

Cicada Exchange Platform

Terms and Conditions

Cicada Exchange Limited

Version 1.2 dated November 2024

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CONDITION 1 - GENERAL CONDITIONS

Summary of Condition 1:

Condition 1 deals with definitions of terms used in the Terms and Conditions, and outlines the powers and authority of the Directors of Cicada Exchange Limited. Directors have the power to suspend or exclude Members from trading on the market if the Terms and Conditions are breached or a Member is in default. Condition 1 also states that the Exchange has a duty of confidentiality to the Members, but that information may be shared with third parties in certain circumstances. The Exchange and its Directors are excluded from liability in any dispute between Members, but can be brought in to assist in the settling of certain disputes. This Condition outlines the responsibility of Members when trading on the Exchange and stipulates that all Members must have adequate systems and controls to trade on the Exchange.

DEFINITIONS

In these Conditions the words and expressions in the first column of the following table shall bear the meanings set opposite them in the second column thereof:

“ Act of Misconduct ”	has the meaning given to it in Condition 5.3.2;
“ Administration Procedures ”	means the administration procedures that are adopted by the Directors under Condition 10 (Contracts) in respect of Exchange Contracts for a Product, as amended from time to time;
“ Affiliated Company ”	means any entity which directly or indirectly controls a Member or is controlled by a Member or is controlled by the same entity as a Member, and for this purpose "control" means the possession by an entity, directly or indirectly, of the power to direct or cause the direction of the management and policies of another entity without needing the consent of any other entity, whether through the ownership of shares or other securities carrying the right to vote, through the composition of the board of directors of such other entity, by contract or otherwise.
“ All-in ”	means that the last Discount applies to the entire Service Volume;
“ Annual Contract ”	has the meaning given in Condition 10 (Contracts);
“ Appeals Committee ”	means a committee established under Condition 5.9 by the Directors of the Exchange on a case by case basis. The chairman of the Appeals Committee shall be a suitably qualified legal professional;
“ Authorised Member ”	means an entity admitted for membership and authorised for trading access to the Cicada Exchange Platform and approved to Buy Traffic and Sell Traffic for its Own Business only. Authorised Members will be a party to a GSMA AA.12 Roaming Agreement or its equivalent with other Members, and ‘ Authorised Membership ’ shall be construed accordingly;
“ Autorenewal Contract ”	has the meaning given in Condition 10 (Contracts);
“ Associated Member ”	means an entity admitted for membership and authorized for trading access to the Cicada Exchange Platform and approved to Sell Traffic for its Own Business only; such members will likely be party to a GSMA AA.12, a GSMA AA.100 Contract or their equivalents with Authorised Members and ‘ Associated Membership ’ shall be construed accordingly;
“ Business Day ”	means a day other than a Saturday, Sunday, bank holiday or public holiday in the United Kingdom;
“ Buy Traffic ”	means that the HPMN agrees to deliver Traffic at an agreed price. The HPMN gives a Minimum Commitment to deliver the resultant value of traffic in the Discount Period;

“Chairman”	means the chairman of the board of Directors of Cicada Exchange Limited;
“Chief Executive”	means the chief executive officer of Cicada Exchange Limited;
“Cicada Exchange Platform” or the “Exchange”	means the electronic trading system for the trading of Exchange Contracts as determined by the Directors from time to time and administered by Cicada Exchange Limited;
“Cicada Exchange Platform Central Processing System”	means that part of the Cicada Exchange Platform which performs the functions of controlling, monitoring and recording trading by Members and concluding transactions between Members;
“Cicada Exchange Platform Trading Hours”	means the hours of 8:00am UTC to 6:00pm UTC on Business Days (other than Non-Trading Days and in circumstances where there is a temporary closure of the Cicada Exchange Platform) or such other hours as may be determined by the Directors from time to time and notified to Members. Any reference to time shall be based on UK (BST) time;
“Compliance Committee”	means the committee appointed by the Directors to oversee the Compliance function of the Cicada Exchange Platform under Condition 3 (Compliance);
“Compliance Officer”	means the person or (if more than one) any of the persons for the time being holding the office as compliance officer under Condition 3 (Compliance);
“Confidential Information”	means all financial, business and technical or other data, including any parts or copies thereof, and all other information (whether written, oral or in electronic form or on magnetic or other media) concerning the business and affairs of a Member that another Member obtains, receives or has access to as a result of the discussions leading up to or following the entering into or the performance of an Exchange Contract;
“Contract Date”	has the meaning given in Condition 9 (Contracts);
“Contracting Member”	means any Member which enters into an Exchange Contract with another Member;
“Data Traffic”	means the roaming Gigabytes generated by the customers of the HPMN Operator as a result of packet switched data communications when roaming in the VPMN Operator’s network. Trading on the Cicada Exchange Platform for Data Traffic is denominated in Gigabytes (GB);
“Default Conditions”	means the Conditions set out in Condition 4;
“Defaulting Member”	means a Member declared to be a defaulter pursuant to Condition 4.4.1 or 4.4.2;
“Defence”	has the meaning given to it in Condition 5.5.3;
“Data Clearing House” or “DCH”	means the designated data clearing house identified by a Member when it is onboarded to the Cicada Exchange Platform (or as updated from time to time) and used by that Member for processing of roaming traffic data information;
“Directors”	means the directors of Cicada Exchange Limited;
“Discount Period”	means such Monthly, Quarterly or Annual Contract as is specified in an Exchange Contract during which the Discount and possible Minimum Commitment shall apply;
“Discount”	means the inter-operator tariff rate at which one Contracting Member agrees to pay another Contracting Member for a Product during a Discount Period as

	specified in the Exchange Contract between those two Contracting Members; and which can be used to calculate the Minimum Commitment where a product quantity is specified
“Dispute Resolution Conditions”	means the Conditions set out in in Condition 8;
“Event of Default”	has the meaning given to it in Condition 4.3;
“Exchange Contract”	means a contract agreed between two Contracting Members on the Cicada Exchange Platform, as evidenced by a ‘Ticket’ generated by the platform, which shall be subject to and governed by these Terms and Conditions;
“GIGABYTE” or (“GB”)	means 1024 Megabytes (as per the GSMA Document WA.03 4.2 WAS Definitions). Members should note that this definition differs from that used under the EU Roaming Regulations.
“GSMA”	means the GSM Association;
“HPMN Operator”	means ‘Home Public Mobile Network Operator’, a Member who is providing mobile telecommunications services to its customers in a geographic area where it holds a licence to do so or has a right to establish and operate a public mobile network (being a network which complies with the definition of a GSM network established by the GSMA);
“in writing”	Also includes email;
“ITM”	means a unique individual trader mnemonic assigned by the Cicada Exchange Platform to a Member for a Responsible Individual to use in accessing the Exchange;
“Market”	means the Cicada Exchange Platform or any other means of trading determined by the Directors from time to time;
“Minute”	means: (i) “Billed/Charged Minute” as the rounded minute resulting from the application of any increments, steps or rounding rules (unitisation) specified by the VPMN Operator in the GSMA AA.14/IOT Data (or RAEX Op Data) of the relevant Roaming Agreement; or (ii) “Actual/Chargeable Minute” as the true network minute used before the application of any increments, steps or rounding rules (unitization) declared by the VPMN Operator in the GSMA AA.14/IOT Data (or RAEX Op Data) of the relevant Roaming Agreement;
“Megabyte” or “MB”	means: (i) “Billed /Charged Megabyte” or “Billed/Charged MB” as the rounded megabyte resulting from the application of any increments, steps or rounding Conditions (unitisation) specified by the VPMN Operator in the GSMA AA.14/IOT Data (or RAEX Op Data) of the relevant Roaming Agreement; or (ii) “Actual/Chargeable Megabyte” or “Actual/Chargeable MB” as the rounded megabyte resulting from the application of one kilobyte increments;
“Minimum Commitment”	means the minimum commitment of Product(s) that a Contracting Member which is selling (HPMN) agrees to generate on the network of the Contracting Member (VPMN) which is buying during a Discount Period, as set out in the Exchange Contract (the minimum commitment being a specified volume of Product(s) multiplied by the Discount). The value of this minimum commitment will be signalled to the selling party before acceptance of the Exchange Contract;

“Member”	means an entity or a person who has been admitted to a category of membership of the Cicada Exchange Platform referred to under Condition 2 (Membership);
“Minimum Thresholds” Volume	means the thresholds as determined by the Exchange and published from time to time being the minimum volume of Product(s) that can be traded by a Member;
“Monthly Contract”	has the meaning given in Condition 10 (Contracts);
“Multi-Territory Contract”	means a contract in which the HPMN indicates that the Service Volumes will aggregate from more than one country in which the Member, or Affiliated Company(s), is present and all countries will be indicated in the Exchange Contract.
“Non-Trading Day”	means a Business Day designated by the Exchange as a day on which no trading may occur on the Exchange;
“Notice posted on the Market”	means a notice in writing sent by post to Members, or a notice sent electronically to Members by e-mail (and/or if the context requires a notice sent via the Cicada Exchange Platform) and having effect at the time;
“NRA”	means the national regulatory authority, the body responsible for the award and supervision of the telecommunications market in the jurisdiction in which a Member is licensed to operate;
“person”	means any individual, corporation, limited liability company, partnership, limited liability partnership, joint venture, joint stock company, trust, estate, company and association, whether organised for profit or otherwise;
“Price Band”	means that the Discount may vary according to the Service Volume transacted, the first Discount is associated with the first Service Volume threshold, the second Discount is associated with the additional Service Volume needed to achieve the second threshold and so on until the final threshold.
“Product”	means Voice Traffic, SMS Traffic and/or Data Traffic as specified in an Exchange Contract;
“Quarter Contract”	has the meaning given in Condition 10 (Contracts);
“Condition”	means a Condition of this Terms and Conditions as are from time to time in force or any arrangements, directions and provisions made there under as the context may require;
“Representative”	means a person authorized by the Responsible Individual of the Member to act and/or trade for and on behalf of the Member on the Cicada Exchange Platform;
“Responsible Individual”	means an individual registered by a Member with the Cicada Exchange Platform to conduct business for and on behalf of that Member on the Cicada Exchange Platform;
“Roaming Agreement”	means a: <ul style="list-style-type: none"> (i) “Bilateral International Roaming Agreement”, for instance a valid GSMA international roaming agreement (Permanent Reference Documents AA.12 and AA.100 of the GSM Association) in respect of the Traffic, entered into between Contracting Members for the provision of international roaming services; or (ii) “Hub Roaming Agreement” a valid agreement substantially in the form of the GSMA PRD AA73, Template Agreement, the GSMA PRD AA.74 Template Agreement or as otherwise agreed in respect of the Traffic, entered into by Contracting Members for the provision of international roaming services;

Roaming Traffic Data Report (RTDR)	Roaming Traffic Data Report (RTDR) lists all Billing Files made available or received over the Public Interface. RTDR can be daily for a certain date (local time of the Party sending or receiving the Billing Files over the Public Interface), except for RAP files reporting missing TAP files that will not be included. Monthly RTDR refer to a specific calendar month. RTDR follows the GSMA BA.61 Roaming Traffic Data Report (RTDR) evolution.
“Sell Traffic”	means that the Traffic offered by the HPMN is accepted by the VPMN at a price(s) which give rise to a Minimum Commitment in the Discount Period
“Services”	means the operations that the Member is authorised to use. These may refer to the ability to act as HPMN and post RFQ in other markets or to act as VPMN in the market where they are licenced to operate. The Member Services include all products for which they are authorised to trade on the Exchange, including but not limited to, Voice, DATA, SMS, NB-IoT, IoT, VoLTE.
“Service Volume”	means the quantity of Services measured in minutes and/or data measured in GB and/or SMS measured in events and/or VOLTE measured in GB and/or IoT measured in GB specified in an Exchange Contract.
“SMS Traffic”	means the roaming SMS messages generated by the customers of a HPMN Operator when roaming on the VPMN Operator’s network;
“Steering Provider”	means the designated steering provider identified by a Member when on-boarded onto the Cicada Exchange Platform and used by that Member to steer traffic towards the VPMN Operator;
“Strip Contract”	has the meaning given in Condition 10 (Contracts);
“Telephone Contract”	has the meaning given to it in Condition 7.12.1;
“Telephone Market”	has the meaning given to it in Condition 7.12.1;
“Ticket”	has the meaning given to it in Condition 10.2. It is evidence of an Exchange Contract agreed between two Contracting Members on the Cicada Exchange Platform and shall be subject to and governed by the terms and conditions of this Terms and Conditions;
“Traffic”	means in respect of any Data Traffic; SMS Traffic; and/or Voice Traffic (as the case may be);
“Trading Procedures”	means the procedures governing trading on the Cicada Exchange Platform as prescribed by the Directors or Compliance Officer in accordance with Condition 7;
“Voice Traffic”	means roaming Minutes generated by customers of a HPMN Operator as a result of circuit switched voice, fax, data communications and video telephony when roaming on a VPMN Operator’s network; and
“VPMN Operator”	means ‘Visited Public Mobile Network Operator’, a Member, who pursuant to a Roaming Agreement, allows Roaming Customers (as defined in the applicable Roaming Agreement) of an HPMN Operator to use its public mobile network(s) (being a network which complies with the definition of a GSM network established by the GSMA).
“Zero Trade”	Means any trade where there is a price specified but no quantity specified. There is no commitment made for the traffic traded in the discount period. The quantity is set to zero and the contract commitment is zero.

Any words importing the singular number only shall include the plural number and vice versa. Words importing persons (except the word 'individual') shall include corporations and firms. The masculine shall include the feminine and the neuter and the singular shall include the plural and vice-versa as the context shall admit or require.

References to a time of day are references to that time in the United Kingdom (GMT).

References to a statutory provision include a reference to the statutory provision as modified or re-enacted from time to time and to any subordinate legislation made under such statutory provision and shall include references to any repeated statutory provisions which have been so re-enacted (whether with or without modification).

Any reference to a Condition (or to the Conditions) is to that Condition (or these Conditions) as amended in accordance with this Terms and Conditions from time to time.

The invalidity, illegality or unenforceability of any Condition does not affect or impair the continuation in force of the remaining Conditions.

Headings are for convenience only and do not affect the interpretation of this Terms and Conditions.

1.1 INTRODUCTION TO CONDITIONS

1.1.1 These Conditions shall be binding on all Members in respect of their participation in and use of the Cicada Exchange Platform. Insofar as they are conducting business via the Exchange, all Members shall observe the Conditions at all times; these shall be interpreted and given effect in the manner most conducive to:-

- a. an organized exchange for wireless capacity exchanges which are unregulated, and therefore the Exchange's requirements to enforce the provisions of this Terms and Conditions in priority over "common practices".
- b. the promotion and maintenance of an orderly market, free of undesirable situations or practices; in particular with reference to Condition 2 (Membership) and Condition 7 (Trading Conditions) and to part (a) of this Condition 1.1.1.
- c. high standards of integrity and fair dealing at all times by all Members when transacting on or via the Exchange with particular reference to Condition 7 of these Conditions.
- d. the proper protection for all persons and/or entities interested in the performance of transactions entered into the Exchange, with particular reference to Condition 7.

Each of these Conditions shall, unless the context otherwise requires, be construed as an independent provision and shall be in addition and without prejudice to any other provision of the Conditions.

