an underlying asset, that is supported by and made available from time to time to transact in using the System.

(s) Person

The term “Person” shall mean a natural person, partnership, corporation, limited liability company, entity, government, or political subdivision, agency, or instrumentality of a government.

(t) Policy Circular

The term “Policy Circular” shall mean a currently effective Marketplace and/or Clearinghouse policy circular which shall be posted on the Website and shall be incorporated by reference into these Rules and shall be effective as of the date it is posted on the Website.

(u) Principal Capacity

The term “Principal” shall mean an order and/or execution in which a Member buys or sells a Perpetual Future for its own account.

(v) Rulebook

The term “Rulebook” or “Rules” applies to the Rules of the Marketplace and Clearinghouse, as set out herein. The Rulebook is as of the effective date and is reviewed periodically. For the most up-to-date version of the Rulebook, please refer to the website:

<https://edxmarkets.com/edxm-global/> (“Website”).

(w) Settlement Instructions or Settlement

The terms "Settlement Instructions or Settlement" refer to the directives issued by EDXMI to EDXMG outlining the movement of funds and digital assets for the purpose of settling trades executed on the EDXMI platform. These instructions detail the allocation, transfer, and reconciliation of collateral and digital asset positions between Members, ensuring compliance with regulatory requirements. EDXMG, as an MAS-exempted entity, is responsible for executing these instructions in accordance with applicable laws and operational protocols, facilitating the custody, transfer, and final settlement of digital assets.

(x) System

The term “System” shall mean the electronic communications and trading facility operated by the Marketplace through which Orders of Members are consolidated for ranking and execution or the system operated by the Clearinghouse to facilitate the clearing and settlement of transactions, as applicable.

(y) Best Bid and Offer

The term “Best Bid and Offer” (BBO), shall mean the best-ranked Order to buy (or sell) in the Order Book as ranked pursuant to Rule 3.6. “Priority of Orders”.

(z) Marking Payments

Refers to the theoretical profit or loss associated with open Perpetual Futures positions based on the current market price and the positions previous price settled at an interval established by the Clearinghouse.

CHAPTER 2. MEMBERS OF THE MARKETPLACE

Rule 2.1. Member Eligibility

Except as hereinafter provided, Persons (except natural Persons) that hold the applicable registrations and licenses, and satisfy the financial, credit, and related qualifications established and maintained by the Marketplace are eligible to be Members.

Marketplace is only available to Members that are Accredited Investors as defined under the Securities and Futures Act (SFA) and is outlined in the Securities and Futures (Classes of Investors) Regulations. Marketplace is not available for natural Persons and Retail Members that are not classified as Accredited Investors as per SFA regulations.

Marketplace is also not available for US and EU Persons or conduit affiliates of US and EU Persons. Marketplace is also not available in such jurisdictions where:

- (a) Perpetual Futures trading from Singapore is prohibited or restricted.
- (b) Reverse solicitation for Perpetual Futures trading in Singapore is restricted or prohibited.

Rule 2.2. Restrictions

The Marketplace may determine not to permit a Person to become a Member, to limit or suspend a Member's access to the Marketplace, or to terminate a Member's access to the Marketplace, where such Person:

- (a) fails to meet, or fails to continue to meet after initial approval, any of the applicable qualification requirements for membership;
- (b) fails to demonstrate to the Marketplace adequate systems capability, capacity, integrity, or security necessary to conduct business on the Marketplace or engages in acts or practices that threaten the reputational or operational integrity of the Marketplace;
- (c) fails to meet any condition placed by the Marketplace on such Member;
- (d) such Person violates any agreement with the Marketplace;
- (e) is subject to any unsatisfied liens, judgments or unsubordinated creditor claims of a material nature, which, in the absence of a reasonable explanation therefor, remain outstanding for more than six months;
- (f) has been subject to any, Insolvency, bankruptcy proceeding, receivership or arrangement for the benefit of creditors within the past three years;
- (g) engages in or is reasonably likely to engage in unlawful or disruptive acts or practices that do or may violate any law, rule, or regulation, or which are inconsistent with just and equitable principles of trade, or which are reasonably likely to damage the reputation of the Marketplace or the Members;
- (h) fails to obtain or maintain any license, charter, registration, or similar legal authority required by law to conduct transactions on or through the Marketplace. This includes implementing the requisite policies and procedures in order to maintain applicable licenses;
- (i) fails to implement or continue to maintain, the applicable AML and Sanctions compliance programs, including identification of Chief Compliance Officer/Money Laundering Reporting Officer, in accordance with the Rules in Chapter 5.
- (j) fails or refuses to promptly (within 7 business days) and accurately disclose to the Marketplace any change in Member eligibility criteria, including any act, practice,

or occurrence that is grounds for not extending or for revoking Member status, as identified in items (a) to (i) of this Section.

Rule 2.3. Retail Broker Eligibility

A “Retail Broker” is a Member (or a division thereof) that has been approved by the Marketplace under this Rule to submit Retail Broker Orders (as defined in Rule 3.4(h) below).

- (1) Eligibility. To qualify as a Retail Broker, a Member must conduct a retail business. To become a Retail Broker, a Member must submit:
 - A. an application form;
 - B. supporting documentation, which may include sample marketing literature, website screenshots, other publicly disclosed materials describing the Member’s retail broker order flow, and any other documentation and information requested by the Marketplace in order to confirm that the applicant’s order flow includes Retail broker orders; and
 - C. an attestation, in a form prescribed by the Marketplace, that a minimum percentage of Orders (with such threshold as set by the then currently effective Policy Circular), submitted as Retail Broker Orders will qualify as such under this Rule, and that Retail Broker Orders are either prefunded or the Retail Broker is an Accredited Investor as defined under SFA.
- (2) After a Member submits the application form, supporting documentation and attestation, the Marketplace shall notify the Member of its decision in writing.
- (3) A Retail Broker may voluntarily withdraw from such status at any time by giving written notice to the Marketplace.
- (4) A Retail Broker must have written policies and procedures reasonably designed to assure that it complies with the then currently effective Policy Circular setting forth that the minimum percentage of orders designated as Retail Broker Orders have met the requirements of a Retail Broker Order. Such written policies and procedures must require the Retail Broker to: (i) exercise due diligence before entering a Retail Broker Order to assure that entry as a Retail Broker Order is in compliance with the requirements of this Marketplace Rule, and (ii) monitor whether orders entered as Retail Broker Orders meet the applicable requirements.

- (5) Disqualification. If a Retail Broker designates Orders submitted to the Marketplace as Retail Broker Orders and the Marketplace determines, in its sole discretion, that such Orders fail to meet any of the requirements set forth in this Rule, the Marketplace may disqualify a Member from its status as a Retail Broker.

CHAPTER 3. TRADING RULES

Rule 3.1. Hours of Trading and Trading Days; Opening Process

- (a) The System shall be open for Order entry 24 hours per day, 7 days per week for continuous operations, unless otherwise specified by the Marketplace.
- (b) The Marketplace shall have the power to temporarily suspend trading for maintenance or System upgrades. The Marketplace will provide prior notice to Members whenever practicable and will provide details regarding any modified market procedures for suspending trading or re-opening.
- (c) The Marketplace shall have the power to halt or suspend trading in any and all Perpetual Futures traded on the Marketplace or to take other actions such as canceling all pending and open (unexecuted) Orders or restricting Orders to certain types of Orders (e.g., Limit Orders only) when deemed necessary for the maintenance of fair and orderly markets, the protection of investors, or otherwise in the public interest. The Marketplace shall have the power to determine the duration of any such halt, suspension, closing, or other action and will announce such action to Members. Orders submitted for a halted market will be rejected by the System.
- (d) All new Perpetual Futures Order Books will be halted until the System has opened such Perpetual Futures for trading. Orders for Perpetual Futures that are halted will be rejected by the System. The Marketplace will open a newly added Perpetual Futures or a Perpetual Future that has been halted by the Marketplace at the discretion of the EDXMI.

