BlockMatch Asia

ALP Guidelines

~~October~~ **May 2025**
Version 1.3~~2~~

Contents

1 Introduction

Instinet Pacific Limited ("Instinet") – CE No. ABB038 – operates an Alternative Liquidity Pool ("ALP") pursuant to its Securities and Futures Commission ("SFC") Type 7 license under the brand name BlockMatch Asia ("BlockMatch"), and is approved as a Recognised Market Operator ("RMO") by the Monetary Authority of Singapore ("MAS") under the Securities and Futures Act (Cap. 289).

This document is Instinet's ALP Guidelines ("Guidelines") written to ensure Instinet's adherence to the SFC Paragraph 19 of the Code of Conduct for Persons Licensed by or Registered ("Paragraph 19") with the SFC ("the Code") and specifically Schedule 8 of the Code; and MAS Guidelines on the Regulation of Markets and recognition conditions for Instinet's RMO status.

2 Definitions

"Alternative Liquidity Pool or ALP":   is defined in Paragraph 19;
"Conditional Orders":   is defined as in Paragraph 5.1 of this document;
"Group of companies":   shares the definition as in Part 1 of Schedule 1 of the
                                           Securities and Futures Ordinance ("the SFO");
"Algorithmic Conditional Order   is as defined in Paragraph 5.1 of this document;
"Firm up":   is as defined in Paragraph 5.4 of this document;
"Primary Exchange"   is as defined in Paragraph 3 of this document;
"Proprietary Order":   is as defined in Paragraph 19;
"Manual Conditional Order"   is as defined in Paragraph 5.1 of this document;
"Qualified Investor":   is as defined in Paragraph 19;
"User":   is as defined in Paragraph 19.

3 Traded markets

BlockMatch provides trading in equity securities listed in the following Primary Exchanges:

Market	Primary Exchange
Hong Kong	Stock Exchange of Hong Kong[1] ("SEHK")
Indonesia	Indonesia Stock Exchange ("IDX")
Malaysia	Bursa Malaysia[2] ('KLSE')
Philippines	The Philippine Stock Exchange ("PSE")
Singapore	Singapore Stock Exchange ("SGX")

BlockMatch will support trading of securities that have the same settlement process as an equity security. This includes ordinary stocks and exchange traded funds. Orders for fixed income and exchange traded derivatives securities will be rejected.

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[1] Owned and operated by Hong Kong Exchanges and Clearing Limited.
[2] Trading of Malaysian securities is not open to partner broker clients, i.e. those clients who are executing orders on behalf of another client, (due to local settlement restrictions).

4 Clients and User Restrictions

4.1 Eligible Clients

Only "Qualified Investors" ~~are able to~~can trade in BlockMatch, subject to approval and acceptance of this Guide and the Terms of Business. Orders from clients who are not authorised to trade are rejected. Clients must also ensure that their underlying clients are Qualified Investors. In respect of investors in Singapore, Instinet shall only allow professional investors, accredited investors and expert investors to trade directly on its organised markets.

Instinet reserves the right to limit access to or prohibit the use of BlockMatch at its own discretion.

4.2 Opt-Out Arrangements

Client configurations can easily be changed to opt-out of interaction with BlockMatch and opt-out requests should be directed to your Instinet relationship manager. Clients can use Counterparty Selection functionality to tailor interaction with specific profiles of counterparty. A description of Counterparty Selection is found at 8.5, and requests can also be directed to your Instinet relationship manager.

4.3 Short Selling

Clients must adhere to the relevant exchange rules and market regulations for each market and therefore must not short sell securities within BlockMatch.

4.4 Associated Risks

Given the agency nature of Instinet's business there are limited risks of which the client should be aware. Instinet is keen to ensure that the BlockMatch product is valued by all clients, and as such, we provide access to a wide spectrum of liquidity. Clients can choose to opt out of interaction with particular types of counterparty. In particular, users who do not wish to interact with Liquidity Providers or Principal orders can use Counterparty Selection functionality as set out at 8.5, and in addition can use minimum quantity to filter out smaller orders.

Instinet receives price feeds from Primary Exchanges or other market data vendors we consider reliable. In exceptional circumstances pricing information may be delayed due to reasons beyond Instinet's control, which may result in orders being matched in BlockMatch outside the prevailing best bid and ask on the relevant Primary Exchange.

4.5 Client Consent

For markets other than Hong Kong, upon an executed trade in BlockMatch, Instinet transmits matched BUY and SELL orders to a local broker for publication at the Primary Exchange. Clients consent to disclosure of their orders and any other relevant information to Primary Brokers as described at 7.5, for purposes of order transmission, execution, reporting and publication at the relevant local exchange. Client orders must comply with all relevant rules and regulations of the Primary Exchange.

5 Conditional Book

5.1 Conditional Orders

A non-binding order which is submitted to the BlockMatch Conditional book. Upon BlockMatch identifying matchable contra liquidity, the order submitter receives a firm up request from BlockMatch to send a firm order for execution in the BlockMatch Continuous~~Limit Crossing~~ Book. BlockMatch provides for the following types of conditional orders:

- **Algorithmic conditional orders**: Where clients can enter conditional orders via an algorithm, allowing for automated system management of the submission of conditional orders and firm up process.

- **Manual conditional orders**: Non-algorithmic conditional orders.

5.2 Interaction with Conditional Orders

Users may specify the type of conditional orders that they wish to interact with, by using FIX Tag 7098 MatchInst. This is also applicable to firm orders that have elected to interact with conditional orders as described at 5.6.

Where there is marketable contra liquidity and BlockMatch identifies a trading opportunity, in the case of an algorithmic conditional order on one side vs a manual conditional order on the contra side; the manual conditional order is invited to firm up first, and the algorithmic conditional order will not get a firm up request until the manual user has responded.