1.1.2 Where any provision permits the Directors (or a committee appointed for the purpose) to make further directions in relation to the operation of a Condition then the Directors or such committee may in accordance with such provision make such direction or authorize such arrangement in relation to the whole or any part of the Condition. The Directors or such committee also may make or authorize different directions, arrangements or procedures in relation to different categories of Members, between Members and traders and others and may make or authorize such directions, arrangements or procedures generally in all cases subject to such conditions as they may think fit. The Exchange will not waive a particular Condition and/or Conditions for all Members. If there is any particular waiver for a Member or a situation, the Exchange will publish the details of such and notify all Members.

1.1.3 Where any provision provides that an action may be taken by the Directors any action taken shall be without prejudice to the right of the Directors themselves to exercise such powers and take such in accordance with such provision as they may think fit.

1.1.4 Where there is no express provision made in the Conditions, the Directors (or any committee with appropriate powers) may from time to time implement such procedures as they think fit in relation to any aspect of the management of the Exchange and the conduct of business on the Exchange.

1.1.5 The Directors, the Compliance Committee and/or the Compliance Officer may, in their absolute discretion, waive or vary particular minor technical requirements of these Conditions in such circumstances as they think fit provided that the Directors, the Compliance Committee and/or the Compliance Officer (as the case may be) are satisfied that compliance with the such requirements would be unduly burdensome to the Member or person concerned or that compliance with such requirements would not be in the interests of the Exchange, and that waiver or variation of such requirements does not disadvantage other Members or create unacceptable risks for the Exchange. Waivers or variations of minor technical requirements may be publicized

at the discretion of the Directors, the Compliance Committee and/or the Compliance Officer (as the case may be).

- 1.1.6 The Conditions shall, unless the context otherwise requires, be construed in such a way as to impose responsibility on Members for all acts, omissions, conduct or behaviour of the Member's Representatives in accordance with Condition 1 (General Conditions).

1.2 RELATIONS WITH OTHER REGULATORY AUTHORITIES

- 1.2.1 The Exchange may:-

- a. make arrangements with any person for monitoring compliance with and investigating alleged breaches of the Conditions (and arrangements, procedures and directions made, authorized or given thereunder);
- b. co-operate generally with any other person, agency or authority having responsibility for the regulation of electronic communications or any other financial business or the enforcement of law in relation to the Member's act, omission or conduct on the Exchange; and
- c. enter into any other arrangement that may be necessary or relevant for purposes of operating and maintaining the Exchange in accordance with the Conditions.

- 1.2.2 Without prejudice to the generality of Condition 1.2.1, and this may include making arrangements for the sharing of information in accordance with Condition 1 (General Conditions) and always acting in accordance with applicable law and maintaining confidentiality to the fullest extent:

- a. the Exchange may at any time refer a complaint or any other matter coming to its attention to one or more competent or appropriate regulatory bodies, agencies or persons for its or their comment or investigation and may, pending the result of such reference, either suspend or continue with (in whole or in part) its own investigations, proceedings or other actions;
- b. the Directors may at any time, on at least seven (7) days' prior notice in writing to the Members, make additional Conditions, or amend or revoke the Conditions or part of them, to the extent they consider necessary or desirable for the continued recognition of the Exchange as a recognized market operator. Any such alteration shall have immediate effect unless otherwise notified by the Directors; and
- c. In a case considered by the Chairman to be one of urgency, the Directors' powers and authority under this Condition may be exercised by a committee consisting of the Chairman and the Chief Executive provided that such committee shall report the circumstances, and particulars of the Conditions so made, amended or revoked, as soon as possible to the Directors.

1.3 CONFIDENTIALITY

- 1.3.1 Save as the Terms and Conditions otherwise provides and/or as may be required by law, Conditions or directions from relevant competent authorities or government bodies, regulatory bodies or agencies, the Exchange shall keep confidential all information concerning a Member's affairs (including information concerning Responsible Individuals) acquired by it in the course of its operations or investigations unless the Member (or Responsible Individual, as the case may be) agrees otherwise, or the information is or becomes published or generally known otherwise than through a breach by the Exchange of the provision of this Condition or the information is provided to any officers, employees, agents or professional advisors of the Exchange (including any persons appointed to assist or advise the Exchange in investigations or other operations). Nothing herein shall prevent the Exchange from publicising the fact that a Member is a member of the Exchange.

- 1.3.2 The Exchange shall take reasonable steps to require its officers, employees and agents (including persons appointed to assist or advise the Exchange in investigations or other operations) to comply with the Conditions. The Exchange may disclose such information to such persons, authorities, government bodies or agencies having responsibility for telecommunications or with the enforcement of law as the Exchange thinks fit but without prejudice to any other right to disclosure given to it in the Conditions) or as required by applicable laws.

1.4 GENERAL POWERS OF DIRECTORS

- 1.4.1 The Directors may declare any Business Day a Non-Trading Day provided reasonable notice thereof has been given to Members.
- 1.4.2 A dispute between Members as to whether an Exchange Contract has been made (other than a dispute falling within Condition 7 (Trading)) shall be attempted to be resolved in good faith under Condition 8 (Dispute Resolution). If such attempts to resolve a dispute fail, the dispute may be referred to arbitration under Condition 8 (Dispute Resolution) unless all parties consent to the dispute being referred to the Directors in accordance with this Condition.
- 1.4.3 A dispute between Members arising from or in connection with market procedure or to matters of honour or etiquette, which do not come within the scope of the Dispute Resolution Conditions or the Conditions of any other association for dealing with ordinary trade disputes, shall be referred to the Directors for resolution.
- 1.4.4 The Directors' decision concerning any dispute referred to them for resolution under Condition 1.4.2 or 1.4.3 shall be final, conclusive and binding on the Members which are party to such dispute, and the Directors may direct that a fee not exceeding €20,000 shall be paid to the Exchange by the Member against whom its decision is given. For avoidance of doubt, the Directors in so acting and deciding shall not be responsible or liable in any way whatsoever to any Members involved in the dispute.
- 1.4.5 If any Member defaults in the performance of any Exchange Contract that Member may be suspended from membership or expelled from the Exchange under Condition 2 (Membership), notwithstanding that it complied with any requirement as to the settlement of such default.
- 1.4.6 The Conditions and all additions and amendments thereto may from time to time be printed and circulated amongst Members or others interested therein in such manner as the Directors shall think fit.

1.5 CONTRACT FEES

The Exchange may impose contract fees of such amounts, and payable to the Exchange in such manner and on such occasions, as the Directors shall from time to time determine and as previously notified to Members via their sales contract. Unless otherwise provided, such fees shall be payable on all Exchange Contracts concluded on the Exchange. Different rates of fees may be imposed in respect of different Exchange Contracts and different categories of Members.

1.6 EXCLUSION OF LIABILITY

- 1.6.1 Business on the Cicada Exchange Platform or through any other facility provided by the Exchange may from time to time be suspended or restricted or such facilities may from time to time be closed for any period at the absolute discretion of the Directors. Without prejudice to the generality of the foregoing, this may occur as a result of the occurrence of one or more events which require action to be taken by the Exchange under the Conditions or otherwise in the interests of maintaining a fair and orderly market. Any such action may result in the inability of one or more Members to enter into Exchange Contracts on the Cicada Exchange Platform in accordance with the Conditions.
- 1.6.2 Unless otherwise expressly provided in the Conditions or by applicable law, neither the Exchange nor its officers, employees, agents, representatives or professional advisors shall be liable to any Member for any loss, damage, injury or delay (including any indirect, special or consequential loss, and without limitation, any direct or indirect loss of profit):
- a. arising from or in connection with the Cicada Exchange Platform or the occurrence of a temporary or longer suspension, restriction or closure of business on the Cicada Exchange Platform; or
 - b. any act or omission of the Exchange, its officers, employees, agents, representatives or professional advisors under the Conditions or pursuant to the Exchange's obligations under law; or
 - c. from any breach of contract by or any negligence howsoever arising of the Exchange, its officers, employees, agents, representatives or professional advisors which may prevent or hinder a Member from entering into or closing out an Exchange Contract or otherwise affect a Member; or
 - d. arising from or in connection with any Exchange Contract.
- 1.6.3 Without prejudice to any other provision of this Terms and Conditions, the aggregate liability of the Exchange to any Member in respect of any breach of contract, negligence or statutory duty by the Exchange, its

Directors, officers, employees, servants and agents (which is not otherwise excluded by these Conditions or by applicable law) shall not exceed €50,000.

1.7 TRADING HOURS AND DAYS

- a. The Cicada Exchange Platform shall, subject to (b) and (c) below, be open during the Cicada Exchange Platform Trading Hours. The trading times for each Contract, subject to the closures required below, shall be determined by the Exchange from time to time.
- b. The Exchange shall issue from time to time a list of the public holidays and bank holidays on which the Cicada Exchange Platform shall be open, the Contracts which shall be open to trade on such public holidays and bank holidays, and the public holidays and bank holidays on which the Cicada Exchange Platform shall not be open.
- c. The Cicada Exchange Platform shall be closed on those days specified as Non-Trading Days by the Exchange, subject to (b) above or on a temporary basis on any other day for such hours that the Exchange shall from time to time decide is necessary or appropriate in the circumstances. Notifications of temporary closure shall be provided to Members.

1.8 MEMBER RESPONSIBILITY

- 1.8.1 In this Condition 1 (General Conditions), "conduct" means any act, omission, conduct or behaviour in relation to the Conditions.
- 1.8.2 For the purposes of determining a Member's liability to be sanctioned for any conduct (referred to in this Condition 1 as a "disciplinary matter") (which shall include an act or omission), a Member shall be responsible for all conduct of that Member's Representatives as if that conduct were the conduct of the Member itself.
- 1.8.3 The provisions of this Condition 1 shall apply:
 - a. without prejudice to the liability of any other person subject to the Conditions for the same conduct;
 - b. in the case of inconsistency with any other provision of the Conditions, in priority to that other provision;
 - c. whether or not the Member's Representative is a person subject to the Conditions;
 - d. whether or not the Member and/or Member's Representative is/are exercising rights to use the Exchange's facilities; and
 - e. whether or not a Member's individual Representative can be conclusively identified (provided that it is established that the relevant conduct was in fact carried out by a Member's Representative, albeit an unidentified Member's Representative).

1.9 RESPONSIBLE INDIVIDUAL RESPONSIBILITY

- 1.9.1 A Responsible Individual shall be responsible for trading activity conducted under his ITM(s).
- 1.9.2 Where trading is also conducted, pursuant to Condition 7 (Trading Conditions) by other individuals within the Member under the ITM(s) of a Responsible Individual registered to the Member, such trading and conduct shall be under the supervision of the relevant Responsible Individual.
- 1.9.3 Notwithstanding this Condition 1, no sanction shall be imposed on a Responsible Individual in respect of:
 - a. conduct of or trading activity conducted under his ITM(s), by an individual of the Member with whom that Responsible Individual is registered;
 - b. conduct by a Member's Representative placing orders under the ITM of that Responsible Individual; andwhere it is established to the satisfaction of the Compliance Committee or other person or body determining the disciplinary matter (as referred to in Condition 1) that the Responsible Individual had taken all reasonable steps to prevent any conduct of the kind in question.

1.10 SYSTEMS AND CONTROLS

- 1.10.1 Without prejudice and in addition to any other specific requirement in these Conditions regarding systems and controls, a Member shall have arrangements, systems and controls that can ensure:
- a. its internal affairs are organized and controlled in a responsible and effective manner with adequate risk management systems, including systems, controls and processes in respect of anti-money laundering and countering the financing of terrorism;
 - b. its internal record-keeping is adequate;
 - c. all of its Responsible Individuals and Member's Representatives involved in the conduct of business on the Market are fit and proper, suitable, adequately trained and properly supervised;
 - d. all business conducted on the Market including individual transactions complies with the Member's and Responsible Individual's obligations under the Conditions;
 - e. any business conducted by it, or by or through any of its Member's Representatives shall not cause the Member, any Member's Representative or the Exchange to be in breach of any applicable laws and regulations.
- 1.10.2 The Exchange may from time to time publish guidance on what arrangements, systems and controls it considers appropriate in the context of this Condition 1.

CONDITION 2 – MEMBERSHIP

Summary of Condition 2:

Condition 2 outlines the different categories of membership available as well as the membership criteria and requirements. The Condition also stipulates that all Members must abide by the Conditions set out in this Terms and Conditions at all times and that it is the duty of the Member to ensure that all Conditions are adhered to at all times. This Condition defines the ongoing notification requirements to the Exchange of all Members, in order to keep the Exchange abreast of material changes of each Member and those who represent the Member when trading on the Exchange. Condition 2 stipulates that any Member may be suspended or expelled from the Exchange under certain circumstances, and that any such suspension or expulsion may be appealed to the Directors. This Condition specifies the requirements of Members when executing transactions on the Exchange. Condition 2 also deals with the duties of the Responsible Individuals appointed by each Member to supervise, transact and trade on the Exchange.

2.1 GENERAL PROVISIONS

- 2.1.1 A corporation or institution satisfying the membership criteria under Condition 2 may be admitted as a Member under a category referred to in this Condition 2. Condition 2 will govern a Member's permissions in relation to the Cicada Exchange Platform. A separate application will be required for a new category of membership.
- 2.1.2 Every Member shall pay such annual subscription or license fees as may be applicable and that the Directors may from time to time determine in respect of its category of membership. Such fees will be set out in an agreed sales contract. The subscription and/or license fee shall be due each year on such date as the Directors may from time to time determine. A failure to pay the subscription and/or license fee by the due date may be subject to sanctions imposed by the Directors or the Compliance Committee in accordance with Condition 5 (Disciplinary) subject to the rights of reconsideration and appeal set out in Condition 2.
- 2.1.3 The annual subscription and/or license fee if applicable, and every other fee, charge, levy or impost charged to Members under the Conditions or otherwise, shall be exclusive of any goods and services tax, value added tax or other relevant tax and levy which may be or become payable thereon.
- 2.1.4 A Member shall at all times satisfy the membership criteria from time to time set out in or under the Conditions. A Member and any person subject to the Conditions (including any Responsible Individual) shall be bound by the Conditions and any arrangement, provision or direction made, authorized or given thereunder.
- 2.1.5 Any failure by a Member or any such other person (including any Responsible Individual) to observe or comply with the Conditions or any such direction of the Exchange may lead to steps, including without limitation disciplinary proceedings or sanctions, being taken by the Exchange in respect of the Member or such other person under the Conditions. A Member shall notify the Exchange in writing promptly upon becoming aware of any failure by that Member or any person subject to the Conditions to comply with the Conditions.
- 2.1.6 Any sanction or prohibition imposed on a Member shall infer a similar prohibition upon any person accessing the Cicada Exchange Platform by or on behalf of the Member (including any Responsible Individual).
- 2.1.7 Every entity admitted to membership of the Exchange shall sign a member statement as part of its application to a category of membership under Condition 2 (Membership), as from time to time prescribed by the Directors agreeing to be bound by the Conditions in so far as they relate to its category of membership and to accept any decision made by the Directors under the Conditions or by the Exchange binding, subject to such rights of review or appeal as may be contained in Condition 2.8.
- 2.1.8 A dispute concerning the status, rights or obligations of a Member or any other person under the Conditions, shall be referred to the Directors whose decision shall be binding, subject to such rights of review and appeal as may be contained in the Condition 2.8.
- 2.1.9 Provided that a Member satisfies all outstanding obligations to the Exchange, that Member may at any time resign from membership of the Exchange by giving at least one (1) month's notice in writing to the Exchange, provided that the former Member shall for the purpose of investigation, enforcement and/or the application of this Condition 2.1 remain subject to the jurisdiction of the Exchange for three (3) months after the expiry of the Member's notice of resignation, or such other period as is required for the determination of any proceedings including any appeal, as if continuing to be a Member, in respect of:
 - a. things done or omitted by the Member before the expiry of its notice of resignation;

- b. steps taken by the Exchange or other person or body under Condition 4 (Default), 5 (Disciplinary) and 8 (Arbitration) of the Conditions in respect of things so done or omitted;
 - c. antecedent breaches committed on or before the day the Member ceasing its membership with the Exchange.
- 2.1.10 Should the Exchange discover, subsequent to a Member resigning its membership, circumstances under which the Exchange deems it necessary to carry out investigations or carry out disciplinary proceedings under these Conditions during a period not exceeding four (4) months after the Member's resignation, the Member shall remain under the Exchange's jurisdiction until such investigations and/or resulting disciplinary proceedings have been concluded.