Rule 3.2. Perpetual Futures Eligible for Trading

The Marketplace shall designate Perpetual Futures eligible for trading. Orders shall be accepted for full or fractional volumes. Supported fractional volumes shall be established by the Marketplace on a Perpetual Future-by-Perpetual Future basis.

Rule 3.3. Access

The System shall be available for entry and execution of Orders by Members with authorized access to the System. All Members who have been admitted to the Marketplace shall have access to the System in an impartial, transparent, fair, and non-discriminatory manner. To obtain authorized access to the System, each participant must be a member in good standing with the Marketplace pursuant to Chapter 2 and must enter into a Master Perpetuals Agreement with the Marketplace in such form as the Marketplace may provide and update from time to time ("Master Perpetuals Agreement"). In the event of any conflict between these Rules and the Master Perpetuals Agreement, these Rules shall govern.

Rule 3.4. Definitions and Order Modifiers

For purposes of this Chapter, the following definitions shall apply:

- (a) **Crossed Book.** The status of an Order Book with respect to a Perpetual Future indicating that it contains one or more Crossing Quotations.
- (b) **Crossing Quotation.** The display of a bid at a price higher than the price of an offer on the Order Book with respect to a Perpetual Future or the display of an offer at a price lower than the price of a bid on the Order Book with respect to a Perpetual Future.
- (c) **Locking Price.** The price at which an Order to buy or sell, that if displayed on the Order Book would be a Locking Quotation.
- (d) **Locking Quotation.** The display of a bid at a price that equals the price of an offer on the Order Book with respect to a Perpetual Future or the display of an offer at a price that equals the price of a bid on the Order Book with respect to a Perpetual Future.
- (e) **Posting Instructions/Post Only.** An instruction that may be attached to an Order that is to be ranked and executed on the Marketplace pursuant to Rule 3.7 or cancelled, as appropriate, but which will not remove liquidity from the Order Book. An order with a Post Only instruction that would result in a Locking Quotation or Crossing Quotation will be cancelled by the System.
- (f) **Retail.** "Retail" is an instruction that indicates that an Order submitted to the Marketplace is by a Retail Broker, provided that no change is made to the terms of the Order with respect to price or side of market and the Order does not originate from a trading algorithm or any other computerized methodology, except that a Retail Broker may use computerized methodology to facilitate routing the order to the Marketplace ("Smart Order Router").

- (g) Retail Liquidity. “Retail Liquidity” is an instruction that indicates that an Order is submitted to provide liquidity to incoming Orders with a Retail modifier and, as such, when resting on the Order Book is only eligible to execute against Orders with a Retail modifier through the execution process described in Rule 3.7. An incoming Order with a Retail Liquidity modifier shall be eligible to execute against any resting liquidity on the Order Book other than contra-side Orders with a Retail Liquidity instruction. Any remaining size shall be posted to the Order Book unless otherwise instructed by the Member. Any Member is permitted, but not required, to submit an Order with a Retail Liquidity modifier.
- (h) Retail Broker Order. A “Retail Broker Order” is an Order with a Retail Broker instruction. A Retail Broker Order is eligible to execute on entry against any resting liquidity in the Order Book. Any remaining quantity will be posted to the Order Book unless otherwise instructed by the Member. A resting Retail Broker Order is eligible to execute against any incoming Order unless the terms of the incoming Order prevent such execution.
- (i) Time-in-Force (“TIF”). Specifies how long an Order will remain active in the Marketplace before it is either executed, canceled, or expires.
 - (1) Immediate-or-Cancel (“IOC”). An instruction the Member may attach to an Order stating the Order is to be executed in whole or in part as soon as such Order is received. The portion not executed immediately on the Marketplace is treated as cancelled and is not posted to the Order Book.
 - (2) Fill-or-Kill (“FOK”). An instruction the Member may attach to an Order stating that the Order is to be executed in its entirety as soon as it is received and, if not so executed, cancelled.
 - (3) Good-Till Date/Good-Till Time (“GTD”/“GTT”). An instruction the Member may attach to an Order specifying the calendar date and time of day at which the Order expires. Any unexecuted portion of an Order with a TIF instruction of GTD/GTT will be cancelled at the expiration of the Member’s specified time. Note that if an instruction of only GTD is entered, the unfilled Order will be cancelled at 11:59 PM of the specified day.
 - (4) Good-till-Canceled (“GTC”). An instruction that the Member may give such that the Order remains active in the Marketplace until it is either executed or manually cancelled by the Member.

Rule 3.5. Order Types

Members may enter into the System the types of Orders listed in this Rule, only in a

Principal capacity, and subject to the limitations set forth in this Rule or elsewhere in these Marketplace Rules. To the extent the Marketplace maintains any minimum Order size requirements or maximum Order size limitations, such details will be maintained in Marketplace specifications made available to Members.

Limit Order: An Order to buy or sell a stated amount of a Perpetual Future at a specified price or better. A marketable Limit Order is a Limit Order to buy (sell) at or above (below) the lowest (highest) offer (bid) for the Perpetual Future.

- (1) **Time-in-Force.** A Limit Order must have one of the following TIF instructions: IOC, FOK or GTT, GTD, and GTC.
- (2) **Post Only:** A Limit Order with a TIF instruction of GTC, GTD or GTT may include a Post Only instruction. A Limit Order with a TIF Instruction of IOC or FOK and a Post Only instruction will be rejected by the System.
- (3) **Display:** A Limit Order posted to the Order Book will be displayed by the System. The Marketplace does not offer any non-Displayed order types or instructions.
- (4) **Execution and Posting:** A Limit Order with a TIF of IOC or FOK will be cancelled if, when reaching the Marketplace, it cannot be executed on the System. A Limit Order with a TIF of GTC, GTD or GTT will be executed or posted to the Order Book unless, based on Member instructions or applicable Marketplace Rules, such Order is not executable or cannot be posted to the Order Book.
- (5) **Retail Broker Orders:** A Limit Order submitted by an approved Retail Broker may contain a Retail Broker instruction. A Limit Order that contains a Retail instruction and a Post Only instruction will be rejected by the System.
- (6) **Retail Liquidity Orders:** A Limit Order with a TIF of GTC, GTD or GTT that contains a Retail Liquidity instruction may also contain a Post Only instruction. A Limit Order with a TIF Instruction of IOC or FOK and a Retail Liquidity instruction will be rejected by the System.

Rule 3.6. Priority of Orders

- (a) **Ranking.** Orders of Members shall be ranked and maintained in the Order Book based on the following priority:
 - (1) **Price.** The highest-priced Order to buy (lowest-priced Order to sell) shall have priority over all other Orders to buy (sell).
 - (2) **Time.** Where Orders to buy (sell) are entered into the System at the same price, the Order clearly established as the first entered into the System at such particular price shall have precedence at that price.