Where both sides are algorithmic conditional orders, or manual conditional orders, both sides will receive a firm up request simultaneously. Monitoring of firm up requests is discussed at 5.8.

Where a firm order on one side triggers a firm up request to a conditional order on the other side, only the conditional order receives a firm up request. Firm order interaction with conditional orders is described at 5.6 and 8.2.

5.3 Conditional Book

The Conditional Book receives conditional orders and manages the identification and notification of contra liquidity. Conditional orders are pegged to the mid-point of the exchange best bid/offer, and are prioritised by size, time. No matching takes place within the Conditional Book and all firmed up orders are executed within the ~~BlockMatch~~ Continuous~~Limit Crossing~~ Book.

5.4 Firm Up

In the event the Conditional Book identifies a trading opportunity, clients will receive notification of the potential trading opportunity with an invitation to firm up. The notification displays symbol and the users own size and side, ~~however~~however, does not display any details of the contra order or identity of the counterparty. Unmarketable conditional orders, or orders which cannot meet a contra order's minimum quantity requirements are not eligible to receive a notification message.

5.5 Response Timeframe and Matching Priority

Algorithmic conditional users have 2 seconds to respond to a firm up request and send a firm order to the Continuous ~~Limit Crossing~~ Book, and manual conditional users have 30 seconds to respond. All orders submitted to the Continuous ~~Limit Crossing~~ Book are matched on a price, size, time basis.

5.6 Firm order interaction with the Conditional Book

Resting orders in the ~~BlockMatch~~ Continuous ~~Limit Crossing~~ Book can elect to interact with conditional orders using FIX Tag 7098 MatchInst, which flags the order to the Conditional Book. Trading opportunities can therefore be generated by a contra conditional order, or by a firm order flagged to the conditional book. Questions or requests regarding tagging of firm orders can be directed to your Instinet relationship manager.

5.7 Order Behaviour

Any order that is submitted to the ~~BlockMatch~~ Continuous ~~Limit Crossing~~ Book in response to a firm up request can execute against contra orders, subject to its limit price and any minimum quantity applied. This includes conditional order firm ups, orders received as a late response to a firm up request, and any resting firm orders. To ensure service integrity, Instinet will monitor timing of responses to firm up requests alongside monitoring described at 5.8.

5.8 Monitoring

In monitoring the response rate to conditional orders, and limit the potential for information leakage, Instinet personnel will evaluate, on an ongoing basis for each trading day, the firm up rate for each client. Where a client's firm up rate falls below a defined % for the relevant trade date, Instinet will take appropriate steps to ensure service integrity.

6 Treatment of Proprietary Orders

Instinet is an agency only broker and therefore does not have any of its own proprietary orders that access BlockMatch. Within BlockMatch, the matching logic prioritises agency orders over principal meaning for example where two orders are resting at the same price level, the agency order has queue priority over the principal order, irrespective of time entered. Instinet monitors matching priority of orders on a post trade basis to ensure fair treatment and service integrity.

Instinet is wholly owned by Nomura Holdings Inc. Some Nomura entities under the same ownership, whilst treated the same as any other client at Instinet, are treated as "proprietary" under the broad definitions in the Code and the SFO (Cap 571). If any of these Nomura entities access BlockMatch, irrespective of the time when their orders are placed, the matching logic prioritises agency orders over principal orders.

In addition, Instinet uses Counterparty Selection profile tagging should clients wish to opt out of any interaction with principal orders.

7 Trading and Operational Matters

7.1 Trading Services

BlockMatch operates two distinct order books; a regular Continuous~~Limit Crossing book~~ Book, and a Market-On-Close book. In addition, BlockMatch provides a Conditional Book for management of conditional orders, and ~~orders submitted in response to a firm up request are executed in the Continuous~~Limit Crossing~~ book~~Book.

Book	Comments
Conditional Book	Receives conditional orders, identifies contra liquidity and requests firm up.
Continuous~~Limit Crossing~~ Book	Orders can only execute once continuous trading at the relevant primary exchange commences.
Market-On-Close	Orders will cross with an indicative price (previous close) and then re-price to the day's closing price once it is published.

7.2 Hours of Operation

Each book operates under the following hours (Hong Kong Time):

Market	Primary Exchange	~~Limit Continuous Crossing~~ Book	Conditional Book	Market-on-Close Book
Hong Kong	SEHK	09:30-12:00 13:00-16:00	09:30-12:00 13:00-16:00	07:30-18:30
Indonesia	IDX	10:00-13:00 14:30-16:50 Fridays 10:00-12:30, 15:00-16:50	10:00-13:00 14:30-16:50 Fridays 10:00-12:30, 15:00-16:50	07:30-17:30
Malaysia	KLSE	09:00-12:30 14:30-16:45	09:00-12:30 14:30-16:45	N/A
Philippines	PSE	09:30-12:00 13:00-14:45	09:30-12:00 13:00-14:45	07:30-17:30
Singapore	SGX[3]	09:00-12:00 13:00-17:00	09:00-12:00 13:00-17:00	07:30-17:30

7.3 Trading Calendars

BlockMatch follows the trading calendar and market conventions of each Primary Exchange, and clients are asked to note the relevant details for each market. Where the Primary Exchange is closed,

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[3] SGX listed securities: Orders and matched trades must meet a minimum size of lower of 50k shares or SG$150k for SGD denominated securities, and the lower of 50k shares and US$120k for USD denominated securities. Any residual quantity below the minimum size will be expired back.

for example due to a holiday or half day, BlockMatch will not provide trading for those securities specifically. Instinet will not inform clients of Primary Exchange trading calendars of any relevant changes to those calendars.

Whilst BlockMatch is operated by Instinet in Hong Kong, where there is a Hong Kong public holiday and the relevant Primary Exchange is open, BlockMatch will provide trading in those securities.

