

MTS BELGIUM

SPECIFIC GOVERNING RULES

Approved on March 3rd, 2004
Adjusted on December 10th, 2004
Adjusted on March 1st, 2005
Adjusted on December 1st, 2005
Adjusted on January 16th, 2006
Adjusted on June 19th, 2006
Adjusted on June 26th 2008
Adjusted on October 1st 2009
Adjusted on August 1st, 2010
Adjusted on December 13th, 2010
Adjusted on March 30th, 2011
Adjusted on December 12th, 2011

Section A - Maturity buckets

Tradable Securities shall be classified in the following maturity buckets according to their remaining maturity:

1. OLOs.

Bucket A	1.25 years to 3.5 years
Bucket B	3.5 years to 6.5 years
Bucket C	6.5 years to 13.5 years
Bucket D	13.5 years to 17.5 years
Bucket E	Over 17.5 years

2. BTCs.

Bucket A	0 to 3 months
Bucket B	3 to 6 months
Bucket C	6 to 12 months

3. BBBs.

All securities	12 months and less
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4. BPOs.

Bucket A	1.25 years to 13.5 years
Bucket B	Over 13.5 years

5. BFRs.

All securities	N/A
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6. BFSs.

All securities	N/A
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Section B - Minimum trading quantity and minimum order quantity

The **minimum trading quantity** for Tradable Securities is as follows:

1. OLOs.

Benchmark Securities	Euro 5 million
Liquid Securities	Euro 2.5 million
Regular Securities	Euro 2.5 million

2. BTCs.

Benchmark Securities	Euro 10 million
Liquid Securities	Euro 10 million
Regular Securities	Euro 10 million

3. BBBs.

All securities	Euro 2.5 million
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4. BPOs.

All securities	Euro 2.5 million
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5. BFRs.

All securities	Euro 2.5 million
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6. BFSs.

All securities	Euro 1 million
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The **minimum order quantity** for all Tradable Securities is euro 2.5 million except for BFS securities where it is euro 1 mio.

The System will reject Quotes and Orders entered for amounts lower than the ones reported in the tables above.

Section C - Contracts

In accordance with article 19 of the Common Governing Rules the types of contract by means of which each Tradable Security may be traded on the System shall be spot buy or spot sell contracts.

Section D - Trading hours

1. **7.30 a.m. – 8.00 a.m.:** “Pre-Market phase”, during which only Market Makers are operative; during this time period the Market Makers can insert and change their Quotes. Each Market Maker can view only their own Quotes.

8.00 a.m. – 8.15 a.m.: “Offer phase”, during which all Participants can operate, on the basis of the user profile assigned to them; it is possible to send Orders. During this time period the automatic matching of Quotes is not active.

8.15 a.m. – 5.30 p.m.: “Open Market phase”, during which all Participants can operate on the basis of the user profile assigned to them; the automatic matching of Quotes is active until the market closes.

5.30 p.m. – 7.30 a.m.: “Closed Market phase”, during which the market is completely inoperative. During this time period Participants can only send and receive messages, examine statistics concerning the day’s negotiations, receive reports, lists and indices.

Section E – Trading days

A trading day on the System is defined by the Target calendar.

A participant shall be exempted from MTS Belgium compliance calculations to define Liquidity Providers on the days which are recognized public holidays in the participant's country of system connection or, if communicated in written form by the participant, in the location where actual trading is performed, such that the Market Maker is not in default of its undertaking for not complying with its requirements on such days. For more details, please refer to section F of this document.

Section F - Quotation/spread requirements

Market Makers no longer have quoting requirements imposed by MTS Belgium. All Market Makers should quote the OLOs defined as benchmark by the GSDC (Government Securities Dealers Committee) in accordance with the quoting parameters as set and communicated by the GSDC in order to be considered a Liquidity Provider and eligible to fee-rebate on quarterly basis as approved by the Board of Directors.

