
skew.

Trading Rulebook

07 May 2020



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1. Introduction

1.1. skewTrading. (the 'Platform') is an electronic brokerage platform owned and operated by Skew Ltd ('skew.' / 'Firm'). skew. is an Appointed Representative of Kyte Broking Limited ('Kyte') who is authorised by the Financial Conduct Authority ('FCA').

1.2. The Platform provides electronic brokerage services to its Members by connecting counterparties to liquidity providers for the purposes of facilitating transactions in cryptocurrencies and cryptocurrency derivatives.

1.2.1. The Platform is based on a maker / taker trading model in which Members are assigned the role of either Liquidity Taker or Market Maker. The Firm is not a party to any Transaction which is facilitated by use of its Platform.

1.2.2. Derivatives instruments, irrespective of the underlying asset, fall within the scope of MiFID II and the corresponding UK financial regulations and therefore must be executed on an authorised Execution Venue. As such, trades match on the Platform are executed by Kyte as the Execution Venue.

1.3. One or more Financial and Other Trading Instruments (collectively known as Products) will be made available for trading on the Platform, subject to the rules outlined herein. Each Product will be categorised into Market Segments, with defined rules governing the Trading Activity that may take place in that product.

1.4. The Firm will admit Products for trading issued by Relevant Market. The full scope of Products admitted to the Platform for trading shall be outlined herein.

1.5. Where the Rulebook imposes an obligation on a Member to notify the Firm, notification must be sent to compliance@skew.com, but for express instruction to the contrary. A notification will be deemed to have been received by skew. on delivery.

1.6. The obligations imposed by this Rulebook are of an ongoing nature and must be adhered to at all times. Members are responsible for ensuring continuous compliance and the Firm reserves the right to impose sanctions or take other such action, as may be required by its Rules or Applicable Law.

1.7. These Rules, and all other contractual arrangements between a Member and the Firm, shall be construed and applied in accordance with the laws of England and Wales, unless express provision is made to the contrary.

1.8. The courts of England and Wales shall have exclusive jurisdiction to determine any dispute with respect to any matter arising under or in connection with any contractual arrangements between the Firm and an Applicant or Member.

2. Trading Rules

2.1 This Rulebook outlines the rules governing all activity on the Platform (the 'Rules'). The Rules will be supplemented by rules specific and applicable to each Market Segment, which are set out in this document as 'Market Segment Rules'.

2.2. The Firm, at its absolute discretion, shall determine the Products that will be made available for trading on the Platform. This list is subject to amendment from time to time. The Firm will communicate any changes within a reasonable time via market notices to be published on the Firm's website.

2.3. From time to time, the Firm may issue Market Notices and other procedures amending or supplementing the Rules herein. Market Notices shall be published on the Firm's website.

2.4. The Rulebook is supplementary to the Terms of Business and its accompanying Schedule. The Rulebook, Terms of Business, any accompanying documents which incorporate either or both of those documents by reference and, in the context of regulated business, the Terms of Business of Kyte Broking Limited, forms the terms and conditions of use of the Platform (collectively the 'Agreement').

2.5. Members must consent to the Agreement prior to engaging in trading. Use of the Platform, or absence of express contraindication to the terms, will be considered implicit acceptance of the terms of conditions.


2.6. Should an Applicant expressly disagree with any terms contained herein, or with the Terms of Business, and that Applicant and the Firm cannot find a resolution or compromise, the Applicant will not be admitted to trading or may have their trading permissions revoked.

2.7. All Members and their Authorised Persons must comply with the Rules contained herein, at all times. Constant compliance with the Rules is a condition of trading. Failure to do so will result in disciplinary measures appropriate to the breach of conduct being taken, including suspension or termination of membership.

2.8. Trading Privileges are granted exclusively to a Member or Authorised Person and each Member acknowledges and agrees that it will take full responsibility for its access to, or use of the Platform, and compliance with these Rules, any supplement or amendment, and any in scope third party rulebook deemed applicable in the Market Segment Rules.

2.9. Members shall comply with these Rules relating to the activities described herein on an ongoing basis. The ability to access the Platform does not constitute a right to use the Platform. **skew.** and/or Kyte may suspend or rescind access in accordance with these procedures.

2.10. In accepting your Trade Request, the Firm does not represent or warrant that it will be possible to execute such order or that execution will be possible according to your instructions. **skew** shall carry out an order on your behalf only when the Relevant Market is open for dealings, and **skew** shall deal with any instructions received outside market hours as soon as possible when that Relevant Market is next open for business (in accordance with the rules of that market).



2.11. The Market Segment Rules will identify the appropriate rulebook to which members are required to familiarise themselves. Where a conflict exists between this Rulebook and that of the Execution Venue or Relevant Market, the latter shall prevail at all times.

2.12. For the avoidance of any doubt, **in the event of any conflict or inconsistency**, the Rules contained herein shall be supplementary to the below documents. The order of precedence shall be as follows:

2.12.1. In the context of Regulated Activities, the terms of service and other applicable documents issued by Kyte¹; and

2.12.2. The Market Segment Rules; and

2.12.3. The respective rulebooks of the Relevant Markets on which a product is listed; and

2.12.4. The Terms of Business (as specified in clause 2.4. above).

¹ Please refer to <https://www.kytebroking.com/kyte-regulatory>

3. Definitions and Interpretations

Unless expressly defined otherwise within this Rulebook, or contrarily referred to herein, the following terms shall have the meanings specified below:

Actionable Indication of Interest / AIOI: An Indication of Interest that has the necessary information to be traded on. At a minimum, this requires the size, price, direction to be firm.

Agreement: The term “Agreement” hereunder shall mean collectively the Terms of Business and accompanying Schedule, the Trading Rulebook and any Market Notices published pursuant to this document, any accompanying documents which incorporate the Terms of Business and Rulebook by reference and, in the context of regulated business, the Terms of Business of Kyte Broking Limited ('KBL Terms of Business') which are provided to you and as amended in accordance with such terms and which are otherwise available at www.kytebroking.com.

Algorithmic trading: means algorithmic trading within the meaning of Article 4(1)(39) of MiFID II.

Applicable Law: means, with respect to any person, any statute, law, regulation, rule or guidance of any Regulatory Authority applicable to such person, including, but not limited to, FSMA and the FCA Handbook and, to the extent applicable to such person, similar foreign laws or regulations.

