

MIFID II INFORMATION SEMINAR

Stockholm, October 5, 2016



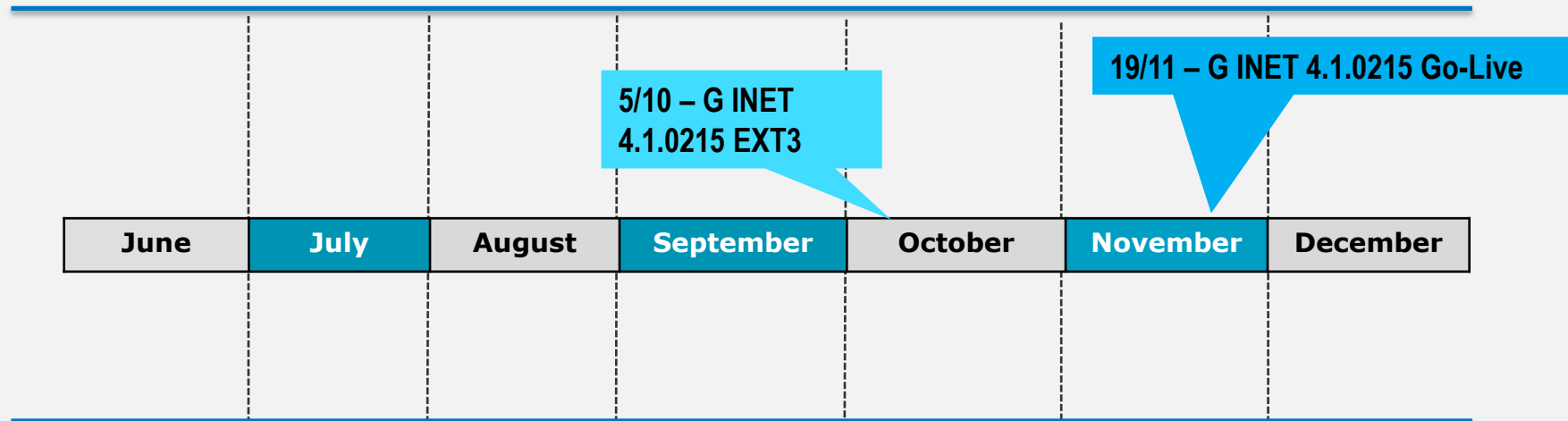
IMPLEMENTATION TIMELINE AND SUPPORT

2016 – 10 - 05

TECHNICAL RELATIONS

- Technical team to ensure smooth and clear MiFID II release cycles
- First general mandatory changes to core order functionality since 2010
- Team focus is to
 - ✓ **Lower the impact** for the market
 - ✓ Present and launch **early dedicated test environments**
 - ✓ Have **dedicated Technical Account Managers** for all Service Partners
 - ✓ **Coordinate** mandatory conformance test activities

GENIUM INET SYSTEM RELEASES 2016 FOR MIFID II



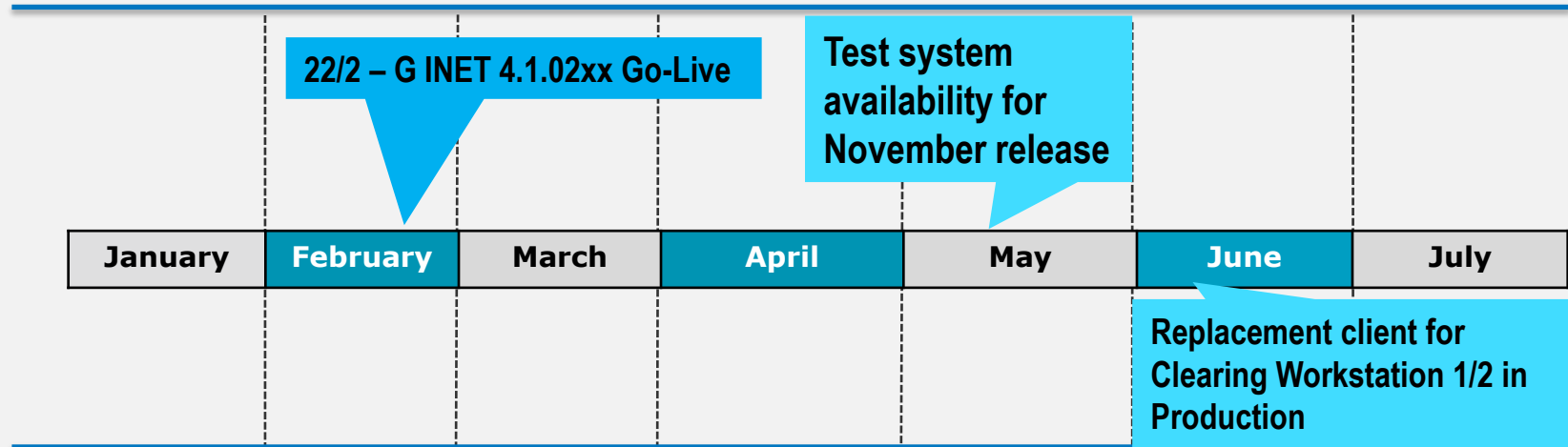
MiFID II for Equity Derivatives (November 2016)