- (3) Self-Trade Protection (“STP”) Modifiers. Pursuant to Rule 3.7(c), Members may direct that Orders entered into the System not execute against Orders entered under the same Unique Identifier (as defined below). In such a case, the System will not permit such Orders to execute against one another, regardless of priority ranking.
- (4) Retail. Notwithstanding anything else in these Rules, only an Order with a Retail instruction will execute against an Order with a Retail Liquidity instruction, and such executions shall occur pursuant to price-time priority in accordance with paragraphs (1) and (2) above.
- (5) Cancel/Replace. In the event an Order has been cancelled or replaced in accordance with Rule 3.7(d) below, such Order only retains time priority if such modification involves a decrease in the size of the Order. Any other modification to an Order, including an increase in the size of the Order and/or price change, will result in such Order losing time priority as compared to other Orders in the Order Book and the timestamp for such Order being revised to reflect the time of the modification.
- (6) Partial Execution. In the event that a resting Order is executed against an incoming Order for less than its full size, the unexecuted quantity of the Order shall retain its original time priority and be ranked in accordance with paragraphs (1) and (2) above.
- (7) Priority Exceptions. A resting Order will cede price or time priority to other resting Orders in the event the resting Order contains a Retail Liquidity instruction, and the incoming Order is not a Retail Broker Order.

Rule 3.7. Order Execution

- (b) Execution. Subject to the restrictions under these Marketplace Rules, Orders shall be matched for execution in accordance with this Rule. For purposes of this Rule, any Order falling within the parameters of this paragraph shall be referred to as “executable.” An Order will be cancelled back to the Member, if based on Member instructions or applicable Marketplace Rules, such Order is not executable or cannot be posted to the Order Book. The Marketplace shall promptly communicate to Members the unavailability of the System.

- (1) Execution against Order Book. An incoming Order shall attempt to be matched for execution against Orders in the Order Book as described below.

- A. Buy Orders. An incoming Order to buy will be automatically executed to the extent that it is priced at an amount that equals or exceeds any

Order to sell in the Order Book and is executable, as defined above. Such Order to buy shall be executed at the price(s) of the lowest Order(s) to sell having priority in the Order Book.

- B. Sell Orders. An incoming Order to sell will be automatically executed to the extent that it is priced at an amount that equals or is less than any other Order to buy in the Order Book and is executable, as defined above. Such Order to sell shall be executed at the price(s) of the highest Order(s) to buy having priority in the Order Book.
- (c) Display of Automated Quotations. The System will display automated quotations in Perpetual Futures as described and specified in the technical documents on EDXMI's website. All Orders will be displayed (price and size) on the ORIN Depth Feed (as described in Rule 3.11) on an anonymous basis.
- (d) STP Modifiers. Any incoming Order designated with an STP modifier will be prevented from executing against a resting opposite side Order also designated with an STP modifier and originating from the same Crypto Participant Identifier ("CPID"), Marketplace Member identifier or STP Group identifier (any such identifier, a "Unique Identifier"). The STP modifier on the incoming Order controls the interaction between two Orders marked with STP modifiers.
 - (1) STP Cancel Newest ("CN"). An incoming Order marked with the "CN" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The incoming Order marked with the CN modifier will be cancelled back to the originating Member(s). The resting Order marked with an STP modifier will remain on the Order Book.
 - (2) STP Cancel Oldest ("CO"). An incoming Order marked with the "CO" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The resting Order marked with the STP modifier will be cancelled back to the originating Member(s). The incoming Order marked with the CO modifier will remain on the Order Book.
 - (3) STP Cancel Both ("CB"). An incoming Order marked with the "CB" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The entire size of both Orders will be cancelled back to the originating Member(s).
- (e) Cancel/Replace Messages. A Member may cancel or replace a Limit Order resting on the Order Book, subject to the following limitations. A Member may not cancel or replace an Order with a TIF of IOC or FOK.
 - (1) Orders may only be cancelled or replaced if the Order has a TIF instruction of GTC, GTD, or GTT and if the Order has not yet been executed in its entirety.

- (2) A Member may use a Replace Message to change: the price of an Order, and/or the size of an Order. If a Member desires to change any other term of an existing Order the existing Order must be canceled and a new Order must be entered.
 - (3) Notwithstanding anything to the contrary in these Marketplace Rules, no cancellation or replacement of an Order will be effective until such message has been acknowledged and processed by the System.
- (f) Locking Quotations or Crossing Quotations. The System shall not make available for dissemination any Locking Quotations or Crossing Quotations other than Orders with a Retail Liquidity instruction that are displayed by the Marketplace. Orders with a Retail Liquidity instruction are allowed to lock and cross other resting liquidity to the extent they are not executed upon entry.
- (g) Price Bands. The Marketplace may, from time-to-time, apply price bands that will prevent executions of Orders at prices outside of such bands. The Marketplace will announce if any price bands are in effect with respect to one or more Perpetual Futures, and if such price bands are in effect, such price bands will operate as described below.
 - (1) Incoming Orders. Any incoming Limit Order placed at a price for which an execution would occur between the higher priced price band (the "Upper Price Band") and the lower priced price band (the "Lower Price Band"), will be permitted to execute by the System, subject to the Member's instructions. An incoming Limit Order to buy shall be canceled by the System if priced above the Upper Price Band and shall be allowed to post to the Order Book if priced below the Lower Price Band. An incoming Limit Order to sell shall be canceled by the System if priced below the Lower Price Band and shall be allowed to post to the Order Book if priced above the Upper Price Band.
 - (2) Resting Orders. Any resting Limit Order will be executable at prices between the Upper Price Band and the Lower Price Band. A resting Limit Order to buy shall be canceled by the System if priced above the Upper Price Band (i.e., aggressively through) and shall be allowed to continue to rest if priced below the Lower Price Band (i.e., non-aggressively outside). A resting limit order to sell shall be canceled by the System if priced below the Lower Price Band (i.e., aggressively through) and shall be allowed to continue to rest if priced above the Upper Price Band (i.e., non-aggressively outside).

Rule 3.8. Finality of Trades

All executions processed by the System are final and shall not be reversed unless: (a) such reversal is required by any applicable law or regulation; or (b) due to a material technical error, as determined at the sole discretion of the Marketplace (c) Orders or executions are not processed as specified in these Rules or (d) the Marketplace at its

sole discretion determines the trade is off-market. An “off-market” trade is defined as a trade that occurs at a price significantly deviating from the prevailing market price due to extraordinary market conditions, including but not limited to extreme volatility, illiquidity, or force majeure events. The Marketplace retains sole discretion to determine if a trade is off-market based on factors such as:

- (1) The prevailing market price at the time of the trade
- (2) Historical price data and trading patterns
- (3) The presence of technical error or anomalies
- (4) Any other relevant market conditions or data

Any trade disputes will be handled on a post-trade basis.

Rule 3.9. Risk Settings

- (f) The Marketplace has implemented enforces risk settings applicable to a Member’s trading activity on the Marketplace. The risk settings established by the Marketplace are listed below and are configured either on a port-by-port basis (“Port Controls”) or across multiple ports (“Cross-Port Controls”).
- (1) Port Controls:
 - i. related to the price of an Order (including percentage-based and currency or Perpetual Future-based controls);
 - ii. related to the size of an Order (including restrictions on the maximum notional value per Order and maximum Perpetual Future quantity per Order);
 - (2) Cross-Port Controls:
 - i. to prohibit duplicative Orders (with configurable count and time windows);
 - ii. to restrict the overall rate of Orders (with configurable count and time windows); and
- (g) Pre-Trade Risk Controls. The Marketplace performs automated pre-trade validation of Orders for Perpetual Futures. New Orders for Perpetual Futures are compared against Member collateral, net positions, and open Orders to ensure new Orders cannot cause a Member to violate the Initial Margin Requirement.
- (h) Configuration. A Member may configure custom risk controls and assign a unique identifier to each configured set of risk controls.

