

**3 October 2007**

**MARKET NOTICE NO – 29/2007**

**MIFID – CONFIRMATION OF CHANGES TO RULES AND DIRECTIVES**

Market Notices 09/2007, 15/2007 and 25/2007 have been issued with changes to virt-x's Rules and Directives to ensure compliance with the FSA's requirements stemming from the provisions of the Markets in Financial Instruments Directive ("MiFID") which is scheduled for implementation on 1 November 2007.

The changes included:

- Incorporating the MiFID transparency requirements, including changing the trade reporting deadline to "as close to real time as possible and in any case within 3 minutes"
- Replacing virt-x's existing ERT and block regime with the standard MiFID deferred and delayed publication regime
- Introducing new Trade Type Codes
- Adding criteria for the execution of orders (i.e the existing matching rules)
- Adding processes to ensure issuers' compliance with initial and ongoing/ad hoc disclosure obligations
- Transferring Pan-European (**not** Swiss) securities on virt-x's EU Regulated Market to the UK Exchange Regulated Market
- Introducing criteria for admitting ETFs to trading on virt-x and
- Clarifying the market integrity rules in respect of orders.

These changes are now confirmed together with the updates set out in the attachment to this Market Notice. The changes will become effective on 1 November 2007.

Please direct any questions to the Market Helpdesk on:

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Zürich: Tel: +41 (0) 58 854 2473

[market.helpdesk@virt-x.com](mailto:market.helpdesk@virt-x.com)

## APPENDIX TO MARKET NOTICE

### ADDITIONAL CHANGES TO VIRT-X RULES FOR MIFID

Changes to those in Market Notices 09/2007 and 15/2007 are shown with new wording underlined and deletions struck through.

#### DEFINITIONS

**negotiated transaction** a transaction which is at or within the current volume-weighted **order book** spread or, where there is no order book, within a percentage of a suitable reference price

#### SECTION 3: TRADE REPORTING

##### Deferred Publication

~~3.25~~ 3.24 Only a **transaction** above a specified minimum size in terms of **ADT** (average daily turnover) as set out in Appendix 2 to Section 3 of these **rules** may qualify for **deferred publication**. **virt-x** automatically applies the permitted publication delay unless the **deferred publication** override has been flagged by the **member** making the **trade report**.

*Practice note ~~3.25~~ 3.24:*

*Where the **members** which are party to a **trade confirmation** do not wish to have a permitted publication delay, this must be agreed between the members in advance of the **trade report** to **virt-x** and the input to **virt-x** must include the **deferred publication** override flag.*

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