- Circuit Breakers
 - OMnet
- Stressed Market Conditions
 - OMnet
 - ITCH

Genium INET 4.1.015 November 2016 release Website:

<http://www.nasdaqomx.com/transactions/technicalinformation/geniuminet/enhancements/genium-inet-4.1.0215>

GENIUM INET SYSTEM RELEASES 2017 FOR MIFID II



MiFID II for Equity Derivatives (February 2017)

- Auction Extension (Enhancements)
- *No mandatory changes in February release for MiFID II*

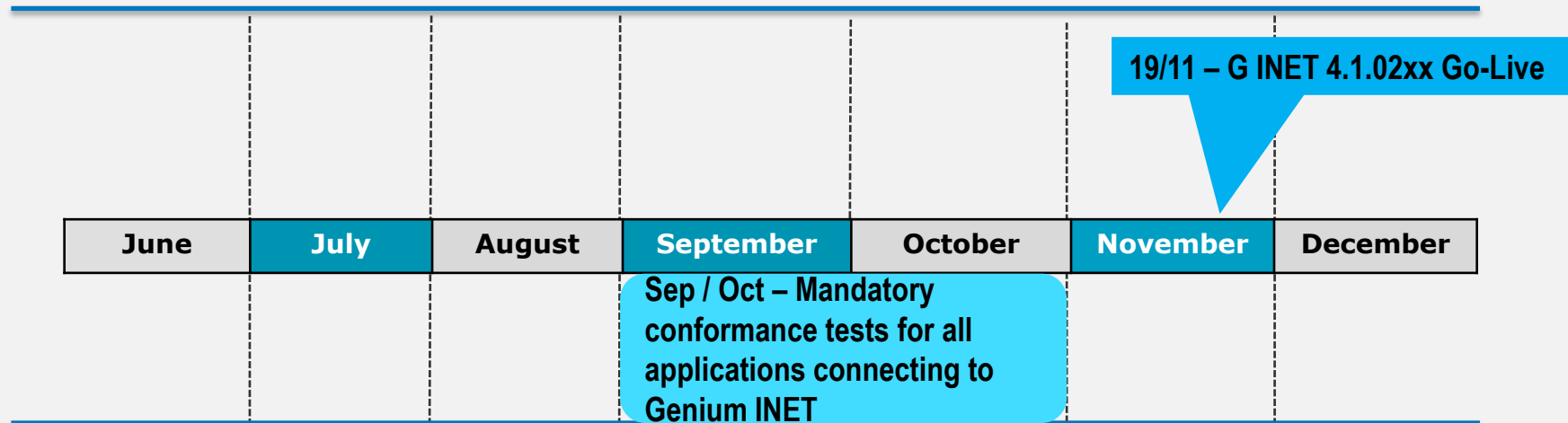
MiFID II for other asset classes in Genium INET (February 2017)

- *No mandatory changes in February release for MiFID II*

More information regarding February 2017 release will be available Q4 2016.

<http://www.nasdaqomx.com/transactions/technicalinformation/geniuminet/enhancements>