7.4 Monitoring and Internal Controls

Instinet operates appropriate system controls to ensure the fair and orderly functioning of BlockMatch including for example the treatment of proprietary orders, execution methodology, Counterparty Selection and matching priority as set out in this document.

Instinet conducts monitoring of matching priority on a post trade basis to ensure fair treatment of agency orders over principal orders, and Instinet conducts monitoring of Counterparty Selection settings on a post trade basis to ensure integrity and accuracy of those settings.

Monitoring of conditional firm up requests and responses is stated at 5.8 and where relevant Instinet will take steps to ensure service integrity. 4.4 sets out that clients who do not wish to interact with Liquidity Provider orders, can do so by using Counterparty Selection as described at 8.5.

Management of conflicts of interests is mitigated by:

- Opt-out arrangements. Clients can opt-out of interaction with ~~BlockMatch, and~~BlockMatch and can also opt-out of interaction with particular categories of client.

- Within Instinet, real-time visibility of BlockMatch (including pre-trade order level data) is restricted to a ~~need to know~~need-to-know basis.

- Monitoring of executions on a post trade basis to ensure integrity of agency over principal.

7.5 Trade Publication and Reporting

All trades executed in BlockMatch are published on the Primary Exchange, subject to the relevant exchange rules and parameters. For markets other than Hong Kong, upon an executed trade in BlockMatch, Instinet transmits matched BUY and SELL orders to a local broker for publication at the Primary Exchange. (Timings are Hong Kong Time).

Market	Primary Exchange	Primary Broker[4]	Timing for ~~Limit Crossing~~Continuous Book Trades	Timing for Market-on-Close Trades
Hong Kong[5]	SEHK	N/A. Instinet reports matched trades directly to SEHK.	Reported within 1 minute.	Reported the following day within the order input or first 15 minutes of continuous trading.
Indonesia	IDX	Maybank Securities Pte. Ltd.	Published following receipt of orders.	Published ~~17:01-17:30~~same day, or next morning from 10:00.
Malaysia	KLSE	Nomura Securities Malaysia Sdn.Bhd	Published following receipt of orders.	N/A
Philippines	PSE	Mandarin Securities	Published following receipt of orders.	Published from 09:30 next trading day.
Singapore	SGX	Instinet Singapore Services PTE LTD	Published following receipt of orders.	Published same day, or between 08:30 and 08:50 the following day.

8 Execution Methodology and Trade Price

8.1 Order Entry and Order Routing

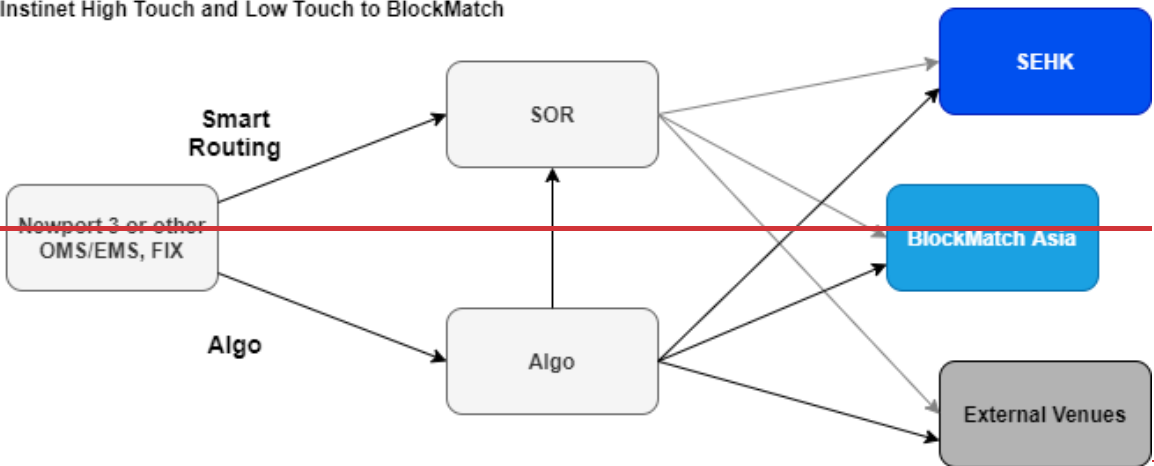| Client	Routing
High touch client	Uses Newport 3, other OMS/EMS or FIX to send orders to coverage trader. Coverage trader uses Newport 3 to access external venues via SOR or Instinet Expert Algorithms.
Low touch client	Sends order via Newport 3, FIX to SOR, or Instinet Experts Algorithms.

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[4] Primary Broker may change from time to time depending on operational needs.
[5] ~~BlockMatch trades in SEHK securities executed between 12:00 and 13:00 are reported after 13:00:30.~~

High and low touch clients	Instinet coverage trader can send a direct order slice from Newport 3 to BlockMatch. Coverage traders can elect to flag the direct order to interact with algorithmic conditional orders, or algorithmic and manual conditional orders. A further option can be selected to interact with Institutional liquidity only, meaning that a client's default Counterparty Selection TargetProfiles will narrow to Institutional only.

