



INFORMATION BOOK

FOR MARKET PARTICIPANTS



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INTRODUCTION

Glossary

The following words and phrases shall have the meanings as defined below , unless the context otherwise requires:

ADX

Abu Dhabi Securities Exchange

CP

Clearing Participant

EP

Exchange Participant

Local Exchange

The exchange connected to
Tabadul which facilitates sending
orders to other exchanges

External Exchange

The exchange connected to
Tabadul which facilitates receiving
orders from other exchanges

Local Broker

Broker licensed in the local exchange

External Broker

Broker licensed in external exchange

Local Investor

Investor of local broker

External Investor

Investor of external broker

Exchange

Each of the exchanges that
participate in Tabadul

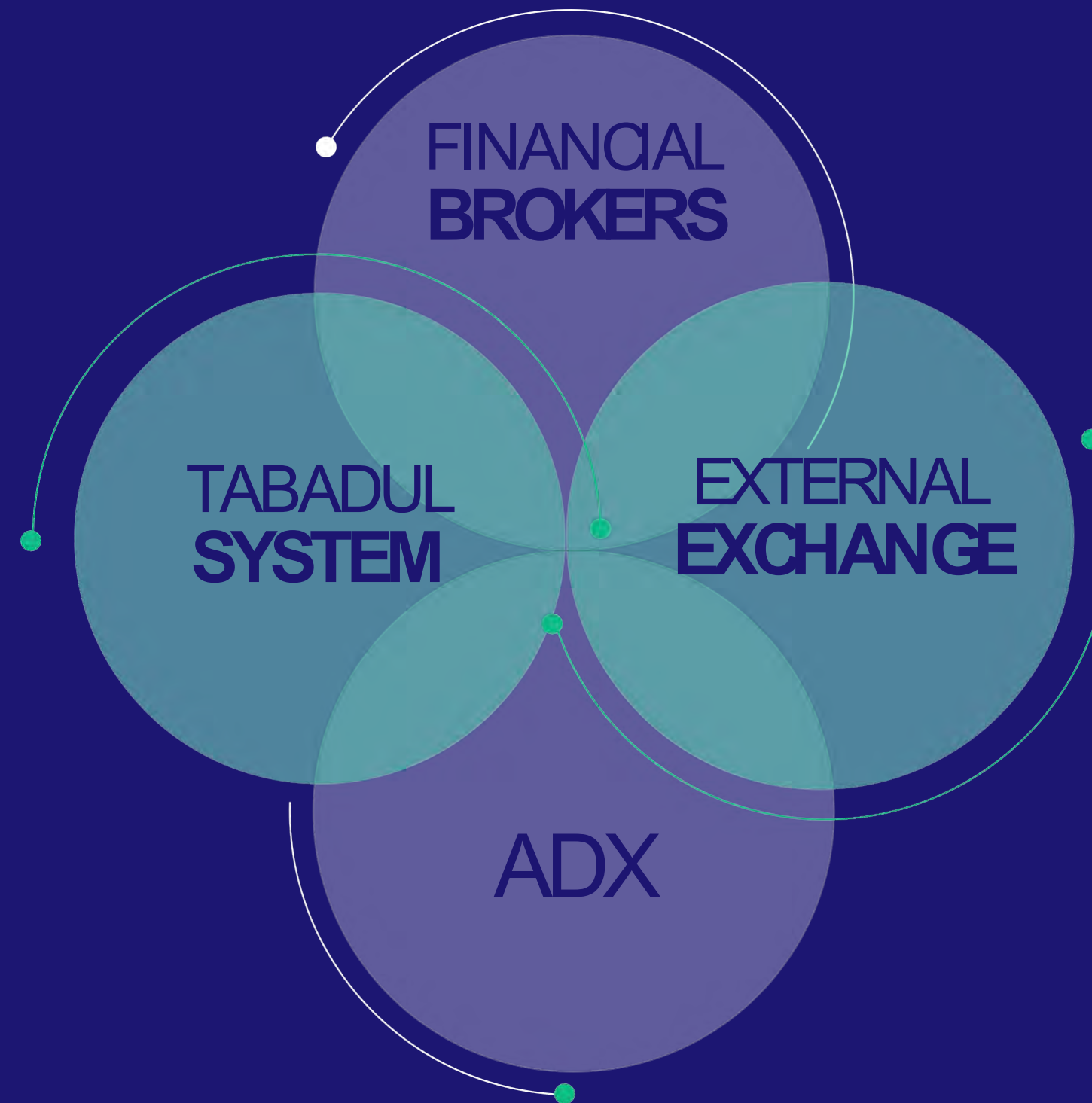
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OVERVIEW OF TABADUL

Tabadul is the realisation of our pioneering leaders long standing vision to create a network of exchanges in the region to ensure market liquidity and lasting financial prosperity.



