



Systematic Internaliser Access to Quote Policy - Non-Equity Instruments



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1. Purpose

When MUFG EMEA¹ acts as a Systematic Internaliser (SI), it is required to publish firm quotes if requested by a client to do so and to make such quotes available more widely than just to the client who initially requested the quote.

To satisfy these requirements, MUFG EMEA makes quotes available via selected Authorised Publication Arrangements (“APAs”²).

The purpose of this policy is to set out:

1. the type and nature of products in which MUFG EMEA will be an SI;
2. conditions that govern clients’ access to quotes and ensure that such access is granted in line with regulatory requirements; and
3. details on how to access published quotes and how to trade against an individual quote.

If you are a client of MUFG EMEA and wish to trade against a quote in a non-equity instrument that MUFG EMEA has published, you may request to do so. However, MUFG EMEA reserves the right to determine whether or not you are able to do the trade in line with the conditions set out in this policy.

2. Scope

This policy applies to the MUFG legal entities¹ and branches located in the European Union that act as an SI in non-equity instruments. Non-equity instruments include bonds and all derivatives, regardless of their underlying.

A list of instruments for which MUFG EMEA acts as an SI can be found in Annex 2 of this policy.

3. Client Access Criteria

The criteria set out below are used to determine whether a particular client will be provided access to quotes that have been published via MUFG EMEA’s APAs. We will apply these in an objective and non-discriminatory manner:

1. Clients must meet the specific MUFG EMEA legal entity’s on-boarding criteria and be a current client of the firm.
2. Clients must have a valid Legal Entity Identifier (LEI).
3. MUFG EMEA must have extended a credit line to the clients for the product class of the instrument quoted.
4. Where appropriate, MUFG EMEA deems the product suitable for the client’s stated investment needs.

4. Ability to trade against a quote

MUFG EMEA reserves the right to refuse your request as a client to trade at the same level as a published quote if any of the following criteria apply:

¹ For details of legal entities and branches which make up MUFG EMEA please see Annex 1 of this policy.

² MUFG Securities EMEA uses Bloomberg, for publication of quotes. MUFG Bank, Ltd and MUFG Bank (Europe), NV are currently not subject to quote publication as the FX instruments are still illiquid.

1. Your request to trade differs from the quote provided to the client that initially requested the published quote, in terms of (i) quantity and/or (ii) direction.
2. Your credit profile differs from that of the client that made the initial request.
3. Your request to trade would be considered “stale” and no longer executable either because of the lapse of time between the original quote and your request or because of a change in market conditions. In our consideration we will take into account the liquidity characteristics of the market for the particular instrument.
4. Trading in the instrument in question has been suspended by an EEA National Competent Authority.
5. In relation to OTC derivatives, your request differs from the initial request to trade as:
 - a. You intend to use a different central counterparty; or
 - b. you do not intend to clear the trade at all; or
 - c. there is a material contractual difference, for example in relation to the type of master and/or collateral agreements.
6. Levels of client interest in the initial quote are such that, if it would agree to trade at the level published, MUFG EMEA would expose itself to unacceptable market risk.
7. There are indicators of the emergence of a stressed market for the relevant instrument.
8. There are regulatory or legal restrictions that prevent MUFG EMEA from executing with you.

5. Accessing Published Quotes

If you are interested in trading against a particular quote, please contact your MUFG EMEA contact person, who can assess whether the quote remains valid and available to you.³

In the event that a published quote is no longer valid or available to you, you may request an alternative quote. MUFG EMEA may provide you with one, but is not obliged to do so.

MUFG EMEA reserves the right to update this policy as needed to meet its legal, regulatory and prudential risk management obligations.

Please note that the information contained herein does not constitute an offer to transact in any securities or financial instruments nor any advice or recommendation with respect to such securities or financial instruments.

Neither MUFG EMEA nor any of its directors, officers, employees, representatives or agents, accept any liability whatsoever for any direct, indirect or consequential losses (in contract, tort, or otherwise) arising from the use of this communication or its contents, except to the extent that such limitation would be prohibited by law or regulation.

³ MUFG currently does not operate systems that support automatic trading against published quotes.

Annex 1: LEI and MIC of MUFG EMEA legal entities and branches

The Legal Entity Identifiers (LEIs) and SI Market Identifier Codes (SI MICs) of the MUFG EMEA entities and branches are as follows:

| Legal Entity/ Branch | SI MIC | LEI |
|--------------------------|--------|----------------------|
| MUFG Bank, Ltd. (London) | MUBL | C3GTMMZIHMY46P4OIX74 |
| MUFG Bank (Europe), NV | MUBE | 724500Q03K04L0479N30 |
| MUFG Securities EMEA Plc | MUSE | U7M81AY481YLIOR75625 |

Annex 2: Products in which MUFG EMEA acts as SI

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| ESMA Asset Class | Sub Asset Class | Liquidity Status (ESMA) | MUFG Bank Ltd. (MUBL) | MUFG (Europe) NV (MUBE) | MUFG Securities (EMEA) Plc (MUSE) |
|---------------------------------------|--|--------------------------------|-----------------------|-------------------------|-----------------------------------|
| Foreign Exchange Derivative | Non-Deliverable Forward (NDF) | Illiquid | SI - Yes | SI - Yes | - |
| | Deliverable Forward (DF) | Illiquid | SI - Yes | SI - Yes | - |
| | Non-Deliverable FX Swap (NDS) | Illiquid | SI - Yes | SI - Yes | - |
| | Deliverable FX Swap (DS) | Illiquid | SI - Yes | SI - Yes | - |
| | Non-Deliverable Options | Illiquid | SI - Yes | - | - |
| | Deliverable Options | Illiquid | SI - Yes | - | - |
| Bonds | Sovereign Bond (EUSB) | Liquid / Illiquid ⁴ | - | - | SI - Yes |
| | Other Public Bond (OEPB) | Liquid / Illiquid | - | - | SI - Yes |
| | Corporate Bond (CRPB) | Liquid / Illiquid | - | - | SI - Yes |
| Interest Rate ⁵ Derivative | Fixed to Float Swaps (single currency, FSCS) | Liquid / Illiquid | - | - | SI - Yes |
| | Float to Float Swaps (single currency, FFSI) | Liquid / Illiquid | - | - | SI - Yes |
| | Fixed to Fixed Swaps (single currency, FFSC) | Liquid / Illiquid | - | - | SI - Yes |
| | Overnight Index Swap (OIS) (single | Liquid / Illiquid | - | - | SI - Yes |

⁴ Liquidity status subject to ESMA liquidity assessment

⁵ Denominated in JPY, GBP, USD and EUR

| | | | | | |
|--|-----------------|--|--|--|--|
| | currency, ONIS) | | | | |
|--|-----------------|--|--|--|--|