



## **42 Financial Services**

### **Organised Trading Facility**

### **Electronic User Guide**

Of January 2018

1	42FS OTF ELECTRONIC USER GUIDE – 42FS OTF - ENERGY .....	- 3 -
1.1	General .....	- 3 -
1.2	Trading Days and Hours.....	- 3 -
1.3	Client Eligibility Criteria .....	- 3 -
1.4	42FS OTF – Energy Product Types .....	- 3 -
1.5	Accessing 42FS OTF - Energy .....	- 3 -
1.6	Roles & Permissions .....	- 4 -
1.7	Orders.....	- 4 -
1.8	Indications of Interest .....	- 5 -
1.9	Trade Execution.....	- 5 -
1.10	Trading Limits .....	- 5 -
1.11	Trade Cancellation.....	- 5 -
2	42FS OTF ELECTRONIC USER GUIDE 2 – 42FS OTF – AUCTION (MARVIN) .....	- 6 -
2.1	General .....	- 6 -
2.2	Trading Days and Hours.....	- 6 -
2.3	Client Eligibility Criteria .....	- 6 -
2.4	42FS OTF Auction - Marvin Product Types .....	- 6 -
2.5	Accessing 42FS OTF Auction - Marvin .....	- 6 -
2.6	Roles & Permissions .....	- 6 -
2.7	Orders.....	- 7 -
2.8	Indications of Interest .....	- 8 -
2.9	Trade Execution.....	- 8 -
2.10	Trading Limits .....	- 8 -
2.11	Trade Cancellation.....	- 8 -

## **1 42FS OTF ELECTRONIC USER GUIDE 1 – 42FS OTF - ENERGY**

### **1.1 General**

- 1.1.1 Capitalised terms used in this OTF Electronic User Guide have the meanings ascribed to them in the 42FS OTF Rulebook.
- 1.1.2 This Electronic User Guide sets out additional rules for participation and trading energy contracts (for the purposes of this Guide, the “OTF Product”) on the 42FS OTF, to ensure the orderly conduct of business. Where indicated, certain rules in this Guide have specific application to the OTF Product as indicated by Product Types and/or Eligible Instrument/s. The rules are binding on all Clients.

### **1.2 Trading Days and Hours**

- 1.2.1 42FS OTF - Energy is open for trading on Business Days other than a day which is a public holiday in the relevant jurisdiction and further determined by 42FS with the exception of scheduled maintenance times. 42FS reserves the right at any time not to make available OTF Product(s) trading on individual days or to determine additional Trading Days after prior announcement thereof to the Clients.
- 1.2.2 42FS OTF - Energy is open for trading every Trading Day between 08:00 CET – 18:00 CET with the exception of scheduled maintenance times.

### **1.3 Client Eligibility Criteria**

- 1.3.1 All Clients must satisfy the Eligibility Criteria detailed in the 42FS OTF Rulebook.
- 1.3.2 Contracts relating to EU gas or power which must be physically settled and which are traded on the OTF shall not be financial instruments in accordance with Section C6 Annex I MiFID II. They therefore do not fall under the EMIR and MiFID II reporting obligations and do not count towards MiFID II or EMIR thresholds. These contracts still need to be reported under REMIT.

42FS may at any time suspend or remove any instrument or product from trading on the OTF. 42FS shall notify all Clients as soon as reasonably practicable in the event of an immediate suspension or removal of an instrument.

### **1.4 Accessing 42FS OTF - Energy**

- 1.4.1 42FS OTF – Energy offers the following two methods for interacting with the electronic trading platform:
  - (a) 42FS Trayport and voice broking: an installed desktop graphical user interface that allows Clients and to access basic order management, execution and other 42FS OTF - Energy features. Clients may download the application from <http://www.trayport.com/downloads/42FIN/42FinTrader.exe> and may refer to the Trayport User Guide for additional technical information concerning the desktop application.
  - (b) Trading Gateway: an electronic trading solution that enables trading across multiple energy and commodity venues on a single platform and aggregate separate liquidity pools. Downstream accounts are provided to allow connection to trading gateway or third party solutions.

## 1.5 Roles & Permissions

1.5.1 Clients may access 42FS OTF - Energy using their 42FS Trayport unique OTF account and voice \*\*\*\*\*. There are two basic permission types for Persons accessing 42FS OTF –Trayport :

- (a) **View Only:** Allows clients to view orders placed on-screen, but not directly interact with the System to manage orders or execute trades.
- (b) **Trader:** Allows clients to manage their own orders, and directly aggress to execute trades

1.5.2 These permissions interact with the market groups (One or more instruments will be available within each of these market groups). Products are specified in Product Schedule.