- (i) Mass Cancel and Block. The Marketplace offers mass cancel functionality that permits a Member to simultaneously cancel all or a subset of its Orders in one or more Perpetual Futures by requesting the Marketplace to affect such cancellation. A Member initiating such a request may also request that the Marketplace block all or a subset of its new inbound Orders in one or more Perpetual Futures. The block will remain in effect until the Member requests the Marketplace remove the block.
- (j) Cancel on Disconnect. The Marketplace provides cancel on disconnect functionality, which automatically cancels a Member's Orders to the extent the Member loses its connection to the Marketplace.

Rule 3.10. Anonymity

- (a) The transaction reports or execution messages produced by the System will not reveal contra-party identities. Contra-party identities will be provided by the System to the Clearinghouse and Custodian on a post-trade basis to facilitate clearance and settlement of transactions.
- (b) The Marketplace will reveal the identity of a Member for regulatory purposes, to comply with an order of a court or arbitrator, as required by law or as otherwise necessary to maintain an orderly market.

Rule 3.11. Data Products

- (a) Available Data Feed. The Marketplace shall make available the following data feed: ORIN Depth. ORIN (Member's Order Information Record) Depth is a data feed that contains all displayed Orders for Perpetual Futures trading on the Marketplace, including Order executions, Order cancellations, Order modifications, Order identification numbers, and administrative messages (e.g., Perpetual Futures eligible to trade, trading status).
- (b) Retail Broker Orders. The Marketplace's ORIN data product (specified in paragraph (a) of this Rule) will identify Retail Broker Orders as such.

CHAPTER 4. TRADING PRACTICE RULES

Rule 4.1. Violations Prohibited

No Member shall engage in conduct in violation of the Rules or any policy or written interpretation of the Marketplace or any applicable law or regulation. Every Member shall so supervise Persons associated with the Member as to assure compliance with applicable Rules and requirements.

Rule 4.2. Use of Fraudulent Devices

No Member shall affect any transaction in, or seek to induce the purchase or sale of, any Perpetual Future by means of any manipulative, fictitious, deceptive, or other fraudulent device or contrivance.

Rule 4.3. Publication of Transactions and Quotations

No Member shall report to the Marketplace or publish or cause to be published any transaction as a purchase or sale of any Perpetual Future unless such Member believes that such transaction was a bona fide purchase or sale of such Perpetual Future, and no Member shall purport to quote the bid or asked price for any Perpetual Future, unless such Member believes that such quotation represents a bona fide bid for, or offer of, such Perpetual Future.

Rule 4.4. Market Manipulation Or Market Abuse is Prohibited

Members are prohibited from directly or indirectly engaging in or attempting to engage in Market Manipulation or Market Abuse on the Marketplace.

A) Market Manipulation

Market Manipulation is defined as actions taken by any market participant or a Person acting in concert with a market participant which are intended to:

- (i) Deceive or mislead any natural or legal Person, including but not limited to: Members, the Marketplace itself, customers of a Member, regulatory bodies, or the general public;
- (ii) Artificially control or manipulate the price or trading volume of a Perpetual Future;
or
- (iii) Aid, abet, enable, finance, support, or endorse either of the above. This may include actions on, or outside of, the Marketplace.

Market Manipulation specifically includes following, without limitation:

1) Front-running

Front-running occurs when a market participant uses non-public information about an impending order from another market participant to place their own orders ahead of it,

with the intention of profiting from the price movement caused by that order. Front-running may involve a market participant placing an order based on knowledge of an upcoming large market-moving trade, thereby taking advantage of the price impact before the original order is executed.

2) Wash trading

Wash Trading is the illegal practice of buying and selling the same or similar financial instruments, such as Perpetual Futures contracts, at the same time or within a short time frame in order to create the illusion of market activity, liquidity, or price movement. This is typically done to manipulate the market, deceive other traders, or falsely inflate trading volumes. Wash trading could be used to create misleading signals of demand or price trends, influencing other Members' decisions.

3) Spoofing

Spoofing refers to the practice of placing large orders with the intent to cancel them before they are executed, in order to manipulate the price of a Perpetual Futures contract or the market. The market participant's goal is to create a false impression of market depth and demand (or supply) in order to mislead other market participants into making decisions based on misleading market signals. Once the market reacts to these fake orders, the spoofer cancels the orders and executes trades in the opposite direction, profiting from the price movement they induced.

4) Layering

Layering is a form of market manipulation in which a market participant places multiple orders at various price levels, typically above or below the current market price, with the intent to create a false market depth and mislead other market participants into thinking there is significant buying or selling interest. These orders are often canceled before execution, leaving the market participants who acted on the fake signals with unfavorable positions. Layering can be used to distort the true supply-demand dynamics of the market.

5) Churning

Churning involves the excessive buying and selling of Perpetual Futures contracts or positions in a manner designed to generate commissions, fees, or other forms of compensation, rather than for legitimate trading or hedging purposes. Churning can be used by unscrupulous traders to artificially inflate their trading volume, or to trigger liquidations or other actions that benefit them at the expense of other traders. This practice is considered unethical.

6) Quote Stuffing

Quote Stuffing refers to the practice of rapidly entering and canceling a large number of orders (or quotes) in a very short period of time, overwhelming a market's order book and creating unnecessary congestion. This action is typically used to slow down the market or to take advantage of delays in the system (e.g., by exploiting latency arbitrage opportunities). Quote stuffing can distort the market and disrupt the normal functioning of systems, potentially leading to unfair advantages for certain market participants.

7) Pump-and-dump (Market Manipulation)

Pump and dump market manipulation schemes are a classic form of market manipulation. In a pump-and-dump, market participants artificially inflate the price of a Perpetual Futures contract by spreading misleading or false information to create a buying frenzy (the "pump"), and then selling off their positions at the artificially elevated price (the "dump"). This activity misleads other market participants and creates a distorted market price.

8) Cornering (Market Manipulation)

Cornering is a form of market manipulation where a market participant or group of market participants attempt to gain control over a particular market or asset by acquiring a significant portion of the available supply of a Perpetual Futures contract. This control allows them to manipulate the price of that contract, either by creating artificial scarcity or by influencing price movements for their own benefit. This can disrupt the normal functioning of the market and mislead other market participants about supply and demand.

9) Off-market or stub orders

Members are strictly prohibited from placing off-market orders, which are defined as orders that deviate significantly from the current market price or are intended to manipulate or distort the market. This includes, but is not limited to Orders that significantly differ from the best available bid or ask price. The Marketplace retains sole discretion to determine if a Member's order is off market.

B) Market Abuse

Market Abuse refers to the broad spectrum of unlawful or unethical activities that distort the integrity of the market and interfere with fair trading. It includes practices that exploit information asymmetry or other market conditions to gain an unfair advantage. Market abuse in the context of the Marketplace can take several forms, including:

- (1) Insider trading, where a market participant trades on the basis of non-public, material information that is likely to affect the price of Perpetual Futures contracts.
- (2) Market manipulation, as described above, is also considered a form of market abuse.
- (3) Misleading or deceptive conduct, where a market participant intentionally provides false or misleading information to create a false impression of supply, demand, or market conditions (e.g., spreading rumors or misinformation to influence price movements).
- (4) Improper use of confidential information by insiders or market participants who may have access to privileged or sensitive data about upcoming trades or market changes.