Applicant: Any person seeking to use the Platform that has not yet been admitted as a Member. No rights or obligations that arise from the Agreement shall apply to an Applicant, unless such rights or obligations are expressly conferred to the Applicant by means of a separate contract.

Appointed Representative: a firm that conducts regulated business on behalf of a directly FCA-authorized firm, who is its 'Principal'. The Principal Firm takes regulatory responsibility for the appointed representative, and must ensure it meets FCA requirements. Skew Ltd appears on the FCA Register as an Authorised Representative of Kyte Broking Ltd ([FRN: 920603](#)). For further information, please see [Chapter 12](#) of the FCA Supervision Handbook.

Arrange: means the bringing together of buying and selling interests on the Platform.

Authorised Person / Trader: any natural person who is appointed by a Member to act for on and behalf of the Member in its activities on the Platform. Authorised Persons may be agents or employees of the Member or any other persons provisioned with access to the Platform by the Member.

Business Day: any day on which the Platform or a Market Segment is open for trading.

Clearing House / CCP: an approved central counterparty clearing house which provides clearing and settlement in relation to transactions in financial instruments.

Client Onboarding Portal / COP: Portal through which Members may complete the client onboarding process.

Competent Authority: means any authority designated by each member state of the EU in accordance with Article 67 of MiFID II and any other relevant regulatory or competent authority having jurisdiction over the subject matter of the Rules or the business of the Firm or a Member, as appropriate.

Customer: see Member.

Designated Market Maker: an investment firm that has been onboarded act as a liquidity provider on the Platform.

Eligibility Criteria: Has the definition given in Rule 4.1.

Emergency: any occurrence which, in the reasonable opinion of the Firm's risk management functions, comprised of Management and Compliance, requires immediate action, including:

- a) any potential market abuse or otherwise abusive behaviour;
- b) any circumstances which may materially affect the performance of any Product, including failure of the payment system or bankruptcy or insolvency of any other person;
- c) any action taken by any Regulatory Authority or any other market, facility or system which may have a direct impact on trading on the Platform or clearing or settlement of a Product; and
- d) any other circumstance which may have a severe, adverse effect upon the functioning of the business or the Platform.

Error Trade: means:

- a) a transaction executed at a price which is substantially different from the prevailing market price for the Instrument and which appears to have been entered in error; or
- b) a transaction executed in a size, volume or notional amount which is substantially different from the normal market size for the Instrument and which appears to have been entered in error; or
- c) a transaction executed in a size, volume or notional amount which is substantially different from the normal trade size ordinarily entered into by the Members, and which appears to have been entered in error; or
- d) a transaction executed on other terms which appears to have been undertaken in error or otherwise detrimental to a fair and orderly market.

ESMA: means the European Securities and Markets Authority.

EU: means the European Union, alone or together with the European Economic Area, as the context requires. This shall include the United Kingdom up until 31 December 2020, or until the 'transition period' has concluded, whichever is later.

Execute: means the act of concluding a Transaction.

Execution Venue: means the venue on which a Transaction or a component of a Package Transaction is Executed or registered, which may be different from the Relevant Market in which the Transaction is Arranged. For the avoidance of doubt, all listed derivatives will be executed by Kyte.

Financial Conduct Authority / FCA: National Competent Authority for the United Kingdom.

Financial Instrument: means those instruments specified in Section C Annex I of MiFID II.

Firm: Skew Ltd, registered number 11552765; registered office at 9th Floor 107 Cheapside, London, United Kingdom, EC2V 6DN.

FSMA: means the Financial Services and Markets Act 2000 (as amended).

Futures Commission Merchant / FCM: an entity that solicits or accepts orders to buy or sell futures contracts, options on futures, retail off-exchange forex contracts or swaps, and accepts money or other assets from customers to support such orders.

Indication of Interest / IOI: a Trade Request that does not include all the necessary information to execute a Transaction (i.e. is not Firm or Complete).

Insolvency: in respect of a person:

- a) That an order is made by a court of competent jurisdiction, or a resolution is passed, for the liquidation, bankruptcy or administration of the person or a notice of appointment of a bankruptcy trustee or administrator of the person is filed with a court of competent jurisdiction;
- b) The appointment of a manager, receiver, administrative receiver, administrator, trustee or other similar officer of the person or in respect of any part or any of its assets;
- c) The person convenes a meeting of its creditors generally or makes or proposes any arrangement or composition with, or any assignment for the benefit of, its creditors generally (otherwise than in the course of a reorganisation or restructuring previously approved in writing by the person);
- d) The person is unable to pay its debts as they become due or admits in writing its inability to pay its debts as they are due;
- e) A petition is presented for the winding up of the person, provided that Insolvency shall not be deemed to have occurred due to the filing of a winding-up petition which is discharged, stayed or dismissed within thirty (30) days of commencement; or
- f) Any action occurs in respect of the person in any jurisdiction which is analogous to any of those set out in sub-paragraphs (a) through (e).

Kyte Broking Limited / Kyte / Principal: a financial services firm authorised by the Financial Conduct Authority ([FRN 174863](https://www.fca.org.uk/firms/FRN174863)). Kyte will serve as the Firm's principal under the FCA's Appointed Representative regime. Governance information, including its OTF Rulebook and Terms of Business, can be found at <https://www.kytebroking.com/kyte-regulatory>.

Liquidity Taker: A member that has been approved to submit Trade Requests to the Platform.

Market Abuse Regulation: Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, together with ancillary legislation, rules and binding technical standards.

Market Maker: Has the meaning in MiFID II Article 4(1)(7), that is to say, a person who holds himself out on the financial markets on a continuous basis as being willing to deal on their own account by buying and selling financial instruments against his proprietary capital at prices defined by him.

Market Maker Agreement: An agreement entered into between the Firm and a Market Maker containing the obligations of the Market Maker.

Market Making Scheme: A scheme or strategy in relation to Financial Instruments which meets the thresholds provided for in Article 1 of Commission Delegated Regulation (EU) 2017/578 of 13 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards specifying the requirements on market making agreements and schemes.