2.2 CATEGORIES OF MEMBERSHIP

Subject to Condition 2 as set out below any entity seeking access to trading on the Cicada Exchange Platform as a Member must elect and apply for one of the following categories of membership:

- a. **Authorized Member** – approved by the Exchange to transact Own Business only. Authorized Members shall be mobile network operators (MNOs) which have the ability to act as both HPMN and as VPMN on the Exchange.
- b. **Associated Member** – approved by the Exchange to transact Own Business only. Associated Members shall be mobile virtual network operators (MVNOs) which have the ability to only act as HPMN on the Exchange
- c. **Other Members** – the Directors reserve the right in the future to admit to the Exchange other classes of Members to transact business on their own behalf or on behalf of existing Members.

For the purposes of this Condition 2, "**Own Business**" means business for its own account or for the account of a subsidiary, wholly-owned subsidiary or holding company of the relevant Member. Own business will not include transactions concluded for the benefit of a third party.

2.3 MEMBERSHIP CRITERIA

An applicant for membership of the Cicada Exchange Platform must, at the time of its application and at all times thereafter:

- a. be a corporation or institution duly established and validly existing under the laws and Conditions of its place of establishment;
- b. be able to demonstrate, to the satisfaction of the Exchange, that it is fit and proper to be a Member according to the criteria determined by the Exchange, as may be amended by the Exchange from time to time;
- c. be able to demonstrate, to the satisfaction of the Exchange, that the applicant has sufficient systems and controls in place to ensure that all the Member's Representatives who may act on its behalf or in its name in the conduct of business on the Cicada Exchange Platform are fit and proper, suitable, adequately trained and properly supervised to perform such functions;
- d. maintain a properly established office for the conduct of its business on the Cicada Exchange;
- e. satisfy the minimum financial standing requirements at any time being stipulated by the Directors in relation to the relevant category of membership;
- f. have sufficient resources and manpower, with adequate knowledge, experience, training and competency, to deal in the relevant Products available on the Exchange;
- g. have more than one trader with adequate knowledge, experience, training and competency, to deal in the relevant Products available on the Exchange;
- h. propose a designated Responsible Individual for the supervision of all trades conducted on the Exchange and the use of the Exchange in general;

- i. in the case of an Authorised Member, be a public mobile network operator that holds a licence or has a right to establish and operate a public mobile network in the geographic area where they are registered or have an equivalent status conferred on them in writing by the Directors;
- j. have executed and be party to valid Roaming Agreements with other Members to enable their customers to use mobile telecommunication services in another country. Where an existing Roaming agreement does not exist with another Member after a trade has been agreed, the parties will put in place an appropriate Roaming Agreement before the start of the trading period;
- k. hold all necessary licenses, authorizations and consents, or benefit from available exemptions, so as to allow it to carry on business as a Member on the Cicada Exchange Platform in accordance with all applicable laws and regulations; and
- l. such other specific criteria or other requirements as may be stipulated by the Directors from time to time in relation to the particular category of membership applicable to it, supplying such documents in support thereof as the Directors may require.

2.4 APPLICATION FOR MEMBERSHIP

- 2.4.1 An applicant for membership under any of the above categories, shall complete such form of application as the Directors may from time to time prescribe, specifying which category of membership it is seeking, whether it wishes to: (i) act as both HPMN and VPMN; or (ii) only act as HPMN on the Exchange. Authorised Members cannot operate as Associated Members and vice versa,
- (a) Authorised Members shall be committed and demonstrate a willingness to act as both HPMN and VPMN via the Cicada Exchange Platform. A refusal by an Authorised Member to act as VPMN on the domestic market via the Cicada Exchange Platform may result in its exclusion from the Exchange.
 - (b) Associated Members shall be committed and demonstrate a willingness to act as HPMN via the Cicada Exchange Platform.
- 2.4.2 Any application must be submitted to the Exchange and shall then be referred to the Directors for consideration, approval or rejection. An applicant must satisfy the Directors that it meets the criteria for the time being for the category of membership being sought (further particulars of which may, at any time, be obtained from the Exchange, including particulars of any other criteria or requirements stipulated by the Directors under Condition 2 and any guidance or requirements as to how certain criteria may be satisfied). Each applicant shall be subject to relevant background checks conducted by the Directors or at the direction of the Directors. To this end, each applicant shall furnish such information and documents as may be required by the Directors as part of its application.
- 2.4.3 The Directors shall have absolute discretion, subject to the applicant's rights in respect of reconsideration and appeal under the Conditions, in relation to whether a membership application is accepted.
- 2.4.4 A successful applicant shall be notified in writing by the Exchange of the approval of its application. A successful applicant shall be admitted to the category of membership applied for and details of the contracts it may trade will be confirmed, and where appropriate. The membership shall take effect from such date notified by the Exchange to the applicant. Memberships shall not be transferable.
- 2.4.5 A Member may, at any time, apply to vary its category of membership. Such an application shall be made in the manner prescribed by the Directors from time to time and shall be processed by reference to the criteria set out or referred to in this Condition 2.
- 2.4.6 Subject to Condition 2 above a Member may apply to vary the type of Exchange Contracts it wishes to trade. Such application shall be made in writing pursuant to the terms and manner prescribed by the Exchange from time to time.
- 2.4.7 Admission to membership of the Exchange shall not confer any right to attend or vote at meetings of, or any right to any share in, or any liability in respect of, the Exchange or any affiliate of the Exchange. Members are deemed to have accepted the Conditions set out in this Terms and Conditions, as amended or supplemented from time to time by the Directors.

2.5 ONGOING NOTIFICATION REQUIREMENTS

- 2.5.1 Every Member shall notify the Exchange forthwith in writing of:
- a. any change or anticipated change in circumstances applicable to the Member, of which the Member is aware, which will, or is likely to, result in the Member being unable to continue to satisfy any one or more of the membership criteria applicable to it;
 - b. any alteration in other business information which the Member may be required to furnish to the Exchange, including but not limited to change of business address, registered address, name, directorship or shareholding of the Member;
 - c. such information as the Exchange may stipulate from time to time with respect to trading on, or access to the Cicada Exchange Platform, including without limitation, location of access points to the Cicada Exchange Platform, details and location of user interfaces employed and order-routing arrangements put, or to be put, in place by or on behalf of the Member; and
 - d. any other information specified by the Directors from time to time.
- 2.5.2 Every Member shall immediately notify the Exchange of any matters in relation to:
- a. any change or proposed change in the nature of business or legal status or licence or exemption status of the Member;
 - b. any proposed change in the identity of the Responsible Individuals registered on behalf of the Member to access the Cicada Exchange Platform;
 - c. any material change in the way in which the Member accesses and uses the Cicada Exchange Platform;
 - d. any breach of relevant laws and regulations where such breaches could reasonably affect its participant in the Exchange;
 - e. any event of insolvency affecting the Member (including any event listed in Condition 2.7.3) or any revocation or suspension of any relevant licence or authorization by its NRA;
 - f. any breach of applicable laws or Conditions of other exchanges/clearing houses which may have an impact on the integrity of the Members and/or its personnel or their ability to comply with the Conditions of the Cicada Exchange Platform; and
 - g. any other material change which affects the Member's likely ability to comply with these Conditions.
- 2.5.3 In the case of a change in a partnership, the continuing and new partners shall sign and deliver to the Exchange a form of undertaking under which they jointly and severally agree to be bound as a Member of the relevant category by the Conditions.
- 2.5.4 Any change notified to the Exchange under Condition 2 needs to be approved by the Directors and the Member shall be informed accordingly if the Directors decline to approve any such change. If the change is not approved, the Member shall cease to be a member of the Cicada Exchange Platform upon notice in writing from the Exchange.
- 2.5.5 In addition to the requirements of Condition 2, every Member shall promptly (and thereafter upon demand or with such regularity as may be prescribed) notify the Exchange's Compliance Officer in writing of such information and of any changes thereto in respect of such of the Member's directors, partners, Responsible Individuals, traders, representatives, staff and other persons as the Directors or the Compliance Committee may from time to time prescribe.
- 2.5.6 If the Directors consider that there has been a failure to notify the Exchange fully in accordance with this Condition 2 or if a Member has failed to obtain the Exchange's consent to the change in its circumstances or arrangements as required by the Conditions, the Member's right to access to and/or deal on the Cicada Exchange Platform may be suspended for such time as the Directors see fit. Suspension under this paragraph shall not prejudice the power of the Directors or Compliance Committee to commence disciplinary proceedings in respect of the failure.

2.6 SCOPE OF PARTICIPANT ACTIVITIES

- 2.6.1 An Authorized Member shall, in accordance with the decision it has communicated to the Exchange in respect of the Exchange Contracts it wishes to trade as required under Condition 2, be permitted to:
- trade for Own Business in conformity with the Conditions:
 - those wireless capacity Exchange Contracts available for trading on the Cicada Exchange Platform; *and/or*
 - any other Exchange Contracts which may become available for trading on the Cicada Exchange Platform.
 - register any number of Responsible Individuals as agreed with Cicada Exchange.

- 2.6.1 An Associated Member shall, in accordance with the decisions it has communicated to the Exchange in respect of the Exchange Contracts it wishes to trade as required under Condition 2, be permitted to:
- trade for Own Business in conformity with the Conditions:
 - those wireless capacity Exchange Contracts available for trading on the Cicada Exchange Platform; *and/or*
 - Any other Exchange Contracts which may become available for trading on the Cicada Exchange Platform.
 - register any number of Responsible Individuals as agreed with Cicada Exchange;

2.6.2 The Trading Procedures shall apply to all Members who trade on the Cicada Exchange Platform (and to any Responsible Individual or any trader acting in the name of a Member).

2.7 SUSPENSION AND EXPULSION

- 2.7.1 The Directors may, upon the recommendation of the Compliance Committee under Condition 5 (Disciplinary) or in the exercise of any other power conferred on the Directors by the Conditions:
- a. expel a Member from membership of the Exchange (or any part of the Cicada Exchange Platform) or, in the case of other persons subject to the Conditions, permanently remove their right to access the Cicada Exchange Platform; or
 - b. in the case of a Member, suspend any or all of the membership permissions of the Member including its permission to trade on the Cicada Exchange Platform (or any part of it).

The Directors may on request give the person subject to the Conditions a brief account of reasons for this action.

2.7.2 If a Member fails to satisfy the requirements of Condition 2, the Directors may suspend any or all membership permissions of that Member including its permission to trade on the Cicada Exchange Platform (or any part of it).

2.7.3 If a Member:

- a. suspends payment of its debts;
- b. is unable to pay its debts when due;
- c. calls a meeting of its creditors;
- d. (in relation to a partnership) has a bankruptcy, administration or winding-up petition presented against any and/or all of the partners;
- e. (in the case of a firm or company) has an administrative receiver or administrator or similar officer appointed of all or any of its assets or go into liquidation (except a voluntary liquidation for the purposes of amalgamation or reconstruction);
- f. fails to comply with relevant Applicable Requirements under Condition 2, in particular, if any change to the Member required under Condition 2 to be notified to the Exchange and approved by the Directors becomes effective before being approved by the Directors;
- g. be declared a defaulter under the Default Conditions;
- h. ceases operations or business or has any licence to provide electronic communications services or any relevant approval or exemption suspended, revoked or terminated; and/or

- i. an analogous event occurs in respect of the Member under the laws of any relevant jurisdiction;

then its membership permissions (including trading permissions and its permission to accept allocation of any Exchange Contracts made on the Cicada Exchange Platform by another Member and to clear Exchange Contracts (as applicable)) shall be suspended (without any prior decision of the Directors being required but subject to any contrary determination under the Default Conditions) or at the discretion of the Directors shall be terminated from the date of such occurrence, save that where the Member is declared a defaulter under the Default Conditions, its membership shall continue until the completion of default proceedings (within the meaning of such Conditions).

- 2.7.4 The Member whose membership is suspended may apply to the Directors to reinstate its membership and the Directors may, at their absolute discretion, reinstate membership provided that the Directors are, satisfied that the reasons for suspension have been discharged or extinguished and all other membership criteria can be fulfilled by the said Member.
- 2.7.5 A Member whose permissions are suspended shall remain liable in respect of all its obligations of membership including, without limitation, its obligation to pay an annual subscription, license fee or any other fees, levies or charges in respect of the relevant category of membership and its obligations in respect of any steps taken with regard to that Member under the Default Conditions. A Member whose trading permissions have been suspended under this Condition 2 shall not, during the period of such suspension, be entitled to execute new Exchange Contracts, subject to any contrary determination under the Default Conditions.
- 2.7.6 Upon the expulsion of a Member or cessation of membership taking effect, that Member shall forfeit all rights and privileges of membership of the Exchange including its trading permissions.
- 2.7.7 Where, upon the suspension of a Member's rights of membership under Condition 2, the Member is not declared a defaulter under and within the meaning of the Default Conditions, any other Member holding open positions on the Cicada Exchange Platform on its behalf shall be entitled to close the same without prior notice. Where, upon the suspension of a Member's permissions under Condition 2, the Member is declared a defaulter under and within the meaning of the Default Conditions, any other Member holding on its behalf an open position on the Cicada Exchange Platform which is not discharged under the Default Conditions may, upon the completion of default proceedings (within the meaning of the Default Conditions) in respect of the suspended Member, close such open position without prior notice.
- 2.7.8 Upon the expulsion of a Member or the suspension of its trading permissions and/or its permission to accept the allocation of any Exchange Contracts made on the Cicada Exchange Platform by another Member, the Exchange may give notice of the expulsion or suspension to all Members.