Market abuse undermines confidence in the fairness and transparency of a market, so the Marketplace works to detect, prevent, and take action against such activities to ensure the integrity of the market. These actions are deemed prohibited by the Marketplace.

Market Abuse specifically includes following, without limitation:

- 1) Pump-and-Dump (Market Abuse)

Pump-and-dump also falls under market abuse as it involves misleading or deceptive conduct, where individuals exploit non-public information or create false impressions about the value of the asset to manipulate the market and unfairly benefit from it. The manipulation and the harm caused to other market participants (who are unaware of the scheme) also constitute market abuse.

- 2) Cornering (Market Abuse)

Similar to pump-and-dump, cornering constitutes market abuse because it distorts price discovery and creates unfair market conditions. By manipulating the supply of a specific Perpetual Futures contract, a market participant is abusing their position to manipulate the market in their favor, which is considered an unethical and illegal practice under market abuse laws.

- 3) Insider Trading

Insider trading is typically classified as market abuse, as it involves trading on the basis of non-public, material information that could influence the price of a Perpetual Futures contract. An individual with access to confidential or privileged information about the

market (e.g., upcoming major announcements, price-sensitive news, or trades) may use this information to gain an unfair advantage over other market participants by entering trades before the information becomes public.

While insider trading may also involve manipulative behavior, it is primarily an abuse of information asymmetry and an unethical practice that violates principles of fair market conduct. Regulators, such as the Monetary Authority of Singapore (“MAS”), view insider trading as a violation of the SFA and the principles of market integrity.

4) Misleading or Deceptive Conduct (Falsifying Information)

This occurs when a market participant provides false or misleading information that causes other market participants to make decisions based on incorrect or manipulated data. This might include spreading rumors, publishing false information, or manipulating news to influence the price of a contract.

For instance, a market participant might spread false information about a market’s system vulnerability or about an impending market event (e.g., a partnership or regulatory approval) to cause a price movement and profit from the resulting volatility.

This conduct disrupts fair price discovery and misleads other market participants into making trades based on inaccurate information, thus violating principles of market integrity and market abuse.

Rule 4.5 Fraudulent Acts Prohibited

No Member (or any of its Authorized Traders, Authorized Brokers, or Supervised Persons) shall engage in any fraudulent act or engage in any scheme to defraud, deceive, trick or mislead in connection with or related to any Marketplace activity or other activity related to the Clearinghouse.

Rule 4.6 Market Disruption Prohibited

Orders entered into the Marketplace System with the intent to disrupt the market equilibrium of any Perpetual Future or create conditions where prices do not reflect fair market value are

strictly prohibited. Any Member (or their Authorized Traders) who knowingly enters, or assists in entering, such an Order, or who knowingly aids in executing any plan or scheme to enter such an Order, will be considered to have engaged in conduct detrimental to the Marketplace.

Rule 4.7 Prohibition of Misstatements

No Member (or any of its Authorized Traders) shall knowingly make a false statement of a material fact to the Marketplace or Clearinghouse, any Marketplace or Clearinghouse official, or any Board committee or Marketplace panel.

Rule 4.8 Supervision

A Member shall establish, maintain, and enforce reasonable supervisory procedures to ensure that Authorized Traders comply with the Rules. The Member may be held accountable for the actions of such Authorized Traders.

Rule 4.9 Orders of Other Clearing Firms

No Clearing Member shall accept or submit any Order for or on behalf of another Clearing Member without obtaining prior written consent from the other Clearing Member. If such Order results in a Transaction, the Clearing Member accepting the Order must promptly send a duplicate confirmation of the Transaction to the Clearing Member that provided the required prior written consent.

Rule 4.10 Misuse of the Marketplace System

Misuse of the Marketplace System is strictly prohibited. It shall be deemed an act detrimental to the Marketplace to permit unauthorized use of the Marketplace System, to assist any Person in obtaining unauthorized access to the Marketplace System, to trade on the Marketplace System without an agreement and an established account with the Custodian, to alter the equipment associated with the Marketplace System (except with the Marketplace's consent), to interfere with the operation of the Marketplace System, to intercept or interfere with information provided thereby, or in any way to use the Marketplace System in a manner contrary to the Rules.

Rule 4.11 Disclosing Orders Prohibited

No Member shall solicit or induce another Member to disclose Order information. No Person shall take action or direct another to take action based on non-public Order information, regardless of how it was acquired. A mere statement of opinions or indications of the price at which a market may open or resume trading shall not constitute a violation of this rule.

Rule 4.12 Simultaneous Buy and Sell Orders for Different Beneficial Owners

A Member is prohibited from placing simultaneous buy and sell Orders for different beneficial owners. On the Marketplace System, opposite Orders for different beneficial owners that are simultaneously placed by a Member with discretion over both accounts may be entered into the Marketplace System, provided that one (1) Order is exposed for a minimum of five (5) seconds in the case of Perpetuals Futures Orders. An Order allowing for price and/or time discretion, if not entered immediately upon receipt, may only be entered opposite another Order placed by the same Member if the other Order has been entered immediately upon receipt and has been exposed on the Marketplace System for a minimum of five (5) seconds for Perpetuals Futures Orders.

Rule 4.13 Standards of Commercial Honor and Principles of Trade

A Member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.

CHAPTER 5. SUPERVISION

Rule 5.1. Written Procedures

Each Member shall establish, maintain, and enforce written procedures which will enable it to supervise properly the activities of associated Persons of the Member and to assure their compliance with applicable laws, rules, regulations and statements of policy promulgated thereunder, and with the Rules.

Rule 5.2. Obligation to Disclose

Each Member is required to disclose to the Marketplace any issues related to an Order, system functionality or process. Where a Member is aware that they have violated any provisions contained herein, any applicable agreement with the Marketplace, or engaged in a violation of law that might materially impact the operation of the Marketplace or other members, such Member must disclose such fact to the Marketplace as soon as practicable.

Rule 5.3. Responsibility of Members

Final responsibility for proper supervision shall rest with the Member. The Member shall designate a partner, officer, or manager in each office of supervisory jurisdiction, including the main office, to carry out the written supervisory procedures. A copy of such procedures shall be retained in each such office.

Rule 5.4. Controls

In order to ensure a fair and orderly market, each Member shall establish, maintain, and enforce written procedures which will enable it to monitor, prevent, and mitigate trading activity that is disruptive, unintentional, contain an obvious error in any term such as price, quantity, or identification of the Perpetual Future ("Clearly Erroneous"), non-bona fide, or entered in bad faith or for non-legitimate purposes, including but not limited to runaway algorithms (Orders generated using automated execution logic), Orders that deviate more than a set percentage away from the Best Bid and Offer as determined by the Marketplace in its sole discretion ("Fat-Finger Errors"), and excessive message traffic as determined by the Marketplace in its sole discretion, including rejection and/or error messages ("Disruptive Trading Practice"). For avoidance of doubt, the use of message types other than for their original, intended purpose, is prohibited.

Rule 5.5. Records and Furnishing of Records to Marketplace

Each Member shall be responsible for making and keeping appropriate records for carrying out the Member's supervisory procedures. The Marketplace shall be allowed access, upon request, to the books and records of the Member in order to obtain or verify information related to transactions executed on or through the Marketplace or activities relating to the Marketplace, including membership criteria as identified in Marketplace Rule 2.1.

Rule 5.6. Review of Activities

Each Member shall review the activities of each office, which shall include the periodic examination of customer accounts to detect and prevent irregularities or abuses.