Instinet High Touch and Low Touch to BlockMatch

Instinet High Touch and Low Touch to BlockMatch
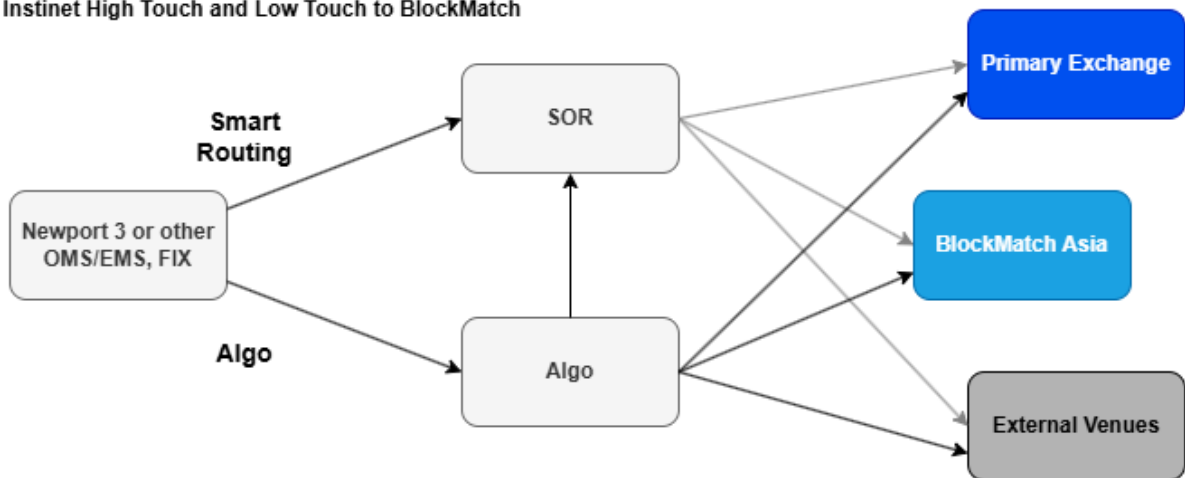
Instinet Coverage Trader Direct Order Via Newport 3 to BlockMatch
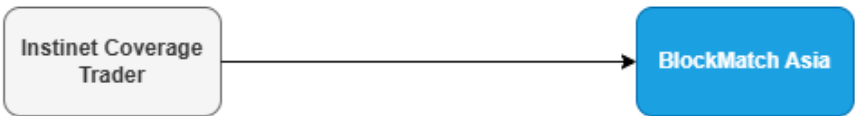
Client	Routing
Third Party Broker	Uses own SOR or algorithms to send orders to BlockMatch.
Direct Client Interaction	Uses FIX to send orders directly to BlockMatch.
Manual User	Submit manual conditional orders directly to BlockMatch via an application.

Third Party Broker routing to BlockMatch
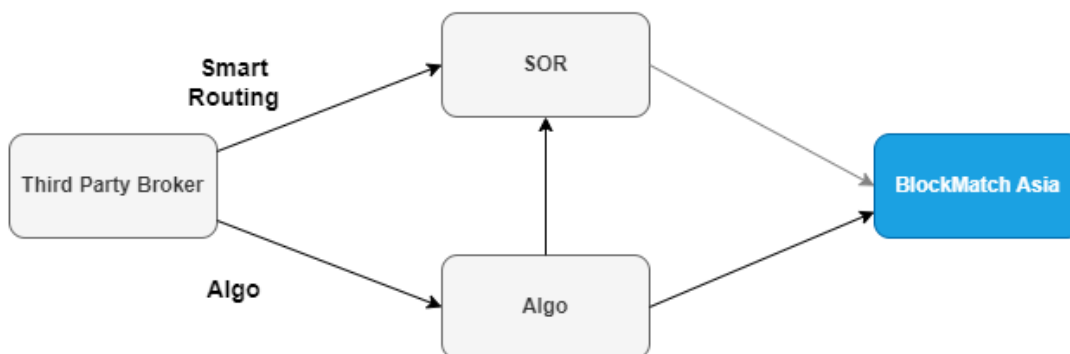
Client direct FIX to BlockMatch

Manual user order submission to BlockMatch

![Instinet - A Nomura Company]

8.2 Conditional Order Entry and Firm Up

Algorithmic vs Algorithmic

Order Entry

1: Buyer submits conditional order to BlockMatch Asia to buy 500k shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

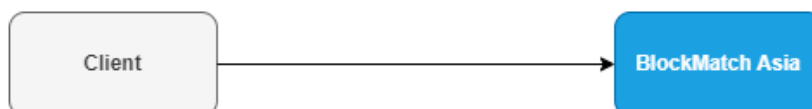**2.** Seller submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

```
[Buyer] --1--> [BlockMatch Asia Conditional Book] <--2-- [Seller]
```

Firm Up Request

3. BlockMatch Asia identifies matchable contra liquidity and sends firm up request to buyer and seller asking them to send a firm order for matching. Both buyer and seller have a short time window of 2 seconds to respond

```
[Buyer] <--3-- [BlockMatch Asia Conditional Book] --3--> [Seller]
```

Firm-Up and Execution

4. Both buyer and seller 'firm up' by submitting firm orders to BlockMatch Asia for matching and trade is executed in **250k shares at the mid-point of the Primary Exchange**

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[Buyer] --4--> [BlockMatch Asia Limit Crossing Book] <--5-- [Seller]
```
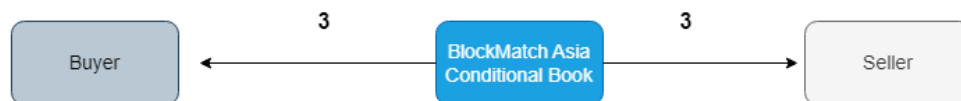

Order Entry

1: Buyer submits conditional order to BlockMatch Asia to buy 500k shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

2. Seller submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer
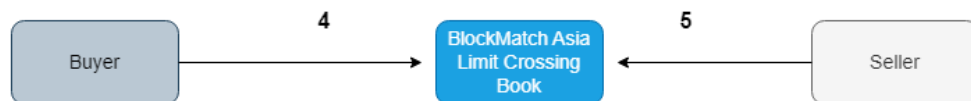
```
[Buyer] --1--> [BlockMatch Asia Conditional Book] <--2-- [Seller]
```

Firm Up Request

3. BlockMatch Asia identifies matchable contra liquidity and sends firm up request to buyer and seller asking them to send a firm order for matching. Both buyer and seller have a short time window of 2 seconds to respond