Section G - Clearing and settlement institutions

- Settlement can be done via National Bank of Belgium (Securities Clearing System).
- LCH.Clearnet Ltd (RepoClear System) is available as Central Counterparty ("LCH")

Section H - Clearing and settlement procedure

The System will be connected to the Clearing and Settlement Institutions via the SWIFT network. On a real time basis, the System will send instructions to these institutions on behalf of Participants.

A SWIFT 518 record directed to LCH.Clearnet Ltd will be created by the System for a transaction between two participants whom have both selected the possibility to route their transactions to LCH.Clearnet Ltd but under the condition that the transaction meets the eligibility criteria for registration by LCH.Clearnet Ltd. Such transactions are anonymous and both parties will find LCH.Clearnet Ltd as counterpart.

In all other cases, a SWIFT 541 record will be created for the buyer and a SWIFT 543 record for the seller and will be sent to the Securities Clearing System of the National Bank of Belgium. Such transactions are not anonymous.

At the end of the trading day, Participants receive trading activity reports, with settlement details, through the Company's activity pages on the System.

Participants will authorise the National Bank of Belgium to settle instructions sent by the System by executing a "Power of Attorney" in favour of the Company.

On the Power of Attorney each Participant must specify the account number he wants to be operated. Every participant will be allowed to use only a single account to settle transactions executed on MTS Belgium.

Indirect participants to the Securities Clearing System of the National Bank of Belgium will sign a contract with the Securities Clearing System.

Swift copy of the message sent by MTS Belgium to the National Bank of Belgium will be remitted to the custodian Bank.

Participants selecting the possibility to clear transactions through RepoClear, will authorise the Company to send instructions on eligible transactions to LCH.Clearnet Ltd.

Annex I - Settlement cycle

The settlement cycle will follow Target calendar

Section J - Updated list of Benchmark, Liquid and Regular Securities

List updated as of last review of the governing rules; for more recent version please send an email to mtsam@mtsam.com

1. OLO

Bond code	Description
BE0000317264	BGB 2.000 28/03/12 #57
BE0000298076	BGB 5.000 28/09/12 #38
BE0000262684	BGB 8.000 24/12/12 #12
BE0000310194	BGB 4.000 28/03/13 #50
BE0000301102	BGB 4.250 28/09/13 #41
BE0000314238	BGB 4.000 28/03/14 #54
BE0000303124	BGB 4.250 28/09/14 #43
BE0000282880	BGB 8.000 28/03/15 #23
BE0000316258	BGB 3.500 28/03/15 #56
BE0000306150	BGB 3.750 28/09/15 #46
BE0000319286	BGB 2.750 28/03/16 #59
BE0000307166	BGB 3.250 28/09/16 #47
BE0000309188	BGB 4.000 28/03/17 #49
BE0000323320	BGB 3.500 28/06/17 #63
BE0000300096	BGB 5.500 28/09/17 #40
BE0000312216	BGB 4.000 28/03/18 #52
BE0000315243	BGB 4.000 28/03/19 #55
BE0000318270	BGB 3.750 28/09/20 #58
BE0000321308	BGB 4.250 28/09/21 #61
BE0000308172	BGB 4.000 28/03/22 #48
BE0000324336	BGB 4.500 28/03/26 #64
BE0000291972	BGB 5.500 28/03/28 #31
BE0000304130	BGB 5.000 28/03/35 #44
BE0000320292	BGB 4.250 28/03/41 #60

2. BTC

Bond code	Description
BE0312674436	BGTB 0 15/12/11
BE0312675441	BGTB 0 19/01/12
BE0312676456	BGTB 0 16/02/12
BE0312677462	BGTB 0 15/03/12
BE0312678478	BGTB 0 19/04/12
BE0312679484	BGTB 0 17/05/12
BE0312680490	BGTB 0 14/06/12
BE0312681506	BGTB 0 19/07/12
BE0312682512	BGTB 0 16/08/12
BE0312683528	BGTB 0 20/09/12
BE0312684534	BGTB 0 18/10/12
BE0312685549	BGTB 0 15/11/12
BE0312686554	BGTB 0 13/12/12

