

# Systematic Internaliser

Commercial policy for Systematic Internaliser status

NATIXIS

03/01/2018

## 1. The Systematic Internaliser (SI) by Natixis on its MIC code "NATX"

### 1.1. Why such a document ?

This Commercial Policy aims to place Natixis' various activities with its customers in their respective contexts.

This commercial policy is not intended to replace other documents Natixis including contractual documents.

### 1.2. Natixis acting as SI

As part of the MIFID2 regulation, Natixis opted in for the status of Systematic Internaliser (or "SI") on some asset classes.

This regulation clarifies the definition of SI as a "bilateral trading system, implying the intervention of an investment services provider acting on the execution of the orders of its customers as an own account counterpart in an organized, frequent and systematic way".

### 1.3. Transparency "pre-trade"

Natixis will strictly adhere to the regulations and will disclose the purchases and sales prices of all financial products that are covered by its SI, except for some cases defined by the regulations ("Waivers"). More information will be available to our customers with access to the Natixis SI upon request.

### 1.4. Post-trade transparency

Natixis will strictly comply with the regulations and will transmit to the APA of its choice (Authorized Publication Arrangement), in accordance with the regulations, the prices and volumes traded for the purchase and sale of all financial products that are covered by its SI system, except for some cases defined by the regulations ("Waivers"). More information will be available to our customers with access to the Natixis SI upon request

When non-IS customers send an order to Natixis SI, Natixis will take over post-trade reporting as requested by the regulations.

## 2. Customer access to Natixis SI services

### 2.1. Priority is given to customers already registered in Natixis systems

The IS system put in place by Natixis will not be able to accept all counterparties and / or operations without specifying first the acceptable criteria.

In this context, Natixis might restrict the IS service only to customers who are already known by Natixis' relationships services (KYC) and who have successfully passed all the mandatory steps to set up an established and functional commercial relationship (called "Vetting" at Natixis)

Accreditation to access Natixis IS delivered to our customers will be considered according to objective and non-discriminatory criteria:

- Validation of all steps of Natixis' KYC process and validation in fine of the opening of the commercial relationship,
- Respectability and honorability of the customer, in particular with regard to legal, administrative and / or regulatory sanctions / penalties concerning him,

- Nature and history of customer interventions on the financial markets, usual order size,
- Customer profile compatible with the target market of the product and risk limits allocated to this client compatible with the transaction

## 2.2. Criteria for acceptance of orders and / or customers and limits in the operation of the Natixis SI

### 2.2.1. Criteria for customer acceptance

In the limit of its contractual and regulatory obligations, Natixis reserves the right not to give, suspend, delete or restrict access to its SI to customers, if it deems that their behavior would harm the balance of this system, or harm to the other participating customers, or harm the financial markets generally.

### 2.2.2. Maximum size criteria for orders processed on the Natixis IS

In general, the SI manager must implement an efficient risk management in its operating mode of the SI. In this context, Natixis will act to promote a stable and efficient IS system, compliant with regulations and appropriate risk management.

It is thus brought to the attention of Natixis' SI member clients, that SI system, like all other order execution systems, must comply to a risk mandate. In this context, Natixis may have to reject orders if they appear to exceed this risk mandate. More information will be available to our customers with access to the Natixis IS upon request.

### 2.2.3. Price validity criteria

It is thus brought to the attention of the customers members of the Natixis IS, that the published price is valid for a limited duration, variable duration depending on the kinematics of the market for quoted products, and in all cases less than one minute. Natixis pre-trade quotes are, by default, valid for a single transaction. Natixis may not be able to complete a transaction if such a transaction occurred a few moments earlier with another Natixis' customer and Natixis did not have the material time to withdraw the posted price.

### 2.2.4. Other criteria

Natixis reserves the right not to grant, suspend, delete or restrict access to the execution of clients whose operations are not in accordance with the Natixis execution policy.



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