Rule 5.7. Anti-Money Laundering Compliance Program

(a) Each Member shall develop and implement an anti-money laundering program reasonably designed to achieve and monitor compliance with the requirements of the PSN02 and PSN03 of Payment Services Act of the MAS AML/CFT/SAR Regulations, and the implementing regulations promulgated thereunder. Each Member's anti-money laundering program must be approved, in writing, by a member of its senior management.

(b) The anti-money laundering programs required by the Rule shall, at a minimum:

- (1) establish and implement policies and procedures that can be reasonably expected to detect and cause the reporting of suspicious transactions as required under PSN02 and PSN03 of Payment Services Act of MAS and the implementing regulations thereunder, including by filing required Suspicious Activity Reports ("SARs"), as well as other reporting as required by the PS Act of MAS, including compliance with the Financial Action Task Force ("FAFT") Travel Rule;
- (2) establish and implement policies and internal controls reasonably designed to achieve compliance with the MAS AML/CFT/SAR Regulations and the implementing regulations thereunder;
- (3) provide for independent testing for compliance to be conducted by the Member's personnel or by a qualified outside party;
- (4) designate, and identify to the Marketplace (by name, title, mailing address, email address, and telephone number), a person or persons responsible for implementing and monitoring the day-to-day operations and internal controls of the program; and
- (5) provide ongoing training for appropriate persons.

In the event that any of the provisions of this Rule conflict with any of the provisions of another applicable regulator's rule requiring the development and implementation of an anti-money laundering compliance program, the provisions of the rule of the Member's primary regulator shall apply.

Rule 5.8. Sanctions Compliance Program

(a) Each Member shall develop and implement a sanctions compliance program reasonably designed to achieve and monitor compliance with applicable government sanctions (e.g., economic and trade sanctions), including, without limitation, those promulgated by the MAS, United Nations Security Council, U.S. Department of the Treasury's Office of Foreign Asset Control ("OFAC") and the U.S. Department of State. Each Member's sanctions compliance program must be approved, in writing, by a member of its senior management.

(b) The sanctions compliance programs required by the Rule shall, at a minimum:

- (1) establish and implement policies and procedures to prohibit any transactions on or relating to the Marketplace that involve (i) Persons or entities in Comprehensively Sanctioned Jurisdictions, (ii) Persons identified on OFAC's List of Specially Designated Nationals and Blocked Persons ("SDN List"), (iii) and legal entities owned 50% or more by one or more Person identified on the SDN List;
- (2) provide for independent testing for compliance to be conducted by the Member's personnel or by a qualified outside party;
- (3) designate, and identify to the Marketplace (by name, title, mailing address, email address, and telephone number), a person or persons responsible for implementing and monitoring the day-to-day operations and internal controls of the program; and
- (4) provide ongoing training for appropriate persons.

In the event that any of the provisions of this Rule conflict with any of the provisions of another applicable regulator's rule requiring the development and implementation of an anti-money laundering compliance program, the provisions of the rule of the Member's primary regulator shall apply.

Chapter 6. Clearing & Settlement

Rule 6.1. Clearing

(a) All Perpetual Futures transactions shall be cleared and settled through the Clearinghouse in accordance with the Rules. The clearing and settlement services provided by the Clearinghouse with respect to any Perpetual Futures transactions, and the rights and obligations of purchasers and sellers under cleared Perpetual Futures will

be governed by the Rules. The Clearinghouse will clear and settle any Perpetual Futures transactions that are mutually agreed upon between the Clearinghouse and the Marketplace.

(b) The Clearinghouse shall have the right to reject Perpetual Futures transactions that arise from Perpetual Futures Orders and to suspend clearing and settlement of such Perpetual Futures transactions without notice, in accordance with the Rules of the Clearinghouse.

(c) The Marketplace shall submit all confirmed executions and instructions processed by the System to the Clearinghouse for clearing and settlement in accordance with the Clearinghouse's policies and procedures.

Rule 6.2. Third Party Service Provider for Clearinghouse

The Clearinghouse may, in its sole discretion, contract with third-party service providers to provide services to the Clearinghouse, including but not limited to the Custodian. The Clearinghouse may provide information about Clearing Members and any other information necessary to provide services to the Clearinghouse, to such service providers, subject to the Privacy Policy available on the Website. Where such information contains confidential or proprietary information of any Clearing Member or of the Clearinghouse, the Clearinghouse shall require the service provider to execute a non-disclosure or similar agreement to protect the confidentiality of such information, as appropriate.

Any of the powers or functions of the Clearinghouse under the Rules may be delegated to a third-party service provider pursuant to the relevant agreement in such manner and on such terms as the Clearinghouse and such third-party service provider may mutually agree; provided, however, that the Clearinghouse shall retain ultimate decision making authority with respect to any powers or functions that are delegated to such third-party service provider.

Rule 6.3. Responsibilities of Clearing Members

Each Clearing Member shall, and where applicable, shall cause its Authorized Traders, employees and agents to:

- (1) ensure that all funds are deposited with the Custodian and are properly maintained and identified to the Clearinghouse;

(2) clear and settle all Obligations by maintaining adequate funds as required by the Rules with the Custodian and ensuring that instructions are properly conveyed to the Clearinghouse in order to facilitate the settlement of all Clearing Member Obligations;

(3) ensure that all clearing and settlement activity conducted by the Clearing Member is performed in a manner that is consistent with the Rules;

(4) ensure that only the Clearinghouse's and Custodian's facilities are used to conduct clearing and settlement business pursuant to the Rules or which is required to be conducted pursuant to the Rules;

(5) ensure that the Clearinghouse's facilities are used in a responsible manner and are not used for any improper or wrongful purpose;

(6) comply with any Policy Circular issued by the Clearinghouse;

(7) meet all financial requirements required under the Rules;

(8) guarantee and assume complete responsibility for all Perpetual Futures transactions submitted by it for clearing;

(9) observe high standards of integrity, market conduct, commercial honor, fair dealing and just and equitable principles of trade in the conduct of its clearing and settlement business with the Clearinghouse in the conduct of its business as a Clearing Member or any aspect of any business connected with or concerning the Clearinghouse;

(10) conduct its activity in connection with the Clearinghouse in a manner that is not intended to or would reasonably be foreseen as resulting in market disruptions, manipulation, or system anomalies associated with the clearing and settlement of Perpetual Futures;

(11) immediately inform the Clearinghouse of any changes to the account information provided by the Clearing Member;

(12) keep Authorized Trader IDs, account numbers and passwords related to the Clearinghouse confidential;

(13) promptly review and, as necessary, respond to all communications issued by the Clearinghouse;

(14) keep, or cause to be kept, complete and accurate books and records relating to its activities;

(15) not knowingly mislead or conceal any material fact or matter in any dealings or filings with the Clearinghouse or in connection with a disciplinary action;

(16) be responsible, or have its successors or assigns be responsible, for any violations of Rules committed by it while it was a Clearing Member;

(17) cooperate with the Clearinghouse and any Governmental Authority in any inquiry, investigation, audit, examination or proceeding, except that nothing in this paragraph shall prevent a Clearing Member from lawfully defending itself in any matter or proceeding;

(18) adopt, adhere to and enforce risk management and other policies and procedures that are designed to address the risks that the Clearing Member poses to the Clearinghouse and promptly provide, upon request by the Clearinghouse, information related to the risk management policies, procedures and practices of the Clearing Member, including but not limited to policies and procedures related to compliance with risk limits and disaster recovery and business continuity;

(19) coordinate with the Clearinghouse to develop and test business continuity and disaster recovery plans that enable effective resumption of daily processing, clearing and settlement following a disruption; and

(20) develop and implement a written compliance program approved in writing by senior management of such Clearing Member that is reasonably designed to achieve and monitor the Clearing Member's compliance with all applicable requirements of the Clearinghouse, and to be responsible for all Perpetual Futures transactions effected on the Clearinghouse by or for the account of such Clearing member, its Authorized Trader or by any Person using its or their Authorized Trader IDs.