3. BBB

Instrument Code	Description
BE000031726E	BGB 2.000 28/03/12 #57
BE000029807G	BGB 5.000 28/09/12 #38

4. BPO

Bond code	Description
BE0008310659	OLOR 0 28/03/12
BE0008140890	OLOR 0 28/09/12
BE0008250053	OLOR 0 28/03/13
BE0008160120	OLOR 0 28/09/13
BE0008280357	OLOR 0 28/03/14
BE0008180326	OLOR 0 28/09/14
BE0008050966	OLOR 0 28/03/15 #23
BE0008300551	OLOR 0 28/03/15 #56
BE0008210628	OLOR 0 28/09/15
BE0008330855	OLOR 0 28/03/16
BE0008220726	OLOR 0 28/09/16
BE0008240922	OLOR 0 28/03/17
BE0008150022	OLOR 0 28/09/17
BE0008260151	OLOR 0 28/03/18
BE0008290455	OLOR 0 28/03/19
BE0008320757	OLOR 0 28/09/20
BE0008350085	OLOR 0 28/09/21
BE0008230824	OLOR 0 28/03/22
BE0008070196	OLOR 0 28/03/28
BE0008190424	OLOR 0 28/03/35
BE0008340953	OLOR 0 28/03/41

5. BFR

Bond code	Description
BE0000322314	BGB FLOAT 15/02/16 #62

6. BFS

Bond code	Description
BE0008045917	BE-strips 28/03/12
BE0008103526	BE-strips 28/09/12
BE0008046923	BE-strips 28/03/13
BE0008104532	BE-strips 28/09/13
BE0008047939	BE-strips 28/03/14
BE0008105547	BE-strips 28/09/14
BE0008048945	BE-strips 28/03/15
BE0008106552	BE-strips 28/09/15
BE0008049950	BE-strips 28/03/16
BE0008107568	BE-strips 28/09/16
BE0008051972	BE-strips 28/03/17
BE0008085343	BE-strips 28/06/17
BE0008108574	BE-strips 28/09/17
BE0008052012	BE-strips 28/03/18
BE0008053028	BE-strips 28/03/19
BE0008112618	BE-strips 28/09/20
BE0008113624	BE-strips 28/09/21
BE0008056054	BE-strips 28/03/22
BE0008061104	BE-strips 28/03/26
BE0008063126	BE-strips 28/03/28
BE0008071202	BE-strips 28/03/35
BE0008077266	BE-strips 28/03/41

Section K – MTS Belgium membership application form

Please refer to MTSAM application form (*email: mtsam@mtsam.com*)

Section L - Assignment of Benchmark and Liquid Securities to Market Makers

All Benchmark Securities are defined and communicated to the Primary Dealers by the GSDC.

A day before a new security is available for trading, MTS Belgium informs all market makers in the segment. In order to be considered a Liquidity Provider and eligible to fee-rebate on quarterly basis, participants are reminded that quoting requirements apply as from specific date.

Section M - Daily statistics

The publicly available report shall be compiled at the end of each Trading Day and made available on request.

For cash trades the list shall indicate, for each type of Tradable Security:

- (a) identification code of the type of Tradable Security;
- (b) description of the type of Tradable Security;
- (b) the minimum price;
- (d) the maximum price;
- (e) the average weighted price; and
- (f) the volume traded.

The Company may specify cases in which, for purposes of the calculation, transactions considered anomalous are not taken into account.

