OSTTRA

MARKET REGULATION ADVISORY NOTICE

From	NEX SEF Limited ("NEX SEF")
To	All Platform Participants
Subject	Business Clock Synchronization
Rule References	104, 206
Effective Date	October 1, 2025
Notice Date	September 16, 2025
Notice Number	2025-02

***This Market Regulation Advisory Notice (MRAN) supersedes and serves to retire** MRAN 2018-001* **Business Clock Synchronization and Pre-Trade and Post-Trade Controls.**

Business Clock Synchronization
Under MiFID II Article 50, multilateral trading facilities ("MTFs"), such as NEX SEF Limited ("NEX SEF" or the "Facility") are required to synchronise the business clocks used to record any reportable event within each trading system. Capitalised terms used but not defined herein have the meaning given to them in the NEX SEF Rulebook.

Procedures:
Both Primary and Secondary Data Centers use a redundant PTP (IEEE 1588) time synchronization solution delivered by Netnod from RISE (Research Institutes of Sweden) and PTS (Swedish Post and Telecom Authority).

In the event of interruption, NEX SEF use FSMLabs' Timekeeper Grandmaster Oscillator solution, providing up to 4 day coverage from a PPT time source. **Timekeeper Multi-Source Client** is installed on the Data Center servers, which sync time from **Timekeeper Grandmaster.**

Test environments are in place to test time delivery over changing network and system components. Aggregates clock adjustments are performed (to ensure they are all below 1ms), and provides a UI for reporting

PTP monitoring and event logging will allow time drift data to all servers to be captured then downloaded and stored for analysis. Data captured includes time offset to UTC and delay. Any servers falling outside of pre-set thresholds are notified to management systems. The solution is periodically reviewed for updates and enhancements as part of existing processes

Pre-Trade and Post-Trade Controls
MiFID II sets out requirements for multilateral trading facility ("MTF") operators and members, such as NEX SEF Limited ("NEX SEF" or the "Facility") and its Participants, aimed at ensuring the orderly functioning of markets in normal, volatile and even disorderly conditions through Article 48 and associated Regulatory Technical Standards (RTS). Capitalised terms used but not defined herein have the meaning given to them in the NEX SEF Rulebook.

Procedures:
Fat Finger & Other System Checks
1. Fat Finger Max Order Size Limit Warning
   - NDF: 500mio
   - FXO: None set by default
   - Rates: None set by default

2. *Firm Wide risk limit*
   - None set by default. However clients can inform us of any limits that is to be applied.

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3. *Current Price Collars or Price Control Limits in place.*
- All participants trade on a curve that our risk specialist creates. We do not see that such limits would be relevant, as our prices are visible and participants decide whether to participate or not.

4. *Self Match Prevention ("SMP")*
- The default is set to OFF (ie: self-match is prevented), Users can change this setting according to their preferences.

5. *Cancel on Disconnect ("COD")*
- As participants are not required to remain connected, this is not applicable.

6. *Kill switch*
- As participants are not required to remain connected the kill switch concept is not applicable. However, clients can always retract their submissions ahead of the cut-off time.

7. Prior Submission Comparator
- Any submissions are compared to a participant's prior submissions, and the following are highlighted:
  o Submissions identical or similar (up to a threshold) to a prior submission
  o Submissions with directions opposite to a prior submission

8. Price Comparator
- Participants who submit their curves for the purpose of estimating profit and loss will have their curves compared to the tradeable curve, and the following are highlighted:
  o Participant curve is identical to tradeable curve
  o Participant curve is provided to a lower significant figure than tradeable curve
  o Participant curve deviates from tradeable curve by the threshold margin