Market Notice: A notice provided by the Firm to the Members of the Platform, generally concerning the operations and rules. Market Notices may include updates to the Rulebook or Market Segments and will be provided by email, publication on the Firm's and/or update to the Rulebook. Where a Market Notice has been emailed, the time notification will be deemed to have been provided at the time that the email is sent. Where a Market Notice has been published to the Firm's Website and/or the Rulebook, notification will be deemed to have been provided three days following publication of the Market Notice.

Market Segment: Has the definition outlined in Rule 1.3.

Market Segment Rules: Has the definition given in Rule 2.1.

Matched Trade Request: A Trade Request where the terms of the proposed transaction have been agreed between the counterparties such that the request can be sent to an Execution Venue for execution.

Member: An entity approved by the Firm to participate in trading activities, having been onboarded and providing evidence of meeting the Eligibility Criteria and completing all other admission requirements.

MiFID II: Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments amending Directive 2002/92/EC and Directive 2011/61/EU.

MiFID Client Categorisation: Clients shall be categorised in line with MiFID II categorisation criteria, as outlined in the FCA Conduct of Business, chapter 3.

Eligible Counterparty: Any counterparty that is not a Retail Customer or a Professional Client and meets the requirements given in the FCA Handbook, COBS 3.6.

Professional Customer: Any counterparty that is not a Retail Customer or an Eligible Counterparty and meets the requirements given in the FCA Handbook, COBS 3.5.

Retail Customer: Any natural person or person that meets the definition given in the FCA Handbook, COBS 3.4.

MiFIR: Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

Order: A Trade Request containing all necessary transaction components submitted to the Platform to purchase or sell a Product. Orders may take various forms, including, without limitation, actionable indications of interest 'AIOI' within the meaning of MiFID II. Refer to the Market Segment Rules for various orders types permissible per Product.

Organised Trading Facility / OTF: Any discretionary electronic or voice trading system, and any other type of trading system for the trading of financial instruments that constitutes an “organised trading facility” as defined in Article 4(1)(23) of MiFID II and the operation of which is subject to regulation by the FCA.

Other Trading Instrument: Any product that is made available for trading on the Platform and does not meet the definition of a Financial Instrument.

Platform: The electronic brokerage platform owned and operated by Skew Ltd. Further details can be found at www.skew.com/trading.

Principal Firm: see Kyte Broking Ltd.

Product: Collective term for Financial Instruments and Other Trading Instruments.

Regulated Activities: The Firm is permitted to carry out the following FCA Regulated Activities² under the AR Regime:

1. arranging (bringing about) deals in investments (Article 25(1) Financial Services and Markets Act 2000 (Regulated Activities) Order 2001);
2. making arrangements with a view to transactions in investments (Article 25(2) Financial Services and Markets Act 2000 (Regulated Activities) Order 2001); and
3. agreeing to carry on specified kinds of activity (Article 64 Financial Services and Markets Act 2000 (Regulated Activities) Order 2001) in relation to (1) and (2) above.

Regulatory Body - See Competent Authority.

Request for Quote / RFQ: The process in which a Member solicits Market Makers on the Platform to submit a bid/offer spread for the purposes of trading in a Financial Instrument. See Trade Request.

Request for Review: If an executed transaction meets the requirements of an Error Trade, a Member may submit a Request for Review to the Firm. Requests for Review must be submitted in writing to compliance@skew.com and made within 15 minutes of a Trade Confirmation. See section 11 for further detail.

Relevant Market: The regulated market / multilateral trading facility or other exchange that has listed a contract made available for execution on the Platform

Relevant Rules for Trading: specific rules governing the terms of trading on the venue listing a product.

Rulebook: The Firm’s formalised and published document prescribing the rules for all activities, including trading and other services, which may take place on the Platform

Rules: Has the meaning given in Rule 2.1.

² See [The Perimeter Guidance manual](#) 2.7.7. for further detail

Sanctioned Jurisdiction: Any jurisdiction which has been sanctioned by the following bodies:

- [HMT Financial Sanctions Target List](#)
- [European Commission list of high risk third countries](#)
- [US Department of the Treasury](#)
- [FATF Call for Action and Monitored Jurisdiction List](#)
- [United Nations Sanctions List](#)

Submission of a Trade Request: The act of submitting a trade request to the Platform through the Firm's GUI.

Terms of Business: A contract entered into between the Firm and the Member specifying the terms and conditions for using the Platform.

Trade / Transaction Confirmation: A written record of all the terms of a Transaction, as required by Applicable Law. This shall contain the information required as outlined in the FCA Handbook, COBS 16 Annex 1R.

Trade Request: A buying or selling interest communicated by a Client or Authorised Person in the form of an Order or an IOI.

Trader Information: A unique user ID associated with an Authorised Person acting on behalf of a Member.

Trading Activities: Includes all activity that may take place on the platform, including, but not limited to, market making, price or liquidity taking, trade execution. Where there is an obligation on the Member to take positive action, and the Member fails to do so, the Firm will consider acts of omission as equivalent to positive actions.

Trading Partners / Entities: Any third party firm that fulfills the role of Execution Venue, Relevant Market, Clearing House, or Principal.

Trading Privileges: The privileges granted to a Member or Authorised Person allowing for access to, and use of, the trading facilities available on the Platform.

Transaction: The conclusion of a Trade Request by an Execution Venue.

4. Eligibility Requirements

4.1. An Applicant must first be admitted as a Member in order to be eligible to use the services offered on the Platform. In order to have the application considered, the Applicant must meet the following eligibility criteria ('Eligibility Criteria'):

4.1.1. The Applicant may not be a natural person or a Retail Client;

4.1.2. The Applicant must meet the requirements of a Professional Client or Eligible Counterparty. Whether an Applicant meets this criteria is subject to review by the Firm;

4.1.3. The Applicant may not be based in a Sanctioned Jurisdiction. This is to say that the Applicant does not have its registered address or principal place of business in any Sanctioned Jurisdiction; and / or conduct its main operations in any Sanctioned Jurisdiction;

4.1.4. The Applicant must have the legal capacity to trade in the instruments listed on the Platform;

4.1.5. The Applicant must have the financial resources sufficient to support the Trading Activity undertaken;

4.1.6. The Applicant must meet the requirements for each Market Segment in which the Member wishes to trade. This includes having appropriate arrangements for the orderly settlement of transactions in the Products;

4.1.7. The Applicant must have all registrations, authorisations, approvals and/or consents required by Applicable Law in connection with trading the Products;

4.1.8. If the Applicant wishes to trade in Financial Instruments, the Applicant must have a Legal Entity Identifier (LEI). For further information on the LEI framework, please consult the either of the below links³.

