

Market Notice (007) إشعار السوق

QE Launches Sponsored Access

Date:	21/02/2013	التاريخ:
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The Exchange announces the launch of a Sponsored Access facility which will allow Exchange Members ("Sponsoring Members") to provide eligible Clients ("Sponsored Participants") direct access to the trading systems of the Exchange. The facility will be governed by:

- i) section 44 (bis) of the QFMA Financial Services Rulebook which can be found on QFMA's website: http://www.qfma.org.qa/mritems/streams/2012/7/19/1_430_1_11.pdf, and
- ii) section 3.2 of the QE Rulebook, attached to this notice as Annex 1

The Sponsoring Member will be fully responsible for all business executed by the Sponsored Participant under its sponsorship, including but not limited to trade execution and trade settlement under the Sponsoring Member's bank guarantees. The Sponsoring Member should therefore ensure that effective procedures and controls are in place allowing it to manage the access to, and monitor the use of QE's trading platform and ancillary systems.

The most important conditions for use of the facility and the application process are summarized below.

Application process and ongoing obligations

Sponsored Access is open for domestic and non-domestic Clients. To be eligible, the Client needs to be licensed as a financial services firm. In case of a non-domestic Client, the license in the country of origin should at least be equivalent to a locally issued license, as determined by the Authority.

The candidate Sponsored Participant is required to complete an application form. In addition there are mandatory provisions for the contractual relationship between the Sponsored Participant and the Sponsoring Member. A template agreement is made available by the Exchange.

The Sponsored Participant must comply with QFMA and QE regulatory requirements at all times and promptly provide answers to requests of information from the Sponsoring Member.

For additional information, please contact the Sales & Marketing Department, Mr. Muffadal Kagalwala, at +974 44333129, or via email: muffadal.kagalwala@qe.qa

**CHAPTER 3
MARKET ACCESS ARRANGEMENTS**

Part One: General Provisions

3.1 General Provisions:

- 3.1.1 The Members may grant access to the market to their Clients by way of an Automated Order Routing System or through Sponsored Access.
- 3.1.2 Any access granted by a Member to its Clients by way of an Automated Order Routing System or through Sponsored Access must be adequately supervised, controlled and subject to the review, as required by the Exchange.
- 3.1.3 Any business undertaken by a Client via an Automated Order Routing System or via Sponsored Access on the Exchange shall be done in the name of the Member and the Member retains full responsibility and legal liability for the conduct of all such business and the results of such conduct.

Part Two: Sponsored Access for Clients

3.2 Sponsored access for clients:

- 3.2.1 A Member who wishes to provide Sponsored Access to the Exchange for one or more of its Clients by which the Sponsored Participant shall have direct access to the trading system shall submit an application therefore to the Exchange. The Exchange may accept or reject such an application in accordance with the criteria the Exchange may determine with the approval of the Authority.
- 3.2.2 A Sponsoring Member shall ensure to the Exchange that each Sponsored Participant complies with the Rules applicable to trading on the Exchange and sign any relevant agreement in the manner determined by the Exchange and approved by the Authority.
- 3.2.3 The Exchange may carry out on-site investigations and obtain any information or document which it considers appropriate for purposes of such investigations carried out with the Sponsored Participant.
- 3.2.4 The Member shall supply the Exchange with contact details for relevant management or operational contacts as may be required by the Exchange.
- 3.2.5 The Sponsoring Member shall have appropriate written and technical arrangements in place with the Sponsored Participant to enable the Sponsoring Member to exercise control over the sponsored access business using its risk control systems and to be able to take appropriate measures in relation to the trading activity of the Sponsored Participant.

The Sponsoring Member must be able to demonstrate to the Exchange's satisfaction that its internal procedures and documentation systems comply with these Rules and allow it to suspend the Sponsored Participant's access to the Exchange's Trading Platform immediately through the Member's own systems, either by its own determination or when required to do so by the Exchange and must comply with the other requirements that may be imposed by the Authority.

International Sponsored Access:

- 3.2.6 The Exchange may consider applications from Sponsored Participants located in other jurisdictions with satisfactory regulatory arrangements including those related to supervision of investment activity. In all cases, the Authority shall determine acceptance or rejection of such applications.