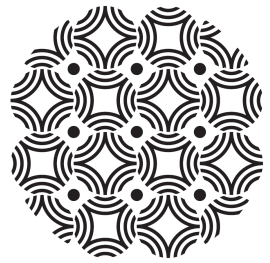
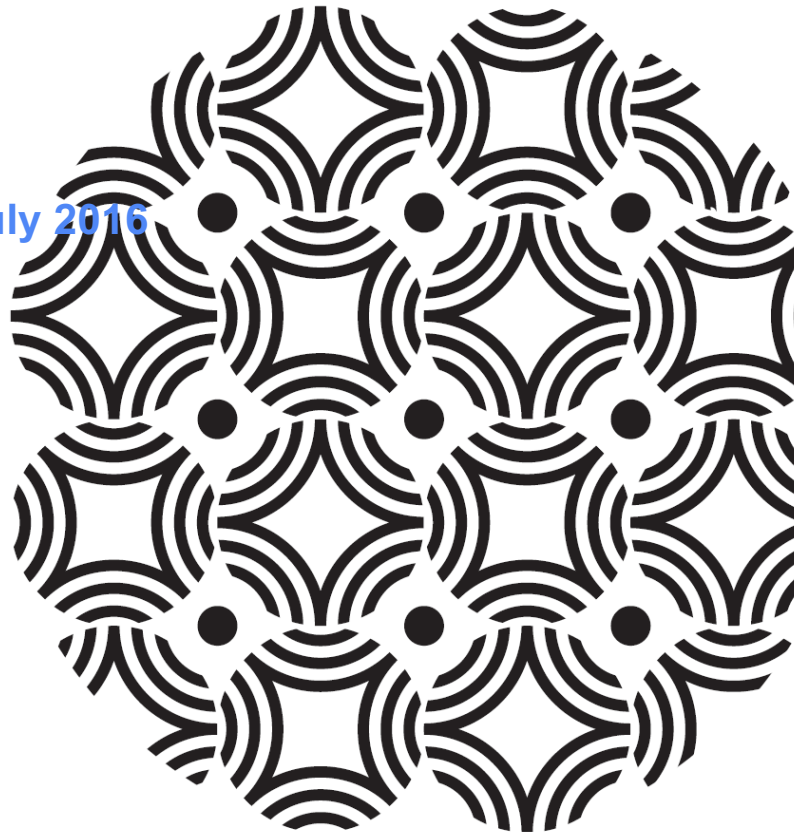


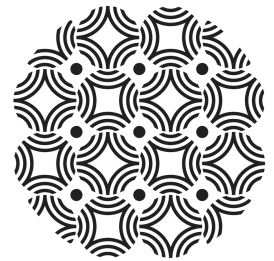
Courtesy translation



Market Rules MTS France

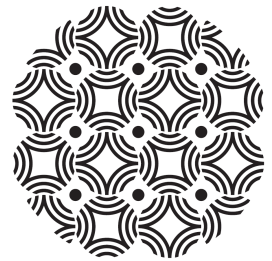
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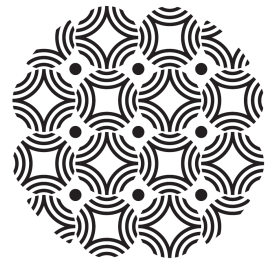
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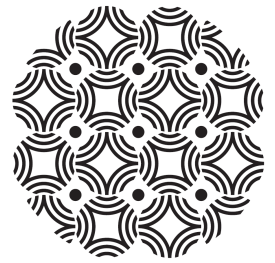


SECTION 1: GENERAL PROVISIONS


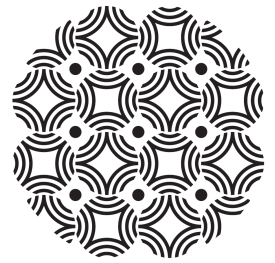
Article 1.1 Definitions

In the Rules the following expressions have the following meanings:

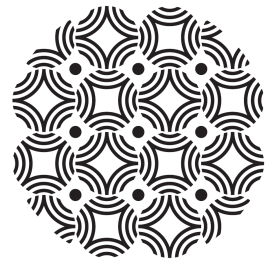
“AFT”	Agence France Trésor (French Treasury Agency) – The agency in charge of handling public debt and treasury management.
“Annex(es)”	means an (the) annex(es) and eventual future annexes of the present Market Rules completed and/or modified. They are an integral part of the Market Rules.
“Board of Directors”	means the MTS France Board of Directors.
“BTAN”	means “Bons du Trésor à taux fixe et à intérêt annuel” or negotiable fixed-rate medium-term Treasury security with annual coupon, listed on the Market.
“BTF”	means “Bons du Trésor à taux fixe et à intérêts précomptés” or negotiable fixed-rate discount Treasury bills, listed on the Market.
“Collège Restreint SVT”	means the sub-committee composed by 3 to 5 SVT Participants picked at random, excluding the parties involved in the transaction.
“Company Management”	means the Chairman or any acting Senior Manager of MTS France.
“Coupon strip”	means, for a fungible Treasury Bond that has been stripped, a security representing an interest payment of that fungible Treasury Bond and listed on the Market.
“Eligible Platform”	Multilateral Trading Facility in accordance with Article 4 paragraph 1, point 22 of the Markets in Financial Instruments Directive, MiFID II (No. 2014/65/EU), that meet the eligibility criteria set out in the SVT Market Committee Market Rules.