4.2. Meeting the Eligibility Criteria does not guarantee acceptance as a Member.

4.3. Notwithstanding that an Applicant meets the Eligibility Criteria, an Applicant will not be deemed to be a Member, nor will an Applicant have any rights granted to a Member under the Agreement, unless and until the Firm has notified the Applicant in writing that its application to be onboarded has been accepted.

5. Application Procedures

5.1. If an Applicant meets the Eligibility Criteria, they may raise a request to be onboarded as a Member of the Platform.

5.2. Member onboarding will take place through the Client Onboarding Portal ('COP'). The Portal may be accessed through www.skew.com. The onboarding process will consist of Know Your Client ('KYC') and

³ [Global Legal Entity Identifier Foundation](#) or [ESMA Briefing - LEI](#)

Trading Activities related questions. The process is governed by the Firm's Anti-Money Laundering Policy. Applicants wishing to trade in Financial Instruments should be aware that they will be onboarded by Kyte in accordance with the Appointed Representative regime and Terms of Business.

5.3. An Applicant may initiate the onboarding process via the COP by completing the relevant onboarding questionnaires.

5.4. Once an Applicant has completed the pre-screening phase, they may complete the client onboarding questionnaire and submit supporting documentation, while the initial review takes place.

5.4.1. All information requested during the onboarding process must be submitted through the COP only. Any documentation or information sent to a separate channel will not be received by the firm and may result in a delay in completing the onboarding process.

5.4.2. The Firm will contact an Applicant directly to inform them if further information is required and the status of the Applicant's application. This further information should be submitted in accordance with 5.4.1.

5.5. In addition to the KYC information that will be requested, the Applicant will be requested to make certain attestations and provide supporting information in relation to the desired Trading Activities.

5.6. Applicants must expressly agree to comply with the Firm's Terms of Business, Rulebook and Fee Structure prior to being admitted to the Platform. Applicants will be required to make an attestation that they have read and agreed to the aforementioned documents at the time of onboarding. These documents will be made available for review on skew's website, at www.skew.com/governance.

5.7. Once all information is received and reviewed, the Applicant will either be rejected for trading or approved as a Member of the Platform and provisioned with access to the Platform via a GUI. For the avoidance of doubt, if an Applicant is rejected for trading, they will not be provisioned with any of the rights available to approved Members.

5.8. Each Authorised Person will be provided with unique login information which may not be shared with another person, without prior written permission from the Firm, such permission to be provided at the Firm's sole and complete discretion.

5.9. The Firm is under no obligation to permit the sharing of login information, but may consider doing so in very limited circumstances following a written request from a Member which will be reviewed by the Firm's Compliance and Management.

5.10. Questions relating to the client onboarding process may be directed to onboarding@skew.com.

6. Member Obligations

6.1. Members will be responsible for any actions taken on their account by the Member's Authorised Persons. For the avoidance of doubt, actions will include any acts of omission where the Rules or Applicable Laws impose upon a person a duty to act.

6.2. Members must at all times comply with the terms of the Agreement.

6.3. Members must at all times have adequate systems and controls intended to minimise the risk of error in relation to offers or bids submitted (including cancellations and modifications). These systems and controls must include, at a minimum:

6.3.1. Pre-trade controls on price, volume and value of orders and usage of the system and post-trade controls on the Trading Activities of the members;

6.3.2. Have in place staff in key positions that are adequately skilled and trained;

6.3.3. Undertake technical and functional conformance testing;

6.3.4. For the purposes of this document, 'adequate' shall mean that the controls are designed so as to promote fair and orderly trading on the Platform, minimise trading errors, preserve the integrity and stability of the Platform and prevent breaches of the Rules and of Applicable Law; and

6.3.5. If engaging in automated or Algorithmic Trading, Members must have in place kill-switch functionality in order to immediately halt trading. Members must have a policy of use of this functionality, which must be provided to the Firm on request.

6.4. Members shall ensure that only persons that have been approved as Authorised Persons by the Firm are able to access and use the Platform. No Member shall allow unauthorised parties to use the Platform for any purpose. For the avoidance of doubt, an Authorised Person will be liable for any and all actions (or acts of omission) undertaken through their unique login, unless the Firm has expressly permitted another person to use that information in accordance with 5.8 above;

6.5. Members are responsible for ensuring that Authorised Persons have been adequately trained and have the requisite expertise (that is to say, are fit and proper) to use the Platform. Members must ensure that an Authorised Person meets the necessary fitness and propriety obligations for each Market Segment for which that Authorised Person has been granted trading access;

6.6. Members must not, in respect of any of their Trading Activities on the Platform:

6.6.1. Commit any act or engage in any course of conduct which creates or is likely to create a false or misleading impression as to the market in, or the price of, any Product; or

6.6.2. Do or engage in any act or course of conduct which is likely to harm the integrity or stability of the Platform (including without limitation trading in a disruptive manner)