GENIUM INET SYSTEM RELEASES 2017 FOR MIFID II

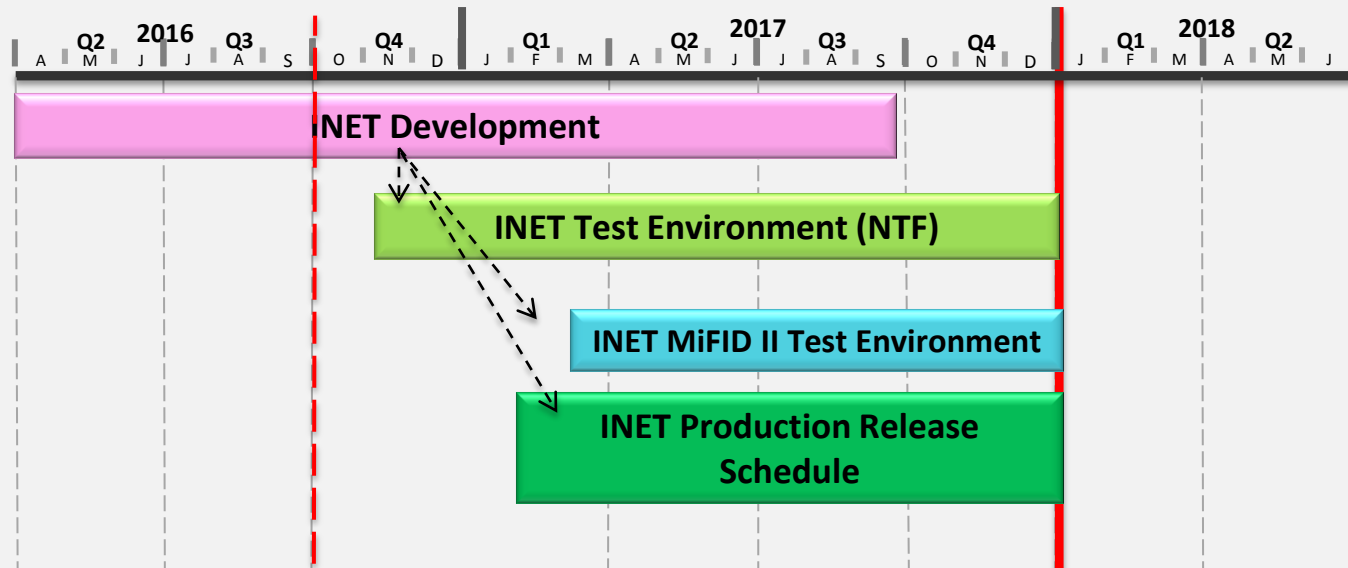


MiFID II for all asset classes on Genium INET (November 2017)

- Mandatory changes
- Mandatory conformance tests for applications connected to Genium INET in September/October
- All MiFID II functionality activated in production environment in Nov 2017

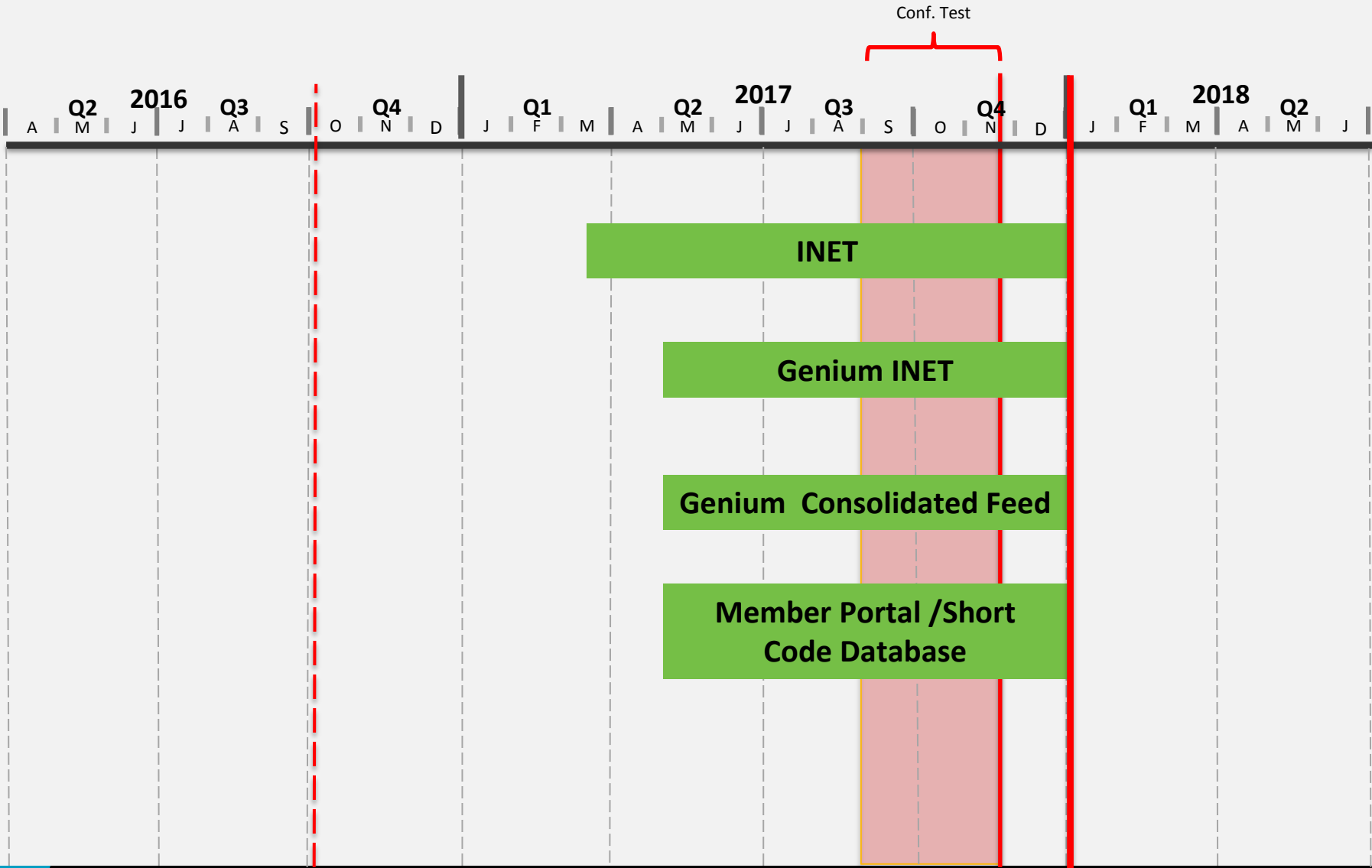
More information regarding the November 2017 release will be published in Q1, 2017.