Tabadul is comprised of the following parties:





Tabadul will be comprised of trading, settlement and onboarding features. Tabadul will provide, for the first time, a feasible, controllable and expandable channel for a broad range of investors to gain mutual market access. Challenges arising from existing systems such as opening an account for each market, dealing with multiple clearing houses for settlement, and incurring multiple costs, are all expected to be removed after the implementation of Tabadul.

Tabadul will be connected to multiple exchanges and open to all eligible market participants. Local brokers of exchanges can apply to be members of Tabadul. Brokers who wish to participate must satisfy certain eligibility and readiness requirements as prescribed by the relevant exchanges and regulators. In order for brokers to be onboarded on an external exchange, the required onboarding forms and documents of the relevant exchange must be filled out and provided.

Brokers will have direct market access to other exchanges through Tabadul. A broker can access Tabadul through multiple channels (web access or fix protocol). Members who do not have their own order management system will be able to use the Execution Management Screens provided by Tabadul. Also, Tabadul will host exchange data feeds

from all of the connected exchanges and it will offer a market data feed distribution service to the local markets which in return will broadcast the data feed to their local brokers.

All licensed financial brokers who wish to participate in Tabadul will be defined on the platform with all required information and will be mapped to their associated exchanges and investors. Investors will place orders through their local brokers who will execute it through Tabadul. Investors will be defined in Tabadul by the local broker and verified from the local exchange. Following the verification and approval of the local exchange, the external exchange will be immediately notified in order to further verify from its end. Once the external exchange approves the verification, it will be able to follow trades by each investor and broker. Trading of securities under ADX will be open to all institutional and individual investors in the foreign exchanges under Tabadul. The investors of the external exchanges will be recognized by local exchange if they have attained the required approvals from the regulators in their home country.

This information book explains the detailed operational flow of Tabadul. It contains technical information which is only of relevance to market participants who are interested in participating in Tabadul.

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INTERFACES

Tabadul is the premier regional exchange hub that will shape the future economy of our region and beyond, by unlocking a world of opportunities for investors.

Tabadul aims at establishing a world-class multi-market hub by collaborating with regional exchanges, enabling both new and experienced investors to thrive across borders, ultimately boosting market liquidity and global prosperity.

The platform will be comprised of the following interfaces:

**Onboarding
Interfaces**

(explained in Section 4)

**Trading
Interfaces**

(explained in Section 5)

**Settlement
Interfaces**

(explained in Section 6)

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ONBOARDING PROCEDURE IN TABADUL