Section N – Procedure to be used by a Participant to verify on its computer system the status of the contracts executed by it on the system or in the event of its being unable to do so

In the event that a Participant is, for any reason, unable to verify on its screen the contracts it has executed on the System, it is possible to obtain the necessary information by taking the following steps:

1. Telephone MTSAM executive officers who should be able, through the *Softsolution web data access*, to verify all the contracts executed on the System and therefore the contracts which concern the particular Participant with such information as the identity of the Tradable Security so traded, the quantity, the price and the time of execution and the identity of counterparty.
2. In the event that MTSAM executive officers are unable to use the *Softsolution web data access*, then SIA SpA should be contacted by the Participant by telephone to provide the necessary information.
3. In the event that SIA is, for any reason, unable to access its *SIA Datafeed Monitor*, it is possible to resort to an alternative tool (*Tandem Monitor*), which is connected directly to the central system on a local network and through which the necessary information may be extracted.
4. In the event that the *Tandem Monitor* is also unavailable for use, SIA can use a utility

program called *Enform*, typical of the Tandem platform, through which it is possible to directly access the contract archive contained in the mass memories (disks) in order to extract the necessary information. It should be noted that the archives are duplicated as the system is *Fault Tolerant*. Further back-up is provided by a second duplication of the archives on the *Disaster Recovery* site.

Operating Procedures to be used by a Participant to verify on its computer system the status of the contracts executed by it on the System and in the event of its being unable to do so.

A Participant shall:

- (a) at all times monitor relevant "pages" of the System to check whether an Order it makes has been accepted in whole or in part or not accepted ("refused") and, if a relevant entry does not appear on its screen within 5 seconds of the Order being made, to contact the Company to check what has happened
 - 1. The Company should be able, through the *Softsolution web data access*, to verify all the contracts executed on the System and therefore the contracts which concern the particular Participant with such information as the identity of the Tradable Security so traded, the quantity, the price and the time of execution and the identity of counterparty.
 - 2. In the event that the Company is unable to use the *Softsolution web data access*, then SIA SpA should be contacted by the Participant by telephone to provide the necessary information.
 - 3. In the event that SIA is, for any reason, unable to access the *SIA Datafeed Monitor*, it is possible to resort to an alternative tool (*Tandem Monitor*), which is connected directly to the central system on a local network and through which the necessary information may be extracted.
 - 4. In the event that the *Tandem Monitor* is also unavailable for use, SIA can use a utility program called *Enform*, typical of the Tandem platform, through which it is possible to directly access the contract archive contained in the mass memories (disks) in order to extract the necessary information. It should be noted that the archives are duplicated as the system is *Fault Tolerant*. Further back-up is provided by a second duplication of the archives on the *Disaster Recovery* site;
- (b) notify the Company immediately if it believes a system malfunction or other technical problem has occurred; and
- (c) if it believes it is exposed to a market risk due to a system malfunction or other technical problem, suspend all its Quotes via the open server and, if it is subject to a market making requirements, immediately request from the Company a

temporary suspension of the requirements.

Section O – Trade Cancellation Procedures

BILATERAL CANCELLATION REQUEST

The cancellation of erroneous trades shall be carried out by the Company on the basis of mutual written requests by the relevant parties to be sent by email to the Company prior to the closing of the Market or immediately afterwards.

The cancellation request shall be notified by one of the parties to the Company and the other party by telephone or email within 15 minutes of the execution of the trade. In any case it must be confirmed by email. Upon the receipt of the notification, the Company shall immediately contact the other party with respect to such cancellation.

If the other party confirms its agreement to such cancellation request within 15 minutes of receipt, the request shall be treated as a mutual request and shall be executed by the Company.

UNILATERAL CANCELLATION REQUEST

In the event that the other counterparty does not respond within such time or an agreement cannot be reached on the bilateral cancellation of a trade the following procedure will be used to ascertain whether a unilateral cancellation can be performed.

In order to qualify for unilateral cancellation a trade must be proved beyond doubt to deviate considerably from Fair Market Value of the security in question at the time of execution. To be “inconsistent” with the market value, the trade price must have been executed at a price that was greater than 50% outside the current bid/offer spread on a specific instrument at the time of its execution.

To this purpose the company will immediately:

- 1- request of five member banks their opinion as to fair market value at the time of trade execution, asking them to quote a two way inter-dealer electronic quote in the instrument object of the trade.
- 2- The five banks consulted are appointed by the Market Committee and exclude either party of the disputed transaction.