2.8 APPEALS

- 2.8.1 If the Directors reject an application for membership or refuse to approve a change in business particulars notified to the Exchange under Condition 2, impose sanctions on a Member under Condition 2, make a decision under Condition 2 in respect of status, rights or obligations of a Member or expel a Member, the applicant or Member (as the case may be) may, within fourteen (14) days of receiving notice of such decision, request the Directors in writing to reconsider the matter.
- 2.8.2 The applicant or Member may make such representations and supply such information and supporting documents as it may consider relevant and may request to meet with the Directors for that purpose. No request or representation may be made under this Condition in respect of any determination made or step taken under the Default Conditions.
- 2.8.3 The Directors shall within twenty-eight (28) days of receiving the applicant or Member's written request for reconsideration consider any representations, information and documents placed before them and shall confirm, amend or revoke the decision in respect of which the request has been received. The Exchange shall forthwith notify the applicant or Member of the outcome.
- 2.8.4 Within fourteen (14) days of receiving such notice from the Exchange, the applicant or Member may serve notice on the Exchange of its intention to appeal against the Directors' decision. With such notice it shall lodge with the Exchange the sum of €5,000 towards the legal costs of the appeal, which sum shall be returned to the applicant or Member if its appeal is successful. The appeal will be to the Compliance Committee of the Exchange.

- 2.8.5 The Compliance Committee may adopt such procedure as it deems appropriate in hearing the appeal but shall give both the appellant and the Directors reasonable opportunity to make representations to it. The Compliance Committee may as it thinks fit either confine the appeal to a review of the Directors' decision or hear the matter afresh. It shall have power to order costs of the appeal to be paid by either party.
- 2.8.6 The Compliance Committee shall notify its decision with reasons, to the Directors and to the appellant. This decision shall be final and binding. The Directors shall within twenty-eight (28) days of that decision serve notice on the appellant confirming, amending or revoking their decision accordingly.

2.9 RESPONSIBLE INDIVIDUALS

- 2.9.1 A Member shall not enter orders into or make trades on the Cicada Exchange Platform except through a Responsible Individual registered with the Exchange pursuant to the Trading Procedures. At least one individual shall be registered by a Member as a Responsible Individual pursuant to Condition 7 (Trading). A Member shall be responsible for ensuring that each Responsible Individual securely preserves their ITM for their own use only.
- 2.9.2 A Member must ensure it has a sufficient number of Responsible Individuals for the nature and scale of business being conducted.
- 2.9.3 A Responsible Individual whose registration is suspended by the Exchange under the Conditions, shall remain subject to the Conditions and to the jurisdiction of the Exchange under the Conditions in respect of acts and omissions of the individual while he was registered as a Responsible Individual, and in respect of any investigation or disciplinary proceedings relating thereto, whether commenced before or after his suspension, (including the payment of any fine or application of any other sanction imposed) as if he were still registered, for the longer of:
- a. the period of twelve (12) months from the date on which the registration was suspended; or
 - b. the period during which disciplinary proceedings continue against him, being proceedings started by the Exchange no later than twelve (12) months after the date on which his registration was suspended, subject to any extension of the period under Condition 2 below.
- 2.9.4 Disciplinary proceedings commenced following suspension of a Responsible Individual's registration may be commenced by giving notice of an investigation to that individual no later than twelve (12) months after the date on which his registration was suspended.
- 2.9.5 In the event that the Compliance Committee concludes that there are, or may be, additional matters which should be investigated and in respect of which disciplinary proceedings may be taken, the period referred to in Condition 2 shall be extended until such time as such additional disciplinary proceedings are completed (including the payment of any fine or application of any other sanction imposed).
- 2.9.6 A Member may terminate the registration of a Responsible Individual by giving to the Exchange notice in writing of its intention to de-register the Responsible Individual with effect from the date specified in the notice.
- 2.9.7 A Responsible Individual who is de-registered shall remain subject to the Conditions and to the jurisdiction of the Exchange in respect of acts and omissions of the individual while he was registered as a Responsible Individual, and in respect of any investigation or disciplinary proceedings relating thereto (including the payment of any fine or application of any other sanction imposed) as if were still registered, for the longer of:
- a. the period of twelve (12) months from the date on which the de-registration became effective; or
 - b. the period during which disciplinary proceedings continue against him, being proceedings started by the Exchange no later than twelve (12) months after the date on which his de-registration became effective, subject to any extension of the period under Condition 2 below.
- 2.9.8 Disciplinary proceedings commenced following a Responsible Individual's de-registration may be commenced by giving notice of an investigation to that individual no later than twelve (12) months after the date on which the de-registration became effective.
- 2.9.9 In the event that the Compliance Committee concludes that there are, or may be, additional matters which should be investigated and in respect of which disciplinary proceedings may be taken, the period referred to

in Condition 2 shall be extended until such time as such additional disciplinary proceedings are completed (including the payment of any fine or application of any other sanction imposed).

CONDITION 3 – COMPLIANCE

Summary of this Condition 3:

Condition 3 deals with Members' requirements to comply with these Conditions including the need for record keeping, the need to ensure all information kept and communicated is accurate, and that all complaints are documented and archived properly. This Condition also sets out the role of the Exchange's Compliance Officer and the Compliance Committee, and what these two functions are required to do to ensure compliance with the Conditions.

3.1 REPORTING REQUIREMENTS

- a. Every Member shall furnish to the Exchange such information or documents concerning its relationship or dealings on the Exchange to verify traffic traded. This may be in the form of daily or monthly RTDRs or equivalent reporting.
- b. Every Member shall furnish to the Exchange such information or documents concerning its relationship or dealings with its NRA which may affect the Member's permission to be a Member of the Exchange or to trade on the Exchange or set price limits.
- c. The Directors or the Compliance Committee may modify the operation of this Condition and make different directions in relation to different categories of Member and may make such directions generally or in relation to particular Members or particular occasions and in all cases subject to such conditions as they may think fit.

3.2 ACCURACY OF INFORMATION

All Members shall ensure that to the best of their ability after due and careful enquiry and investigation, all information and documents from time to time given to the Exchange are complete, fair and accurate.

3.3 ADVERTISEMENTS

All advertising materials issued by or on behalf of Members concerning the membership of the Exchange, contracts available for trading on the Exchange or on the Terms and Conditions or otherwise using the Exchange's name or in relation to matters of concern to the Exchange shall conform to such guidelines as may from time to time be published by the Directors or the Compliance Committee.

3.4 RECORDS OF COMPLAINTS

- a. All Members shall retain for at least five (5) years all written complaints in relation to any business conducted on the Exchange, whether or not subject to the Exchange's terms.
- b. The Member shall ensure that all such complaints are promptly, thoroughly and fairly investigated and that the complainant is informed in writing of the outcome. All serious complaints shall be investigated by a senior officer or employee of the Member who has no personal interest in the subject matter.
- c. The Member shall also compile and keep a register showing details of the date of receipt of all such complaints, the account executive, the matter complained of and any action taken by the Member.
- d. The register shall be open to inspection by the Exchange upon demand.

3.5 INVESTIGATION OF COMPLAINTS

- 3.5.1 The Exchange shall consider all genuine and non-frivolous complaints made to it in writing save that if it considers that it would be appropriate to do so, it may refer the matter to another regulatory body pursuant to Condition 1 (General Conditions) and/or seek professional advice and consultation on the investigation process, response and/or decision and ruling.
- 3.5.2 In the case of a complaint which, if substantiated, might constitute a breach of this Terms and Conditions, the Exchange may (subject to its power to refer the matter complained of pursuant to Condition 1) authorize an immediate investigation or write to the Member or other person complained of (and any Member with whom such person was associated at the time of the matter complained of) requesting its or his comments or explanation or take such other or further steps (if any) as may be thought appropriate including the commencement of an investigation or disciplinary proceedings.

- 3.5.3 The Exchange may inform the complainant in writing of any steps taken as a result of his complaint and of the result thereof.

3.6 COMPLIANCE COMMITTEE

- 3.6.1 There shall be a Compliance Committee appointed by the Directors, the terms of reference of which shall be agreed by the Directors and notified to the Members from time to time.
- 3.6.2 The Compliance Committee shall be responsible for promotion of good regulatory practices. Without derogating from this, the Compliance Committee shall have such powers as the Conditions may from time to time provide including, without limitation, those powers mentioned in Condition 5 (Disciplinary).
- 3.6.3 The Compliance Committee shall be entitled to seek professional advice and consultation on any investigation process, response and/or decision and ruling.

3.7 COMPLIANCE OFFICER

- 3.7.1 The Directors, or at the Directors' request the Compliance Committee, shall appoint a Compliance Officer (and may appoint more than one). The Compliance Officer(s) need not be a Director or member of a Compliance Committee.
- 3.7.2 The Compliance Officer(s) shall (without derogating from any other person's responsibility in this regard) be responsible for monitoring compliance with and investigating alleged breaches of the Conditions (or arrangements, procedures and directions made, authorized or given thereunder) and shall report to the Compliance Committee. Without prejudice to the generality of the foregoing, the Compliance Officer(s) may also report any matter coming to his attention to such other committees and officials of the Exchange as he thinks fit.
- 3.7.3 The Directors, or at the Directors' request the Compliance Committee, may make such further directions as they think fit regarding the powers and duties of the Compliance Officer.

3.8 ENQUIRIES

- 3.8.1 A Compliance Officer may carry out routine enquiries or authorize some other person or persons to do so with him or on his behalf. Members (and other persons subject to the Conditions) shall cooperate fully with all routine enquiries.
- 3.8.2 During such routine enquiry, where the Compliance Officer forms the provisional conclusion that there has been a breach of the Conditions (or any arrangement, procedure or direction made, authorized or given thereunder), he may deal with the matter himself. In such cases, the Compliance Officer shall (i) furnish to the Chairman of the Compliance Committee without delay a report in writing of any action taken or (ii) report his provisional conclusion to the Chairman of the Compliance Committee who shall issue to him such directions as may be appropriate. Unless otherwise directed, the Compliance Officer shall forthwith inform the Member concerned or other person the subject of the enquiry, of his provisional conclusion and of the grounds thereof, and shall invite his comments or observations either by word of mouth or in writing.
- 3.8.3 Subject to any direction as aforesaid the Compliance Officer shall continue his enquiry and on completion thereof he shall make a report in writing to the Compliance Committee setting out his final conclusion, and making such recommendation as he considers appropriate. The Compliance Committee shall consider such report, and shall then take one or more of the steps mentioned in Condition 5.
- 3.8.4 Any failure by the Compliance Officer to comply with the above procedures or any of them shall not invalidate his conclusions or any steps taken in consequence thereof.

3.9 INTERVIEWS

- 3.9.1 If a person authorised to trade on the exchange is formally summoned to an interview with the Compliance Officer (or persons appointed by him), that person must attend the interview. In the event of non-attendance the person may also face possible exclusion from the Cicada Exchange Market until he take reasonable steps to make himself available on an alternative date. Every letter from the Compliance Officer or his staff advising of the interview shall indicate the penalty in order for it to apply.

CONDITION 4 – DEFAULT

Summary of Condition 4:

Condition 4 deals with situations in which a Member is in default. The Exchange has a duty to investigate any information which indicates a Member is in default, and may after reviewing relevant evidence declare a Member to be a defaulter. In such cases, the Exchange has the right to instantly suspend all trading access to the Exchange and to inform those counterparties, be they banks, Members or others of its actions and the reasons for them. This Condition also stipulates the duties of a defaulting Member in co-operating with the Exchange to resolve all and any outstanding obligations or issues.

4.1 GENERAL

Subject to the provisions of Condition 4 below, these Default Conditions are without prejudice to any other provision of the Conditions and the terms of any other agreement which apply to an Exchange Contract. In the event of a conflict between the provisions of these Default Conditions and other provision of the Conditions and the terms of any other agreement which apply to an Exchange Contract, these Default Conditions shall apply.

4.2 DEFAULT COMMITTEE

4.2.1 The Directors shall appoint a committee for the purposes of exercising the powers or fulfilling the obligations of the Exchange under these Default Conditions. The committee shall be known as the 'Default Committee' and the membership of such committee shall consist of such persons as the Directors think fit from time to time.

4.2.2 The meetings and proceedings of the Default Committee shall conform to any Conditions imposed on it by the Directors and otherwise shall be governed by the provisions for regulating the meetings and proceedings of the Directors so far as may be applicable and so far as the same shall not be superseded by any Conditions made by the Directors as aforesaid.

4.3 EVENTS OF DEFAULT

4.3.1 An "Event of Default" shall occur in relation to a Member if the Exchange determines that the Member is or appears to be unable or likely to become unable to meet its obligations under one or more Exchange Contracts or where a Member is acting on the exchange in order to commit fraud. Without prejudice to the generality of the foregoing, in making such determination, the Exchange may take any one or more of the following events or circumstances as sufficient grounds for determining that a Member is or appears to be unable or likely to become unable to meet his obligations under one or more Exchange Contracts:-

- a. failure by a Member to duly perform or comply with any obligation under the terms of an Exchange Contract as set out herein and in a Ticket or to satisfy any liability thereunder;
- b. a Member generally not paying its debts as such debts become due, or admitting its inability to pay its debts generally or becoming or being deemed to have become unable to pay its debts under the laws of the relevant jurisdiction, or making a general assignment for the benefit of creditors or any proceedings being instituted or steps taken by or against a Member seeking to adjudicate him bankrupt or insolvent, or seeking liquidation, winding-up, re-organization, dissolution, administration, arrangement, adjustment, protection, relief or composition of the Member or of its debts or seeking the entry of an order for relief or the appointment of a receiver, receiver and manager, liquidator, provisional liquidator, administrator, trustee or other similar official for a Member or for any substantial part of its revenues and assets (except, in each case, for the purpose of a reconstruction or amalgamation by a Member, the terms of which have previously been approved by the Directors) in each case whether under the laws relating to insolvency, bankruptcy or reorganization or relief of debtors of the country of incorporation or domicile of the Member or under the laws of any other jurisdiction or otherwise;
- c. a Member taking any corporate action or other step to authorize, institute or commence any of the actions referred to in (b) above;
- d. any execution, distress, sequestration (a writ that authorizes the seizure of property) attachment or other process being levied or enforced against a Member against any substantial part of its revenues and assets and not being discharged within seven days of being so levied or enforced;

- e. a Member being refused an application for or being suspended or expelled from membership of a regulatory body or being in breach of the Conditions as to the financial requirements of membership of a regulatory body or a regulatory body taking or threatening to take any action in relation to the Member or taking or threatening to exercise its powers under the Conditions to restrict or prohibit the Member from entering into transactions or carrying on its business or dealing with its assets;
 - f. any license, authorization, consent or registration at any time necessary to enable a Member to comply with its obligations to the Exchange or to any other Member or to carry on its business in the normal course being evoked, withheld or materially modified or failing to be granted or perfected or ceasing to remain in full force and effect;
 - g. a Member being or being declared in default under the Default Conditions of any recognized or designated investment exchange or a recognized financial institution or being or being declared in breach of the terms of the Conditions as to the financial requirements of membership of, or being refused membership of, or suspended or expelled from membership of, any recognized market operator or designated investment exchange or recognized clearing house; or
 - h. a Member, being a partnership, being dissolved.
- 4.3.2 An event or circumstance referred to in Condition 4 above shall, without limitation, be deemed to have occurred in relation to a Member being an unincorporated association or partnership if it occurs in relation to a person comprised in such unincorporated association or partnership.