6.6.3. Engage in any Trading Activities that have the effect of preventing full and proper market transparency.

6.7. A Member must notify the Firm, as soon immediately, on the occurrence of any of the following:

6.7.1. Becoming aware that they or any Authorised Persons are unable to comply with the terms of the Agreement;

- 6.7.2.** The occurrence of any Insolvency relating to the Member;
- 6.7.3.** A material breach of these Rules;
- 6.7.4.** Ceasing to meet any of the Eligibility Criteria;
- 6.7.5.** Any Authorised Person that is no longer active;
- 6.7.6.** Any changes to their LEI.
- 6.7.7.** Any changes to the Member's delivery address, including changes to the primary and/or secondary contact details. The Firm is not liable for the failed delivery of any Notice caused as a result of the Member failing to meet this obligation.
- 6.8.** Members will synchronise the business clocks used to record the date and time of any reportable event in accordance with MiFID II.
- 6.9.** The use of the Platform does not absolve Members from meeting their own regulatory requirements. Members are responsible for retaining records of all orders and transactions in Financial Instruments entered into on the Platform for a minimum of 5 years.
- 6.10.** Members may be required to provide a description of their systems and controls, training programmes, and other related procedures which facilitate compliance with these rules.
- 6.11.** For certain Products, Members shall be required to be registered with an appropriate Futures Commission Merchant, prior to engaging in trading activities on the Platform. Refer to the Market Segment Rules for further information
- 6.12.** At all times while a Member, the Member will continue to meet the Eligibility Criteria.
- 6.13.** Members agree to meet all criteria as the Firm or its Trading Partners may reasonably specify from time to time. Failure to comply with such a request may result in the suspension or termination of the Member's account. The Firm or its Principal may request additional information in relation to the above to verify Members' on-going compliance with the criteria set out in the Agreement.
- 6.14.** Unless there exists a legitimate legal or regulatory reason preventing a Member from doing so, Members are obligated to inform the Firm of any circumstances that may arise that results in their no longer meeting the above minimum criteria, as soon as is reasonably practicable. This includes the suspension or termination of the employment of an Authorised Participant.
- 6.15.** If a Member fails to inform the Firm that an Authorised Person is no longer authorised to act on its behalf, the Member will remain liable for any actions taken by that Person.

7. Suspension or Termination

7.1. The Firm and its Principal may, in their sole and absolute discretion, suspend, impose conditions on or terminate an Authorised Person's and/or Member's access to the Platform in the following conditions:

7.1.1. Any Member or Authorised Person acts in a manner contrary to the Rules outlined herein, in particular the Member obligations set out in Rule 6, the Terms of Business, and/or fails to adhere to the regulatory standards required of persons engaged in Financial Instrument trading;

7.1.2. Failure by the Member to pay any dues, assessments or fees due to the Firm within thirty calendar days of the date of the applicable invoice;

7.1.3. Insolvency of the Member;

7.1.4. Failure by the Member to meet, on an ongoing basis, any of the Eligibility Criteria for admission as a Member, including reclassification as a Retail Client;

7.1.5. In the event of an Emergency;

7.1.6. Where such action is, in the Firm's reasonable opinion, necessary to preserve the security or integrity of the Platform and/or to protect its Members; or

7.1.7. For any other reason specified in these Rules.

7.2. A Member, other than a Designated Market Maker, may request to cancel or terminate their membership by serving a written notice to the Firm. Termination will be effective after 30 calendar days from the date a written notice to terminate membership has been delivered to the Firm. Delivery may take place by email or letter. For the avoidance of doubt, a Member will be permitted to continue to use the Platform, subject to the terms and conditions of the Agreement, solely to complete Transactions entered into them prior to termination.

7.3. The notice period required for Market Makers will be set in accordance with the Market Maker Agreement entered into between the Market Maker and the Firm;

7.4. From the time membership is terminated, whether by decision of the Firm or by way of notice from the Member, the Member will have any rights and privileges associated with their membership revoked, including:

7.4.1. Ceasing to have access to the Firm's Platform to engage in any business activities;

7.4.2. Having all unmatched orders or quotes withdrawn from the Platform;

7.4.3. Any other rights or privileges conferred onto the Member by way of this or any other document, not including any contractual obligations outside the Membership.

7.5. Regardless of whether membership status has been revoked or is in the process of being revoked, the Member will remain liable for:

7.5.1. Any contractual obligations relating to any Transactions in Products entered into by Authorised Persons;

7.5.2. The payment of any fees, costs, or charges incurred prior to such suspension or termination;

7.5.3. Acts and acts of omission made by Authorised Persons; and

7.5.4. Compliance with any reasonable requests for information in relation to any period as a Member of the Platform.

7.6. On written request, and unless specifically prohibited by law or regulation, an organisation that has ceased to be a Member may be permitted access to, or provided with, historical information related to its trading activity on the Platform.

8. Market Makers

8.1. Certain Members may seek to enter into a Market Making Scheme under which that Member shall be designated as a Market Maker.

8.2. Only those Members that have been designated as a Market Maker, that is to say, have entered into a Market Making Agreement with the Firm, shall be permitted to engage in Market Making Activities on the Platform.

8.3. Members that have not been designated as a Market Maker, including those Members whose application to be a Market Maker is in contemplation, may not pursue Market Making activities on the Platform.

8.4. Any Member seeking to be designated as a Market Maker shall:

8.4.1. Raise a formal request to be designated as a Market Maker to the Firm by email to onboarding@skew.com;

8.4.2. Enter into a Market Maker Agreement with the Firm, the terms of which will be made available on request;

8.4.3. Meet the eligibility criteria, as outlined by Article 48(2) & 48(3) of MiFID II, and the Market Maker Agreement;

8.4.4. Have in place satisfactory Compliance, Audit and Risk Controls to meet the obligations outlined in the Market Maker Agreement;

8.4.5. Continue to meet, and at all times adhere to, the requirements and obligations specified in the Market Maker Agreement at all times;

8.5. Any Applicant that meets the minimum eligibility criteria may submit a request to be designated as a Market Maker, however, the Firm retains the right, at its absolute discretion, to approve or reject any application.

9. Matching & Execution

9.1. Trade Requests, which will be identifiable as either a Request for Quote ('RFQ') or an Order, will be submitted to the Platform by way of electronic submission through a GUI or API. The flow will be as follows:

9.1.1. A Member will submit a Trade Request to the Platform;

9.1.2. A Market Maker will submit their response to the Trade Request by way of a firm quote, which constitutes a final offer to trade;

9.1.3. The Member will determine whether to accept the quote and, if accepted, the Trade Request will be 'matched' on the Platform and submitted to the appropriate Relevant Market (see Rule 9.3.).