- 3- The five banks consulted should respond to a request in relation to Fair Market Value within 15 minutes by return email.
- 4- The company will discard the bid/offer couple containing the highest bid and the bid/offer couple containing the lowest offer and calculate the spread between the average of the remaining bid prices and the average of the remaining ask prices which will determine the Fair Market Value. The average bid/offer spread will be calculated truncating the result to the third decimal and then rounding up to the second one.

Once fair market value is ascertained, the trade price in question will be considered to deviate from the Fair Market Value if it is 50% wider than the average bid/offer spread (Fair Market Value) which was calculated.

More in details:

- Error sale** (*i.e.* cancellation request is made by the seller):

Should the price at which the trade was made be at a price greater than 50% below the current bid/offer spread as defined above at the time of the execution of the trade then the transaction will be cancelled.

- Error purchase** (*i.e.* cancellation request is made by the buyer)

Should the price at which the trade was made be at a price greater than 50% above the current bid/offer spread as defined above at the time of the execution of the trade then the transaction will be cancelled.

Example of the “Polling Methodology” as per AFME Rules

Belgian OLOs 3.50 28 March 2015

The Trading Platform had the following best bid/offer on the screen – 107.15/110.25
Seller aggresses bid at 107.15 and then reports it as an error trade (being an error sale).
Following a poll of five market participants, the five quotes are as follows:

- 108.60/109.60
- 108.50/109.65
- 107.90/109.50
- 108.25/109.30
- 108.30/109.20

The bid/offer couple containing the highest bid and the bid/offer couple containing the lowest offer are eliminated, which leaves the following:

108.50/109.65

107.90/109.50

108.25/109.30

The average bid/offer spread is calculated taking into account the remaining three, truncating the result to the third decimal and then rounding up to the second one:

Avg Bid= $(108.50 + 107.90 + 108.25)/3$ => truncated to the 3rd and rounded up to the 2nd

Avg Offer = $(109.65 + 109.50 + 109.30)/3$ => truncated to the 3rd and rounded up to the 2nd

Therefore the remaining values are: **108.22/109.48**

If we apply the 50% deviation margin to the average bid/offer spread (126 cts) we obtain the following bid and offer limits, that represent the Fair Market Value:

107.59/110.11

The sale executed at 107.15 will be cancelled as the low parameter is 107.59 i.e. all sales < 107.59 may be cancelled should that be requested by the seller in the present example.

If after following all of the steps above the reported error trades is proved to deviate significantly from Fair Market Value based on the criteria listed above, the company will enforce the unilateral cancellation of the trade in order to maintain a fair and orderly market and avoid the unfair penalization of members for genuine errors.

The company will inform the interested parties via telephone (with confirmation via e-mail) of its decision regarding the cancellation request within 45 minutes from the notification of the error trade.

In the event of transactions carried out on an anonymous basis between two counterparties which use the Central Counterparty Service, the Company is entitled to reveal the identities in order to resolve the trade dispute, if deemed useful to resolve the trade dispute.

The current institutions must be contacted in case of unilateral trade cancellation

List updated as per last review of the governing rules; for more recent version please send an email to mtsam@mtsam.com

Commerzbank
ING Bank

KBC Bank
UBS
Société Générale

BNP Paribas and Barclays will act as back up banks when one of the above mentioned banks fail to provide us with their viewpoint.

The Executive Officers send a prompt email communication to at least two contact people of each institution.

Major Market Incidents

"MMI" means such circumstance relating to the technical functioning of the System as the Board (or the Executive Directors of the Company, to whom the Board may delegate), in their sole discretion, shall determine to be a major market incident. Without prejudice to such discretion, regard may be had to such factors as whether:

- the System is inaccessible (or “down”) during scheduled trading hours;
- market-making is restricted because, for example, a network trunk is “down” resulting in a material number of Market Makers being unable to access the System;
- the technical service level on the System is such that a material number of Participants cannot safely trade without their being exposed to significant market risks (for example, being unsure of their position, being unable to quote, being unable to see the best Price or seeing erroneous Prices in the best); or
- the security or integrity of the System is compromised, or at imminent risk, or the Company is unable to see or control the System using standard tools.

