



BYMA

Bolsas y Mercados
Argentinos

ERROR TRADE POLICY

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Revision History

Revision No.	Date	Comments	Author
1	28-Jan-2020	Initial release	Markets Management
2	18-May-2021	Changes in Notes reference interest rate in Annex I. The concept of Traded Amount is incorporated for Fixed Income in Annex I.	Markets Management
3	08-Aug-2022	Traded Amount parameters are amended for Fixed Income in Annex I.	Market Surveillance
4	02-Jan-2023	Item 8 of the General Provisions was amended.	Market Surveillance

1. Objectives

This policy is drafted in line with the provisions of Argentine Law No. 26.831, section 32, sub-sections d) and k) and item 7 of the Market Surveillance Procedure.

This policy aims to protect the Market integrity by limiting losses and balancing executed trades with the detection of trades clearly executed in error whether in terms of price or volume.

This policy sets a mechanism to address trades executed at prices inconsistent with the last traded price or the reference price which determine a reasonable trade price.

This Error Trade Policy aims to set parameters and procedures to be followed by BYMA upon identifying erroneous trades, to promptly and effectively address and manage such trades and contact the parties involved.

2. General Provisions

1. This policy governs all trades executed in BYMA Price-Time Priority Segment (PTP).
2. As a **general rule** and in the interest of maintaining an orderly market, BYMA does not allow the cancellation of executed trades.
3. Traders are required to control each item of the Order to be entered and to correct any error before entering orders into the trading system.
4. Traders must cancel or suspend their orders in case of events which may affect the Market.
5. This policy does not waive Member Brokers' financial liability in respect to the Exchange for erroneous executed trades giving rise to financial losses to Investors.
6. Member Brokers accept executed trades may be cancelled by BYMA.
7. Cancellation of trades on certain securities which minimum quantities were higher than traded quantities shall not be governed by this policy.
8. Member Brokers shall have in place pre-and-post trading surveillance policies to avoid transactions in which buyer and seller correspond to the same Agent/Principal. Therefore, as a general rule, requests to cancel transactions or trades shall not be admitted and the impact of said transactions on the marketplace structure shall be assessed.

3. Erroneous Trades

"Erroneous Trades" are those including one or more errors in any term, such as price, currency, number of shares or other unit of trading, identification of security, order type, order validity, settlement date, etc.

Trades on a security type which order flows or order book depth prevent traders from correcting any errors thereof, may also be deemed as erroneous by BYMA.

This policy and the parameters stated herein shall govern all trades executed in BYMA Price-Time Priority Segment (PTP).

3.1 Notice of Erroneous Trades

Erroneous trades must be informed to BYMA within five (5) minutes following execution.

Said requirement is based on the Exchange purpose of achieving permanent growth in trading automation and increasing incoming orders as a

consequence of algorithmic trading, while ensuring transparency in price formation.

Notice of any errors made and Erroneous Trade Cancellation Requests must be submitted via email to monitoreo@byma.com.ar with Ref.: "Notice of Erroneous Trade." Added to this, a review might may be requested by phone or Refinitiv/Reuters chat, provided however, that an email must be sent from an official email address from the pertinent Member Broker to such effect.

Erroneous Trade Cancellation Requests must include the following information, apart from any other additional data the Member Broker deems convenient:

- Order Number,
- Name of Trading Segment,
- Security Ticker,
- No. of shares, contracts, securities (VN\$) or lots,
- Settlement Date,
- Currency,
- Buy or Sell Order,
- Statement explaining the reasons why the order / trade was erroneous.

It is worth mentioning that if notice is sent to BYMA following the expiration of the above mentioned five (5) minutes term, the requesting party may lose the chance of having BYMA acting as intermediary to solve the pertinent erroneous trade.

3.2 Price Deviations Parameters

BYMA Price Deviations Parameters stated in Annex I attached hereto shall be considered upon receipt of an Erroneous Trade Cancellation Request. Said Price Deviations Parameters are indications of erroneous trade prices deviations from reference prices.