```
[Buyer] <--3-- [BlockMatch Asia Conditional Book] --3--> [Seller]
```

Firm-Up and Execution

4. Both buyer and seller 'firm up' by submitting firm orders to BlockMatch Asia for matching and trade is executed in **250k shares at the mid-point of the Primary Exchange**

```
[Buyer] --4--> [BlockMatch Asia Continuous Book] <--5-- [Seller]
```

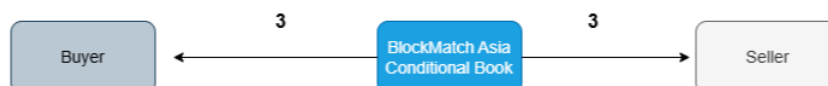## Algorithmic vs Manual

Order Entry

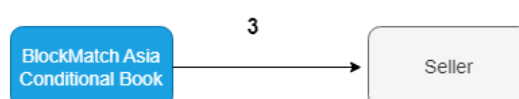**1:** Buyer (an algorithmic user) submits conditional order to BlockMatch Asia to buy 500k shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

2. Seller (a manual user) submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

Buyer → 1 → BlockMatch Asia Conditional Book ← 2 ← Seller

Firm Up Request to Manual User

3. BlockMatch Asia identifies matchable contra liquidity and sends firm up request to the seller (a manual user) to send a firm order for matching. The seller has a 30 seconds to respond

BlockMatch Asia Conditional Book → 3 → Seller

Manual User Firm Up

4. The seller submits a firm order to BlockMatch Asia

BlockMatch Asia Limit Crossing Book ← 4 ← Seller

Firm-Up Request to Algorithmic User

5. Upon receipt of the seller's firm order, a firm up request is sent to the buyer (an algorithmic user)

Buyer ← 5 ← BlockMatch Asia Conditional Book

Algorithmic User Firm-Up and Execution

6. The buyer (an algorithmic user) submits a firm order to BlockMatch Asia for matching and executes against the resting sell order in **250k shares at the mid-point of the Primary Exchange**

Buyer → 6 → BlockMatch Asia Limit Crossing Book   Seller

![Instinet - A Nomura Company]

Order Entry

1: Buyer (an algorithmic user) submits conditional order to BlockMatch Asia to buy 500k shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

2. Seller (a manual user) submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer
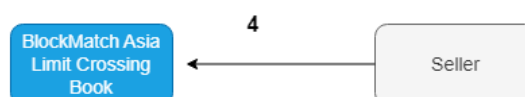
Buyer → **1** → BlockMatch Asia Conditional Book ← **2** ← Seller

Firm Up Request to Manual User

3. BlockMatch Asia identifies matchable contra liquidity and sends firm up request to the seller (a manual user) to send a firm order for matching. The seller has a 30 seconds to respond
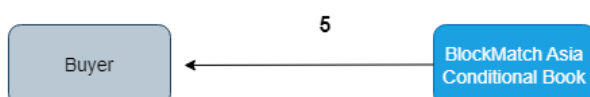
BlockMatch Asia Conditional Book → **3** → Seller

Manual User Firm Up

4. The seller submits a firm order to BlockMatch Asia
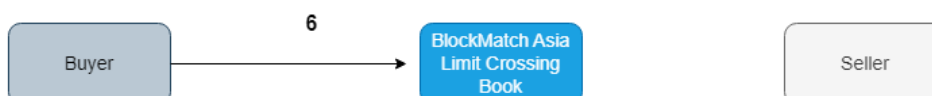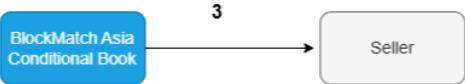
BlockMatch Asia Continuous Book ← **4** ← Seller

Firm-Up Request to Algorithmic User

5. Upon receipt of the seller's firm order, a firm up request is sent to the buyer (an algorithmic user)

Buyer ← **5** ← BlockMatch Asia Conditional Book

Algorithmic User Firm-Up and Execution

6. The buyer (an algorithmic user) submits a firm order to BlockMatch Asia for matching and executes against the resting sell order in **250k shares at the mid-point of the Primary Exchange**

Buyer → **6** → BlockMatch Asia Continuous Book   Seller

Manual vs Manual

Order Entry

1: Buyer (a manual user) submits conditional order to BlockMatch Asia to buy 500k shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

2. Seller (a manual user) submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer
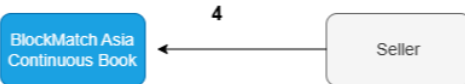
| Buyer | 1 → | BlockMatch Asia Conditional Book | ← 2 | Seller |

Firm Up Request

3. BlockMatch Asia identifies matchable contra liquidity and sends firm up request to buyer and seller asking them to send a firm order for matching. Both buyer and seller have 30 seconds to respond

| Buyer | ← 3 | BlockMatch Asia Conditional Book | 3 → | Seller |

Firm-Up and Execution

4. Both buyer and seller 'firm up' by submitting firm orders to BlockMatch Asia for matching and trade is executed in **250k shares at the mid-point of the Primary Exchange**

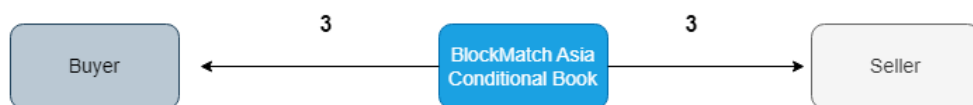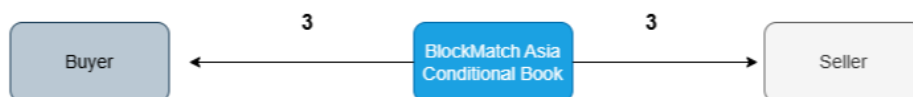| Buyer | 4 → | BlockMatch Asia Limit Crossing Book | ← 4 | Seller |

Order Entry

1: Buyer (a manual user) submits conditional order to BlockMatch Asia to buy 500k shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

2. Seller (a manual user) submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

| Buyer | 1 → | BlockMatch Asia Conditional Book | ← 2 | Seller |

Firm Up Request

3. BlockMatch Asia identifies matchable contra liquidity and sends firm up request to buyer and seller asking them to send a firm order for matching. Both buyer and seller have 30 seconds to respond

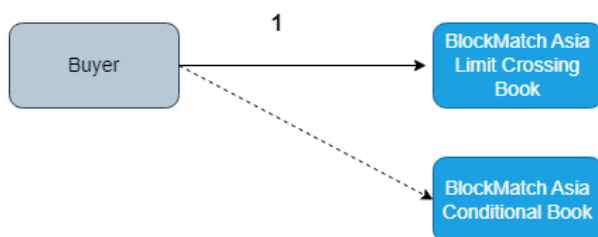| Buyer | ← 3 | BlockMatch Asia Conditional Book | 3 → | Seller |

Firm-Up and Execution

4. Both buyer and seller 'firm up' by submitting firm orders to BlockMatch Asia for matching and trade is executed in **250k shares at the mid-point of the Primary Exchange**

| Buyer | 4 → | BlockMatch Asia Continuous Book | ← 4 | Seller |

Instinet >>
A Nomura Company

Resting Firm Order with Tag to Conditional Book vs Conditional Order (either algorithmic or manual)
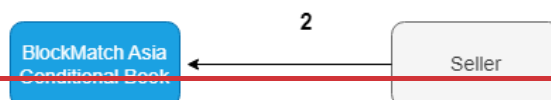
Resting Firm Order Tagged to Conditional Book

1: Buyer is a resting firm order in the BlockMatch Asia Limit Crossing Book. The order is tagged with Tag 7098 and is visible to the Conditional Book. Order is to buy 500k shares and is pegged to the mid-point of the Primary Exchange Best Bid/Offer