9.2. Only Authorised Persons may submit a Trade Request on behalf of a Member:

9.2.1. Trade Requests must be submitted using the User ID associated with the Authorised Person;

9.2.2. Any activity that takes place against an Authorised Person's User ID shall be deemed to have taken place by that Authorised Person, who shall remain liable for the activity in question;

9.3. Once submitted, a Member's Trade Request will flow through the Platform to be a) executed by Kyte and; b) reported to the Relevant Market. Members must consult the Market Segment Rules for information relating to Relevant Market for each Product:

9.3.1. The Platform is an electronic brokerage platform which serves to match buying and selling interests. It is not a Regulated Market, Organised or Multilateral Trading Facility. For the avoidance of doubt, the Firm is permitted to carry out the following Regulated Activities⁴ under the Appointed Representative regime:

9.3.1.1. Arranging (bringing about) deals in investments; and

9.3.1.2. Making arrangements with a view to transactions in investments.

9.3.2. Execution of a Product on an Execution Venue shall take place in accordance with the Trading Rules of that Venue. If any conflict or discrepancy should exist between the Firm's and the Execution Venue's Rulebook, the Rules of the Venue shall prevail;

9.3.3. Where possible, the Firm shall provide access to the Relevant Market's Rulebook, but it is for each Member and Authorised Person to ensure they are familiar, and in compliance with, the Venue's Rulebook. Relevant Market Rulebooks will be documented in the Market Segment Rules

9.4. From time to time, the Firm, the Relevant Market or the Execution Venue may exercise its discretion as to whether to execute a Trade Request in part or in totality, in accordance with the appropriate Rules.

⁴ [FCA Regulated Activities](#)

9.5. The Firm may exercise its discretion to instruct the Execution Venue to execute all, part, or none of a Trade Request in the following circumstances:

9.5.1. The Firm will use its discretion to determine how much, if any, of the order it chooses to send to a Venue for execution;

9.5.2. The Firm retains the right to withdraw or cancel orders, at its discretion.

9.6. Execution will occur when trading interests have been:

9.6.1. Matched on the Firm's Platform; and

9.6.2. Unequivocally accepted by the Execution Venue; and

9.6.3. Where a Trade Request is subject to Clearing, it must be accepted by the applicable Clearing Counterparty before it is considered to have been executed.

9.7. Members must take note that:

9.7.1. Having a traded matched on the Platform does not equate to Execution; and

9.7.2. Having an order sent to a Venue for Execution does not mean that execution has occurred.

9.8. Members shall be informed of Execution on the Platform and shall receive a trade confirmation by email detailing the terms of the trade. The Firm will store and make accessible trade confirmations to Members, as required by regulation.

9.9. Each Member who is a counterparty to a Transaction agrees that the Trade Confirmation represents legally binding documentation containing the terms of agreement of the parties to the trade. Any discrepancies or issues with the Confirmation must be escalated to the Firm, in writing and through email, as soon as is practicable.

9.10. Members are responsible for satisfying the obligations imposed by the terms of the transaction. The Firm or its Trading Partners undertake no liability for the fulfilment of any terms to which they do not have a legitimate buying or selling interest, as listed on the trade confirmation.

9.11. Trade requests may be amended, cancelled or withdrawn in accordance with the submission methods set out in Rule 9.1, subject to the limitation that no trade Request may be amended, cancelled or withdrawn if it has been matched on the Platform and sent for execution on the Execution Venue.

9.12. If a Designated Market Maker loses connectivity with the Platform having responded to a Trade Request, the Request may still result in a match with the requesting Member.

9.13. Execution of Products via the use of the Platform may only take place during the trading hours of a) the Platform; and b) the Relevant Market of the Product.

9.14. The Firm is not responsible, nor does it undertake any liability, for ensuring that a Trade Request is Executed. The Firm will meet its technical obligations under the Rules only, i.e. send information relating to Matched Trade Requests to the Relevant and Execution Venues for Execution.

10. Transparency and Reporting

10.1. The Firm commits to make public pre-trade information, on a continuous basis, where required under regulation and not subject to a transparency waiver or other exemption;

10.2. The Firm commits to make public post-trade information, 15 minutes after transaction, where required under regulation and not subject to a transparency deferral or other exemption.

10.3. The Firm's Trading Partners may fulfil the transparency requirements on its behalf. This will be determined on a Product by Product basis and outlined in the Market Segment Rules.

10.4. The Market Segment Rules shall determine the party responsible for reporting a Matched Trade Request to the Relevant Market.

11. Error Trades

11.1. The Firm, or its Trading Partners, have the right to review a Transaction either on request from a counterparty to the transaction, or at its own discretion. The review will be carried out by the appropriate persons at the Firm or its Trading Partners ('Reviewer').

11.2. The Firm, or its Trading Partners, have the unilateral right to cancel or adjust any Transaction which is an Error Trade in the interests of maintaining fair and orderly markets.

11.3. The decision of the Firm, or its Trading Partners, will be final.

11.4. In its review to determine the legitimacy of a Transaction or its classification as an Error Trade, the Reviewer may consult other Members, and may consider any relevant information, including, but not limited to:

11.4.1. The last traded price on the Platform or Relevant Market in the relevant instrument;

11.4.2. Any existing or recent quotes, orders or trades in the Product on the Platform or Relevant Market at the time of execution of the relevant Transaction;

11.4.3. The price of the same or related Product in another market;

11.4.4. The market conditions at the time of the relevant Transaction including levels of activity and volatility;

11.4.5. The request to review the Transaction, where applicable; and

11.4.6. Any other factor which the Reviewer, at their sole discretion, may deem relevant.

11.5. A Member's request to review must be made within 15 minutes of a Trade Confirmation being sent to the Member and must be made in writing to compliance@skew.com.

11.6. Following its review, and any further discussions with the Relevant Market, the Firm shall notify the counterparties to the Transaction of its decision as to whether the transaction is to be classified as an Error Trade by email. It shall do so promptly in order to preserve market integrity.

11.7. If the Transaction is determined to be an Error Trade, the counterparties shall take such action as the Firm requires to put into effect any adjustment or cancellation and hold the Firm and its Trading Partners harmless, for all costs incurred by the Firm in so doing. Failure by any Member to comply with any instruction from the Firm to cancel or adjust an Error Trade is a breach of the Rules.

11.8. The classification of a Transaction as an Error Trade may be subject to the determination of the Relevant Market.

12. Rules on Fair and Orderly Trading

12.1. Members will comply with the Rules regarding electronic submission of Trade Requests at all times.

12.2. The use of Algorithms to submit Trade Requests to the Platform is prohibited at this stage.

12.2.1. Members will be notified if the Firm decides to revisit this Rule.

12.2.2. Should the Firm permit Algorithmic trading on the Platform, Members will be required to undergo an assessment prior to being admitted for Algorithmic trading and may be subject to additional Rules.

