



UBS MTF Market Notice

Waiver update and order book sweep

23 September 2016

Dear Member,

This Market Notice is to inform you of future functionality developments on UBS MTF.

UBS MTF has received Regulatory approval to use an additional waiver. In preparation for MiFID II, UBS MTF plans to use the Large in Scale waiver (LIS) in addition to the Reference Price Waiver (RPW) for executions in the Mid, Bid and Offer order books, from early 2017.

UBS MTF also plans to release a new order book sweep functionality to allow its Members to seek liquidity in the three existing order books with one single order.

UBS MTF's intention is to use both waivers in each of the three existing order books encouraging the submission of large in scale orders to UBS MTF. From January 2018, in line with MiFID II requirement to always obtain price improvement under the RPW, the use of both waivers will apply to the mid order book only. The bid and offer order books and order book sweep functionality will only be present for orders that meet the Large in Scale orders criteria.

Further details about these developments as well as a new set of Rules of Engagement will be available to all Members over the coming weeks, as and when these new functionalities are present for Members to conduct testing.

UBS MTF Notices and documentation are available at <http://ubs.com/mtf>.

If you have any queries regarding this notice please contact the UBS MTF Supervisors at +44 20 7568 2052 or UBS_MTF@ubs.com.

UBS MTF Management

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