Exchange Eligibility

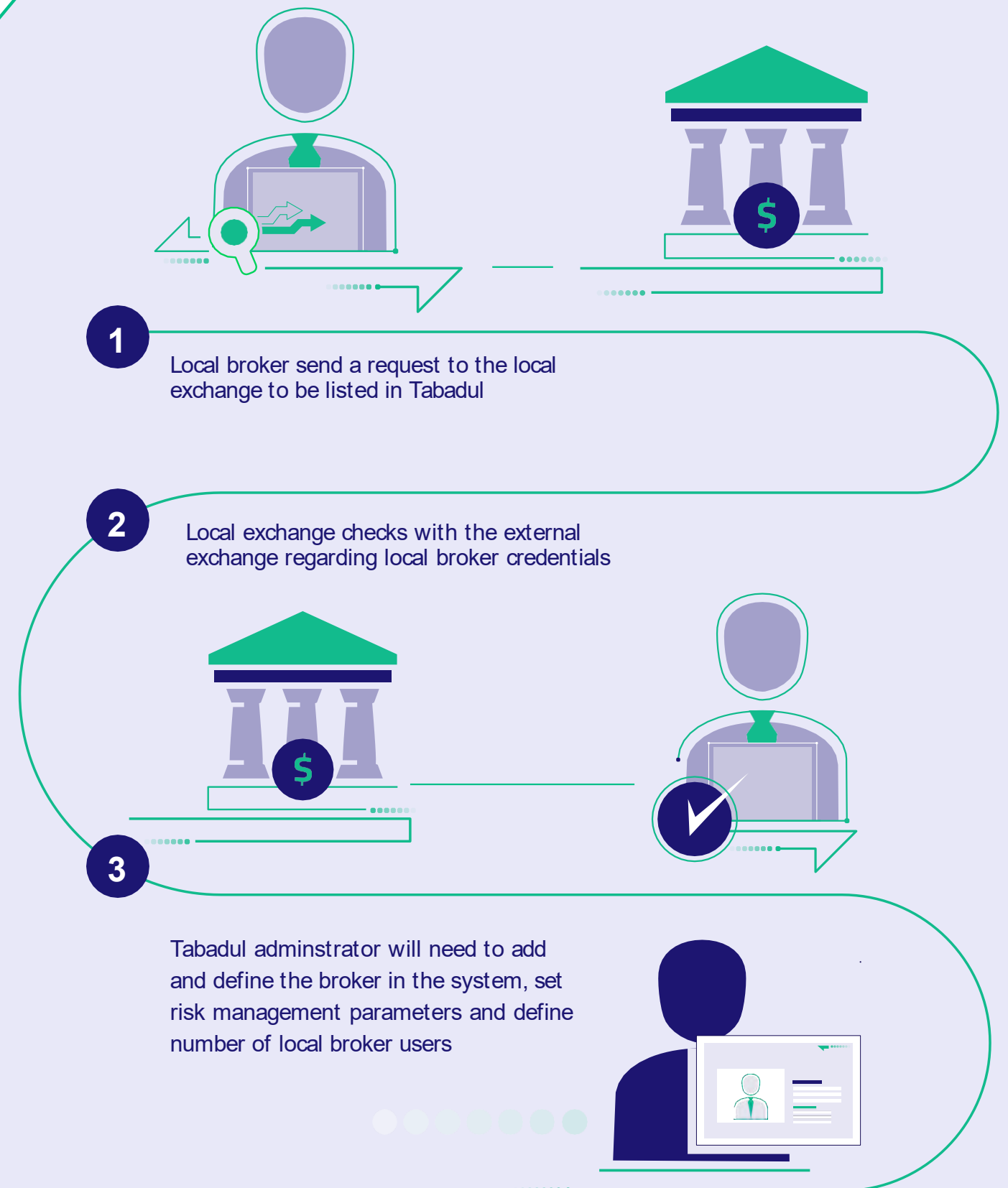
An exchange can join Tabadul through signing the required legal agreements/ forms requested by the other external exchange. For example, if Exchange A wants to join Tabadul to trade on Exchange B, it will need to send the requested exchange to arrange for the process and be onboarded on Tabadul.

Broker/ Member Eligibility

All licensed financial brokers have to be defined in Tabadul with all of the required information in order to map these brokers to their associated exchanges and investors.

Tabadul is open to all Exchange Participants (EPs) / Clearing Participants (CPs), but those who wish to participate must satisfy certain eligibility requirements as published on the exchanges' websites.