“Financial Instrument(s)”	means securities that have been admitted for negotiation on MTS France System, as described in the present Market Rules.
“Fungible zero-coupon certificate”	means for a stripped OAT, a set of new certificates, which have the same face value (0,01€) but different maturities calibrated on the cash flows from the original bond. All same-maturity certificates will be fungible with each other. They can also be put back together to reconstitute either the original OAT or a synthetic bond composed of certificates from different OAT issues.
“Major Market Incident (MMI)”	means a situation or an incident described in the Article 5.4. of the present Market Rules.
“Market”	means the secondary market for debt securities issued by the French Government, managed and organized by MTS France.
“Market Maker (s)”	means the Participant(s) to whom market making obligations have been allocated, with as provided for in the present Market Rules.
“Market Rules”	means the present Market Rules as may be modified and/or completed as well as the Annexes which are an integral part of the Market Rules.
“Mid-Price”	means the price for a tradable Security calculated by the System that a Participant may make an Order to buy or sell.
“MTS France” or “the Company”	means the company Marché de TitreS – France SAS (MTS France).
“OAT”	means “Obligation Assimilable du Trésor” or fungible Treasury Bonds, listed on the Market.
“Order(s)”	means a firm and irrevocable acceptance, by a Participant, of a price offer for the sale or the purchase resulting from a Proposal or a single side proposal, and this, in conformity with the stipulations of the Annex B and subjected to the stipulations contained in the Annex G.



“Participant(s)”	means the investment firms admitted to trade directly on MTS France as per the provisions of the present Market Rules.
“Principal strip”	means, for a fungible Treasury Bond that has been stripped, a security representing a capital payment of that fungible Treasury Bond and listed on the Market.
“Proposal(s)”	means a firm offer to buy or sell displayed by a Participant, compliant with the provisions of Annex B and save for the provisions of Annex G. A proposal must be the simultaneous offer to buy and sell a Financial Instrument.
“Secretariat of The SVT Market Committee”	means the Secretariat of the SVT Market Committee represented by ICMA (International Capital Market Association).
“SVT Market Committee”	means the French Primary Dealers (SVT) Market Committee.
“SVT Participant(s) ”	means the Participant(s) with “Spécialiste en Valeur du Trésor” status.
“System” or “Market”	means the electronic platform organised and administered by MTS France.
“Trade” or “Transaction”	means a matching in the system of an order and a proposal, or the matching of two proposals on the Financial Instruments; this matching may be made automatically or manually, in keeping with article 5.6.
“Trading Day(s)”	means the business day convention as defined in Annex D.
“Single Side Proposal”	means a price offer for the sale or the purchase of a Financial Instrument entered into the system by a Participant, and this, in conformity with the stipulations of the Annex B and subject to the stipulations contained in the Annex G.



Volumes: “Aggressive Volume”

Transaction volume resulting from the creation of Orders in the system or from Proposal that are immediately executed.

Volumes: “Passive Volume”

Transaction volume resulting from the creation of Proposals in the system that have not been immediately executed.

Volumes: “Mid-Price Volume”

Transaction volumes resulting from the execution of a trade at the Mid-Price calculated by the system.

“Working Group”

means the Ad Hoc Working Group on non-sovereign securities as defined in the present Market Rules.

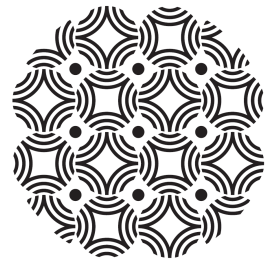
Article 1.2. Market Rules

The object of the Market Rules is to regulate the organisation and operation of the MTS France market, and define in particular the admission and exclusion criteria of Participants, the quoting and trading rules for the Financial Instruments and the conditions for admission of Financial Instruments.

Subject to approval by the local regulator, MTS France shall amend the present Market Rules in order to ensure the continuity of services provided to Participants.

Any amendment to the present Rules will be notified as early as possible to each Participant, and such amendments will be effective the day following the changes.

The English translation of the Rules is provided as a courtesy, for official purposes please refer to the French version of the MTS France Market Rules.



SECTION 2: PARTICIPANTS

Article 2.1 Capacity of Participants

Authorised Financial institutions or investment firms established in France or in one of the European Union countries may apply as Participant on MTS France and must be an SVT (Spécialiste en Valeur du Trésor) or a “Primary Dealer” in at least three (3) countries of the Euro zone.

Article 2.2 Conditions of admission of a Participant

The cumulative conditions for a Participant application are the following:

- To be a direct Member of EUROCLEAR France or an indirect Member through a Member of EUROCLEAR France with whom the potential Participant has reached a specific agreement; and
- To be a clearing member of LCH SA or having entered into a clearing agreement with a general clearing member of LCH SA; and
- To justify a minimum net worth of euros 45 million (or equivalent foreign currency) by providing the latest financial statements approved by an auditor. This threshold must be complied with at all times; and
- To be adequately organised in order to be a Participant and to have the appropriate staff and technical resources; and
- To have a minimum monthly turnover of euros 500 million; and
- To comply with the present Market Rules and their subsequent amendments.

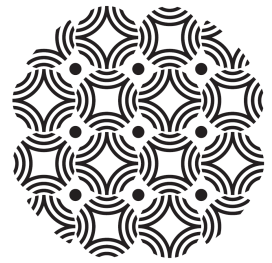
Article 2.3 Procedure for Admission of a Participant

The applicant must submit its application in writing to MTS France.

MTS France will examine the application following the criteria mentioned in article 2.1 and 2.2 above and reply within 8 days once the application has been received.

Any positive response is notified directly to the Applicant and to the Secretariat of the Market Committee.

MTS France ensures that the commitments taken by the Participants are complied with at all times.



Article 2.4. Membership Agreement

The Participants must sign the MTS France Membership Agreement prior to obtaining access to the MTS France Market.

Article 2.5 Supervision of Participants

At least once a year MTS France verifies that Participants comply with their undertakings and that membership conditions continue to be met.

If MTS France considers that the situation or conduct of a Participant no longer complies with its undertakings or could jeopardise the proper functioning of the market, MTS France will ask the Participant to remedy the situation or the conduct in question. If the Participant is not in a position to remedy the situation or the conduct in question, he can be subject to a partial or complete suspension of his activities on the system. MTS France will keep the SVT Market Committee and the Secretariat of the Market Committee informed regarding the resolution of the issue.

Article 2.6 Information of MTS France

Each Participant must inform MTS France without delay of any material change in its situation.

A Market Maker willing to change Eligible Platform for the monitoring of its quoting activity of the financial instruments issued by the French Government should inform MTS France and the Secretariat by way of a written notification no later than 5 trading days before the beginning of the month.

