

Notification of incentive schemes	
<b>Name of the Trading Venue:</b>	<b>Date submitted (DD/MM/YYYY):</b>
<b>Name and Reference Number of Operator:</b>	
<b>Incentive scheme name:</b>	
<b>Period of the scheme (DD/MM/YYYY – DD/MM/YYYY):</b>	
<p>Is the scheme new, or a renewal of an existing scheme?</p> <p>If this is a renewal of an existing scheme, please complete the <b>incentive scheme renewals</b> section only, at page 3 of this form.</p>	
List a broad categorisation of the financial instruments to which the incentive scheme relates.	
<p><b>Purpose:</b></p> <p>Explain the rationale behind the incentive scheme proposal and the benefits the scheme is intended to generate. Please provide details of how you propose to measure whether the scheme has been effective in delivering these benefits.</p>	
<p><b>Scheme summary:</b></p> <p>Please provide a summary of the key terms of the scheme. The following items are not an exhaustive list of relevant items, but should at a minimum be addressed in the summary:</p> <ul style="list-style-type: none"> <li>• Describe which members may be eligible for the scheme. If the scheme is open to a restricted number of members, please explain how members will be selected in the event of over-subscription.</li> <li>• Explain the expected obligations of the participants. If participants will be invited to bid obligations, please describe how bids will be assessed and any benchmark that will be used for such assessment.</li> <li>• Provide details of the incentive being offered. If the incentive varies according to performance, please provide worked examples of how incentives will be calculated.</li> <li>• Describe the way in which participants will receive the incentive (for example, as a discount applied to trading fee invoices).</li> </ul>	

<ul style="list-style-type: none"> <li>Indicate the duration of the scheme. (The FCA generally expects the duration of an incentive scheme to be for a period of one year or less. Any incentive scheme for a period longer than one year will have to be reviewed and renewed on an annual basis at a minimum.)</li> </ul>	
<p><b>Scheme regulatory analysis:</b>  <i>The regulatory analysis should address the following aspects, in order to demonstrate the level of risk the scheme will pose to market integrity. In the event you have considered any additional aspects as part of your regulatory analysis, please include those as well. If additional information is required to support the analysis below, please append this.</i></p>	
<p><b>Transparency of the scheme:</b></p> <ul style="list-style-type: none"> <li>(i) Please explain how the terms of the incentive scheme will be made available to potential applicants.</li> <li>(ii) Please provide a copy of any proposed communications with applicants.</li> <li>(iii) If the scheme requires potential participants to subscribe or bid, how much notice will potential applicants be given prior to the scheme's launch?</li> </ul>	
<p><b>Fair and orderly trading:</b></p> <p><b>Please explain the assessment the trading venue has made of:</b></p> <ul style="list-style-type: none"> <li>(i) the risk of orders being placed or modified, or transactions being executed, for purposes other than those intended by the scheme;</li> <li>(ii) any risk that the scheme could distort the price formation process, including the relationship between the scheme's benefit and the costs which it is intended to alleviate;</li> <li>(iii) any risks that could arise if the scheme enables participants to use the benefits of the scheme, in trading any other instrument other than the instrument to which the scheme relates (e.g. fee credits that could be used in trading other instruments);</li> <li>(iv) any risks that could arise in the event that a scheme participant is eligible to simultaneously take part in any other incentive arrangement offered by the trading venue; and</li> <li>(v) whether the same benefits will be available to all venue users in an objective and non-discriminatory way.</li> </ul> <p><b>Please confirm whether or not, in certain circumstances, a scheme participant could receive rebates in relation to transactions covered by the scheme which exceed the fees due to the trading venue from the participant for such transactions (taking into account, where applicable, any other fee rebates or 'holidays' to which the participant is entitled).</b></p> <p><b>Please also confirm that the scheme does not amount to a 'cliff edge' where, upon reaching a given threshold, a</b></p>	

<p><b>discounted rate is applied not only to those trades which are incremental to the threshold, but to all trades which have gone before it in a particular fee period.</b></p>	
<p><b>Market monitoring and surveillance arrangements:</b> Please confirm that there are sufficient market monitoring and surveillance arrangements in place to prevent abuse of the incentive scheme structure that could encourage disorderly and improper trading to occur.</p>	
<p><b>Incentive scheme renewals:</b> <i>In the case of a renewal of an existing scheme currently in force, please complete the following section below. If additional information to support the answers below is required (e.g. graphs, breakdown of statistics etc) which you have assessed internally as necessary to ensure the scheme continues to meet your regulatory requirements, please append these.</i></p>	
<p>Name the participants for most recent period of scheme.</p>	
<p>Have the terms of the scheme been changed? If so, please detail how and why.</p>	
<p>How will the trading venue communicate the renewal of this scheme to all existing and new participants?</p>	
<p>Please provide the following information relating to the scheme for the most recent period:</p> <ul style="list-style-type: none"> <li>• Amounts paid out/rebated to each in individual participant;</li> <li>• Total amount paid out/rebated in the scheme.</li> </ul>	
<p>Have there been any instances of improper or disorderly trading in relation to the instruments covered within the scheme over the last period of operation of the scheme? Are there any other additional issues about this scheme that have been flagged through your market surveillance monitoring?</p>	
<p><b>Compliance sign off</b> <i>Key Individual to sign off on this submission on behalf of the operator of the trading venue, to verify the factual accuracy of the information submitted, and that the proposed scheme is in compliance with relevant requirements.</i></p>	
<p><b>Name:</b></p>	<p><b>Signature:</b></p>
<p><b>Date (DD/MM/YYYY):</b></p>	