Buyer → **1** → BlockMatch Asia Limit Crossing Book

Buyer ⇢ BlockMatch Asia Conditional Book

Conditional Order Submission on Contra Side

2. Seller submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

BlockMatch Asia Conditional Book ← **2** ← Seller

Firm-Up Request to Conditional Order

3. BlockMatch Asia identifies matchable contra liquidity and sends a firm-up request to the seller asking them to send a firm order for matching. The seller has a short time window of 2 seconds to respond

BlockMatch Asia Conditional Book → **3** → Seller

Firm-Up and Execution

4. Seller 'firms-up' by sending firm order to BlockMatch Asia for matching and executes against the resting firm buy order for **250k shares at the mid-point of the Primary Exchange Best Bid/Offer**

Buyer — **4** — BlockMatch Asia Limit Crossing Book ← **4** ← Seller

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Resting Firm Order Tagged to Conditional Book

1: Buyer is a resting firm order in the BlockMatch Asia Continuous Book. The order is tagged with Tag 7098 and is visible to the Conditional Book. Order is to buy 500k shares and is pegged to the mid-point of the Primary Exchange Best Bid/Offer
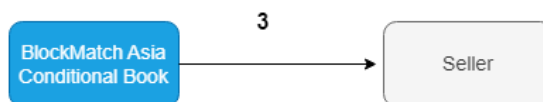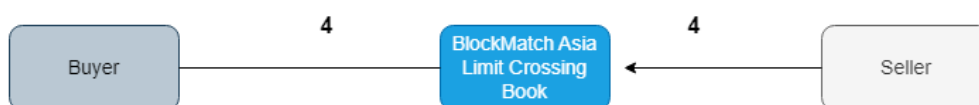
Conditional Order Submission on Contra Side

2. Seller submits conditional order to BlockMatch Asia to sell 250K shares. Order is pegged to the mid-point of the Primary Exchange Best Bid/Offer

Firm-Up Request to Conditional Order

3. BlockMatch Asia identifies matchable contra liquidity and sends a firm-up request to the seller asking them to send a firm order for matching. The seller has a short time window of 2 seconds to respond
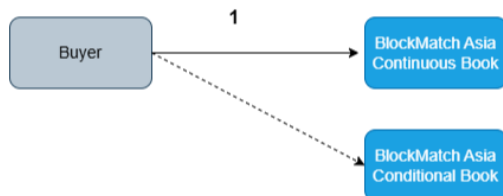
Firm-Up and Execution

4. Seller 'firms-up' by sending firm order to BlockMatch Asia for matching and executes against the resting firm buy order for **250k shares at the mid-point of the Primary Exchange Best Bid/Offer**
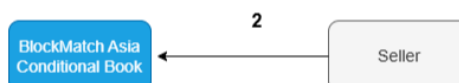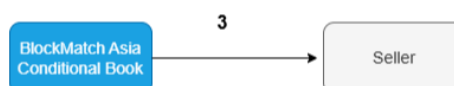
8.3 Onward Routing

BlockMatch does not provide for routing of orders onwards to other ALP venues or liquidity pools.

8.4 Trade Price

Within the ~~Limit Crossing~~Continuous Book, Limit orders and pegged orders~~,~~ can only execute at or better than the best bid or ask published by the Primary Exchange at the time of execution. Where the order book at the Primary Exchange is a crossed book or in suspension, BlockMatch will not execute trades.

Market-On-Close orders will cross with an indicative price (previous close) and then re-price to the closing price once it is published.

8.5 Counterparty Selection

Within BlockMatch, Instinet categorises clients based on the nature of their order flow within one of the following profiles:

- **Institutional**: Agency flows and agency algo users
- **Principal**: Nomura Group entities
- **Liquidity Providers**: Specialised liquidity providers (including low-latency strategies)
- **Active Trader**: Other latency sensitive participants (not restricted to liquidity provision strategies)
- **Partner Broker**: DMA flow from external brokers

Clients can choose to tailor their interactions to target one or multiple profiles (the default setting is to interact with all profiles). Counterparty selection requests should be directed to your Instinet relationship manager. Instinet may monitor executions, and in addition will review Counterparty Selection settings and execution reports monthly to ensure service integrity.

Clients have a MemberProfile: the category which the client belongs to, and TargetProfiles: the categories the client is willing to interact with.

- **MemberProfile**: maps a client to a ~~profile, and~~profile and is used to define the categories to which a client belongs.

- **TargetProfile**: maps a client to the profiles against which it is willing to cross. Each client can have any number of target crossing profile codes.

8.6 Priority

Matching priority in the Continuous ~~Limit Crossing~~ Book is on a price, capacity (agency over principal) size, time basis meaning where there are several orders resting at the same price level, larger sized orders go to the top of the queue. Where orders at a given price level are of the same size, orders are then prioritised by time. Priority in the Market-on-Close Book is capacity, time only, as all orders are matched at the Primary Exchange closing ~~auction~~ price. Priority in the Conditional Book is capacity, size, time, as all orders are pegged to the mid-point of the Primary Exchange best bid offer. In ~~addition~~regard to capacity, agency orders have priority over principal orders at any given price level.

Book	Priority
Continuous Book	Price, Capacity, Size, Time
Conditional Book	Capacity, Size, Time
Market-On-Close Book	Capacity, Time

8.7 Order Types

BlockMatch supports the following order types:

Order Type	Comment
Limit	Limit Order is an order with a limit price.

Fill or Kill ("FOK")	The order will be totally filled or cancelled immediately.
Immediate or Cancel ("IOC")	The order will trade as much as possible; any residual quantity will be cancelled immediately. ~~and the have the residual cancelled immediately~~

Pegged orders	~~Multiple pegged order types supported:~~
	
	• Primary Peg Types:
	
	• ~~Basic Primary Peg – p~~Pegged to the Primary Exchange best bid or offer. Order will dynamically move with the market up to the limit price.
	