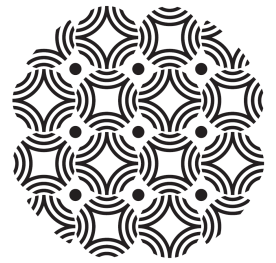
Article 2.7 Withdrawal of a Participant

Any Participant wishing to withdraw from the Market must officially notify MTS France by post with recorded delivery, giving three-months notice of this withdrawal. The notification of withdrawal will be immediately brought to the attention of the Board of Directors and to the Secretariat of the Market Committee.

Article 2.8 Procedure in case of non compliance with the Market Rules

The procedure in case of breach of the quoting obligation is described in the Article 4.7 of the present Market Rules.

In the event that a Participant fails to comply with Market Rules other than quoting obligations, the Company undertakes to inform the Company's Chairman, as well as the SVT Market Committee Chairman and the AFT representatives.



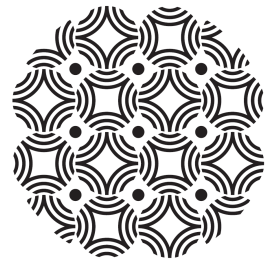
It is the Company's Management's decision to send written notification to the Participant's permanent representative concerned and invites him to provide justification.

Within ten days of the receipt of this notification, the Participant may forward a written explanation to the Company and request a hearing.

At the end of the above-mentioned time limit, having heard the Participant's permanent representative concerned and studied the explanations provided, the Board of Directors meets.

After consultation with the Board of Directors, the Company Management decides upon the measures to be taken.





SECTION 3: FINANCIAL INSTRUMENTS

Article 3.1 Admission of Financial Instruments

MTS France informs all Participants without delay of all the new admissions of Financial Instruments to the Market.

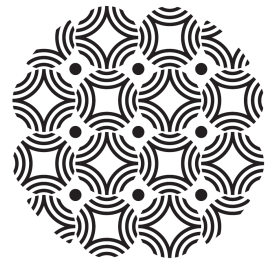
All French Government securities are admitted to MTS France, including fixed, variable rate and inflation linked securities. The bonds are listed on MTS France as soon as the AFT announces the auction, if it has not yet been admitted to the System by the application of the Article 6.1.

Article 3.2 De-listing or suspension of Financial Instruments

Any decision to de-list an instrument must be implemented outside market opening hours, and be notified to all Participants before the beginning of the next trading day.

Any suspension of a Financial Instrument admitted to the System may be implemented during opening hours and must be announced immediately to the AFT and to all Participants.

MTS France upon request from the Secretariat of the SVT Market Committee may suspend or de-list from trading a Financial Instrument if market conditions so dictate, including cases of important price volatility.



SECTION 4: QUOTING OF FINANCIAL INSTRUMENTS

Article 4.1 Allocation of Financial Instruments to Market Makers

The Secretariat of the SVT Market Committee allocates Financial Instruments issued by the French Treasury to the Market Makers according to the details of Annex A. The Secretariat of the SVT Market Committee notifies MTS France of the market making obligations of its market making Participants and may modify these obligations not more than once a calendar month, except in the case of BTFs whose allocation may be modified as often as necessary in a calendar month.

Article 4.2 Lot size and quoting requirements

A minimum lot size and a maximum quoting spread is required from each Market Maker, as set out in Annex A.

Any event affecting quoting obligations must be reported immediately by the Participant concerned to MTS France and the Secretariat of the Market Committee. If this event results from exceptional external facts which are beyond the external control of the Participant, it will be reflected in the performance monitoring, provided it has been reported prior to the closing day of the Market.

Article 4.3 Quoting obligations of Market Makers


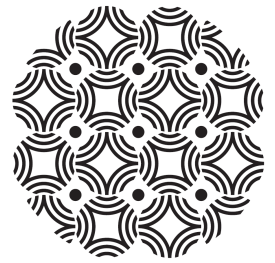
Market Makers are committed to display, during each trading day over a period of 5 hours, proposals on the Financial Instruments that have been allocated, according to the provisions in Annex A.

Article 4.4 Control of Performance

Pursuant to Article 4.3 here above, each Market Maker undertakes to quote a certain number of securities for a given period (Quotation Time), with a minimum size (Lot) and a maximum spread for each security as set out in Annex A.

Three performance indicators have been established:

- Nominal segment,
- Inflation segment,
- and BTF segment.



For each segment, the performance is measured as follows:

- for each security, MTS France registers the time during which all the requirements are met (size and spread). The performance on the security depends on the quotient of this duration over the target duration in accordance with the modalities defined in Annex A and is equal to 100% if this quotient is superior or equal to 100% ;
- the daily global performance of a Market Maker is the arithmetic average of its performances for each security.

Article 4.5 Communication of performances

Participants receive from MTS France a daily report related to their quoting performance for the previous trading day.

This report includes, for each allocated security, the time effectively quoted, the average spread, the average bid/ask size, the quoting parameters under normal conditions, the daily global performance, and the average monthly performance.

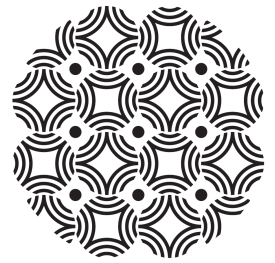
For each segment, it also indicates the daily global performance and the global monthly performance.

MTS France communicates to the Secretariat of the Market Committee, not later than the second business day of a given month, the monthly performances related to the securities assigned to Market Makers.

Article 4.6 Non compliance with Market Making Obligations

A shortfall may be observed based on the monthly global report.

A shortfall occurs if the average monthly percentage is below 80% on at least one of the three segments: Nominal, inflation and BTF.



Article 4.7 Procedure in case of non-compliance with quoting obligations

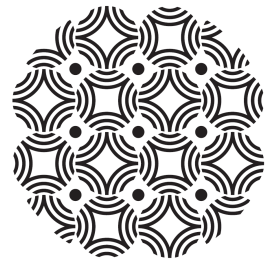
In case of non-compliance with quoting obligations, MTS France informs its Board of Directors who will send a warning to the Participant's permanent representative concerned, where applicable.

This warning is not subject to any publicity nor information to the other Participants.

