

# ANNEX SPAIN

(EFFECTIVE AS OF 19/06/2023)

MTS Spain is a segment of the MTS Cash Domestic Market Multilateral Trading Facility operated by MTS S.p.A.



# 1. General Provisions

## 1.1 Definitions

1. The MTS Cash Domestic Market Rules apply, with the following definitions also applicable to MTS Spain:

“Benchmark Securities”	means the most actively traded security for each maturity bucket as determined by the Treasury;
“Bond Segment”	means the segment of the Market dedicated for trading between Participants in Bonos, Obligaciones and Strips;
“Broker”	means any financial entity accepted and authorised by MTS to act as a Participant to MTS Spain exclusively on an agency basis, in accordance with this Annex. Brokers shall be subject to the obligations and commitments established under this Annex;
“Primary Dealer”	means an entity designated as “Creador de Mercado” by the Treasury;
“Strips”	means those Financial Instruments with an implicit yield resulting from the segregation of a bond. Such Financial Instruments may be of two different types; principal only strips (the nominal value corresponding to the redemption value of the original bond), or “interest only strip” (the nominal value of the coupon of the original bond);
“T-Bill” or “Letras del Tesoro”	means a short term Treasury debt security issued by the Kingdom of Spain with a maturity less than 18 months;
“Treasury”	means the General Directorate of the Treasury and Political Finance of the Kingdom of Spain.

## 1.2 Market Rules

1. The MTS Cash Domestic Market Rules apply.

## 2. Financial Instruments

### 2.1 Financial Instruments

1. The issuer is the Kingdom of Spain. The Financial Instruments available for trading are:
  - a) Fixed coupon-bearing securities:
    - i) Inflation linked;
    - ii) Nominal coupon;
  - a) T-Bills;
  - b) Strips;
  - c) Floating rate notes.

### 2.2 Minimum Lots

1. The Minimum Quote Size, Minimum Single Side Quote Size, Minimum Trading Size, and the Minimum Increment Quantity for each Financial Instrument can be found in the Regulatory Specifications.

## 3. Participants

### 3.1 Participant admission criteria

1. The MTS Cash Domestic Market Rules apply.

### 3.2 Participants admission procedures

3. MTS Spain distinguishes between four categories of Participants.
  - a) Price Taker;
  - b) Liquidity Provider;
  - c) Market Maker; and
  - d) Broker: Participants authorised to trade, by means of Quotes and Orders, as applicable, Financial Instruments on the Market ONLY on behalf of other non-Broker Participants of MTS Spain, acting as Market Makers or Liquidity Providers, who have given such authorisation. For the avoidance of doubt, Broker may not allow their actions to place them in the middle of any Trade.

### 3.3 Participant on-going undertakings

1. The MTS Cash Domestic Market Rules apply, with the following additional undertakings for Brokers:
2. To maintain the most strict confidentiality with regard to origin and identity of the counterparties involved in the Quotes and/or Orders on the Market; Non-Participants (i.e. third parties) to the Market shall not have access to the pool of liquidity on the Market.

### 3.4 Resignation of Participants

1. The MTS Cash Domestic Market Rules apply.

### 3.5 Suspension of Participants from trading

1. The MTS Cash Domestic Market Rules apply.
2. In addition to the provisions set forth in Article 3.5 of the MTS Cash Domestic Market Rules, MTS shall  
automatically suspend a Broker from trading whenever it verifies a breach of any of its undertakings of confidentiality as referred to in Article 3.3 of this Annex.

### 3.6 Exclusion of Participants from trading

1. The MTS Cash Domestic Market Rules apply,.

### 3.7 Regional Market Committee for MTS Spain

1. The MTS Cash Domestic Market Rules apply.

## 4. Trading

### 4.1 General systems operations

1. The MTS Cash Domestic Market Rules apply.

### 4.2 Types of Trade

1. The MTS Cash Domestic Market Rules apply, with the exception that Brokers shall act exclusively for a Participant as authorised by such Participants.

### 4.3 Market trading hours

1. The MTS Cash Domestic Market Rules apply.

### 4.4 Quotes and Orders

1. The MTS Cash Domestic Market Rules apply.
2. For the purpose of this Article, all references to Market Makers and Liquidity Providers are inclusive of Brokers acting on behalf of Market Makers and Liquidity Providers.

### 4.5 Contracts

1. The MTS Cash Domestic Market Rules apply.

### 4.6 Conclusion and registration of Trades

1. The MTS Cash Domestic Market Rules apply.

### 4.7 Mid-Price crossing

1. The MTS Cash Domestic Market Rules apply.

### 4.8 Trade Registration facility

1. The MTS Cash Domestic Market Rules apply.

### 4.9 Cancellation of Trades

1. The MTS Cash Domestic Market Rules apply.

### 4.10 Market Making Agreements

1. The MTS Cash Domestic Market Rules apply.

### 4.11 Law governing Trades

1. The MTS Cash Domestic Market Rules apply.

## 5. Clearing and settlement of Trades

### 5.1 Clearing and Settlement of Trades

1. The MTS Cash Domestic Market Rules apply.

## 6. Provision of data and information

### 6.1 Provision of data to Participants

1. The MTS Cash Domestic Market Rules apply.

### 6.2 Provision of data to Authorities

1. The MTS Cash Domestic Market Rules apply.

### 6.3 Provision of data to debt management offices

1. The MTS Cash Domestic Market Rules apply, with the addition that MTS may also submit all data and information related to activities carried out by Brokers on behalf of the Participants on the Market. This information shall serve for the purpose of evaluating the activity of the Creadores de Mercado del Reino de Espana.

### 6.4 Provision of data to the public

1. The MTS Cash Domestic Market Rules apply.

### 6.5 Amendments and communications

1. The MTS Cash Domestic Market Rules apply.

## 7. Supervision and Sanctions

### 7.1 Supervision of regular conduct

1. The MTS Cash Domestic Market Rules apply.

## 7.2 Disciplinary measures

1. The MTS Cash Domestic Market Rules apply.

## 7.3 Procedure for verifying violations

1. The MTS Cash Domestic Market Rules apply.

## 7.4 Review of measures

1. The MTS Cash Domestic Market Rules apply.

## 7.5 Appeal Board

1. The MTS Cash Domestic Market Rules apply.

## 7.6 Board of Arbitration

1. The MTS Cash Domestic Market Rules apply.

# 8. Final Provisions

## 8.1 Final Provisions

1. The MTS Cash Domestic Market Rules apply.



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