4.4 DECLARATION OF DEFAULT

- 4.4.1 Subject to Condition 4 below, upon the occurrence of an Event of Default in relation to a Member or at any time thereafter, if the Exchange, in its absolute discretion, considers that action should be taken under the Default Conditions with respect to such Member the Exchange shall declare such Member to be a defaulter.
- 4.4.2 The Exchange may take such action or step as may be directed by the Default Committee under the Default Conditions. If the Exchange is directed to take one or more of the steps referred to in Condition 4 in relation to a Member, the Exchange shall declare the Member to be a defaulter.
- 4.4.3 The Exchange may consult with professional advisers, relevant authorities or any third party before or at any time after taking action under these Default Conditions.
- 4.4.4 A Defaulting Member shall not enter into any Exchange Contract and a Member shall not enter into any such Exchange Contract with a Defaulting Member, after the time that it is declared a defaulter, (notwithstanding any order or instruction to do so given by a person other than the Default Committee), save in accordance with any directions given by the Default Committee under these Default Conditions. The Default Committee may, at its discretion, direct that an Exchange Contract entered into by a Defaulting Member after such time shall be deemed to have been entered into pursuant to directions given by the Default Committee under these Default Conditions.

4.5 NOTIFICATION

- 4.5.1 As soon as reasonably practicable after a Member has been declared a Defaulting Member, the Exchange shall take such steps as it may in its absolute discretion consider appropriate in order that:-
- a. counterparties to unsettled Exchange Contracts with the Defaulting Member, persons party to an Exchange Contract as agent for the counterparty and such other persons as it thinks fit, are notified that the Defaulting Member has been declared a defaulter;
 - b. if the Defaulting Member is party to an Exchange Contract as agent (notwithstanding any prohibition on this in the Conditions) its principal is notified that a default has occurred and the identity of the counterparty to such Exchange Contract.
- 4.5.2 A Member shall forthwith give notice to the Exchange of the occurrence of any event or circumstances referred to in Condition 4 in relation to that Member.

4.6 PROCEDURES

- 4.6.1 The Exchange may from time to time prescribe procedures for the purposes of these Default Conditions and to provide for the manner in which its rights or obligations directed by the Default Committee in relation to such Conditions or default proceedings may be exercised by or on behalf of the Exchange.
- 4.6.2 The Defaulting Member shall co-operate, and shall procure that its Member's Representatives shall co-operate, fully at all times with the Exchange and shall promptly provide such information as the Exchange or its employees or agents may request in connection with the implementation by the Exchange of these Default Conditions or the exercise by it of its powers or the fulfilment by it of its obligations under the Conditions including, without prejudice to the generality of the foregoing, information regarding Exchange Contracts entered into by the Defaulting Member.

4.7 DELEGATION OF FUNCTIONS

The Exchange may from time to time appoint one or more persons to perform any of the functions on its behalf, and may appoint any professional adviser to advise or assist the Exchange with respect to carrying out its functions hereunder.

4.8 COSTS

The Defaulting Member shall indemnify the Exchange for costs, charges and expenses which the Exchange may incur or suffer in taking any action under these Default Conditions, including the costs or fees of any person appointed to perform any function on behalf of the Exchange, or to advise or assist with respect thereto, under Condition 4. Any costs incurred shall not be more than the fees on transactions (i.e. the fees paid to the exchange for transactions) concluded on the exchange in the previous 12 months.

4.9 CO-OPERATION WITH OTHER BODIES

The Exchange may pass on any details of or other information in its possession relating to a Defaulting Member or its Exchange Contracts to Member's NRA or to any other of the persons referred to in Condition 4 or to any other body or authority having responsibility for any matter arising out of or in connection with the default and otherwise co-operate with any such persons in connection with such default.

4.10 AMENDMENTS

The Directors may at any time amend, revoke or add to these Default Conditions. Any such amendment, revocation or addition shall be notified in writing to Members and shall take effect at such time and in such manner (including so as to affect default proceedings in progress at such time) as the Directors may determine. Any such amendment shall not be applied retrospectively.

CONDITION 5 – DISCIPLINARY

Summary of Condition 5:

Condition 5 deals with circumstances in which acts of misconduct or breaches of the Conditions have occurred, and the steps which the Exchange can take to sanction or punish a Member for such breaches. The Condition also outlines the right of the Exchange to investigate such breaches, and stipulates how such breaches should be dealt with in set procedures. Members have the right of appeal, and the appeals procedure is outlined in this Condition.

5.1 NOTIFICATION OF BREACH

All Members shall immediately notify the Exchange of any infringement of the Conditions (including those prescribed under Condition 1) or of any financial or commercial difficulty on the part of themselves or any Member or person subject to the Conditions and, as soon as practicable thereafter, give the Exchange full particulars of the infringement or difficulty.

5.2 ACTS OF MISCONDUCT AND BREACHES OF THESE CONDITIONS

- a. No Member and no person subject to the Conditions shall (or shall permit any Member's Representatives to) take any action or be guilty of any omission which in the opinion of the Directors is liable to bring the Exchange or its Members into disrepute or otherwise be substantially detrimental to the interests, reputation or welfare of the Exchange.
- b. No Member and no person subject to the Conditions shall knowingly or recklessly permit the use of his or its services, facilities or membership or trading privileges by any person for the purpose of fraud or in a manner which is in the opinion of the Directors liable to bring the Exchange or its Members into disrepute, impair the dignity or degrade the good name of the Exchange, create or maintain or exacerbate manipulations (or attempted manipulations) or violations of the Conditions (or arrangements, provisions or directions made or given thereunder) or otherwise be substantially detrimental to the interests, reputation or welfare of the Exchange.

5.3 CONDUCT IN RELATION TO TRADING

5.3.1 No Member (or other person subject to the Conditions) shall in relation to Exchange Contracts entered into, or orders placed via the Cicada Exchange Market or otherwise in accordance with the Conditions:-

- a. commit any act of fraud or bad faith;
- b. act dishonestly;
- c. engage or attempt to engage in extortion;
- d. continue (otherwise than to liquidate existing positions) to trade or enter into such Contracts knowingly disseminate false, misleading or inaccurate reports concerning any product or market information or conditions that affect or tend to affect prices on the Cicada Exchange Platform;
- e. manipulate or attempt to manipulate the market on the Cicada Exchange Platform, nor create or attempt to create a disorderly market, nor assist any other person to do so;
- f. make or report a false or fictitious trade;
- g. enter into any Exchange Contract or fail to close out the same either intending to default in performance of the same or having no reasonable grounds for thinking that it would be able to avoid such default (provided that it shall not be sufficient to have intended to comply with any contractual or other provision governing the consequences of default);
- h. use or reveal any information confidential to the Exchange or another person obtained by reason of participating in any investigation or disciplinary proceedings; or
- i. otherwise commit or cause to commit a breach of any relevant regulatory obligations.

5.3.2 For the purposes of these Conditions, an "Act of Misconduct" is:

- a. any conduct contrary to Condition 1;
- b. participation in conduct by a third party which would be a violation or attempted violation of these Conditions if that third party were subject to these Conditions;
- c. a failure to pay a fine or order for costs imposed by the Compliance Committee that had not been overturned by an Appeal;

- d. any other event or practice which has developed or is developing on the Exchange and is thought to be capable of impairing the orderly conduct of business on the Exchange or affecting the due performance of Exchange Contracts;
- e. provision to the Exchange of information (including information for the purpose of obtaining membership) which is false, misleading or inaccurate in a material respect;
- f. ceasing to meet eligibility criteria for membership as set out in the Conditions without notifying the Exchange;
- g. any other matter of which the Exchange may, from time to time, notify Members through administrative notices issued to Members; or
- h. breaches of any relevant regulatory obligations in relation to misconduct.

5.4 INVESTIGATIONS

- 5.4.1 The Exchange shall have full powers and discretion of investigation into alleged infringements of the Conditions, any Act of Misconduct and/or breaches of any relevant regulatory obligations (where applicable) in relation to the Member's act, omission or conduct on the Exchange. The Compliance Officer or any person authorized by him may authorize or delegate its powers on investigations into such allegations.
- 5.4.2 The Exchange's Compliance Committee shall issue a Notice of Investigation ("Nol") notifying the Member concerned that an investigation has been commenced into any of the matters referred to in Condition 5.4.1. The Nol shall be sent to the Member or the person concerned and copied to the Member's compliance officer. The Nol shall contain a brief description of the matter under investigation.
- 5.4.3 In the course of conducting an investigation, the Exchange may call for the assistance of such professional, legal or accounting advisers, clearing houses, exchanges, regulatory organizations and other advisers or persons as it thinks fit. The Exchange may also call on other departments and officials of the Exchange for such documents, information and assistance as it thinks fit. Members and other persons subject to the Conditions shall offer full co-operation and assistance with all such investigations (whether or not such Member or person is the direct subject of such investigation). Without limitation, each Member (and, so far as applicable, each person subject to the Conditions) shall:
 - a. promptly furnish to the Exchange such information and documentary and other material as may reasonably be requested (including without limitation in the case of Members details of the Member's own accounts);
 - c. make available for interview such of its Member's Representatives as may reasonably be requested; and itself answer, and procure that its Member's Representatives answer, truthfully and fully any question put by or on behalf of the Exchange. If a Member or Member's Representative fails to attend an interview with the Compliance Officer or a scheduled summary hearing of the Compliance Committee, the Member and/or Member's Representative may be excluded from the Cicada Exchange Platform until they take reasonable steps to make themselves available on an alternative date;
 - d. make available for inspection such documents relating to the specific investigation, records or other material in its possession, power or control as may reasonably be required and, upon request, provide copies of the same; and
 - e. use its best endeavours to ensure that so far as possible its agents give similar co-operation.
- 5.4.4 Each Member and other person subject to the Conditions authorizes and shall agree to authorize the Exchange to request any clearing house, investment exchange or regulatory body or person to furnish to the Exchange such information and documents as the Exchange may require in connection with an investigation.
- 5.4.5 When, in the opinion of the persons conducting the investigation, they have sufficient information, they shall make a written report to the Compliance Officer who may, or may not, recommend to the Compliance Committee that disciplinary proceedings should be commenced.
- 5.4.6 The Compliance Officer or the Compliance Committee may, without prejudice to any other of their powers:-
 - a. decide that no further action should be taken and notify any Member or other person concerned in writing accordingly;

- b. in the event of a minor infringement or misconduct, issue a written warning (which shall be private save as provided for in paragraph (f) below) to the Member concerned (or, in the case of such an infringement or misconduct by some other person, that person with a copy to any Member with whom he was associated at the time of such infringement or misconduct);
- c. commence disciplinary proceedings (including, in an appropriate case, summary proceedings under Condition 5);
- d. refer the matter back to the Compliance Committee for further enquiry;
- e. in the case of the Compliance Committee, make such amendments to the Conditions as they think fit;
- f. report such of the findings of the investigation to such investment exchanges, clearing houses or other regulatory bodies as appropriate in accordance with the law.

The Compliance Officer or the Compliance Committee may, in an appropriate case, take more than one of the above actions or different actions in relation to different Members or other persons concerned in the same investigation.

5.5 DISCIPLINARY PROCEEDINGS

- 5.5.1 The Compliance Committee upon satisfaction (whether or not a formal investigation has taken place under the Conditions) that there is clear evidence of an infringement of the Conditions or an Act of Misconduct by a Member or other person subject to the Conditions may commence disciplinary proceedings and take such relevant actions.
- 5.5.2 When the Compliance Committee decides to commence disciplinary proceedings, it shall direct that a written notice ("**Notice**") be sent to the Member (or, in the case of proceedings against some other person, that person and any Member with whom he was associated at the time of the matter in question). The Notice shall set out the alleged Act of Misconduct or infringement of the Conditions, including a summary of facts relied upon.
- 5.5.3 The Member or other person the subject of a Notice shall, if it wishes, have twenty (20) working days (or such further time as the Compliance Committee may in its absolute discretion allow) from the service of the Notice in which to provide a statement of defence ("**Defence**") responding to all or any of the allegations, stating its intended pleas and what admissions of fact, if any, it makes. Where no defence has been served and no settlement has been reached, the Exchange will deem the Member or other person the subject of Notice to have accepted the facts and matters alleged in the Notice.
- 5.5.4 The Compliance Committee may, if it deems appropriate after considering the Defence, continue to proceed with the disciplinary proceedings or may choose to discontinue disciplinary proceedings or deal with the matter as set out in Condition 5.
- 5.5.5 Without adjournment the Compliance Committee, or a quorum of the Compliance Committee hearing a case summarily, may amend a Notice by deletion, alteration or addition, or may vary the Condition breach alleged or add another Condition breach provided that they are of the opinion that:
 - a. the amendment or variation is material to the course of conduct under investigation;
 - b. the essential character of the allegation or Condition breach has not been changed; and
 - c. the Member would not be prejudiced in any defence it might wish to put before the Compliance Committee.

In any other circumstances, and in particular should the Compliance Committee, or a quorum of the Compliance Committee hearing a case summarily, determine that a separate or unrelated course of misconduct or an infringement of the Conditions may have been revealed, it may order an adjournment to enable the matter to be investigated further.

5.6 SETTLEMENT

The Member and/or the person alleged to have committed the infringement may attempt to settle in good faith the disciplinary proceedings at any stage (including any appeal) with the Exchange. The terms of any settlement shall be agreed between the Compliance Officer and the individual or Member as the case may be and submitted in writing to the Chairman of the Compliance Committee, or in his absence a quorum of this Committee for ratification. Upon ratification the terms of the settlement shall take effect. In the event the settlement is not ratified, the disciplinary proceedings shall continue.

If the Exchange or Member (or person concerned and any associated Member or either of them) should fail to meet a time limit imposed by the Compliance Committee or fail to attend a hearing, the Committee may in its absolute discretion allow an extension of time, adjourn its proceedings or proceed, if necessary in the absence of the Member (or the person and Member, or either of them).

The findings of the Compliance Committee, and particulars of any sanction, shall be notified in writing to the Member concerned (or the person concerned and any associated Member)..

5.7 SANCTIONS

5.7.1 The sanctions which may be imposed on a Member or a person subject to the Conditions by the Compliance Committee shall not exceed the following:-

- a. the issue of a warning or reprimand;
- b. in the case of an individual, disqualification (either indefinitely or for a fixed term) from being a Director or member of a committee or any committee of the Exchange;
- c. in the case of a Member, disqualification (either indefinitely or for a fixed term) of any of its Member's representatives from being a Director or member of any committee of the Exchange;
- d. a fine of any amount not exceeding the equivalent of three (3)- years of subscription and/or licence fees due from the Member or fees on transactions conducted whichever is higher, to be paid on such terms as may be prescribed;
- e. a recommendation to the Directors that they expel a Member from membership of the Exchange, or in the case of other persons subject to the Conditions, permanently remove their right to access the Cicada Exchange Platform under Condition 2;
- f. in relation to any infringement of Condition 2A, the Exchange may direct the Member to (i) submit statements on periodic basis for such duration and in such form and substance as the Exchange may specify, (ii) cease any increase in positions, (iii) operate its business on the Cicada Exchange Platform in such manner and on such conditions as the Exchange may impose, or the Exchange may suspend or terminate the membership of the Member; or
- g. any combination of the foregoing.

5.7.2 Where a person or Member subject to the Conditions is expelled pursuant to Condition 2 or has any or all of his rights of membership suspended, the Directors or the Compliance Committee may make such directions to the effect that where a person subject to the Conditions is expelled, they may re-apply for registration with the Exchange at any time after the date specified in the notice of sanction. Such re-application will only be considered if all costs and fines associated with the notice of sanction are paid in a timely fashion.