Rule 6.4. Use of Proprietary Data and Personal Information

The Clearinghouse may not use for marketing purposes any proprietary data or personal information collected or received, from or on behalf of any Person, provided, however, that the Clearinghouse may use such data or information for such purposes with prior written consent of the Person from whom such data or information is collected or received, and for the purpose of fulfilling regulatory obligations and for internal business purposes, including but not limited to facilitating the clearing and settlement of transactions, without prior written consent of such Person.

Rule 6.5. Dues and Fees

Clearinghouse and/or Marketplace dues and fees are posted on the Website, which may be amended from time to time, and shall be effective no less than forty-eight (48) hours after such posting. The Clearinghouse and/or Marketplace will provide Members with reasonable prior notice of each material change to dues and fees by issuing a Policy Circular regarding such material change and amending the Website accordingly prior to its effectiveness.

Rule 6.7. Disciplinary and Enforcement Procedures

All Clearing Members and their Authorized Traders are subject to Clearinghouse disciplinary jurisdiction. Any Clearing Member or Authorized Trader that is alleged to have violated, to have aided and abetted a violation, to be violating, or to be about to violate, any Rule or applicable law for which the Clearinghouse maintains disciplinary jurisdiction is subject to this Rule. The Clearinghouse may initiate any inquiry, investigation, or disciplinary proceeding, including but not limited to: summary imposition of fines, summary suspension or other summary action including termination of the Clearing Member, together with its Authorized Trader, or Liquidation of outstanding Obligations (as defined in the Rules) for reasonable cause as determined by the Clearinghouse, with payment of damages and expenses to the Clearinghouse (collectively, "Disciplinary Action").

Rule 6.8. Process Consideration

(1) Information. The Clearinghouse is authorized to conduct market surveillance, investigation and enforcement of clearing and settlement activities on the Clearinghouse, or reported to the Clearinghouse by the Custodian, by Clearing Members to ensure compliance with the Rules and applicable laws.

(2) Investigations. The Clearinghouse may investigate any matter within the Clearinghouse's jurisdiction of which it becomes aware. The Clearinghouse will commence an investigation upon the discovery or receipt of credible information by Clearinghouse that indicates a possible basis for a finding that a violation has occurred or will occur.

(3) Disciplinary Action. The Clearinghouse and/or Marketplace may initiate Disciplinary Action against any Clearing Member and/or its Authorized Trader at its sole discretion.

(i) Sanctions. The Clearinghouse may impose sanctions if any Clearing Member or its Authorized Trader is found to have violated or to have attempted to violate a Rule or provision of applicable law for which the Clearinghouse possess disciplinary jurisdiction, up to, and including termination of the Clearing Member and/or its Authorized Trader from the Clearinghouse.

(ii) Fines. Upon notice to the Clearing Member and/or Authorized Trader, the Clearinghouse may impose any fines of no less than \$1,000 U.S. Dollars and no more than \$15,000 U.S. Dollars for each violation, against any Clearing Member and/or its Authorized Trader for each violation of the Rules. Failure to pay fines will subject the Clearing Member and/or its Authorized Trader to Disciplinary Action. Fines assessed pursuant to this provision are in addition to, not in lieu of, any damages or other remedies at law or equity sought by the Clearinghouse.

(4) Expense Liability. At the discretion of the Clearinghouse, any Clearing Member found in violation of the Rules may be required to pay to the Clearinghouse any and all expenses incurred as a result of the investigation of the violation and prosecution of the Clearing Member. This assessment is in addition to any monetary fines imposed for the Rule violation(s).

(5) Summary Fine Schedule. The Clearinghouse shall post any applicable fine schedule, as amended from time-to-time to its Website or provide it to Clearing Members via a Policy Circular. The Clearinghouse will provide Clearing Members with reasonable prior notice of each material change to any such fine schedule by issuing a Policy Circular regarding such material change and amending the Website accordingly prior to its effectiveness.

Rule 6.9. Rights and Responsibilities After Termination

(1) When the Clearing Member's right to access the Clearinghouse, or the association of an Authorized Trader with a Clearing Member, is terminated, all of its rights will

terminate, except for the right of the Clearing Member or Authorized Trader in question to assert claims against others, as provided in the Rules, and such Clearing Member's or Authorized Trader's surviving rights pursuant to the Master Services Agreement. Any such termination will not affect the rights of creditors under the Rules. The Clearinghouse may reinstate a terminated Clearing Member or Authorized Trader in its sole discretion.

- (2) A terminated Clearing Member or Authorized Trader remains subject to the Rules and the jurisdiction of the Clearinghouse for Transactions, acts, and omissions prior to the termination, and must cooperate in any inquiry, investigation, or Disciplinary Actions, as if the terminated Clearing Member or Authorized Trader still had the right to access the Clearinghouse.

Rule 6.10. Clearinghouse Authority

- (1) The Clearinghouse shall have authority, in its sole discretion, to take such action against any Clearing Member, including but not limited to terminating the Clearing Member and requiring the withdrawal of a Clearing Member, imposing enhanced Initial Margin Requirements, issuing Margin Calls, prohibiting an increase or requiring a reduction in open through Liquidation or Auto-Deleveraging when, in the sole discretion of the Clearinghouse, such action is appropriate or necessary to manage one or more risks posed to the Clearinghouse by a Clearing Member.
- (2) If at any time the Clearinghouse, in its sole discretion, determines that there is a question as to a Clearing Member's good standing, financial condition or such Clearing Member is in Default, the Clearinghouse may suspend such Clearing Member or take any other action needed to protect the best interests of the other Clearing Members, and/or the Clearinghouse.
- (3) The Clearinghouse may grant exemptions or waivers to any of the Rules in its sole discretion.

Rule 6.11. Liquidity Events

In the event the Clearinghouse requires additional capital to enable it to promptly meet all of its Obligations to Clearing Members, the Clearinghouse may, without limitation, delay or cancel settlement timeframes, liquidate positions in any Perpetual Futures Contracts, apply any Collateral, use uncommitted funding arrangements, and/or access to any committed lines of credit. Provided, however, the Clearinghouse will not require Clearing Members to contribute additional capital in excess of their existing capital

requirements as Clearing Members, unless otherwise specified under exceptional circumstances in the Rules.

In the event the Clearinghouse is unable to obtain sufficient capital to meet its settlement and payment Obligations through such means, the Clearinghouse may declare the occurrence of a liquidity event (a “Liquidity Event”). If the Clearinghouse declares a Liquidity Event, it may take any or all of the following actions: cease clearing and settlement operations, calculate and close out open Perpetual Futures Contracts; calculate Clearing Member’s financial obligations to the Clearinghouse or the Clearinghouse’s financial obligations to the Clearing Member, as applicable (“Obligations”) at the time the Liquidity Event is declared; settle all Obligations for which the Clearinghouse has available capital; and allocate any Obligations that cannot be settled by the Clearinghouse in accordance with Applicable Law. If the Clearinghouse declares a Liquidity Event, it may take any other reasonable steps it deems necessary to attempt to resolve the liquidity event, including but not limited to initiating position liquidations, adjusting margin requirements, or accessing emergency liquidity.

