

Liquidity Provider Scheme



Liquidity Provider Scheme

Aquis offers a Liquidity Provider Scheme to its Members. Any Member who wishes to make use of the Liquidity Provider Scheme must sign a Liquidity Provider Addendum.

In accordance with MiFID II, Members who post firm, simultaneous two-way quotes of comparable size and at competitive prices for at least 50% of the daily trading hours of continuous trading for half of the trading days over a one-month period in a Security will automatically be deemed as a Liquidity Provider in that Security and will be required to sign a Liquidity Provider Addendum with Aquis.

Aquis will monitor Member's trading activity in accordance with the above thresholds and monitor Member's performance under the terms of Aquis' Liquidity Provider Scheme.

In order to maintain qualification as a Liquidity Provider (LP) under the Liquidity Provider Addendum, a Member must maintain quotes such that the aggregate displayed size of qualifying bids or offers in any relevant Security is at least the equivalent of required size in the traded currency of that Security.

For each relevant Security, a LP must enter and maintain bid and offer prices that meet the spread criteria (as set out below).

The Liquidity Provider Scheme will be active between the Official Market Open and Market Close times, excluding auction periods, trading halts and public holidays in the relevant Security.

LPs are required to post a minimum of €5,000 on both sides of the Order Book (bid and offer), within 1% of the Primary Market Best Bid and Offer (PBBO) for at least 50% of the time in these Securities.

The required size, specified price, and required time shall be as follows:

	Required size	Required price	Required time
LP Scheme (Standard)	€5,000	Within 1% of the PBBO	50%

To access the LP incentive scheme, LPs must adhere to the parameters in at least 50 securities across the Aquis securities list. All securities traded on the Aquis MTF are eligible for the LP scheme. A list of securities is available on the website.

The LP's performance is averaged over the month and monitored against these criteria.

Further information on the application process can be obtained by contacting sales@aquis.eu.

Exceptional Circumstances

In the case of Exceptional Circumstances, LPs will not need to comply with their market making obligations for the period where these circumstances persist.

Aquis Exchange recognises the following conditions to constitute Exceptional Circumstances:

- A. A situation of extreme volatility triggering volatility mechanisms for the majority of financial instruments or underlying's of financial instruments traded on a trading segment within the trading venue in relation to which the obligation to sign a market making agreement applies;
- B. War, industrial action, civil unrest or cyber sabotage;
- C. Disorderly trading conditions where the maintenance of fair, orderly and transparent execution of trades is compromised, and evidence of any of the following is provided:
 - I. The performance of the trading venue's system being significantly affected by delays and interruptions;
 - II. Multiple erroneous Orders or Trades;
 - III. The capacity of a trading venue to provide services becoming insufficient;
- D. Where the LP firm's ability to maintain prudent risk management practices is prevented by any of the following:
 - I. Technological issues, including problems with a data feed or other system that is essential to carry out a market making strategy;
 - II. Risk management issues in relation to regulatory capital, margining and access to clearing,
 - III. The inability to hedge a position due to a short selling ban.

Members will be informed of Exceptional Circumstances affecting the whole platform by way of a member notice and also a public website post.

Upon resumption of normal trading conditions LPs will be notified by similar means 60 minutes before they are expected to resume their market making obligations.