5.7.3 The contravention of any sanction imposed or direction made under or pursuant to Condition 5 may be treated for all purposes as an infringement of the Conditions.

5.7.4 The Compliance Committee may order any party to the proceedings to pay reasonable costs.

5.9 APPEAL

5.9.1 The Exchange shall appoint persons who shall not be Directors or serving members of the Compliance Committee, to serve on an Appeals Committee and upon such appointment such appointed persons shall be fully authorized to carry out the functions and powers of the Appeals Committee. Appeals Committee shall consist of a Chairman sitting alone or together with one or two other persons who are not prevented from

serving on the Appeals Committee by reason of the matters contained in this Condition 5. The chairman of the Appeals Committee shall be a suitably qualified legal professional.

- 5.9.2 Within fourteen (14) days of receiving notice in writing of a finding or order of the Compliance Committee, or such longer period as the Exchange may in its absolute discretion direct, a person or the Exchange, or both, may appeal to the Appeals Committee by lodging with the Exchange a notice of appeal in writing and by delivering a copy thereof to any other party.

A notice of appeal shall set out the grounds of the appeal and shall contain a brief statement of all matters relied on by the appellant. The grounds of the appeal may be any one or more of the following:

- a. the Compliance Committee misdirected itself; or
 - b. the Compliance Committee's decision was:
 - i. one which no reasonable Compliance Committee could have reached;
 - ii. unsupported by the evidence or was against the weight of the evidence; or
 - iii. based on an error of law, or a misinterpretation of the Conditions; or
 - iv. the sanction imposed by the Compliance Committee was excessive or, in the case of an appeal by the Exchange, was insufficient or inappropriate; or
 - v. new evidence is available and that, had it been made available, the Compliance Committee could reasonably have come to a different decision. This will not apply if the evidence could have been adduced before the Compliance Committee by the exercise of reasonable diligence; but no party may otherwise appeal against the Compliance Committee's finding of infringement, or order.
- 5.9.3 In the case of appeal against a sanction, the Appeals Committee may affirm, vary or revoke the sanction. In the case of appeal pursuant to Condition 5, the Appeals Committee may make such order or give such direction as it considers just including, if thought fit, in relation to an appeal pursuant to Condition 5 a direction for a rehearing of the case by another Disciplinary Panel.
- 5.9.4 On receipt of a notice of appeal, the Exchange will constitute an Appeals Committee from among those persons authorized under Condition 5 above.

An Appeals Committee may adopt such procedure as it thinks fit and just, including without limitation the procedures described in Condition 5. The appellant and the respondent may appear and make representations.

- a. The decision of an Appeals Committee shall be final and binding and there shall be no further appeal. The decision shall be notified to the appellant in writing as soon as possible.
- b. Condition 5 above shall apply to the Appeals Committee as though the reference therein to the Compliance Committee were to the Appeals Committee.

5.10 EMERGENCY SUSPENSION

Notwithstanding and without prejudice to any other provision of the Conditions (including without limitation this Condition 5) any three (3) Directors may, upon reasonable belief that immediate suspension is necessary to protect the interests, reputation or welfare of the Exchange and its Members or to ensure an orderly market, suspend for up to ten (10) Business Days the right of any individual(s) associated with a particular Member to enter the Cicada Exchange Platform to trade. Such decisions shall be reviewed by the Directors within that period, and may be extended subject to such arrangements as the Directors or such committee think fit.

5.11 SUMMARY ENFORCEMENT

- 5.11.1 Subject to paragraph (b) below, where in all the circumstances of a case the Compliance Committee considers summary enforcement of the Conditions to be apt it may, summarily hear and determine the case itself. Any matter which financial penalty or impact would be less than EUR €50,000 can be summarily dealt with. The sanctions which may be imposed by the Compliance Committee are those set forth in Condition 5 above save that:
- i. the sanction of expulsion shall not be available to the Committee;

- ii. the maximum sanction of suspension which may be imposed by the Committee on an individual is limited to three (3) calendar months; and
 - iii. the maximum fine which may be imposed by the Committee is limited to EUR €100,000 for a Member in respect of each offence.
- a. In the conduct of a summary hearing under this Condition the Compliance Committee shall conform to such procedures as may from time to time be prescribed for the purpose by the Directors. In connection with a summary hearing under this Condition the Compliance Committee may order any party to the proceedings to pay costs as it thinks appropriate, including but not limited to, administration costs, costs incurred in the investigation, preparation and presentation of the case.
 - b. Where an alleged infringement or misconduct falls outside those mentioned in Condition 5, before commencing a summary hearing under paragraph (a) above the Compliance Committee shall inform the Member or other person concerned that such person may object to summary enforcement. If the person concerned so objects, the case shall not proceed under this Condition but shall be referred to the Chairman.
 - c. A Member, or other person proceeded against, may appeal to the Chairman against a summary determination of the Compliance Committee under paragraph (a) above. Notice of appeal shall be lodged with the Exchange within seven (7) days of notification of the Committee's determination. Condition 5 above shall apply to the proceedings of the Chairman, modified as the Committee may consider appropriate to the case. The determination of the Chairman on appeal from the Compliance Committee shall be final and binding. There shall be no further appeal.
- 5.11.2 Without prejudice to the powers of investigation and discipline contained in Condition 5, or to the summary jurisdiction of the Compliance Committee under Condition 5 above, an infringement or contravention of or a failure to observe or comply with any provision of the Conditions appearing in Condition 7 (Trading), or a failure to identify a customer on the part of a Member or a Member's Representative, may be summarily dealt with under Condition 5 below.
- 5.11.3 The Directors and the Compliance Officer acting together or independently or such other persons as may be duly authorized by the Compliance Committee may take summary disciplinary measures, including without limitation the imposition fixed terms of exclusion from the Cicada Exchange Platform (or any part thereof), in respect of any infringement, contravention or failure mentioned in Condition 5. The Directors, or the Compliance Officer acting together under the authority of the Compliance Committee, may from time to time by circular or other written notice to Members prescribe the procedure governing the taking of summary disciplinary measures under this Condition, any procedure for appeal and any other matter incidental thereto, including the limitation of summary measures either generally or in particular classes of case.
- 5.11.4 A failure to observe any sanction imposed under Condition 5 shall be treated as an infringement of the Conditions.
- 5.11.5 Any summary decision of the Compliance Committee or the Compliance Officer may be posted on the Cicada Exchange Platform and circulated to the compliance officer of Member firms.

5.12 MARKET OFFENCES

A person subject to the Conditions is prohibited from doing any act which may bring the Exchange into disrepute. Such acts as may include, but are not limited to:-

- a. any form of physical violence;
- b. any act which in the opinion of a Director or a member of the Compliance Committee may be prejudicial to the good reputation of the Exchange; and
- c. any other act prescribed under this Condition by the Compliance Committee and/or the Compliance Officer acting together or independently.

CONDITION 6 – REGISTRATION OF EXCHANGE CONTRACTS

Summary of this Condition 6:

Condition 6 outlines the listing Conditions of the Exchange and under which circumstances a contract can be made available for trading on the Exchange. The Condition stipulates that all Members have a duty to record all transactions and keep a register of such trades for a minimum of 5 years.

6.1 EXCHANGE CONTRACTS

- a. Any Exchange Contract entered into between Members via the Cicada Exchange Platform are recorded by an electronic Ticket and supersede any pre-dated discount arrangements for the Products that are the subject of the Exchange Contract pertaining to the relevant Roaming Agreement between the Contracting Members for as long as the Minimum Commitment is unfulfilled and the Exchange Contract is in force; or in case there is a Zero contract, while the Exchange Contract is in force. Unless otherwise agreed with the Member, the Exchange Contract shall be automatically communicated to both the Steering Provider and DCH provider to implement the agreement and Members must ensure that both providers are instructed to act on such communications.
- b. Subject to a Member complying with Condition 6, the Exchange shall (and is hereby authorized to) present and confirm particulars of all Exchange Contracts to any appropriate regulatory bodies on behalf of Members by means of the Exchange's trade registration system.
- c. Subject to Condition 6, in entering into Exchange Contracts, Members will act as principals and not as agents.

6.2 TRANSACTION RECORDS

- a. All Members shall keep proper and complete accounting and other records relating to all Exchange Contracts made on the Cicada Exchange Platform or otherwise in accordance with the Conditions and containing such details as the Directors or the Compliance Committee may from time to time prescribe.
- b. All orders executed on the Cicada Exchange Platform or otherwise in accordance with the Conditions shall be promptly recorded in writing (or such other permanent form as may from time to time be permitted) by the Member in its own records even though the transaction will be reported to Contracting Members in such a manner and together with such particulars as the Exchange may from time to time decide.
- c. Members shall keep daily records of such open positions and shall comply with such reporting requirements as the Directors or the Compliance Committee may from time to time prescribe.
- d. Such records shall be maintained for a reasonable period of time (which shall be not less than five (5) years).

CONDITION 7 – TRADING CONDITIONS

Summary of Condition 7:

Condition 7 outlines the Trading Conditions of the Cicada Exchange. Specifically this Condition sets out the procedures for trading by members using the Cicada Exchange Platform, explaining what is and what is not allowed. The Condition also deals with the validity of Contracts and specifies at which time a Contract becomes binding on the parties involved. Condition 7 outlines the Conditions on priority, withholding and disclosure of orders. The Exchange may close access to the market for all Members, and implement a Telephone Trading market in which Members can communicate orders and trades to the Exchange by telephone, email or fax.

7.1 GENERALLY

Exchange Contracts shall be executed on the Cicada Exchange Platform in accordance with this Condition 7 and such procedures as prescribed under Condition 7 from time to time. The Directors shall from time to time determine those Exchange Contracts that may be traded.

7.2 TRADING PROCEDURES

- a. The Directors, or the Compliance Officer(s), may from time to time by circular or other written notice to Members prescribe procedures governing trading on the Cicada Exchange Platform and the registration of Exchange Contracts on the Cicada Exchange Platform .
- b. A breach of any procedures prescribed under this Condition 7 by a person subject to the Conditions will constitute a breach of the Conditions by such person.

7.3 CONTRACTS TRADED BY MEMBERS ON THE CICADA EXCHANGE PLATFORM

An order executed on the Cicada Exchange Platform by a Member may give rise to an Exchange Contract(s) in accordance with these Conditions.

7.4 VALIDITY OF CONTRACTS

- a. To be a valid and binding Exchange Contract made on the Cicada Exchange Platform , the Exchange Contract must give rise to an agreed ticket (see Appendix 1 for an example) generated on the Cicada Exchange Platform that is not void or voided and must be:
 - i. executed on the Cicada Exchange Platform only by a registered Responsible Individual using his appropriate ITM; or
 - ii. otherwise executed in accordance with this Condition 7; or
 - iii. expressly authorized by the Exchange in its absolute discretion pursuant to the Trading Procedures.
- b. Subject to Condition 7 any power exercisable by the Directors, the Default Conditions treating a Contract as void or voided and the Default Conditions, once a bid or offer made on the Cicada Exchange Platform has been accepted in whole or in part and an Exchange Contract is created, there is no right of withdrawal.
- c. Subject to Condition 7 any power exercisable by the Directors treating an Exchange Contract as void: acceptance of a bid or offer gives rise to an Exchange Contract between the two parties.

7.6 DISCLOSURE, WITHDRAWAL AND WITHHOLDING OF ORDERS

In the case of orders to be shown on the Cicada Exchange Platform:

- a. All orders intended for execution on the Exchange must be entered into the Cicada Exchange Platform upon receipt by the Member and designated as active unless:
 - i. the order gives the Member discretion as to the time when the order is to be displayed on the Cicada Exchange Platform, in which case such order must be entered immediately into the Cicada Exchange Platform but can be designated as inactive until the Member exercises its discretion when the order must immediately be shown on the Cicada Exchange Platform by being designated active;

- ii the Member has discretion to vary the price of the order, in which case such order must be entered immediately and designated active. When the Member exercises its discretion in relation to the change, the order must be amended immediately;
- b. Any order designated active in the Cicada Exchange Platform must be entered to show the indicative price and/or quantity as determined by the Directors from time to time.

7.8 TRADERS

7.8.1 Qualification to Trade on the Cicada Exchange Platform

A person wishing to register as a Responsible Individual with the Exchange for the purpose of conducting Exchange business on the Cicada Exchange Platform must be a person employed by or representing a Member who has permission to access the Cicada Exchange Platform pursuant to this Condition.

7.8.2 Limitation on Trading

An Authorized Member or an Associated Member may register a number of Responsible Individuals for the purpose of executing business on the Cicada Exchange Platform without limitation on the number of Responsible Individuals who may have access to the Cicada Exchange Platform at any one time, subject to the requirements of Condition 2 and the Conditions generally.

7.9 PRICE LIMITS, POSITION LIMITS, POSITION ACCOUNTABILITY

7.9.1 Price Limits

For an Exchange Contract trading on the Cicada Exchange Platform:-

- a. the Exchange may, in order to comply with legal restrictions or at its sole discretion, implement procedures to establish the maximum price fluctuations on the Cicada Exchange Platform in respect of any Product, and to provide for any consequential restriction or suspension of business; and
- b. the absence of such procedures shall not prevent the exercise of any other power under the Conditions to curtail or suspend trading on the Cicada Exchange Platform .

7.9.2 Position Limits

For a Contract trading on the Cicada Exchange Platform:-

- a. The Exchange may at its sole discretion, from time to time, implement procedures to establish the position limits on the in respect of each Product, and to provide for any consequential reporting, restriction or suspension of business.
- b. The absence of such procedures shall not prevent the exercise of any other power under the Conditions to curtail or suspend trading on the Cicada Exchange Platform.
- c. A responsible individual may have position limits set by its Member.
- d. Authorised Members not buying Traffic on their home market may have trading limits set to zero.
- e. Any Member not meeting their minimum obligations as set out in their Sale Contract may have trading limits set to zero.

7.9.3 Position Accountability

For a Contract trading on the Cicada Exchange Platform:-

- a. The Exchange may at its sole discretion, from time to time, implement procedures to establish the position accountability on the Cicada Exchange Platform in respect of each Product, whereby it will require persons holding a designated number of outstanding contracts to report the nature of the position, trading strategy or any other information required on the positions held, to the Exchange. The Exchange may,

with respect to position accountability, subsequently impose any consequential reporting, restriction or suspension of business.

- b. The Exchange may set expiry limits for the trading of contracts a specified period before the commencement of that contract period.
- c. The Exchange may set expiry limits on orders that have not been closed.
- d. The absence of such procedures shall not prevent the exercise of any other power under the Conditions to curtail or suspend trading on the Cicada Exchange Platform.

7.10 EMERGENCY CLOSURES

- a. Trading on the Cicada Exchange Platform may be temporarily suspended by the Exchange in the event of a fire alert, bomb scare, earthquake or other alarm or in such other event which in the opinion of the Exchange official suspension of trading is necessary in the interests of the Exchange, its staff, or its Members, or to maintain a fair and orderly market. Trading will be resumed as soon as reasonably practicable following any such interruption.
- b. The Compliance Officer or his designated deputies may declare that trading on the Cicada Exchange Platform has been suspended and will remain so until all the consequences of such an event have been remedied to their satisfaction. If, as a result of action under (a) above trading may not be resumed before the end of the trading session, or at a time which, in the opinion of the Compliance Officer or his designated deputies, would leave sufficient time before the end of the trading session as would allow the operation of a fair and orderly market, the Compliance Officer or his designated deputies will either:
 - i. declare the trading session suspended; or
 - ii. refer the matter to a Director who may declare that trading continues on the Telephone Trading market pursuant to Condition 7.