	    ~~Primary Peg with Increments – pegged at user defined increment away from the same side of the Primary Exchange best bid or offer.~~
	
	• Mid Peg ~~Types:~~
	
	• ~~Basic Mid Peg – p~~Pegged to the mid-point of the Primary Exchange best bid offer. Order will dynamically move with the market up to the limit price.
	
	    ○ ~~Mid Peg with Increments – pegged at user defined increment away from middle of Primary Exchange best bid offer. Order will dynamically move with the market up to the limit price.~~
	
	• Market Peg Types:
	
	    ○ Basic Market Peg – pegged to the contra-side of the Primary Exchange best bid or offer. Order will dynamically move with the market up to the limit price.
	
	    ~~Market Peg with Increments – pegged at user defined increment away from the contra-side of the Primary Exchange best bid or offer. Order will dynamically move with the market up to the limit price.~~

MOC	Market-On-Close. Trades are executed at the day's Primary Exchange closing ~~auction~~ price. Clients will be sent indicative fills as they are matched using the previous day's closing price, and are repriced to the day's closing auction price, following completion of the Primary Exchange closing auction.

8.8 Minimum Quantity

Clients can apply a minimum executable quantity, specified as a set number of shares on a per order basis.

8.9 Tick Sizes

Tick Sizes in BlockMatch follow the tick size regime of each Primary Exchange respectively. Where the Primary Exchange Best Bid Offer is at an odd number of ticks, for example 100-101, mid-point orders will be matched sub-tick at 100.5.

Orders ~~entered into~~submitted to BlockMatch that have a limit price between the spread will be rounded ~~conservatively~~passively; that is, for buy orders, downwards to the nearest ~~price step~~tick and upwards
for sell orders.

8.10   Board Lot Sizes and Quantity

The maximum order size is defined on a per-client basis as part of Instinet's standard pre-trade risk controls. There is no default maximum share/lot size for orders entered into BlockMatch.

BlockMatch follows the board lot sizes of the relevant Primary Exchange and therefore accepts board lots only. Any mixed or odd lot orders will be rejected.

8.11   Side

BlockMatch will support Buy and Long Sell only. Any other side will be rejected.

9   Cancellation and Amendment Process

9.1 Client Cancellation

Clients ~~are able to~~can cancel orders sent to the BlockMatch Continuous~~Limit Crossing~~ or Conditional Book at any time until they become fully filled. Market-On-Close orders may be cancelled at any time, but once an indicative fill has been issued, that part of the order can no longer be cancelled.

9.2 Client Amendment

Clients ~~are able to~~can modify the quantity and price of their orders in the Continuous~~Limit Crossing~~ Book subject to priority as described at 8.6.

9.3 Trade Cancel/Trade Correct

Instinet has discretion to cancel/correct a trade that has already occurred on BlockMatch. This facility is not generally available and will only be used to correct genuine errors of faults. Trades already reported to or published on the Primary Exchange cannot be cancelled/corrected by Instinet, as they are subject to the Rules of the Primary Exchange.

9.4 Force Cancel

In the event of a force majeure, connectivity problems, clearly anomalous trades or other relevant and genuine emergency situations, Instinet reserves the right to force cancel an order in BlockMatch, if in

Instinet's absolute discretion, such a cancellation is required. Impacted participants will be notified for any such cancellations.

Orders outstanding in BlockMatch after trading hours will be cancelled back to clients. They will not roll over to the next trading day.

9.5 Contingency Arrangement

If BlockMatch is not operational due to a system failure, data services failure or any other reasons, unexecuted orders may be either cancelled or held pending resolution of the incident. Instinet will use appropriate communication channels to inform impacted clients of the causes, or possible causes and to confirm the way orders will be handled.

10 Aggregation

Orders are not aggregated in BlockMatch.

11 Self-Crossing

By default, all clients can execute against their own contra orders in BlockMatch. If required, the default setting can be changed and clients can switch off self-crossing. Clients are expected to have controls in place to ensure compliance with relevant rules, particularly regarding prevention of wash trades.

12 Internal Control Process

12.1   Stock Suspension

There will be no trading of stocks during any crossing time in BlockMatch if the stock is in suspension at the Primary Exchange. In the case of a Market-On-Close cross, if after the preliminary match the stock becomes suspended from trading, Instinet will still execute the match if a Closing price is ascertainable by Instinet. The indicative trade will be cancelled if a Closing price cannot be determined by Instinet.

12.2   Price Range Checking

BlockMatch will allow matching of orders in the Continuous~~Limit Crossing~~ Book at or better than the best available bid and offer on the Primary Exchange at the time of execution. Orders more aggressively priced (but still within Instinet's pre-trade risk controls, set up on a per client basis) will be rounded back to the far touch price and more passively priced orders will rest in the book until they come into range or BlockMatch closes for the day.