The period of an MMI shall be from such time as the Board (or the Executive Directors of the Company, to whom the Board may delegate), in their sole discretion, shall determine as the time of the first impact on the System of the MMI in question until such time as the Board (or the Executive Directors of the Company, to whom the Board may delegate), in their sole discretion, shall determine as the time when the System has been restored to its normal state. Without prejudice to such discretion, it will normally be the policy to take the start time of an MMI as the time of receipt of the initial fault report notification.

If it shall be determined that an MMI has occurred, the Company shall perform cancellation of such trades as the Board (or the Executive Directors of the Company, to whom the Board may delegate) shall, in their sole discretion, determine are affected by the MMI. Without prejudice to such discretion, it may be determined that (a) affected trades include trades executed outside the period of the MMI, and (b) trades executed during the period of the MMI are not affected by the MMI. The Company may, but is not obliged to, consult with Participants, whose trades are or may be affected by the MMI.

The Company will, if practicable, inform all Participants as soon as possible of the occurrence of an MMI. The Company will inform the relevant counterparties, so far as practicable by not later than 18:30 Central European Time on the Trading Day in question, of the trades that are subject to cancellation. The Company will promptly notify Participants of the end of the period of an MMI.

Section P –procedure for Market Makers’ quarterly average adjusted compliance to quoting requirements regarding benchmarks securities as set by the GSDC

Market Makers, Primary Dealers or not, do not have quoting requirements in MTS Belgium. In order to receive a fee-rebate at the end of the year, market makers must comply with the benchmark securities quoting requirements as imposed to the Primary Dealers of the State by the GSDC.

Model in use since January 2010 - Variable spread quotation: parameters with minimum quantities but with undefined spreads

At the end of each quarter the executive officers calculate the average compliance of each Market Maker, taking into account technical problems, exceptional market circumstances and problems of other nature as communicated to MTS Belgium by the Market Maker or by the GSDC.

Should the average quarterly compliance, duly corrected taking into account the abovementioned eventualities, be lower than 75% compliance threshold, the Market Maker will then be entitled to fee rebate as per scheme agreed upon by the Board of Directors after yearend results are known.

Market makers have the option of receiving daily compliance reports upon request containing information on the Best 5Hrs Spreads (5HrSp), the Quantity during best 5Hrs Spreads (5HrQty), the Quotation time and the Compliance Ratio(in %). The compliance ratio is calculated based on the banks performance for the items previously mentioned compared to CompSp and the CompQty. This data would provide simple and straightforward information on relative secondary market performance. If you would like to apply to this service, please send an email to mtsam@mtsam.com

Calculation of Compliance Ratio for one security:

Definition:

1. Quotation Time. These data provide the total time the security was quoted
2. Best 5Hrs Spread (5HrSp). This is the time weighted average spread of the best (i.e. sharpest quoted) 5 hours of each security. In case the market maker has quoted less than or equal to 5 hours, the time weighted average spread of the total quotation time will be provided here.
3. Quantity during Best 5Hrs Spread (5HrQty). This is the time weighted average quantity expressed in million, quoted during the 5HrSp. In case the market maker has quoted less than or equal to 5 hours, the time weighted average quantity of the total quotation time will be provided here.

A market maker's compliance with quoting requirements will be evaluated on a quarterly basis, based on 5HrSp with ($5HrQty \geq CompQty$) and ($5HrSp \leq CompSp$).

For each Benchmark security (s):

$CompQty = \text{Minimum quantity set by the BDA}$

$$CompSp_s = K \cdot \frac{\sum 5hrSp}{\# \text{ MTSB quoting market makers}}$$

The result of the $CompSp_s$ is rounded up to the next half tick.