## 1.6 Orders

1.6.1 All Orders on 42FS OTF have the following attributes:

Order Attribute	Description
<b>Persistent Order ID</b>	This is an ID given to the order when it is first entered into the system and will stay the same throughout the order lifespan
<b>Order ID</b>	This changes every time the order is updated
<b>Old Order ID</b>	The Order ID prior to the latest update
<b>Side</b>	Bid or Offer
<b>Price</b>	Order price
<b>Size</b>	Order quantity
<b>Legal Entity ID</b>	ID of Registered Trader’s legal entity
<b>Trader ID</b>	ID of Registered Trader
<b>Instrument Type</b>	Instrument that the order is valid for
<b>Sequence</b>	Delivery Period
<b>Firm/withheld Status</b>	Firm (executable and visible to all), Withheld only visible to owner of order
<b>Last Updated By</b>	Trader/broker ID of user (Registered Trader or 42FS Broker) who last updated the order
<b>Last Updated Timestamp</b>	Timestamp of the last update to any field on the order

1.6.2 42FS OTF supports the following Order types:

Order Type	Description
<b>Firm - Tradable</b>	Firm Orders are the only tradable Orders on 42FS OTF and all Registered Traders can see them (subject to permissions and trading agreements). Tradable firm Order are shown in red by default
<b>Firm - Untradable</b>	Firm Orders that are not tradable (usually because Client does not have a trading agreement with the Client that owns that order) are shown in pink by default.
<b>Withheld</b>	Withheld Orders cannot be tradable to anyone. They are visible only to 42FS Brokers and Registered Traders belonging to the Client that owns the order.
<b>Implied</b>	Implied Orders are automatically generated by 42FS OTF based on other Orders that have been submitted to the market for related OTF Products.

<b>Time in Force (TiF)</b>	A single Order which will be held within a specified time frame; all Orders are held at end trading session.
<b>Hidden Quantity</b>	A limit Order which is comprised of two components, a shown size and a hidden size; shown size is a standard limit Order; hidden size is submitted as a new limit Order when the initial shown size is fully executed. These Orders trade in size increments and the total size does not become visible to the market.
<b>Voice Trade</b>	A Trade executed over phone by a 42FS Broker and entered through Deal editor (not available for Registered Traders).

## 1.7 Indications of Interest

1.7.1 42FS OTF supports a transparent IOI process for energy Products. Registered Traders can send an IOI to the market for a particular maturity term. This interest and any orders on it are visible to all Registered Traders with entitlements to the interest.

## 1.8 Trade Execution

1.8.1 42FS OTF - Energy supports the following types of trade execution:

- (a) **Aggressor Trade:** a trade will be executed when an aggressor hits a standing bid or lifts a standing offer.
- (b) **Deal Quantity:** this feature allows execution across the entire depth of the market. Deal quantity allows the aggressor to trade all available volume at that price in the market.
- (c) **Join the Trade (JTT):** See 42FS OTF Rulebook

## 1.9 Trading Limits

1.9.1 42FS OTF - Energy restricts tradability to Clients based on credit lists issued by Clients.

1.9.2 42FS may set daily trading limits for a given institution based on any of the following:

- (a) **Instrument:** used to apply limits by type of instrument
- (b) **Sequence:** Sets limits regarding specific maturities
- (c) **Side:** Buy only/sell only restrictions can be imposed

## 1.10 Trade Cancellation

1.10.1 42FS OTF Trade Cancellation Policy is set out in Section 7.3 of 42FS OTF Rulebook.

**2 42FS OTF ELECTRONIC USER GUIDE – 42FS OTF – AUCTION (MARVIN)**

**2.1 General**

- 2.1.1 Capitalised terms used in this OTF Electronic User Guide have the meanings ascribed to them in the 42FS OTF Rulebook.
- 2.1.2 This Electronic User Guide sets out additional Rules for participation and trading energy contracts (for the purposes of this Guide, the “OTF Product”) on the 42FS OTF, to ensure the orderly conduct of business. Where indicated, certain rules in this Guide have specific application to the OTF Product as indicated by product types and/or Eligible Instrument/s. The Rules are binding on all Clients.

**2.2 Trading Days and Hours**

42FS OTF Auction - Marvin is open for trading on Business Days other than a day which is a public holiday in the relevant jurisdiction and further determined by 42FS with the exception of scheduled maintenance times. 42FS reserves the right at any time not to make available OTF Product(s) trading on individual days or to determine additional Trading Days after prior announcement thereof to the Clients.