If the Participant respects the quoting obligations set out in Article 4.4 for three (3) consecutive months his warning is automatically cancelled.

In case of a second warning sent to the Participant, MTS France informs, where applicable, the permanent representative and the compliance officer of the non-compliant Participant, about the breach of the quoting obligations and requests for explanations.

Should a third warning be sent, MTS France shall apply, when appropriate, the procedure mentioned in Article 2.5 of these Market Rules.



SECTION 5: TRADING

Article 5.1 Own account trading

Transactions must be carried out by the Participants on their own account and a Participant must not act on behalf of a third party on the System.

Article 5.2 Means of trading

Trades are exclusively transacted in the MTS France System. This System comprises of various modules, which have the following characteristics:

- Display of proposals
- Sending of orders
- Trade registration
- Details of settlement and delivery instructions

Article 5.3 Principles of System Operation

MTS France will take all necessary measures to ensure the proper functioning of the System;

MTS France will define the display format of the screen pages (from an informational and operational viewpoint) and may from time to time change the format of the display;

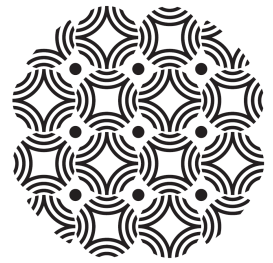
MTS France will inform without delay the Participants of any steps taken by the Company affecting the functioning of the System.

Article 5.4 Major Market Incident (MMI).

Article 5.4.1 Definition

“MMI” is a situation or an accident of a technical nature that from the point of view of MTS France requires, in the interest of the Market, a temporary modification of System operating procedures, a temporary suspension and/or a cancellation of operations in the System.

To illustrate, the following situations could be considered by MTS as an MMI:



- the system has become inaccessible (“or down”) for technical reasons for one or more Participants during the Open hours;
- A system malfunction whereby one or more Participants are exposed to exceptional market risk (for example in the case of a fault in the display of prices);
- The system security is no longer ensured or risks being affected by an imminent threat;
- MTS France is no longer able to ensure the full Operation of the System.

Article 5.4.2 Occurrence of a MMI

MTS France decides at its discretion whether an MMI has occurred and determines the date and the hour when the MMI commenced and when it ended.

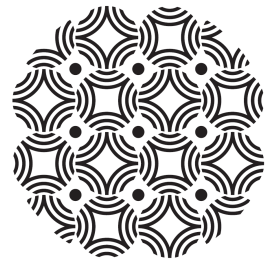
If MTS France decides that an MMI has occurred it immediately informs the Participants and specifies the date and the hour when the MMI began.

In the same manner if the MMI is over, MTS France immediately informs the Participants and specifies the date and the hour when the MMI ended.

Article 5.4.3 Effects of the MMI

If MTS France decides that an MMI occurred it may also take the following decisions in the interest of the Market:

- suspend quoting obligations for one or more Market Makers or for all or part of the Financial Instruments;
- suspend all or part of the trading on the System;
- delay the start of trading or extend trading hours beyond the normal close of market for all trading activity on the system or for certain Financial Instruments;
- require the cancellation of certain transactions determined at its discretion after having heard, if it sees fit, the opinion of the concerned Participants. The cancellation can also be imposed on fulfilled transactions. To this end, MTS France may, in the name of and on behalf of the Participant(s) concerned take the necessary measures concerning LCH SA and the settlement process. The concerned Participants are committed to make every effort in assisting the cancellation without delay.



All the decisions made by MTS France in accordance with this article must be immediately made known to Participants and the SVT Market Committee.

Article 5.5 Proposals

All Participants can enter proposals.

Proposals must be entered for a minimum size of:

- 5 million Euros for BTFs, BTANs, and for OATs whose maturities are inferior or equal to the “10 year” reference benchmark (with exception of “Regular” bonds),
- 2.5 million Euros for Variable rate instruments and for OATs whose maturities are superior to the “10 year” reference benchmark (as well as for “Regular” bonds),
- 1 million Euros for Strips.

For any amount above these sizes, the proposals have to correspond to increments of 0.5 millions, for each type of bond.

Market Makers must enter proposals in the System for the Financial Instruments they have been allocated, with the relevant size and maximum spread related to these instruments (see Annex A).

A Market Maker may (without obligation) enter proposals on Financial Instruments that are not allocated to him.

Proposals may be modified at any time. However, within the quantity offered, the Participants must conclude all the transactions linked to a proposal as soon as the order is recorded in the System before reception of the amended proposal.

Proposals related to each Financial Instrument are, in the following order, processed by the System according to best price and then, by equal price, by order of time of entry. At the close of each trading day, all the proposals still entered in the System are automatically cancelled.

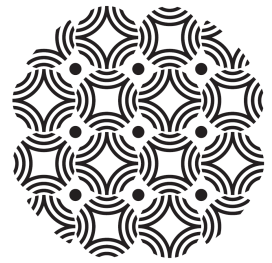
The procedures for conclusion of transactions are as set on in Annex C.

Article 5.6 Orders

Participants who wish to buy or sell will send orders that match the proposals of other Participants.

Orders have to be entered for a minimum size of:

- 5 million Euros for BTFs, BTANs, and for OATs whose maturities are inferior or equal to the “10 year” reference benchmark (with exception of “Regular” bonds),



- 2.5 million Euros for Variable rate instruments and for OATs whose maturities are superior to the “10 year” reference benchmark (as well as for “Regular” bonds),
- 1 million Euros for Strips.

For any amount above these sizes, the orders have to correspond to increments of 0.5 millions, for each type of bond. Orders must have a firm price limit on the buy or sell side.

Article 5.7 Trading hours

Trading takes place continuously within the trading hours as provided for in Annex C.

Without prejudice to the provisions in article 5.4, if MTS France considers that exceptional circumstances on the market do not permit normal operation of the system or the normal functioning of all or a part of transactions, MTS France may decide to delay the start of trading, or may extend trading hours beyond the normal close of Market and/or suspend all or a part of operations during trading.

Article 5.8 Conclusion of a transaction

The procedures for the conclusion of transactions are described in Annex B.