7.11 TRADING DISPUTES

- a. If an Exchange Contract made or alleged to be made on the Cicada Exchange Platform is the subject of a dispute on the day of trade, then the Member (who need not be party to such Exchange Contract) who disputes the validity of such Exchange Contract shall:
 - i. notify the Compliance Officer of its dispute within such period of time as the Exchange may specify;
 - ii. once notified the Compliance Officer shall, in his absolute discretion determine whether such a disputed trade shall be cancelled and Members advised accordingly. The party who disputes the validity (and where that party is not party to the Exchange Contract, the parties to the disputed Exchange Contract) shall be notified of the determination.
- b. The Exchange may, depending on the circumstances of each disputed trade and at its absolute discretion, apply or vary procedures pursuant to the Trading Procedures in its determination to cancel a trade on the basis of the price being an unrepresentative price.
- c. The Exchange may investigate any disputed trade which is subsequently cancelled due to the determination of the Compliance Officer that it was executed at an unrepresentative price.

7.12 TELEPHONE MARKET

- 7.12.1 The Exchange may implement a market for concluding Exchange Contracts by telephone ("**Telephone Market**") when, in the opinion of the Directors, it is not possible for to trade on the Cicada Exchange Platform. Members may organize/negotiate and execute in accordance with the Conditions, subject to Condition 7, transactions involving Exchange Contracts agreed by telephone ("**Telephone Contracts**").
 - a. The Exchange will notify Members of those Exchange Contracts available for trading in the Telephone Market, the opening times for the Telephone Market, and, if practicable, the expected duration of the Telephone Market by whatever means of communication it deems fit.

- b. Any Member is permitted to participate (i.e. place orders) in the Telephone Market, providing that it holds the relevant trading right for the Exchange Contract concerned.
- c. Any Member may submit Telephone Trading Contracts directly to the Exchange in accordance with Condition 7.

Negotiation of business in the Telephone Market may be undertaken by any of the Members' staff registered with the Exchange or otherwise authorized by the Member to do so.

7.12.2 Trade Execution

In executing business in the Telephone Market, Members shall be required to act with due skill, care and diligence and in accordance (where applicable) with the trading procedures and Conditions 5 and 7.

When a trade is agreed, the Contracting Members must immediately record (and retain) the following details on an order slip, and indicate that the trade is a trade executed on the Telephone Market:

- a. VPMN/HPMN;
- b. contract;
- c. contract month/strike;
- d. quantity;
- e. price;
- f. counterparty (Member mnemonic);
- g. Member mnemonic;
- h. time (including date);

and his information must be retained by the Member for a period of no less than five (5) years after the date of the transaction. Members must ensure that any telephone line used in connection with the execution of a trade on the Telephone Market, including the giving and receipt of orders, is tape recorded and retained for a minimum of three (3) months. The tapes are to be available to the Compliance Officer and the Exchange upon request.

7.12.3 Trade Matching and Clearing

In the event of a Telephone Market being implemented, Members shall adhere to the published trading hours for the Telephone Market, enter trade details promptly following execution and ensure that all trade details are submitted within thirty (30) minutes of the close of trading for the Telephone Market.

7.12.4 Price Limits and Trade Invalidation

The Exchange may in its absolute discretion, implement price limits in respect of each designated Telephone Contract, taking into consideration such factors as it considers necessary.

The Exchange may, in its absolute discretion, invalidate any trade which it considers to fall outside any price limits or is considered an unrepresentative reflection of fair market value for the Exchange Contract and contract month concerned.

7.12.5 Price and Volume Transparency

The Exchange will regularly throughout the duration of the Telephone Market disseminate to Members volume and price information relating to trades submitted by Members to Cicada Block Trading Facility or directly to the Exchange using email, fax, voice broadcasting or telephone.

7.13 CLOSING PRICES

The Exchange may publish the relevant closing prices for each Exchange Contract listed on the Exchange subject to any relevant restrictions contained in any licensing.

7.14 DISPUTE RESOLUTION

Any trading disputes must be resolved between the Contracting Members and within a time specified by the Exchange.

7.15 DISORDERLY TRADING

It shall be an offence for a trader or Member to engage in disorderly trading in any mode or manner whatsoever.

CONDITION 8 – DISPUTE RESOLUTION

Summary of Condition 8:

Condition 8 outlines the procedures for handling disputes between Members and the Exchange and disputes between Members regarding Exchange Contracts (or alleged Exchange Contracts). It specifies that disputes shall be attempted to be resolved in good faith, and if this fails, shall be referred to arbitration. For disputes between Members, all dispute resolution shall occur away from the Exchange and without the involvement of the Exchange other than in an advisory role. The Condition stipulates each party's duty to participate in dispute resolution and which procedures are set as guidelines in case of disputes.

8.1 DISPUTE RESOLUTION

- 8.1.1 Unless otherwise expressly provided herein, in the event of any dispute arising between Cicada (and/or its Directors) and any Member out of or in connection with these Conditions, including any dispute as to the existence, validity or termination of Exchange Contracts or any dispute concerning the interpretation, application or enforcement of these Conditions, the parties to the dispute will use their best efforts to resolve such dispute in good faith and in a spirit of mutual understanding and co-operation so as to avoid adverse consequences for the Members and the Cicada Exchange Platform. Ultimately the decision of the in relation to any such dispute shall be final and binding, subject to any rights or review or appeal expressly provided for herein.
- 8.1.2 Where there is a dispute between two Members concerning the existence, validity, operation, fulfilment or termination of an Exchange Contract, the parties to the dispute will use their best efforts to resolve such dispute in good faith and in a spirit of mutual understanding and co-operation so as to avoid adverse consequences for the Members and the Cicada Exchange Platform. If the dispute cannot be resolved in this manner within thirty (30) days, the dispute may be referred by either party to mediation in accordance with Condition 8.2 below and if mediation is unsuccessful, either Member may refer the dispute to arbitration for final resolution in accordance with the provisions in Condition 8.3 below.
- 8.1.3 Disputes arising between members under Roaming Agreements regarding matters other than Exchange Contracts, shall be resolved in accordance with those Roaming Agreements.

8.2 MEDIATION & ARBITRATION

- 8.2.1 Where a dispute referred to in Condition 8.1.2 is not resolved amicably by Members within the period referred to therein, either Member may notify the other Member that it wishes to refer the matter to mediation in accordance with the Centre for Effective Dispute Resolution ("CEDR") Model Mediation Procedure. A mediator shall be appointed by agreement in writing of the Members involved in the dispute. In the event that they cannot agree on the appointment of a mediator within fourteen (14) days of the initial notification, (or such other period agreed by the Members in question) the parties hereby agree that a mediator shall be appointed by CEDR. The mediation shall be non-binding unless and until a settlement of the dispute is reached and confirmed in writing by the Members in question. Unless otherwise agreed the mediation shall take place not later than twenty-one (21) days after the appointment of the mediator. If the dispute is not resolved by mediation within forty-five (45) days of the appointment of the mediator, or if either party refused to participate in the mediation, the dispute shall be resolved by arbitration in accordance with Condition 8.2.2.
- 8.2.2 Where a dispute referred to in Condition 8.1.2. is not resolved by mediation in accordance with Condition 8.2.1, either Member involved in the dispute may refer it to arbitration. In this case, the seat of the arbitration shall be Switzerland. The place of arbitration shall be Zurich, Switzerland and the proceedings shall be conducted in the English language. The arbitrator shall have the power to determine all disputes between Members arising from or in connection with the Exchange Contract. The arbitration shall be conducted under the Rules of Conciliation and Arbitration of the International Chamber of Commerce (ICC) by three (3) arbitrators appointed in accordance with the said Rules. The decision of the arbitrator shall be treated as confidential by either Member. The award shall be final and binding and the Parties waive all means of recourse to the courts of any country except for the purpose of enforcement procedures. .

8.3 FAILURE TO PARTICIPATE

If any Member shall refuse or fail to refer or participate in the reference of any dispute to arbitration in accordance with these Dispute Resolution Conditions (whether or not any other party to the dispute is a Member) or shall refuse or fail to comply with any decision or award of the arbitrator he shall be deemed to have infringed Condition 8 and be subject to disciplinary proceedings accordingly.

8.4 SUSPENSION

The fact of a Member being suspended or expelled shall not affect the rights of any person to arbitration under these Dispute Resolution Conditions in respect of any Exchange Contract entered or allegedly entered into by the Member.

8.5 DISPUTES BETWEEN MEMBERS

In the event of a dispute between Members (as referred to in Condition 8.1.2 above), the Exchange may be called upon by a party to that dispute to advise the parties on the applicable procedures or and/or give evidence in the course of a dispute resolution procedure; otherwise, the Exchange shall have no role in any such dispute between Members, save as set out herein.

8.6 JURISDICTION

For the purpose of all proceedings by arbitration or otherwise any Exchange Contract shall be deemed to have been made in Switzerland. Exchange Contracts shall be governed by Swiss Law and Switzerland shall be regarded as the place of performance. Disputes shall be settled according to the law of Switzerland whatever the domicile, residence, or place of business of the parties to the Exchange Contract may be or become.

8.7 SERVICE OF NOTICES

Any notice or other document which is to be served on or delivered to any party in connection with an arbitration under these Dispute Resolution Conditions may be sent by prepaid post to the usual or last known address or place of business of that party and shall be deemed to have been served or delivered at the time when it would have arrived in the ordinary course of post. Notices may also be served by email, facsimile transmission or any other means of reproducing words in visible form.

8.8 APPLICABILITY OF CONDITIONS

The Dispute Resolution Conditions governing any dispute referred to arbitration pursuant to Condition 8 shall be those operative at the time of the reference.

CONDITION 9 – EXCHANGE CONTRACTS: GENERAL PROVISIONS

9.1 ADMINISTRATION PROCEDURES

All Exchange Contracts shall be subject to such Administration Procedures as may from time to time be adopted by the Directors, provided always that, if any conflict between Administration Procedures and the Terms and Conditions shall arise, the provisions of the Terms and Conditions shall prevail and provided further that no Administration Procedure shall be adopted other than for the regulation of administrative matters affecting Exchange Contracts (which shall include, without limitation, all such matters as are regulated by the Administration Procedures first adopted with this Condition). The Directors may at their discretion at any time revoke, alter or add to the Administration Procedures and any such amendment shall be circulated to the Members and shall have such effect on existing as well as new Exchange Contracts as the Directors may direct.

9.2 ADMISSION OF AN EXCHANGE CONTRACT TO TRADING

The Exchange will only admit an Exchange Contract to trading if the Exchange believes the Exchange Contract satisfies the requirements of the Exchange.

9.3 CONTRACT MONTHS OR CONTRACT DATES

Trading shall be permitted in respect of such Discount Periods in a particular Exchange Contract as the Exchange shall determine from time to time, including such groups of contract months and groups of contract dates as determined by the Exchange from time to time.

9.4 WAR, PLAGUE, EMERGENCY OR GOVERNMENT INTERVENTION

- a. If the Directors determine in their absolute discretion that one of the following conditions is satisfied, that is to say:
 - i. a state of war or emergency exists, or is imminent or threatened and is likely to affect the normal course of business of Cicada Exchange Limited or the Cicada Exchange Platform; or
 - ii. a government of any nation, state or territory, or any alliance of government, or any institution of such government or alliance, or any competent regulatory authority has proclaimed or given notice of its intention to exercise controls which appear likely to affect the normal course of business of Cicada Exchange Limited or the Cicada Exchange Platform.

the Directors may suspend operation of the Cicada Exchange Limited although Exchange Contracts then in force shall continue in force in accordance with their terms and with the provisions of this Terms and Conditions..

- b. The Directors' formal announcement under this Condition shall be made by Notice Posted on the Market.

9.5 NEW LEGISLATION

- a. If the Directors shall in their absolute discretion determine that a change of legislative or administrative provisions in Switzerland, or any other country, or in the European Union or of any international organization or institutions or market organizations in any country or group of countries, (including, without prejudice to the generality of the foregoing, a change in respect of duties or taxes) has affected, is affecting or is likely to affect the normal course of business of Cicada Exchange Limited or the Cicada Exchange Platform, the Directors shall have the power (without prejudice to their powers under any other provision of the Conditions) to vary this Terms and Conditions and/or any Administration Procedures in any way they deem necessary or desirable for the preservation of the orderly course of business.
- b. Such variation may be made notwithstanding that it may affect the performance or value of existing Exchange Contracts (or such existing Exchange Contracts as may be specified by the Directors). Without limiting their powers hereunder, the Directors will use their best endeavours to keep any such variation to the minimum that they consider reasonably necessary to deal with the situation.
- c. The Directors' powers under this Terms and Conditions shall be exercisable by Notice Posted on the Market. Any variation made under this provision shall take effect at such time and for such period as the

Directors shall prescribe, but (without prejudice to the preceding paragraph) shall not take effect earlier than the posting up of the Notice Posted on the Market.

- d. Every Exchange Contract affected by a variation under this Condition shall remain in full force and effect subject to such variation and shall not be treated as frustrated or repudiated except insofar as may be allowed in the Directors' notice.
- e. Any notice published by the Directors under this Condition may be varied or revoked by a subsequent notice.

9.6 LAW AND JURISDICTION

This Terms and Conditions and every Exchange Contract shall be governed by and construed in accordance with Swiss laws without giving effect to any choice or conflict of law provision or rule (whether Switzerland or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of Switzerland. Without limitation to the application of Article 8, the Parties hereby irrevocably: (i) agree that the courts of Switzerland located in Zurich shall have jurisdiction to settle any disputes, and (ii) waive any objection to proceedings before such courts on the grounds of venue or on the grounds that such proceedings have been brought in an inappropriate forum.

9.7 EXCHANGE MONITORING

The Exchange shall have the right and power, but not the obligation, to monitor the performance of Exchange Contracts. Without prejudice to any other powers of the Exchange hereunder, the Exchange may from time to time, require Members to supply to it such information as it considers necessary.

9.8 APPLICATION OF GENERAL CONDITIONS AND CONDITIONS

Each Exchange Contract shall be subject to this Terms and Conditions.

9.9 FURTHER AMENDMENT OF CONDITIONS

In respect of any Exchange Contract, these Terms and Conditions may from time to time be amended in accordance with the provisions herein without prejudice to any right of the Directors contained elsewhere in the Terms and Conditions to amend the Conditions. Such an amendment may according to its terms have effect on existing as well as new Exchange Contracts, and in such case all Exchange Contracts declared to be affected shall forthwith (or at such time as the terms of the amendment shall indicate) automatically be modified in conformity to the amendment. The Directors shall not propose an amendment under this Condition on terms affecting existing Exchange Contracts if the amendment is in their opinion likely to affect the market price of the Product(s) that is the subject of the Exchange Contract.