Rule 6.12. Acceptance for Clearing and Settlement

- (1) The Clearinghouse will coordinate with the Marketplace and Clearing Members to accept or reject Perpetual Futures transactions for clearing and settlement as quickly after notice from the Marketplace as technologically practicable. The Clearinghouse will accept Perpetual Futures transactions for clearing and settlement when such Perpetual Futures transactions have been received by the Clearing System and ascertains applicable risk limits imposed by the Clearing Member, the Marketplace or the Clearinghouse. Subject to the foregoing, the Clearinghouse shall accept for clearing and settlement any Perpetual Futures transaction that has been properly submitted by the Marketplace to the Clearinghouse for clearance and settlement and shall not accept for clearing any Perpetual Futures transactions submitted to it by any Person other than the Marketplace. The Clearinghouse may reject for clearing and settlement any Perpetual Futures transactions that have not been properly submitted by the Marketplace to the Clearinghouse for clearance and settlement, or, if in the sole discretion of the Clearinghouse, the rejection of a Perpetual Futures transactions is in the best interest of the Clearinghouse and/or Clearing Members. All Perpetual Futures transactions accepted for clearing and settlement by the Clearinghouse shall be subject to these Rules.

- (2) The Clearinghouse, by accepting a Perpetual Futures contract offered to it for clearing and settlement, shall be the principal party to each Perpetual Futures contract, and the Clearing Member shall be the other party to each Perpetual Futures contract as Principal. A Clearing Member shall have no rights or obligations against another Clearing Member with respect to any Perpetual Futures contract submitted for clearing and settlement and shall be a counterparty only to the Clearinghouse. In the event of any position Liquidation, Margin Call, or other settlement action, the Clearinghouse shall be responsible for managing these actions in accordance with the relevant Rules.
- (3) The Clearinghouse shall be entitled to rely conclusively on the accuracy and authenticity of any information regarding any Perpetual Futures transaction submitted to the Clearinghouse by the Marketplace on behalf of a Clearing Member, including the accuracy of any instructions related to transfer, settlement, and clearing, and shall submit such instructions to the Custodian.

Rule 6.13. Holding of Members' Funds

Between Clearinghouse and the Member, the Member's funds can only be applied solely for the purposes agreed to by Members. Members' funds cannot be transferred except where the transfer is in accordance with Members' written instructions obtained prior to each transfer, or is permitted under the Rules, or is authorized by law. Notwithstanding the foregoing, the Member shall provide the Clearinghouse prior written authorization to facilitate each transfer.

Each Clearing Member agrees that all Digital Assets credited to the account of a Clearing Member with Custodian will be treated as "financial assets" in accordance with applicable Singaporean laws and regulations, including the Payment Services Act (PSA), Financial Markets Conduct rules, and relevant MAS guidelines. The Clearinghouse acts as an intermediary in the settlement and clearing of Perpetual Futures on behalf of its Clearing Members and Clearing Member funds will be held with the Custodian. the Custodian maintains Digital Asset accounts for Clearing Member's and is responsible for ensuring that these accounts are properly reconciled and funded. Although the Custodian holds only Digital Assets, the account maintained for the benefit of the Clearing Member by Custodian is considered a "Customer Segregated Trust Account" for Digital Assets under applicable regulations, and the Clearing Member for whom the funds are held is the entitlement holder of the Digital Assets in its account.

The Custodian is obligated to maintain sufficient Digital Assets to satisfy the entitlements of all Clearinghouse's Clearing Members. As a result, the Digital Assets

credited to a Clearing Member's account are segregated and are not general assets of the Custodian. They are not available to satisfy any claims from the Custodian's creditors. The treatment of these assets as financial assets within the scope of relevant laws in Singapore does not influence their characterization or treatment under any other legal framework or rule, including any potential changes in the legal environment of Digital Asset markets or other regulatory jurisdictions.

Rule 6.14. Defaults

If any of the following events occurs with respect to a Clearing Member (each, a "Default"), the Clearing Member shall be in Default if the Clearing Member:

- (1) fails to fulfill any financial, settlement or other obligation to the Clearinghouse when due, including, without limitations, satisfying its Obligations in Perpetual Futures transactions or the delivery of additional Collateral or other funds, as required by the Clearinghouse;
- (2) presents increased credit or liquidity risk to the Clearinghouse, or whose financial condition, operational capability, or risk management capability otherwise makes it necessary or advisable to call this Clearing Member to be in Default for the protection of the Clearinghouse and its Clearing Members;
- (3) fails to pay when due any amount owing to the Clearinghouse;
- (4) makes a materially false misrepresentation, statement, or omission to the Clearinghouse;
- (5) is Insolvent ; or
- (6) Fails to meet, on an ongoing basis, any of the requirements applicable to such Clearing Member in Rule 6.3.

If the Clearing Member is in Default, then such Clearing Member, in addition to any other remedy available to the Clearinghouse pursuant to these Rules, at law or equity shall:

- (7) be liable to the Clearinghouse as set forth in Rule 6.16).
- (8) be automatically and without further action terminated by the Clearinghouse as a Clearing Member, except that such termination may be temporarily

postponed by the Chief Compliance Officer, Chief Operating Officer, or Chief Executive Officer or their designees, if the Officer or designee determines that such termination would not be in the best interests of the Clearinghouse; and

(9) shall take no action, including but not limited to attempting to obtain a court order, that would interfere with the ability of the Clearinghouse to exercise its rights under the Rules and the Clearing Member Master Services Agreement and the Member Master Perpetuals Agreement.

Rule 6.15. Application of Funds for Clearing Member Default

In the event of a Clearing Member Default, all such Clearing Member's Collateral, and any other assets, entitlements, or Obligations may be drawn upon to cure that Clearing Member's Default along with any other resources available to the Clearinghouse including but not limited to the use of lending facilities.

Rule 6.16. Liquidation on Termination of Clearing Member

If a Clearing Member is in Default, or ceases to be a Clearing Member, then such Clearing Member shall be prohibited from establishing new settlement Obligations and must timely satisfy all existing Obligations satisfied by the Clearing Member as provided in these Rules. If a Clearing Member fails to timely satisfy its Obligations, the Clearinghouse may take such actions and remedies as provided in these Rules.

Rule 6.17. Amounts Payable to the Clearinghouse

In the event of a Clearing Member Default, and upon completion of any Liquidation, including Auto-Deleveraging, the Clearinghouse shall be entitled on demand to recover from such Clearing Member all amounts due to the Clearinghouse for all losses, liabilities, damages, costs and expenses (including without limitation legal fees and disbursements) incurred by the Clearinghouse in connection with such Default, and/or Liquidation, and such Clearing Member's Collateral, together with any other assets held by, pledged to or otherwise available to the Clearinghouse, including any guarantee, shall be applied by the Clearinghouse to discharge the Obligations of such Clearing Member to the Clearinghouse (including any amounts, and costs and expenses associated with the liquidation or management of Perpetual Futures transactions held in or for the accounts of such Clearing Member, and any fees, assessments or fines

imposed by the Clearinghouse on such Clearing Member). The foregoing is in addition to any other remedy available to the Clearinghouse at law or equity.

CHAPTER 7 Rule on Custody of Member Funds & Collateral

Rule 7.1 Independent Custodian

Members of EDXMI are required to deposit all trading funds and collateral with an independent third-party custodian to ensure asset protection and regulatory compliance. The designated independent custodian for this purpose is EDXM Global Pte. Ltd.

For more information about EDXM Global Pte. Ltd. please refer to the website here: <https://edxmarkets.com/vr-edxm-global/>

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