12.3   Schedule of Internal Users

In order to provide monitoring, support, governance, and operational assistance to clients, the following employees of Instinet and/or its affiliates users within the Nomura Group have access to certain data within BlockMatch.

Department	Title	Order Level Visibility[6]	Post Trade Visibility	Reason for Access
Front Office	Instinet Responsible Officers	N	Y	Supervision and Management. Have visibility of orders on blotter that are submitted to BlockMatch and any resulting executions.
	Electronic Trading team	N	Y	Account coverage for clients. Have visibility of orders on blotter that are submitted to BlockMatch and any resulting executions.
	Regional Sales and Trading	N	Y	Account coverage for clients and with post trade visibility for transmission of orders to local brokers for publication at Primary Exchange.
	Head of Liquidity Strategy, APAC	Y	Y	Managing the development of ALP liquidity and performance. Managing client relationships and aspects of application support for conditional orders.
	Head of BlockCross APAC[7]	Y	Y	Manages Client relationships and aspects of application support for conditional orders.
	BlockCross Sales & Coverage	Y	Y	
	KOZAN Team (Nomura Securities Co.Ltd.)	Y	Y	Manages Japanese domestic client relationships and aspects of application support for Conditional Orders. KOZAN have restricted access and only have visibility of orders submitted via BlockCross from Japanese domestic clients.

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[6] Means all orders submitted to BlockMatch Asia including resting orders, IOCs.
[7] BlockCross is an Instinet operated desktop software application that allows for EMS/OMS order submission to BlockMatch.

Crossing	BlockMatch Asia Support Teams	Y	Y	ALP venue support, including application support for conditional orders.
Global Trading Research (GTR)	Head of GTR, Asia	Y	Y	Support for Instinet Algorithms and Smart Order Router.
	Quantitative Analyst	Y	Y	
Product	Asia COO	Y	Y	Product support.
	Asia Product, Global Product Teams	Y	Y	
Technology[8]	Development, Trading Operations	Y	Y	Application support.
Legal & Compliance[9]	Compliance	Y	Y	Regulatory enquiry and post trade surveillance.

Department	Title	Real-time visibility?	Reason for Access
Technology	Asia Trading Operations	Y	Application support.
	Product Strategy	N	Product support.
Crossing	BlockMatch Asia Support Teams	Y	Application support for conditional orders.
Operations	Middle Office/settlements	N	Allocations, booking, clearing and settlement.
Legal & Compliance	Compliance	N	Trade surveillance and monitoring.
Front office	Electronic coverage	N	Account coverage for clients.
	Head of BlockCross[10] APAC	Y	Manages client relationships and aspects of application support for conditional orders.
	Head of Liquidity Strategy	Y	Managing development of ALP liquidity and performance. Managing client relationships and aspects of application support for conditional orders.
	Responsible officers/ regulatory managers	N	Supervision and Management.
	Regional front office traders	N	Real time post trade visibility, for transmission of orders to local brokers for publication at Primary Exchange.

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[8] Function outsourced to Nomura
[9] Function outsourced to Nomura
[10] BlockCross is an Instinet operated desktop software application that allows for EMS/OMS order submission to BlockMatch.

13 Settlement

Clients are reminded that settlement of transactions will take place in accordance with the relevant Primary Exchange, Clearing and Settlement procedures. This includes changes to settlement timing due to typhoons, black rainstorms and other contingency events. Clients are required to inform themselves of these rules, regulations and procedures and adhere to them in accordance with Instinet's usual terms of business.

Market	Primary Exchange	Settlement for ~~Limit Crossing~~Continuous Book Trades	Settlement for Market-on-Close Trades
Hong Kong[11]	SEHK	T+2	T+2
Indonesia	IDX	T+2	T+2
Malaysia	KLSE	T+2	T+2
Philippines	PSE	T+2	T+2
Singapore	SGX	T+2	T+2

Trades reported to or published on the Primary Exchange the day after trade date settle using the trade date (excluding Malaysia).

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[11] ~~BlockMatch trades in SEHK securities executed between 12:00 and 13:00 are reported after 13:00:30.~~

14 Document Version Control

Version	Date Update	Author	Comments
1.0	February 2022	Ian Lauder	Launch of BlockMatch Asia and decommissioning of HKCBX.
1.1	March 2023	Ian Lauder	Introduction of BlockCross manual conditional orders, expansion of securities coverage to Indonesia, Malaysia and Philippines, updates to Conditional Book, Trading and Operational Matters, Execution Methodology and Trade Price, Schedule of Internal Users and Settlement.
1.2	October 2023	Ian Lauder	Expansion of securities coverage to Singapore, update to Hours of Operation.
1.3	May 2025	Ian Lauder	Change in name of Limit Crossing Book to Continuous Book, addition of direct slice option for Instinet traders at 8.1, updated matching logic description including capacity, updates to Schedule of Internal Users, addition of Version Control.