9.10 VARIATION OF CONDITIONS AND ADMINISTRATION PROCEDURES

- a. Where the Directors consider that circumstances have arisen, or are reasonably likely to arise, in which it would be desirable for any Conditions and/or Administration Procedures to be varied in the interests of ensuring the orderly operation and evolution of the Cicada Exchange Platform or pursuant to any of the Exchange's functions or powers, the Directors shall have the power (without prejudice to their powers under any other provision of the Conditions) to vary any of the Conditions herein and/or Administration Procedures in any way they deem appropriate to respond to such circumstances in accordance with the Exchange's functions and powers. Such circumstances may include, without limitation:
 - i. where the provisions for the specification, pricing, settlement or other aspects of an Exchange Contract are no longer representative of practices in the underlying market to which the Exchange Contract relates;
 - ii. where, without changes to the provisions for the specification, pricing, settlement or other aspects of an Exchange Contract, there is a risk of material detriment being caused to the market for that Exchange Contract, whether in terms of liquidity, reputation or otherwise;
 - iii. where any aspect of the current business on the Cicada Exchange Platform in respect of any Contract is, in light of any other current or anticipated circumstances, at risk of being conducted

otherwise than in an orderly manner and/or so as to afford proper protection to members and such risk may be addressed by changes to the Conditions and/or Administration Procedures.

- b. Such variation may be made notwithstanding that it may affect the performance or value of existing Exchange Contracts (or such existing Exchange Contracts as may be specified by the Directors). Without limiting their powers hereunder, the Directors will use their reasonable endeavours to keep any such variation to the minimum that they consider reasonably necessary to respond to the circumstances in question.
- c. The Directors' powers under this Condition shall be exercisable by Notice Posted on the Market. Any variation made under this provision shall take effect at such time and for such period as the Directors shall prescribe, but (without prejudice to the preceding paragraph) shall not take effect earlier than Notice Posted on the Market. The Directors shall seek to give Members prior notice but, where necessary, changes may take effect immediately upon the publication of a Notice posted on the Market or at such other time as the Directors prescribe.
- d. Every Exchange Contract affected by a variation under this Condition shall remain in full force and effect subject to such variation and shall not be treated as terminated or frustrated or repudiated except so far as may be provided for in the Directors' notice.
- e. Any notice published by the Directors under this Condition may be varied or revoked by a subsequent notice.

9.11 TRADE EMERGENCY COMMITTEE

- a. In the event of the Exchange, whether by its Compliance Officer or otherwise, identifying or suspecting the development or possible development of a situation or practice referred to below, it shall forthwith refer the matter to a committee (the Trade Emergency Committee) being a minimum of three (3) people comprising: the Compliance Officer; the Chief Executive; a senior executive of a Member nominated for this purpose by the Directors . The Trade Emergency Committee may take such professional advice as it sees fit in coming to any decision.
- b. If in the opinion of the Trade Emergency Committee an excessive position or unwarranted speculation or any other undesirable situation or practice affecting or capable of affecting the Market is developing, or has developed, it may take any steps whatsoever to provide for, correct or check the further development of such situation or practice and may give directions to Members accordingly. Such steps may (without prejudice to the generality of this Condition), if the Trade Emergency Committee thinks fit, extend to trading which occurred before or on the date that such step is instigated.
- c. A Member contravening a direction of the Trade Emergency Committee under this Condition shall be liable to the same sanctions (including expulsion or suspension from membership) as if a breach of the Conditions were committed.

9.12 TRADE CORRECTION

- If the Directors determine, at their absolute discretion, that one of the following events has taken place:
- An error has been inadvertently presented into a Buy or a Sell order on the exchange and that the error places the Buy or Sell order outside the normal trading conditions
 - That some other parameter, has by error been introduced to the trading system by a Member which was unforeseen and inadvertent;

And, that firm makes the Directors aware of the error in a sufficiently timely manner, the Directors may suspend or reverse that trade(s) without reference to Condition 8 above.

In the alternative, the Directors may put the issue before the Trade Emergency Committee set out above to determine whether the trading shall be reversed, liable to sanctions or dealt with under Condition 8.

Condition 10 – Exchange Contract Procedures

10.1 DEFINITIONS

In this Terms and Conditions and in the Administration Procedures the following terms shall bear the meanings set opposite them below, if not inconsistent with the subject or context:–

“Autorenewal Contract”	means an Exchange Contract that repeats the Contract Period and Contract terms in the next equivalent increment, i.e. the condition of a two year Contract is extended for the next 2 years, a Quarterly Contract is extended for the next quarter and so on;
“Annual Contract”	means an Exchange Contract for twelve (12) consecutive contract months starting 1 January and finishing 31 December;
“Quarter Contract”	means an Exchange Contract for three (3) consecutive contract months starting on the first day of the first month and finishing on the last day of the last month of a calendar year and grouped as follows: January, February and March (Q1 or first quarter); April, May and June (Q2 or second quarter); July, August and September (Q3 or third quarter); and October, November and December (Q4 or fourth quarter);
“Monthly Contract”	means an Exchange Contract for one calendar month;
“Strip Contract”	Means an Exchange Contract that covers multiple Annual, Quarterly and/or Monthly Contracts and starts with the first day of the starting contract and end after the last day of the ending contract.

10.2 EXCHANGE CONTRACTS

- 10.2.1 An Exchange Contract shall specify the Discount with volume (Minimum Commitment) or no volume (Zero Trade) at which Contracting Parties buy and/or sell certain Products from each other during a Discount Period. An Exchange Contract must be either a Monthly Contract, an Annual Contract, a Quarterly Contract or a Strip Contract.
- 10.2.2 An Exchange Contract shall be concluded between two Contracting Members on the Cicada Exchange Platform as soon as one Member accepts the offer made by another Member.
- 10.2.3 The conclusion of a valid and binding Exchange Contract shall be signified by the production of a ticket (the **“Ticket”**) on the Cicada Exchange Platform (in the form or substantially in the form set out in Appendix 1 of this Terms and Conditions) which shall set out key terms of the Exchange Contract, including the Minimum Commitment (specified volume of Product(s) required multiplied by the agreed Discount) and Discount Period

or in the case of a Zero contract, the Products required, the agreed discount and the Discount Period. The Ticket shall be evidence of a valid written Exchange Contract that can be considered an agreed addendum to the existing Roaming Agreement between the Contracting Members.

- 10.2.4 A Member which enters into an Exchange Contract with another Member (the “**Counter-party**”) shall waive any entitlement to notice of any variation of the tariffs of the Counter-party.
- 10.2.5 For as long as a Minimum Commitment that is the subject of an Exchange Contract remains unfulfilled the Exchange Contract entered into by the Contracting Members shall be in addition to any other traffic commitments made between the Contracting Members regarding Discounted IOTs, Discount calculation and Send of Pay Commitment when Party A is a VPMN) of GSMA Document AA.102 or equivalent, that is part of the Roaming Agreement between the Contracting Members.
- 10.2.6 The Exchange Contract shall constitute a valid and binding commitment of the Contracting Parties to Buy Traffic and/or Sell Traffic in accordance with the Minimum Commitment (or Zero Trade) specified in the Ticket.
- 10.2.7 The Roaming Agreement shall continue in full force and effect between the Members as provided in these Terms and Conditions, and for the period that it is in force, the Roaming Agreement shall be as amended by the Exchange Contract.
- 10.2.8 Where a Minimum Commitment is made, as soon as the Minimum Commitment that is the subject of the Exchange Contract has been fulfilled by the HPMN, that Exchange Contract shall terminate automatically and other pricing/discount provisions agreed by those Contracting Members in their Roaming Agreement shall apply again as between the Contracting Members. Where there is an Autorenewal Contract, the same conditions as in the original contract will apply for the next equivalent Contract period.
- 10.2.9 Where a Zero Trade is made, the Exchange Contract shall terminate automatically at the end of the Discount Period and other pricing/discount provisions agreed by those Contracting Members in their Roaming Agreement shall apply again as between the Contracting Members once the Discount period expires. Where there is an Autorenewal Contract, the same conditions as in the original contract will apply for the next equivalent Contract period.
- 10.2.10 An Autorenewal Contract can be cancelled by notifying the Exchange and the counterparty, in writing, at least 3 months before the expiry of an Annual Contract; 1 month before the expiry of a Quarterly Contract; 3 weeks before the expiry of a Monthly contract and a minimum 3 Months before the expiry of all other contracts.
- 10.2.11 A Multi-territory Contract allows a HPMN to conclude an Exchange Contract where the Service Volumes will aggregate from more than one country in which that Member (or its Affiliated Companies) operates. The countries that form part of the HPMN operation may be led by one country in which the Member is present and apply to some or all other countries in which the HPMN has Affiliated Companies. The countries that form part of the HPMN operation will be those countries listed in the Ticket.
- 10.2.12 An Exchange Contract (and any Minimum Commitment therein) shall survive any termination or expiry of the relevant Roaming Agreement between the Contracting Parties.
- 10.2.13 An Exchange Contract may not be assigned or transferred (in whole or in part) to any third party without the prior written consent of the other Contracting Party and the Directors.
- 10.2.14 A Discount Price may include Price Bands that apply to varying service volumes in an Exchange Contract. The first Price Band is associated with the first Service Volume and each subsequent Price Band shall apply to the additional Service Volume required to meet the new target Service Volume. Selecting an ‘All-In’ price means that in the event that the highest indicated Service Volume is achieved, then all Service Volumes are traded at that price. An Exchange Contract with Price Bands cannot have a Minimum Commitment and requires the exchange of relevant Roaming Traffic Data Reports to verify traffic during the Discount Period.
- 10.2.15 Exchange Contracts shall be governed by the terms and conditions of this Terms and Conditions and the law of Switzerland.
- 10.2.16 For the avoidance of doubt, Cicada Exchange Limited (including its Directors, officers, employees, servants and agents) shall not be a party to any Exchange Contract or any Roaming Agreement between Contracting Members and shall have no liability to either Contracting Party under any Exchange Contract or Roaming Agreement.

10.3 PRICE

- 10.3.1 The Discount in the Exchange Contract shall be denominated in either EUROS (€s) and cents or US DOLLARS (\$) as determined by the VPMN operator and as agreed with the Exchange.
- 10.3.2 Settlement of payments between Contracting Members under an Exchange Contract will occur in accordance with the relevant Roaming Agreement that is in place between the Contracting Members.
- 10.3.3 Members may be subject to Minimum Volume Thresholds, as specified by the Exchange from time to time.
- 10.3.4 The Discount and any Minimum Commitment stated in a Ticket are exclusive of any value added taxes (and any other sales taxes) that may apply by law.

APPENDIX 1

Sample Ticket 1 – Minimum Commitment

Discounted Inter Operator Tariffs, Discount calculation and Send or Pay Commitment when Party A is the VPMN

Agreement made [DATE TIME]

[Party-A] is the HPMN

[Party-B] is the VPMN

1 IOT CHARGES Agreement [Contract number] made [date time]

[Party A] and [Party B] agree that all minutes of mobile originated Voice Traffic, SMS Traffic and Data Traffic in [Country] will be billed at the following rates in EUROs for [Time Period].

All IOT charges as defined herein shall be exclusive of any tax.

Call Event type	Discount Period ¹ - From: [] To: []		
	Discount	Volume	Minimum Commitment
Voice Traffic (per Actual Minute)	EURO [PRICE]	[000,000]	[VALUE1]
SMS Traffic (per SMS message)	EURO [PRICE]	[000,000]	[VALUE1]
Data Traffic (per Actual Gigabyte)	EURO [PRICE]	[000,000]	[VALUE1]

¹ Must be an Monthly Contract, an Annual Contract or a Quarterly Contract or a Strip Contract (as defined in the Exchange Contract).

Apart from the pricing agreed over the Cicada Exchange platform, all other prices remain as per any other existing agreements. Only Services specified as per the Cicada Exchange Terms and Conditions are covered by this agreement and exclude other services. For example all premium rated calls such as satellite, customer care, directory services will be charged according to any other existing agreements

Minimum Commitment:	[]
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2. SEND OR PAY COMMITMENT

[Only if there are ZERO volume services

With respect to [Name ZERO volume services] where no volumes are indicated and therefore zero commitment for [Name ZERO volume services]; verification of the volume traded will be based on the Roaming Data Transfer Reports from the HPMN's DCH Provider (or an agreed Equivalent).]

If [Party B] fails to achieve the [Party A] Minimum Commitment then [Party B] shall pay to [Party A] the difference between the total Roaming Charges charged by [Party A] to [Party B] and the amount of [Party B] Minimum Commitment.

For the avoidance of doubt the Parties acknowledge that the settlement and payment of any amounts that may be required including penalties shall be made in accordance with the processes and timelines set out in the underlying Roaming Agreement(s), for instance GSMA AA.12/AA.13/AA.100 or GSMA AA.102 agreement as appropriate.

Apart from the pricing agreed over the Cicada Exchange platform, all other prices remain as per RAEX Op Data or according to any other existing agreements. Only products specified as per the Cicada Exchange Terms and Conditions are covered by this agreement and exclude other products. For example all premium rated calls such as satellite, customer care, directory services will be charged according to existing agreement such as RAEX Op Data.

Sample Ticket 2 – ZERO Contract

Discounted Inter Operator Tariffs, Discount calculation and Send or Pay Commitment when Party A is the HPMN

Agreement made [DATE TIME]

[Party-A] is the HPMN

[Party-B] is the VPMN

2 IOT CHARGES Agreement [Contract number] made [date time]

[Party A] and [Party B] agree that all minutes of mobile originated Voice Traffic, SMS Traffic and Data Traffic in [Country] will be billed at the following rates in EUROs for [Time Period].

All IOT charges as defined herein shall be exclusive of any tax.

Call Event type	Discount Period ² - From: [] To: []		
	Discount	Volume	Minimum Commitment
Voice Traffic (per Actual Minute)	EURO [PRICE]	[000,000]	[VALUE1]
SMS Traffic (per SMS message)	EURO [PRICE]	[000,000]	[VALUE1]
Data Traffic (per Actual Gigabyte)	EURO [PRICE]	[000,000]	[VALUE1]
Minimum Commitment:			[]

² Must be a Monthly Contract or an Annual Contract or a Quarterly Contract or a Strip Contract (as defined in the Exchange Contract).

Apart from the pricing agreed over the Cicada Exchange platform, all other prices remain as per any other existing agreements. Only Services specified as per the Cicada Exchange Terms and Conditions are covered by this agreement and exclude other services. For example all premium rated calls such as satellite, customer care, directory services will be charged according to any other existing agreements

2. NO COMMITMENT

Since no volumes have been indicated for any service; verification of the volumes traded for the period [] will be based on the Roaming Transfer Data Reports from the HPMN's DCH Provider (or an agreed Equivalent) as per the Cicada Exchange Terms and Conditions.

For the avoidance of doubt the Parties acknowledge that the settlement and payment of any amounts that may be required including penalties shall be made in accordance with the processes and timelines set out in the underlying Roaming Agreement(s), for instance GSMA AA.12/AA.13/AA.100 or GSMA AA.102 agreement as appropriate.

Apart from the pricing agreed over the Cicada Exchange platform, all other prices remain as per RAEX Op Data or according to any other existing discount agreements. Only products specified as per the Cicada Exchange Terms and Conditions are covered by this agreement and exclude other products. For example all premium rated calls such as satellite, customer care, directory services will be charged according to existing discounting agreement such as RAEX Op Data.