As a starting point, K is set to 1.25. The magnitude of K is subject to subsequent adjustments based on BDA decision.

If a Market maker has quoted prices in a benchmark with ($5HrSp \leq CompSp$) and ($5HrQty \geq CompQty$), then the compliance ratio in this security will be:

$$CR_s = \min \left[\frac{Quotation\ time_s}{5}; 1 \right]$$

In other cases, the compliance ratio in the specific security will be zero.

Daily and Quarterly CR (compliance ratio)

The daily CR (DCR) is calculated as:

$$DCR = \frac{\sum_{i \in \text{Benchmark}} CR_i}{\# \text{ Benchmark}}$$

The daily CR of each market maker will be excluded when the average daily compliance ratio of all the market makers is below 50% on that day, except when their daily CR is beneficial for them on that day, when calculating their Quarterly Compliance Ratio.

The quarterly CR (QCR) is the sum of all DCR ratios divided by the total number of working days, i.e.

$$QCR = \frac{\sum_{d \in \text{working days}} DCR_d}{\# \text{ working days}}$$

The number of working days may vary between market makers depending on holiday calendars. A market maker is defined as a Liquidity Provider during a quarter if and only if his QCR, duly corrected in case of any technical problems, exceptional circumstances and problems of other nature as communicated to MTS Belgium by the Market Maker or by the GSDC, is at least 75 per cent or the market maker reaches a market share of 5% of the fill volumes on the OLO segment during a quarter (i.e. the volumes when providing prices).

Section Q – Additional conditions for the admission of the State Agency in the System

In addition to the conditions as set in Article 3 of MTSAM Common Governing Rules, the Belgian Federal Debt Agency (BFDA) wishing to be admitted to buy back operation on the Treasuries Segment must satisfy the Board that:

- a. the buy back operation takes place on the BBB segment only;
- b. the BFDA takes part in trading through Quotes on the bid side only and orders on the ask side only.

Section R – Additional conditions for the admission of Market Dealers and Market Makers

1. In accordance with article 5.a. of MTSAM Common Governing rules and in addition to the conditions as set in Article 3.2 of the same rules, an institution as referred to in Article 3.1.b that wishes to be admitted to trading on MTSB as a Market Maker must satisfy MTSB Market Committee that it has a net worth, as calculated by the

respective regulatory instructions for supervisory purposes of the institution, of at least an amount of euro 250 million.

2. In accordance with article 4.a and 4.b of MTSAM Common Governing rules and in addition to the conditions as set in Article 3.2 of the same rules, an institution as referred to in Article 3.1.b that wishes to be admitted to trading on a MTSB as a Market Dealer must (A) satisfy MTSB Market Committee that it has a net worth, as calculated by the respective regulatory instructions for supervisory purposes, of at least Euro 40 million or the equivalent or has in place guarantees to the satisfaction of the Board in an amount of not less than such sum and (B) demonstrate a total turnover in Belgian government securities of no less than Euro 300 million over the twelve months preceding the date of the application to become a Market Dealer.

A Market Dealer which proves to be Market Maker in at least three domestic MTS government bond markets shall be enabled to take part in trading on MTSB through single-sided Proposals. Although for such Market Dealer it will be technically possible to insert also double-sided Proposals (i.e. until the migration of the cash platform to Tradeimpact in 2006), he/she will not be allowed to enter double-sided proposals as well as to use automatic quoting engines.

Section S – Fee Schedule

Please refer to MTSAM Fee schedule (*email: mtsam@mtsam.com*)

Section T – Resignation of Market Dealers and Market Makers

As stated in article 8 of MTSAM Common Governing Rules, a Market Dealer or a Market Maker may resign from membership giving not less than 3 months notice in writing to the Company.

A Market Maker may change status to Market Dealer by giving no less that 1 month notice in writing to the Company.

Section U – Market Operation Committee

The following banks are member of the MOC:

Société Générale
Barclays
KBC
ING Bank