
Systematic Internaliser Commercial Policy – Equity/Equity-like Instruments



Dated: 18th November 2020

A. Purpose and Explanation of This Policy

Where Goldman Sachs Bank Europe SE (“**GSBE**”) acts as a systematic internaliser (“**SI**”) in respect of any shares, depositary receipts, exchange traded funds, certificates and other similar financial instruments traded on a trading venue (each an “**Equity/Equity-like Instrument**”), it is required to meet the pre-trade transparency obligations set out in Articles 14 – 17 of the Markets in Financial Instruments Regulation 600/2014 (“**MiFIR**”), where applicable.

MiFIR permits SIs to:

- (i) decide the clients to whom they give access to their quotes; and
- (ii) limit the number of transactions they undertake to enter into in certain circumstances for the purposes of risk management.

This document provides information to access to GSBE’s SI quotes and risk management policy in relation to Equity/Equity-like Instruments.

Please refer to [Systematic Internaliser Commercial Policy – Non Equity Instruments](#) for the SI policy in relation to non-equity instruments.

B. Access to Executable SI Quotes

1) *Accessing published quotes via voice*

Clients that satisfy GSBE’s general account opening criteria shall be permitted to access GSBE’s executable quotes via voice. GSBE reserves the right to decline access requests for executable SI quotes via voice from clients that do not meet GSBE’s general account opening criteria. GSBE may also remove access to executable SI quotes by voice where clients cease to continue to meet GSBE’s general account opening criteria.

2) *Accessing published quotes electronically*

In addition to satisfying the criteria specified in 1) above, GSET clients shall be able to directly access GSBE’s executable quotes electronically where they satisfy the following criteria on a continuous basis:

- A) Client electronic trading arrangements – clients should be able to demonstrate expertise in algorithmic trading and that their electronic trading systems are subject to controls consistent with fair and orderly trading requirements.
- B) Client behavior – client order flow will be assessed to ensure strategies/arrangements deployed by the client are consistent with GSBE’s ability to operate as an SI in accordance with applicable law.

GSBE’s trading hours for Equity/Equity-like Instruments are in line with the continuous trading hour of the most relevant market in terms of liquidity for the relevant instruments.

Cboe Europe Limited (Cboe) is the only approved channel by which GSBE will make its SI quotes public. GSBE published quotes will be executable by contacting GSBE trading desks via voice or electronically where applicable.

GSBE shall have discretion to alter the above parameters subject to compliance with MiFIR.

C. Risk Management

In order to limit its risk exposure GSBE may limit the number of transactions from the same client that it undertakes to enter at the published quote in a manner that does not result in the discriminatory treatment of clients. GSBE may also limit the total number of transactions from different clients at the same time that it undertakes to enter at the published quote, provided it does so in a manner that does not result in the discriminatory treatment of clients and the number and/or volume of orders considerably exceeds the norm such that GSBE cannot execute these orders without exposing itself to undue risk. In general, it is likely that GSBE will be able to execute with clients at its published quotes (subject to its commercial policy). However, GSBE reserves the right to manage its risk at a firm-wide level and, taking into consideration GSBE's capital commitment and prevailing market conditions, in exceptional circumstances, GSBE may be unable to quote and/or execute with some or all clients on the basis of its published quotes. In addition, and notwithstanding that GSBE may continue to make quotes public, GSBE may be unable to execute transactions in some financial instruments with clients where applicable legal or regulatory restrictions prevent it from doing so.