12.3. Members may not facilitate Direct Electronic Access or Sponsored Access to the Platform for any of their clients or any other persons.

12.4. Members may have trading limits imposed on their accounts at the discretion of the Firm, for the purposes of maintaining the integrity of the market. The Firm may impose limits on:

12.4.1. The pricing band of a specific Product;

12.4.2. Minimum or Maximum order sizes;

12.4.3. Maximum account size;

12.4.4. Number of Trade Requests that can be submitted to the venue at a specific time.

12.5. A Trade Request will be rejected if it breaches the specified limits. Rejection in this instance means that the Trade Request will not be streamed to the Platform.

12.6. The Firm has in place systems, procedures and controls to facilitate fair and orderly trading, including:

12.6.1. The ability to halt or constrain trading at the request of its Trading Partners and/or, a Regulatory Authority, or if there is a significant price movement in the Product during a short period. In certain circumstances, Trade Requests may be cancelled or Transactions may be deemed Error Trades;

12.6.2. The ability to reject or amend or cancel a Trade Request that is below the trading limits but outside of the market price or appears to be an erroneous submission;

12.6.3. The ability to suspend or terminate a Member and/or Authorised Persons Membership or User ID;

12.6.4. Provisioning the Principal Firm with the appropriate access and authority to fulfil its supervisory responsibilities, including oversight over Member's trading activities and the ability to kill all activity on the Platform.

12.7. The Firm may take any action it reasonably considers to be appropriate in relation to issues identified in the use of the Platform. Trading Privileges may be withdrawn or adjusted or the trading system may be shut down if the Firm reasonably considers it to be necessary to do so, or is directed to do so by its Trading Partner or a Regulatory Authority.

13. Monitoring and Surveillance

13.1. The Firm will monitor Trade Requests and Transactions to identify instances of disorderly trading or Market Abuse, in accordance with the guidelines outlined in the Firm's Market Abuse Policy. This shall include unexecuted transactions that have had a disrupting effect on the market (i.e. withdrawn or cancelled Trade Requests that have significantly moved the underlying price).

13.2. The Firm's Trading Partners may from time to time carry out similar monitoring of trading activities, in accordance with their own framework, to detect and prevent Market Abuse. The Firm shall support these third-party reviews as if it were being carried out by the Firm itself.

13.3. At the initiation of an investigation, a Member may be requested to provide additional information relating to the Trade Request or Transaction in question, in order to assist with a timely conclusion of the investigation. The Firm, or its Partners, are under no obligation, unless required by law or regulation, to inform a Member that their activity is being investigated or provide a rationale for investigating that activity.

13.4. The Firm and its Trading Partners will report suspicious transactions and orders ('STORs') to the FCA, in accordance with the timing and other requirements prescribed by the appropriate Market Abuse Regulations;

13.4.1. A suspicious transaction or order is one where there are 'reasonable grounds' to suspect it might constitute Market Abuse, such as insider dealing or market manipulation. This includes instances of Market Abuse and attempted Market Abuse;

13.4.2. The Firm may fulfil its STOR obligations by reporting to the Principal Firm, who will submit to the Regulator on its behalf.

13.5. The Firm may take disciplinary action against a Member in respect of any act, or act of omission, that has given rise to an investigation as a result of a suspected material breach of these rules. The Firm may suspend or restrict a Member's (or some or all of the Member's Authorised Persons') Trading Privileges on the Platform when a matter is under investigation, provided that such suspension or restriction shall only be put in place where there is a reasonable suspicion that the Member has committed a material breach of these Rules.

13.6. In the event that an investigation proceeds beyond the initial stages and the Firm has a reasonable suspicion that a Member or its Authorised Persons have breached these Rules, the Firm may notify the Member of the investigation along with sufficient information to allow the Member to assess the alleged breach, save where such notification is precluded by applicable law or regulation.

13.7. The Firm will investigate the facts of each case and determine whether to impose any of the sanctions in relation to a breach of the Rules. In coming to such a determination, the Firm shall take into account a number of factors, including without limitation:

13.7.1. The nature and seriousness of the Rule breach and the duration and frequency of misconduct;

13.7.2. How the Rule breach came to light (e.g. whether flagged by the Member under investigation);

13.7.3. The actual or potential market impact of the Rule breach, and any other repercussions;

13.7.4. The extent to which the Rule breach was deliberate or reckless;

13.7.5. The compliance history of the Member under investigation, and specific history regarding the Rule breach in question and whether any warning notices have previously been issued to the Member in relation to the Rule; and

13.8. Upon conclusion of its investigation, the Firm will decide what action is necessary in each instance and shall communicate any such decision promptly to the Member. The Firm may, in its absolute discretion, impose sanctions on a Member (or some or all of the Member's Authorised Persons) for a material breach of the Rules constituting either or both of the following:

13.8.1. Temporary suspension; and

13.8.2. Termination of participation.

13.9. During its investigation, the Firm shall permit the Member reasonable opportunity to submit petitions and/or information in relation to the alleged breach and Kyte shall take such submissions into account in reaching a conclusion as to any necessary action. A Member's trading privileges may be suspended during the petition stage, at the absolute discretion of the Firm.

13.10. In the instance that one or more of the Firm's Trading Partners sanctions a Member, the Firm reserves the right to impose similar sanctions on that Member.

14. Clearing & Settlement

14.1. Each derivative Transaction shall be cleared in accordance with the instructions, and through the clearing channels, indicated in the Market Segment Rules.

14.2. Only those Clearing Houses recognised in the Market Segment Rules shall be permitted to clear derivative Transactions which have been facilitated by use of the Platform. Only after the Firm has issued a Market Notice and update the Market Segment Rules shall a new Clearing House be authorised.

14.3. For each Cleared Derivative Transaction, the Member must have a clearing account with the relevant Clearing House or with a Clearing Member of such Clearing House.

14.4. A Member accessing a Clearing House must comply with the rules and procedures of the relevant Clearing House in respect of the clearing and settlement of the relevant Transactions. Where the rules and procedures of the Clearing House with respect to clearing and settlement conflict with these Rules, the rules and procedures of the relevant Clearing House shall take precedence in that respect.