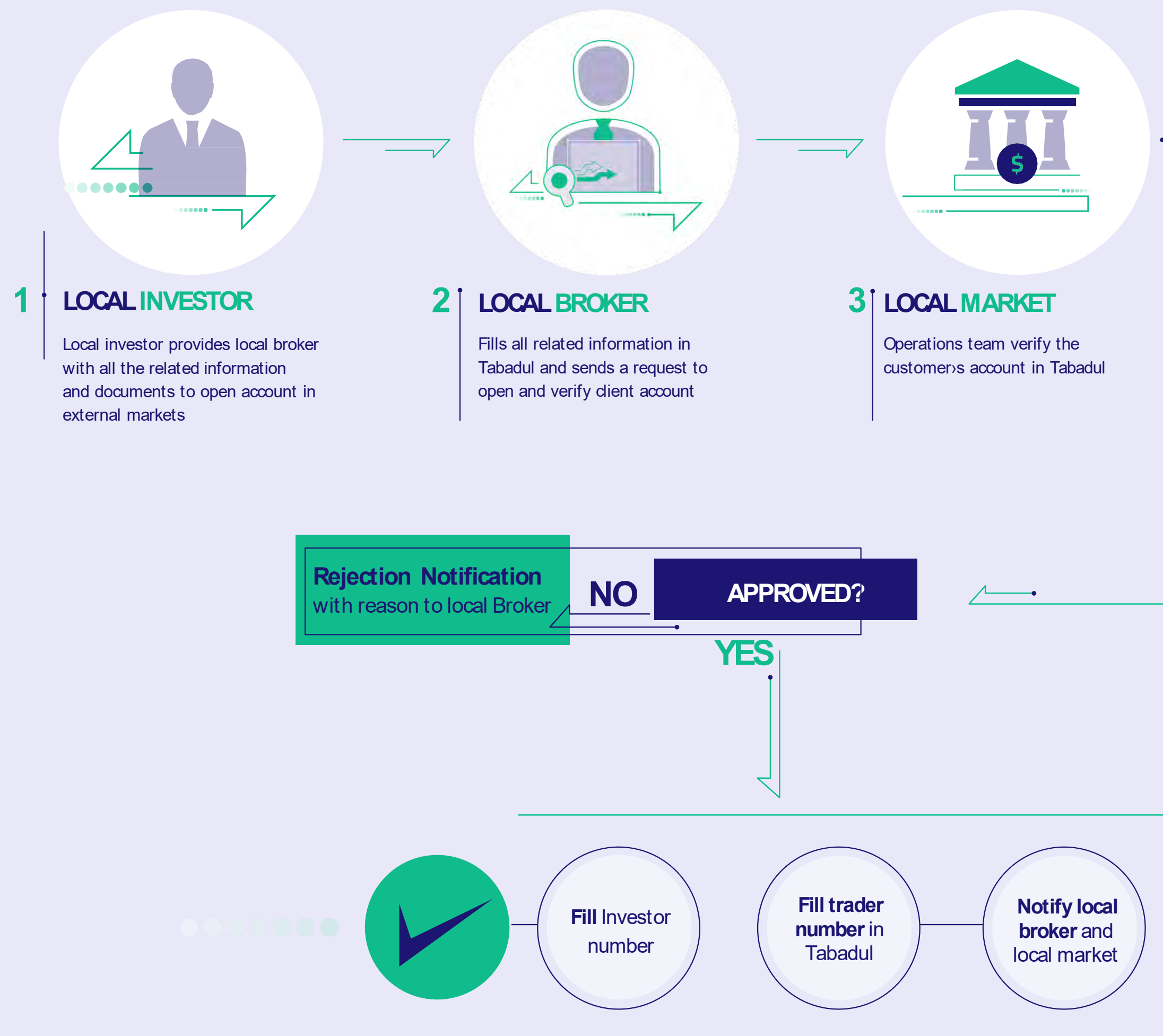
Members Registration Process

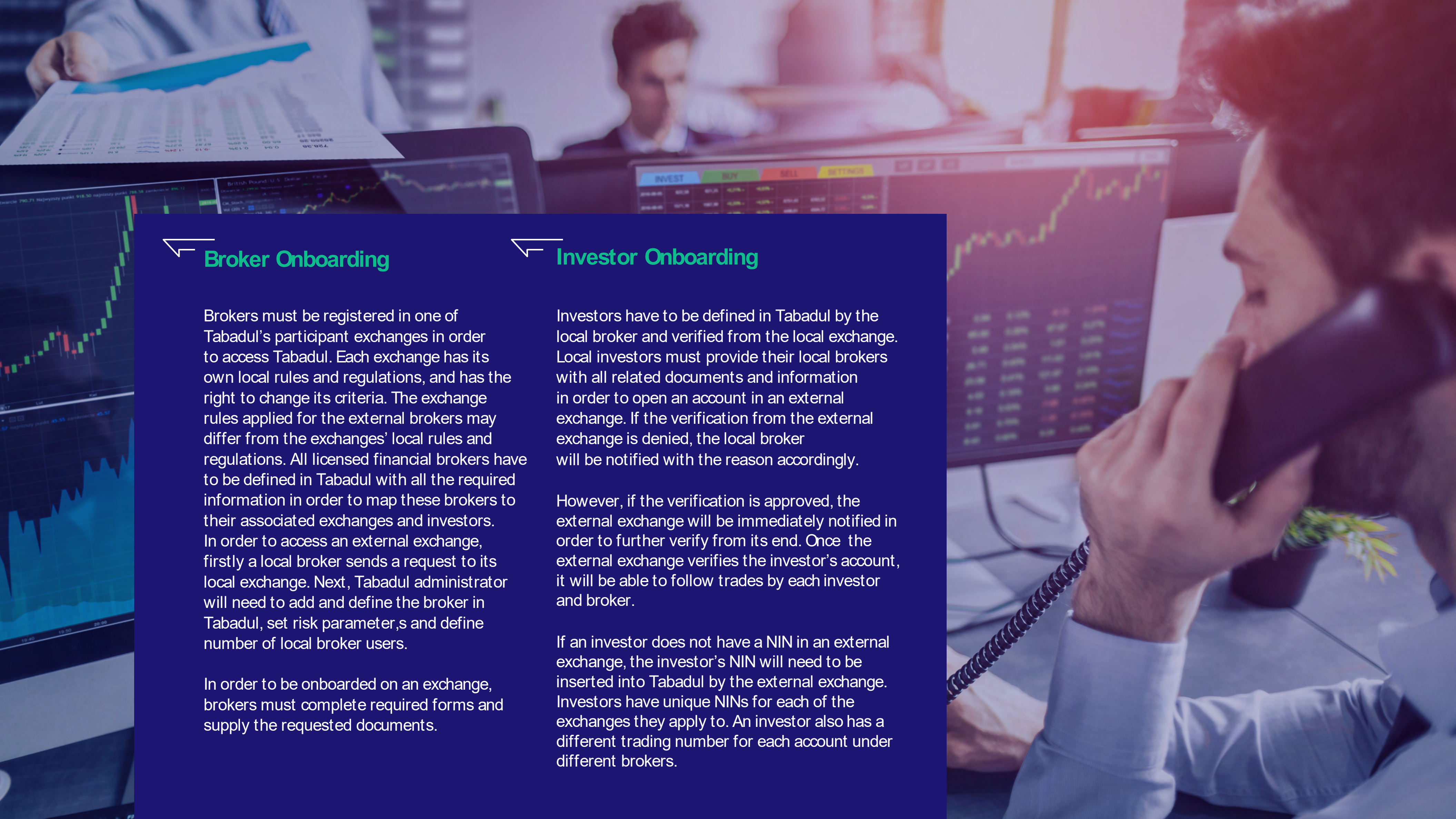


Investor Eligibility

Investors have to be defined in Tabadul by the local broker and verified from the local exchange. If the verification is denied, the local broker will be notified with the reason accordingly. However, if the verification is approved, the external exchange will be immediately notified in order to further verify from its end. Once the external exchange approves the verification, it will be able to follow trades by each investor and broker.

The Investor Onboarding Workflow.





Broker Onboarding

Brokers must be registered in one of Tabadul's participant exchanges in order to access Tabadul. Each exchange has its own local rules and regulations, and has the right to change its criteria. The exchange rules applied for the external brokers may differ from the exchanges' local rules and regulations. All licensed financial brokers have to be defined in Tabadul with all the required information in order to map these brokers to their associated exchanges and investors. In order to access an external exchange, firstly a local broker sends a request to its local exchange. Next, Tabadul administrator will need to add and define the broker in Tabadul, set risk parameters and define number of local broker users.

In order to be onboarded on an exchange, brokers must complete required forms and supply the requested documents.

Investor Onboarding

Investors have to be defined in Tabadul by the local broker and verified from the local exchange. Local investors must provide their local brokers with all related documents and information in order to open an account in an external exchange. If the verification from the external exchange is denied, the local broker will be notified with the reason accordingly.

However, if the verification is approved, the external exchange will be immediately notified in order to further verify from its end. Once the external exchange verifies the investor's account, it will be able to follow trades by each investor and broker.

If an investor does not have a NIN in an external exchange, the investor's NIN will need to be inserted into Tabadul by the external exchange. Investors have unique NINs for each of the exchanges they apply to. An investor also has a different trading number for each account under different brokers.