A transaction results from the matching of an order and a proposal, or the matching of two proposals.

A proposal partially executed remains in the order book for the remaining quantity.

A transaction is irrevocably concluded when MTS France electronically confirms the transaction, save for the provisions of Annexes B and G.

All transactions concluded on the System are recorded and archived.

Article 5.9 clearing and settlement of transactions

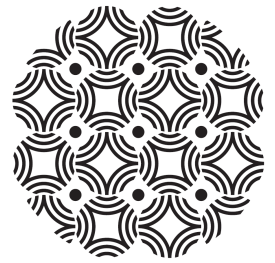
Transactions concluded between two LCH SA Members and for a collateralized bond are automatically transmitted to LCH SA for clearing and onward settlement.

To this end, Participants authorise MTS France to transmit settlement and delivery instructions on their behalf as stipulated in the application agreement.

Settlement occurs following to usual market conventions.

Article 5.10 Cancellation of transactions

The procedure for cancellation of transactions by MTS France is described in Annex G.



Article 5.11 Market Information

Participants can access in real time a subset of information for each Financial Instrument, namely:

All proposals (5 best prices and quantities);

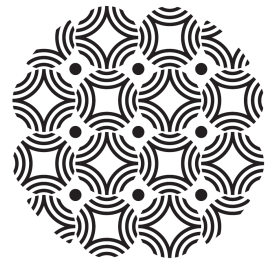
- price and quantity for the most recent transaction ;
- highest and lowest price, and average weighted price of the trading session

Other information is made available to Participants:

- Product pages : Instrument types transacted on the System ;
- Participants pages : list of the Participants;
- Entry of proposals ;
- Orders ;
- Proposals for each type of Financial Instruments ;
- Best bid and ask for each Financial Instrument ;
- Orders sent : allows the Participant to see orders sent by other Participants ;
- List of transactions concluded by the Participant;
- Statistics ;
- Details of transaction including parameters related to settlement and delivery instructions;
- Information: Messaging system allowing MTS France to communicate with the Participant or for Participants to communicate amongst themselves.

Article 5.12 Law applicable to transactions

All disputes arising from a transaction on the System are governed by French Law and any dispute, including those concerning the application and the interpretation of the present Rules shall be exclusively subject to the arbitration of the Tribunal de Commerce de Paris.



SECTION 6: SPECIFIC TRANSACTIONS

Article 6.1 Transactions involving Sovereign Financial Instruments prior to their date of issue (grey Market).

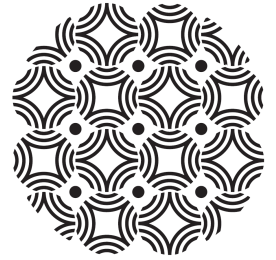
Following the announcement of a new line of Financial Instrument by l'Agence France Trésor MTS France may proceed to admit the relevant Financial Instrument for trading on the System, according to the conditions set out in the present article.

Following the admission of the relevant Financial Instrument, Participants may insert proposals involving the Financial Instrument on the System. A transaction occurs following the matching of purchase and sell proposals, issued by Participants.

Transactions described in the present article are automatically cancelled and considered null and void should the Financial Instruments object of the said transactions not be issued under the conditions set out by l'Agence France Trésor.

Transactions described in the present article are carried out on the System under the same conditions as transactions involving Financial Instruments already auctioned or issued. It must be underlined that the relevant settlement procedures pertaining to the transactions described in the present article are carried out according to usual market conventions (to this effect transactions are subject to the same settlement cycle, as if they had taken place on the day of the Financial Instrument's auction).

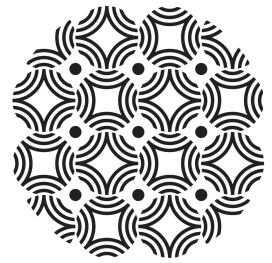
The Market Rules apply to the transactions involving Financial Instruments carried out prior to their issue, under the reserves of the special conditions described in this article. However, should the application of the conditions in the Market Rules prove to be inherently incompatible with the aforementioned transactions, their application may be overruled by the Board of Directors



SECTION 7: FEES

The Participant commits to proceed with the payment to MTS France, upon reception of the invoices issued by the Company, of the fees relating to the services provided by MTS France as they are defined by the fee schedule.

The fees set by MTS France can be subject to modification. The modified fees are notified to the Participant by way of a standard letter or email.



ANNEX A: Allocation of Financial Instruments issued by French Treasury and Quotation Obligations

A-1 BTFs

A-1.1 Classifications

BTFs admitted to the Market are split into 3 maturity buckets.

- Bucket 0 to 3 months maturity;
- Bucket 3 to 6 months maturity;
- Bucket 6 to 12 months maturity.

A-1.2 Market Making obligations

Market Making obligations communicated by the Secretariat of the Market Committee are effective on the first working day following auctions and are set out as follows:

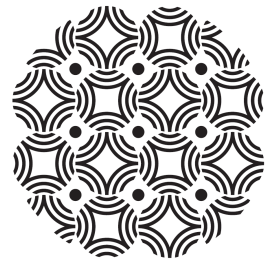
- Minimum lot size (trading lot): 10 million euros;
- Maximum spread (in yield terms): 3 basis points (bp) for the “benchmarks” (last issued BTF for each maturity) and free for the “liquids” (other BTF than the “benchmarks”);
- Minimum duration of quotation: 5 hours each day.

Allocation parameters table

Maturity	BTF			
	Benchmark		Liquid	
	Spread (bp)	Size (Mln €)	Spread (bp)	Size (Mln €)
3 months	3	10	Free	10
6 months	3	10	Free	10
12 months	3	10	Free	10

MTS France registers the time during which all the requirements are met (size and spread). The performance on the BTF equals the quotient of this duration over the target duration or 100% if this quotient is superior or equal to 100%.

Each Market Maker is obliged to insert proposals on 6 lines of BTFs: the last 2 issued on the 3 months, on the 6 months and on the 1 year maturity buckets (so 1 benchmark and 1 liquid for each of the maturity



bucket); BTFs are allocated and renewed according to the BTF issuance and tap calendar, and according to the procedure outlined here-below. For each maturity, the BTF benchmark corresponds to the last issued bond.