INET RELEASE STRATEGY – MIFID II



- INET Protocol Specification updates to be published Q4 2016 including a new Trade Ticker feed, Nordic Last Sale (NLS)
- Updated/New protocols will be available in INET Test (NTF) and INET MiFID II Test environments starting in Q4 2016 and launched in production starting Q1 2017
- MiFID II updates to production environment in INET releases during Q1 - Q3 2017
- MiFID II functionality activated in dedicated MiFID II test environment starting in Q1 2017
- Mandatory conformance tests in the dedicated MiFID II test environment prior to production use of client applications

MIFID II INTEGRATED EXTERNAL TEST ENVIRONMENT



COMMUNICATION AND SUPPORT

**Upcoming IT Forum for
further technical details**

**Website with all
relevant technical
documentation**

**One on one meetings
and workshops**

**Technicalrelations
@nasdaq.com**

Subscribe to IT Notices

**Further non mandatory
enhancements might be
introduced**

MIFID II MICROSITE AND NEWSLETTER

The screenshot shows the top navigation bar with categories: TECH, TRADE, TRACK, INTEL, LIST, DISCOVER, and a search icon. The Nasdaq logo is in the top right. The main header features a large image of people in a modern office setting with the text: **MiFID II MiFIR** and the tagline **Increase - Shift - Improve - Ensure**. Below this, a paragraph states: "Nasdaq has launched a MiFID II implementation program, which aims at efficiently introducing changes to core functionalities to meet the requirements of the new regulations." A "WATCH OUR VIDEO" button is positioned below the text. A secondary navigation bar includes "RULES AND REGULATIONS" and "MiFID II" (which is active). Underneath, there are links for "Trading & Clearing", "Regulatory Reporting", "Legal and Regulatory", and "About MiFID II". The main content area starts with the heading **What is MiFID II?** followed by a paragraph explaining that MiFID II partly replaces and recasts MiFID I, while MiFIR partially replaces the MiFID I framework and also amends EMIR. The overarching purpose is to improve the functioning of financial markets. A "LEARN MORE" button is located at the bottom of this section.

<http://business.nasdaq.com/trade/rules-and-regulations/mifid-ii>

The newsletter header includes the Nasdaq logo and the date "MIFID II UPDATE April 2016". The main title is **NEWSLETTER MiFID II Update** with the subtitle "The latest news and information about MiFID II". The content is organized into several sections, each with a small image and a "MORE INFORMATION HERE!" button:

- Evolution of Market Models as a Result of MiFID II Requirements**: Discusses the challenge of regulatory reform and how market participants are adapting. Includes a "Click here to read the article" link.
- SME GROWTH MARKETS**: Mentions the goal of creating opportunities for Small and Medium Enterprises and the creation of a new subcategory of markets.
- REGULATORY REPORTING MiFID II Transaction Reporting (ARM)**: Announces the offer of an ARM service (Approved Reporting Mechanism) as part of a comprehensive Regulatory Reporting platform.
- UPCOMING EVENTS Trading Scandinavia**: Promotes a FOM event at the Stockholm Stock Exchange on April 28, 2016, focusing on MiFID II.
- REGULATORY PREPAREDNESS RISK & SURVEILLANCE**: Discusses the need for firms to be prepared for MAR and MiFID II guidelines.
- 19 May 2016 STOCK HOLM**: Promotes the "MiFID II Best Execution" event, a Pop-Up event on May 19, 2016, in the Stockholm office.

FOR QUESTIONS ABOUT MIFID II IMPLEMENTATION

| | |
|--------------------------------------|--|
| Legal & General Questions | mifid2.QA@nasdaq.com |
| Regulatory Reporting | regulatoryreporting@nasdaq.com |
| OTC Trade Reporting (APA) | otcpublication.mifid2@nasdaq.com |
| Equities | equity.mifid2@nasdaq.com |
| Equity Derivatives | equityderivatives.mifid2@nasdaq.com |
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| Commodities | commodities.mifid2@nasdaq.com |
| Clearing | clearing.mifid2@nasdaq.com |
| Market Data | marketdata.mifid2@nasdaq.com |
| Listing | listing.mifid2@nasdaq.com |