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TRADING

Trading Rules

Tabadul involves only secondary market trading activities of the involved exchanges. Primary market activities, such as initial public openings or issues, are not currently under the scope of Tabadul.

The exchange has the right to suspend trading with the external exchange in case of failure of payment/ default to ensure an orderly and fair market. Consent from the relevant regulator would be sought before a suspension is triggered.

The exchanges will have access to a client pre-order check prior to order execution available on trading shares, ownership percentage limits, price limits, and quantity limits.

Brokers who wish to participate in an external exchange must ensure certain criteria. Brokers must comply with the provisions of the applicable laws as well as the regulations, rules, decisions and circulars issued by the local authority and the exchanges.

Eligible brokers will be on boarded on Tabadul without any required fees, and will have direct market access to the other exchanges through Tabadul.

Investors who wish to trade in an exchange must apply to Tabadul via a local broker. They will be able to send orders through their local brokers who will execute it through Tabadul.

Order entry on an external exchange via Tabadul must follow market rules of the respective exchange. Certain controls are applied via Tabadul in order to ensure that the incoming orders are compliant with the respective exchange's market rules. Invalid orders will be rejected.

Available Securities

The exchanges set the securities available for trading for external investors, and they have the right to stop trading, limit activities, or alter the available securities.

All of the listed securities in the participating exchanges are available for trading in Tabadul for the registered investors.

Trading Currency

All securities may be traded in different currencies. Investors should be aware of different currencies while trading in an external exchange.

Trading Limits

Exchanges are able to set limits to trading activities via Tabadul.

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CLEARING AND SETTLEMENT

Overview of Clearing and Settlement Processes

Settlement in each exchange happens according to the exchange's settlement rules, and the rules and timetables are announced in the exchanges' websites.

In order to avoid daily FX transfers, there will be operations settlement funds in each exchange to meet brokers' settlement obligations.

A broker's obligation for a settlement in an external exchange will be credited to its local exchange's settlement fund in the external country.

Tabadul's settlement team will monitor the funds present in the operations settlement fund in both exchanges, and would transfer the funds from one account to another or vice versa, if the balances of these funds breach a specified threshold.



Net Position Reports

Tabadul system will provide net position reports including Trade Details, Net Position information for Local Broker and Net Position information for Market. A comprehensive report will be generated in two steps: on a broker level (settlement will occur between broker and local market) and on a market level (settlement will occur between two markets). After trade execution, the net position will be calculated automatically between the markets and financial brokers.

A detailed exchange settlement report, including net position and commission, will be available in Tabadul. Tabadul provides brokers and exchanges the reports which will show broker name, market, currency total buy/sell, commission, net position and settlement date.

The available reports for brokers are below:

- Detailed Net Position Calculation Report per Broker for transactions (Value & Commission) done in the foreign exchange
- Detailed Net Position Calculation Report between Brokers for transactions (Value & Commission) done in the foreign exchange
- Detailed Net Position Calculation Report between Exchanges for transactions (Value & Commission).

The reports available to the exchanges are below:

- Report for international broker by selecting exchange
- Report for external broker by selecting exchange
- Report for inter exchange net settlement. Market Net Position Settlement Report is available for brokers and exchanges and Inter Exchange Net Settlement Report is available for the exchanges.

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FEES AND TAXES

Each exchange has its own fees, commissions, levies or taxes, which are imposed by the local rules and regulations.

Trading activities over Tabadul are subject to the external exchange's fee and tax structure. All of the fees, charges, levies and taxes are calculated and collected in the external exchange's currency. There is no additional fee for trading and onboarding via Tabadul.

The fees, charges, levies and taxes of each exchange are announced in the regarding exchange's website. The exchanges have rights to change the existing structure, and to add new fee, commission, levy and tax types.

Current fee structure for each exchange is announced on its website.

The fees, commissions, levies and taxes are configurable on Tabadul in order to calculate net settlement amounts. Settlement of fees occurs along with the trade's settlement at the settlement date, and only trade-based fees are covered in Tabadul. Net position reports include the calculated fees, commissions, levies and taxes.



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APPLYING TO PARTICIPATE IN TABADUL

Tabadul has been implemented on the 6th of July, 2022.

An exchange can join Tabadul through signing the required legal agreements/forms requested by the other foreign exchange.

The relevant application form and documents of participating exchanges can be downloaded from their websites.





THANK YOU