A-1.3 Renewal of Market Making obligations

In keeping with the issuance and tap calendar, market-making obligations on BTFs are redistributed without notice as follows: the newly issued BTF must be quoted from the day following its issuance. It ceases to be quoted on the day of issuance of a new BTF, replacing the existing one.

A-2 BTANs, OATs and other variable rate Financial Instruments

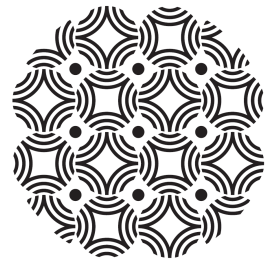
A-2.1 Classifications

BTANs, OAT and other variable rate Financial Instruments are admitted to the Market and are split into the following categories and maturity buckets.

Categories

BTANs, OAT and other variable rate Financial Instruments are admitted to the Market and are split into the following four categories:

- « Benchmark » Financial Instruments : these are reference Financial Instruments (last issued) with benchmark status of 2, 5, 10, 15, 30 and 50 year maturities;
- « Liquid » Financial Instruments: are those which are the most liquid Financial Instruments, but do not fall into the “benchmark” category;
- « Regular » Financial Instruments: are Financial Instruments which are regularly traded, but are considered less liquid;
- “Variable” rate Financial Instruments: are variable rate Financial Instruments.



Maturity buckets

Each category of BTAN, OAT and other variable rate Financial Instruments admitted to the Market, is split into the following maturity buckets:

- Maturity bucket A: 1 to 3,5 years;
- Maturity bucket B: 3,5 to 6,5 years;
- Maturity bucket C: 6,5 to 11,5 years;
- Maturity bucket D: 11,5 to 17 years;
- Maturity bucket E: 17 to 35 years;
- Maturity bucket F: above 35 years.

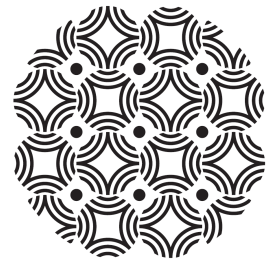
A-2.2 Market Making obligations

Market Making obligations are set out as follows, according to three parameters:

- Minimum lot size (trading lot);
- Maximum spread (in price terms in cents (cts));
- Quotation time: 5 hours a day.

The following tables indicate the market parameters for Financial Instruments with a maturity of more than one (1) year.

The Secretariat of the Market Committee informs MTS France when a new benchmark bond is issued by AFT. This bond shall be quoted by all Market Makers from the day following its issuance. The next month it replaces the Benchmark of the same maturity and the previous benchmark becomes “Liquid”.



The Market Making Obligations are presented in the tables below (sizes in € millions, spreads in € cents (cts) or basis points (bps) according specification).

Table 1

Category	Maturity		OAT & BTAN		Inflation linked		TEC	
			Spread (cts)	Size	Spread (cts)	Size	Spread (cts)	Size
Benchmark	A	1 to 3,5 years	4	10	25	10	25	5
	B	3,5 to 6,5 years	4	10	25	10	25	5
	C	6,5 to 11,5 years	5	10	25	5	25	5
	D	11,5 to 17 years	10	5	40	5	25	5
	E	17 to 35 years	20	5	50	2.5	25	5
	F	> 35 years	30	5				
Liquid	A	1 to 3,5 years	4	5				
	B	3,5 to 6,5 years	5	5				
	C	6,5 to 11,5 years	7	5				
	D	11,5 to 17 years	12	5				
	E	17 to 35 years	25	5				
	F	> 35 years	30	5				

Table 2

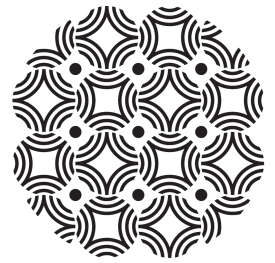
Regular	Instrument	Spread (cts)	Size
	OAT 25/10/2019	20	2,5
	OAT 04/2022	No quotation obligations	
	OAT 25/04/2023	30	2,5

On these bases, every Market Maker has an obligation to display proposals on each of the government bonds from the following 2 segments: the nominal segment (BTAN and OAT) and the indexed segment (BTANi and OATi/OATei).

In order for the quotation of a bond to be valid:

- a. The duration of the quotation compliant with the minimum size has to exceed 5 hours
- b. The average bid-offer based on the best 5 hours of quotation compliant with the minimum size has to :
 - be inferior to twice the average of the 9 best bid-offers spreads recorded amongst the SVTs;
 - or be inferior or equal to the spreads as defined in tables 1 and 2.

If the quotation is valid, the performance will be 100%, otherwise, it will be 0%.



Mechanism:

1. On a daily basis, MTS France sends to the Secretariat of the Market Committee the average bid-offer spread on the best five hours of quotations compliant with the minimum size for each government bond and each Market Maker SVT Participant.
2. The Secretariat of the Market Committee compiles the data of every platform and calculates the average of the best 9 bid-offer spreads recorded amongst the SVT for every bond.
3. The following trading day, the Secretariat of the Market Committee forwards the average bid-offer spread to the Participants and to the platforms.

A-3 Strips

A-3.1. Trading Obligations

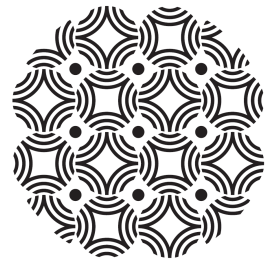
Each Stripped securities Market Maker must contribute on three « Benchmark » (10, 15 and 30 years) Strips.

Market Making obligations are set out as follows, according to three parameters:

- Minimum quoting period: five hours a day during one month;
- Minimum lot size (trading lot): 5 million Euros;
- Maximum spread (in basis points): 3 basis points.

A-3.2. Renewal of obligations

The Secretariat of the Market Committee will inform Stripped securities Market Makers of their allocation of securities.