14.5. If the rejection of a Transaction is due to a technical or clerical problem, the Firm will submit a new Transaction with the same economics terms, unless there has been significant movement in market conditions, for clearing as soon as practicable. The Firm shall not be subject to the requirements of Article 8 of MiFIR for the submission to clearing of the second Transaction;

14.6. If market conditions have changed, resulting in the rejection of a submitted Trade Request by the Relevant Market, the Firm will attempt to resubmit the Trade Request within one hour or during the maximum time frame permitted by the Rules of the Relevant Market, whichever is lower.

14.7. If the Firm is unable to successfully resubmit the Trade Request within the above specified timeframe, the Trade Request will be void.

14.8. Members are responsible for ensuring Settlement of the Transaction under the terms of the Transaction. This will include any delivery and settlement obligations or other related obligations that may arise.

14.9 The Firm is not responsible, nor does it undertake any liability, for ensuring that a Trade Request is cleared. The Firm will meet its technical obligations under the Rules only, i.e. send information relating to Matched Trade Requests to the Relevant and Execution Venues for Execution and clearing.

15. Record Keeping and Reporting

15.1. Each Member shall be responsible for complying with the applicable record keeping and data retention laws applicable to them.

15.2. The Firm will retain records for a period of no less than five years, and in accordance with its regulatory obligations.

15.3. Transactions shall be reported to the Relevant Market in accordance with the Market Segment Rules.

15.4. The Firm will provide parties to a Transaction with a Trade Confirmation by email. The Firm will store and make accessible trade confirmations to Members as required by regulation.

16. Conduct Obligations for the Firm

16.1. If Members have been categorised as a Professional Client, the Firm has a duty to take all sufficient steps to obtain the best possible result, insofar as it is required as a 'matching platform'. In this case, when the Firm exercises execution discretion, it will act in accordance with the Order Execution Policies of the Relevant Market.

16.2. Where execution discretion is exercised, discretion is exercised in accordance with the relevant rulebook of the Execution Venue.

16.3. The Conflicts of Interest provision in the Terms of Business apply to the Firm.

16.4. The Costs and Charges for using the Firm's services, including access to the Platform and any other paid for services, will be outlined and made available on the Firm's website.

16.5. All telephone and other conversations and any electronic communications may be recorded and such recordings may be monitored. The recording will be retained in accordance with the applicable regulations and may be made available to the FCA or any other authority body, as required by law. Recordings may also be used as evidence in the event of a dispute or investigation;

16.5.1. The Firm is under no obligation to make recordings available to members, and retains the right to determine whether to fulfil a request to do so.

16.5.2. The above notice serves to fulfil the Firm's regulatory obligation to notify new and existing clients that telephone communications or conversations between the investment firm and its clients that result or may result in transactions will be recorded. For further information, please consult MiFID II Article 16(7)⁵.

16.6. Members will provide such information as may be reasonably required in order to comply with any obligations under Applicable Law in relation to the Transactions entered into. Information related to any Trade Requests, or other information generated in connection with the use of the Platform, may be provided to the FCA or any other regulator in accordance with Applicable Law.

17. Complaints and Escalation Procedures

17.1. The Firm will handle all complaints in accordance with the Applicable Laws and regulatory obligations.

⁵ [Article 16 - Organisational requirements](#)

17.2. Any complaint about the conduct of the Platform or a Member, or suspicion that a Member has committed or is about to commit a breach of these Rules, shall be made in writing, and be addressed to the **skew**. Compliance department. Complaints may be directed to compliance@skew.com.

18. Market Segment Rules

Listed Derivatives

1. CME LISTED DERIVATIVES

	<u>BITCOIN OPTIONS</u>	<u>BITCOIN FUTURES</u>
Relevant Market	Chicago Mercantile Exchange	Chicago Mercantile Exchange
Execution Venue	Kyte Broking Ltd	Kyte Broking Ltd
Contract Specifications	Options on BTC Futures	BTC Futures
Trading Rule Book	CME Rulebook Chapter 350A Options on Bitcoin Futures MARKET REGULATION ADVISORY NOTICE	CME Rulebook Chapter 350 Bitcoin Futures MARKET REGULATION ADVISORY NOTICE
Settlement Method	Financially Settled	Financially Settled
Available Trade Requests	RFQ only	RFQ only
Pre-/Post-trade transparency	Block trade rules	Block trade rules
Clearing House	Clearport	Clearport
Trade type	CME Block Trade	CME Block Trade
Minimum trade request size	5 Lots	5 Lots
Reporting Method	Dual sided trade reporting	Dual sided trade reporting
Reporting Party	skew.	skew.
Reporting Time ⁶	5/15 minutes	5/15
Venue Trading Hours	Sunday - Friday 5:00 p.m. - 4:00 p.m. (6:00 p.m. - 5:00 p.m. ET) with a 60-minute break each day beginning at 4:00 p.m. (5:00 p.m. ET)	Sunday - Friday 6:00 p.m. - 5:00 p.m. (5:00 p.m. - 4:00 p.m./ CT) with a 60-minute break each day beginning at 5:00 p.m. (4:00 p.m. CT)
Platform Trading Hours	Sunday - Friday 5:00 p.m. - 4:00 p.m. (6:00 p.m. - 5:00 p.m. ET) with a 60-minute break each day beginning at 4:00 p.m. (5:00 p.m. ET)	Sunday - Friday 6:00 p.m. - 5:00 p.m. (5:00 p.m. - 4:00 p.m./ CT) with a 60-minute break each day beginning at 5:00 p.m. (4:00 p.m. CT)

⁶ Reporting time will be determined by the market hours at which the transaction is matched. Refer to CME Rule 526 for further guidance - <https://www.cmegroup.com/rulebook/files/cme-group-Rule-526.pdf>



Pre-Trade Eligibility Requirements	<p>Meet all clearing and settlement requirements of the Execution Venue and Clearing House</p> <p>Registered with the CME (Customer account information to be provided at the time of onboarding or prior to registering for access to the venue)</p> <p>CME Tag ID (provided at the time of onboarding or appointment of a new Authorised Persons)</p> <p>Registered with a CME approved Futures Commission Merchant</p> <p>The Firm must be permissioned by the Member or the Member's FCM with trade submission capabilities</p>
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Version History

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