- 2.2.1 42FS OTF Auction - Marvin is open for trading sessions (auctions) every Trading Day between 11:00 CET – 11:10 CET and 15:00 CET – 15:10 CET with the exception of scheduled maintenance times.

**2.3 Client Eligibility Criteria**

- 2.3.1 All Clients must satisfy the Eligibility Criteria detailed in the 42FS OTF Rulebook.

**2.4 Accessing 42FS OTF Auction - Marvin**

- 2.4.1 42FS OTF Auction – Marvin offers the following method for interacting with the electronic trading platform:
  - (a) 42FS Graphical User Interface (GUI): web portal graphical user interface that allows Clients and Registered Traders to access basic order management, execution and other 42FS OTF-Auction features.
- 2.4.2 Registered Traders may log into the application from: <https://marvin.42fs.com>

**2.5 Roles & Permissions**

- 2.5.1 Clients may access 42FS OTF Auction - Marvin using their unique 42FS OTF account. There are various permission types for accessing 42FS OTF Auction - Marvin:

Role	Function	Access
<b>Voice Broker</b>	42FS Broker (as defined in 42FS OTF Rulebook) - may manage orders and or transactions on behalf of their clients	Access to the system is based on permissions ranging from view-only to fully interactive and can be configured on a per-product basis. Also allows the ability to view and confirm Trade details in the Trade Capture System on behalf of clients

<b>Trader</b>	A Trader is a Client's Registered Trader (as defined in 42FS OTF Rulebook) contributing prices to the 42FS OTF trading application. A Trader can view, enter and trade on prices via 42FS OTF.	Access to the system based on permissions which may vary from none, view only to fully interactive on a per market/product basis
<b>Admin</b>	These Clients are 42FS System Administrators who maintain the configurations of the 42FS OTF and sets the User permissions to the applications in the Admin Console.	Access is managed based on internal security protocols.

2.5.2 These permissions interact with the following market (region) group. One or more Instruments will be available within each of these market groups. Products are specified in Product Schedule.

## 2.6 Orders

2.6.1 All Orders on 42FS OTF Auction – Marvin have the following attributes:

Order Attribute	Description
<b>Order ID</b>	This is an ID given to the Order when it is first entered into the system and will stay the same throughout the order lifespan
<b>Side</b>	Bid or Offer
<b>Size</b>	Order quantity
<b>Legal Entity ID</b>	ID of Registered Trader's legal entity
<b>Trader ID</b>	ID of Registered Trader
<b>Instrument Type</b>	Instrument that the Order is valid for
<b>Sequence</b>	Delivery Period
<b>Firm/withheld Status</b>	Firm (executable and visible to all), Withheld only visible to owner of Order
<b>Last Updated By</b>	Registered Trader/42 FS Broker ID of user (Registered Trader or 42FS Broker) who last updated the Order
<b>Last Updated Timestamp</b>	Timestamp of the last update to any field on the Order

2.6.2 42FS OTF Auction - Marvin supports the following Order types:

Order Type	Description
<b>Firm - Tradable</b>	Firm Orders are the only tradable Orders on 42FS OTF and all Registered Traders can see them (subject to permissions and trading agreements).
<b>Firm - Untradable</b>	Firm Orders that are not tradable (usually because the Client does not have a trading agreement with the Client that owns that Order) are shown in pink by default.
<b>Withheld</b>	Withheld Orders cannot be tradable to anyone. They are visible only to 42FS Brokers and Registered Traders belonging to the Client that owns the Order.
<b>Hidden Quantity</b>	A limit Order which is comprised of two components, a shown size and a hidden size; shown size is a standard limit Order; hidden size is submitted as a

	new limit Order when the initial shown size is fully executed. These Orders trade in size increments and the total size does not become visible to the market.
<b>Voice Trade</b>	A Trade executed over phone by a 42FS Broker and entered through Deal editor (not available for Registered Traders).

## **2.7 Indications of Interest**

2.7.1 42FS OTF Auction – Marvin does not supports a transparent IOI process for OTF Products.

## **2.8 Trade Execution**

2.8.1 42FS OTF Auction - Marvin supports the following types of Trade execution:

- (a) Auction: 42FS OTF Auction – Marvin supports Matching sessions with set fixed price as described 42FS OTF Rulebook.

## **2.9 Trading Limits**

2.9.1 42FS OTF Auction – Marvin may restricts tradability to other Clients based on credit lists issued by relevant Client.

## **2.10 Trade Cancellation**

2.10.1 42FS OTF Trade Cancellation Policy is set out in Section 7.3 of 42FS OTF Rulebook.