ANNEX B: Transaction Procedure

B-1 Sending Orders

Orders are sent indicating a quantity and exclusion price. The exclusion price sets the limit price that satisfies the Participant that the best conditions are met and to which he is ready to conclude the transaction. The order will be automatically processed up to and including the exclusion price (see Article B.3).

B-2 Conclusion of the transaction

Save for the provision of Article 5.8 (Trading), the matching of an order and a proposal will take place and result in the conclusion of a transaction, until the desired quantity is reached within the price limit, according to the following criteria:

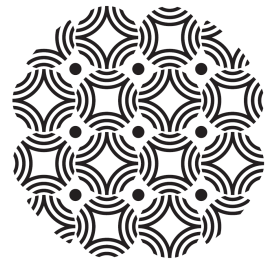
1. Firstly, the best price is taken into account;
2. Secondly, in case there are several proposals at the same price, the proposal and the order matching will occur at the time the order is entered, starting with the first proposal entered, up to the last entered;
3. Thirdly, if following the procedure described in '2' the total quantity is not reached, the price closest to the best price will be applied.

B-3 Mid-Price crossing

In addition to the input of Proposals, and the matching of Proposals and Orders, or the matching of two Proposals as set out in the preceding sections, where there is:

- a higher level of liquidity in a certain security (as determined by the Company from time to time);
and
- where the functionality is available (as set out in the system pages)

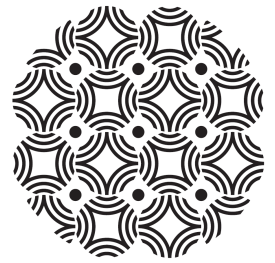
the System will calculate a "Mid Price" between the prevailing bid offer spread.



Participants may put in a Single-Sided Proposal at this Mid-Price and may indicate a price limit. These Proposals will only be automatically matched to Orders at this Mid-Price.

Proposals on "Mid-Prices" may be subject to a different minimum execution size which will be set by the Company (and set out on the system pages). Participants may enter Proposals with a higher execution size than the minimum Mid-Price execution size, but not a lower size.





ANNEX C: Trading Hours

Market phases are the following:

7h30 - 8h00 Preopening:

Participants can operate on the market. Proposal entry and modification is possible. Each Participant only sees its own proposals.

8h00 - 8h15 Pre Market:

Participants can send proposals or orders.

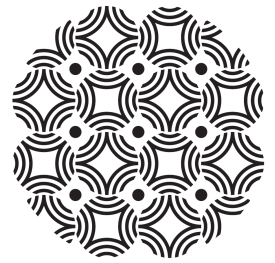
8h15 - 17h30 Market session:

Proposal and order entry.
Matching occurs as follows:

- ❑ Automatic execution for all orders greater than amounts as set out in article 5.6;
- ❑ Manual execution upon the decision of the Participant for all orders (or proposals) of a smaller amount.

17h30 - 19h00:

Consultation/message
Cancellation of proposals in the order book.



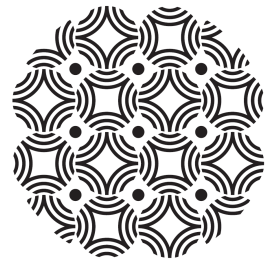
ANNEX D: Trading Days

A Trading Day in the System is defined as a TARGET business day.

A Market Maker may however be relieved of its quoting obligations as provided for in Article 4.3, on days which are officially recognised as bank holidays in **France or in the United Kingdom**. The Market Maker will not be considered as having breached its quoting obligations on these days.

For example, a Market Maker which trading operations are based in the United Kingdom will be relieved of its quoting obligations on United Kingdom Public Holidays, however it will be expected to fulfill his quoting obligations on French holidays, except on TARGET holidays.

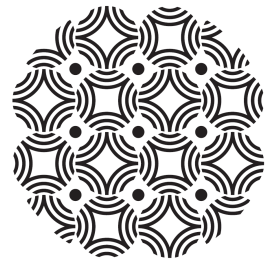
Each Market Maker shall inform MTS France and the Secretariat of the Market Committee of its choice regarding its country of reference (France or the UK) for the purposes of these provisions. The list thus established is communicated to the Market Committee and the AFT. It is valid for one calendar year and is automatically renewable. Any modification of the country of reference must be notified to MTS France and the Secretariat of the Market Committee before 15 December of the year (N) in progress to be considered for the following year (N + 1).



ANNEX E - Procedure to follow when a Participant is unable to check on the screen the transactions he concluded on the System

In the event that a Participant is, for any reason, unable to verify on his screen the transactions concluded on the System, he can obtain the relevant information by following the following steps:

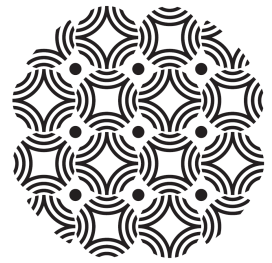
1. call MTS France who should be able, through the MTS Datafeed, to verify the transactions concluded on the System, and in particular the ones concluded by the Participant, using information like the Financial Instrument type, quantity, price and time of the transaction, as well as the identity of the other counterpart.
2. In the event that, for any reason, MTS France is not be able to use the MTS Datafeed, MTS France must contact MTS Data Request Group in order to obtain the pertinent information via the direct access to the Oracle Database
3. In the event that, for any reason, MTS Data Request Group is not be able to use the Oracle database, MTS Data Request Group must then contact the SIA SpA Helpdesk to get the requested data from them and provide them to MST France.



ANNEX F: Transaction recording procedure

MTS France will update an electronic file in which data related to the transactions concluded on the System are recorded. Each distinct transaction will have an identification number for:

- a. The parties to the contract;
- b. The type, object and time of conclusion of the transaction;
- c. The quantity and price.



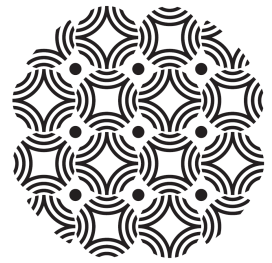
ANNEX G: Trade Cancellation Procedure

- 
- 1) If the cancellation of erroneous Trades is requested by both counterparties, it shall be carried out by MTS France on the basis of written requests of both counterparties to be sent by email to MTS France at cancellations@mtsmarkets.com prior to the closing of the Market or immediately afterwards.

MTS France shall send a confirmation of the cancellation to both counterparties via email, and shall notify the clearing and/or the settlement systems.

- 2) If the Trade cancellation is requested by only one counterparty of the Trade, the following procedure shall apply:
 - The cancellation request shall be promptly notified by one of the parties to the other party by telephone or email. It is recommended to the counterparties to have a direct contact to facilitate the cancellation procedure.
 - The cancellation request shall also be always notified to MTS France via email (cancellations@mtsmarkets.com) within 15 minutes¹ of the execution of the Trade.
 - Upon the receipt of the notification, MTS France shall immediately contact the Trade counterparty with respect to such cancellation.
 - a) If the counterparty promptly confirms its agreement to such cancellation request, the request shall be treated as a bilateral cancellation request and shall be executed by MTS France. MTS France shall send a confirmation of the cancellation to both counterparties via email, and shall be in charge of notifying the clearing and/or the settlement systems.
 - b) In the event that the other counterparty does not respond promptly or does not agree with the Trade cancellation request, MTS France shall, in order to proceed with the cancellation, ascertain whether the transaction that has been executed at a price or rate level, depending on the case, inconsistent with the Market price or rate (“Market Value”) at the time of execution, in compliance with the procedures mentioned hereafter and according to the type

¹ MTS France Board on April 29th, 2016, has resolved to reduce this timing to 5 minutes from the current 15 minutes. However the coming into force of this reduction is subject to a specific notice to be sent by MTS to Participants.



of Financial Instrument.

To be considered inconsistent with the Market Value, the price of the transaction subject to the cancellation request must have been greater than 50% outside the current bid/offer spread on the instrument at the time of its execution.

In order to calculate the Market Value, MTS France may request from a “Collège Restreint SVT”² of up to five (5) Participants, but no less than three (3) (excluding the counterparties of the trade) to provide, via email, a firm two-way inter-dealer electronic quote for that instrument at the time of execution of the trade.

Participants who are counterparties to the trade shall not contact any of the agreed SVTs from the “Collège Restreint SVT” regarding the trade dispute.

MTS France, if so requested by the counterparties involved in the trade, may distribute the prices used in the calculation but not the names of the SVT Participants who provided the prices.

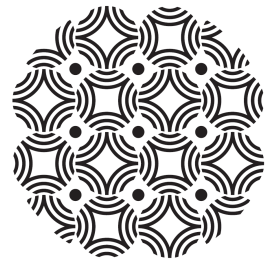
As soon as possible after the request, the SVTs from the « Collège Restreint SVT » will communicate to MTS France their current bid/offer i.e. the quote of a firm two-way price they entered or would have entered into any inter-dealer electronic Platform for that instrument at that time.

After excluding both the highest and lowest price (the quotations with the highest bid price and with the lowest offer price), the average of the remaining quotes is calculated in order to determine the average bid/offer spread at Market value. For the calculation, the prices are cut at the 3rd decimal place then rounded up at the second decimal place. If only three (3) Participants were able to communicate their current bid/offer quotation, those three (3) quotes will be used to determine the average bid/offer. If quotations have the same bid or offer price which is respectively the lowest bid price or the highest offer price, only the one with the tightest bid/offer spread will be removed from the calculation. If the lowest bid and the highest offer are comprised in the same quote, only this quotation will be removed. Once the bid/offer of the market value is determined, MTS France will calculate the bid/offer spread.

The trade will be ‘off-market’ if it was executed at a price that was 50% wider than the average bid/offer which was calculated as per the above procedure.

- Error sale (i.e. cancellation request is made by the seller):
The transaction will be cancelled when the trade price is lower than the bid Market Value by more than 50% of the above defined spread at the time of the execution of the trade.

² This college comprises up to 5 SVT Participants (selected at random), but no less than 3, excluding the counterparties.



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

The transaction will be cancelled when the trade price is higher than the ask Market Value by more than 50% of the above defined spread at the time of the execution of the trade.

MTS France will then communicate its decision to both counterparties as quickly as possible, but no later than 45 minutes³ from the time of execution of the trade. If exceptional circumstances so require, MTS France retains the discretion to depart from the 45 minutes³ timeframe mentioned above.

Such cancellation, once promptly agreed by both parties, shall then be notified to any applicable clearing and/or settlement systems.

Should the method above not achieve a result that is acceptable for both counterparties, and if the trade is outside the bid/offer at Market Value, MTS France will be allowed to cancel the Trade.

This cancellation procedure applies to SVT Participants as well as to non SVT Participants.

Exemple :

*For a specific security, the following Best bid-offer prices were on the best page – 107.15/110.25
A Seller aggresses the bid at 107.15 and then reports it as an error Trade.*

Following a poll of five SVT from the “Collège restreint SVT”, 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

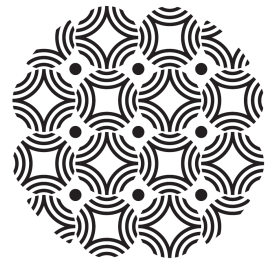
The couple with the highest bid and the couple with the lowest offer are thrown out which leaves the following:

108.50/109.65

107.90/109.50

108.25/109.30

³ MTS France Board on April 29th, 2016, has resolved to reduce this timing to 35 minutes from the current 45 minutes. However the coming into force of this change is subject to a specific notice to be sent by MTS to Participants.



The average bid and offer price is calculated taking into account the three remaining bid and offer prices.

The result is truncated to the third decimal and rounded to the second decimal:

Avg Bid = $(108.50+107.90+108.25)/3 \Rightarrow 108.22$

Avg Offer = $(109.65+109.50+109.30)/3 \Rightarrow 109.48$

Market Value: 108.22/109.48 which results in an average bid/offer spread of 126 cts

We obtain the limit prices by applying a margin of 50% outside of the bid/offer spread (i.e. the spread outside of which the transaction is considered as off-market): 107.59/110.11

The sale executed at 107.15 will therefore be cancelled as the transaction price is lower than the bid value of the limit market price (107.59).