These parameters allow for the cancellation of erroneous trades which may trigger unjustified price fluctuation.

Interest, rights or dividends calculations must be considered by the market participant upon entering the pertinent order; provided that any error based on the lack of consideration thereof will not be deemed as grounds for cancellation.

3.3 Additional Factors

The Market Surveillance Division may also consider additional factors to determine the existence of an erroneous trade, for example:

1. Market conditions at the time of the trade, including volatility and trading activity levels,
2. The security last trade price, number of days the security has not been traded, and number of days resting in the order book,
3. Best Buy / Sell price,
4. Order Type,
5. Triggering price,
6. Transaction proximity to the closing of the trading session,

7. Price changes in other months within the same contract, in other settlement dates and/or currencies,
8. Information linked to price fluctuations in other Markets,
9. Material information received instantly or during the trading session, press releases, etc.,
10. Error impact on other trades,
11. Any other factor BYMA may consider as relevant, for example, taking into consideration an event of business reorganization or any other relevant corporate action, trade stoppage or trade resumption, or auctions, among others.

Each of these factors will be taken into account to provide for the maintenance of a fair and orderly market, in furtherance of the protection of investors and the public interest.

BYMA reserves the right to unilaterally decide upon accepting or rejecting requests, as well as cancelling trades whenever it deems necessary.

3.4 Unusual Situations

Under unusual situations, BYMA may apply any other reference price different to the last trade price to determine whether a trade was erroneous. Unusual situations may be those including extreme market volatility and substantial lack of liquidity, among others.

3.5 Notice to Counterparties

BYMA may serve notice to the counterparty to a trade upon receipt of an Erroneous Trade Cancellation Request informing that such request is under review. BYMA will inform both counterparties to the trade after a decision is rendered on whether the trade was deemed erroneous or not.

Said notices will be served by phone and via email from the email address monitoreo@byma.com.ar.

3.6 BYMA Resolution

BYMA has the right, but not the obligation, to review trades upon receipt of an Erroneous Trade Cancellation Request. BYMA's decision on cancelling the trade or not shall be final.

In case BYMA determines the existence of an erroneous trade, it will start the cancellation procedure and serve notice to the counterparties thereto.

3.7 Decision Appeal Process

The parties to an erroneous trade have the right to appeal the Exchange's Decision by sending an e-mail to mercados@byma.com.ar from a Member Broker official email address. Said parties may also appeal the Exchange's Decision by phone to the Markets Division.

Appeals thereof must be submitted within thirty (30) minutes following the Decision notice. It must include the reasons for appealing the Decision, including any additional factor not included in the original rule.

3.8 Contact Data

Any questions on erroneous trades must be submitted via email to monitoreo@byma.com.ar or by phone at + 054 911 4316-6049.

3.9 Fair and Orderly Market Conduct - Trade Cancellation Procedure

BYMA has the authority to cancel trades on behalf of the parties (without disclosing their names) in case it considers said trades may be contrary to fair and orderly market's best practices.

The reasons to start cancellation procedures may include, among others, any conduct that may probably:

- alter fair and orderly Market conduct,
- create or cause the creation of a false or misleading appearance on the Market,
- unfairly discriminate any of the parties, or
- give rise to a conflict of interest among the counterparties.

In each case, decisions to cancel trades will be under BYMA sole discretion, provided that the Exchange will make its best efforts to consider any relevant circumstances and facts for the case and will act in good faith.

Under no circumstances may Member Brokers file claims for damages against BYMA or against traders entering erroneous orders, even in case of loss or damages triggered by the cancellation of erroneous trades. However, this provision will not be applicable in case BYMA or the Member Broker entering the erroneous order are held liable on the grounds of proven wrongful act or omission.

In regard to trades triggered by erroneous trades executed by Member Brokers or traders, in principle, they will not be cancelled. However, BYMA will decide whether they shall be valid or not, depending on their effects on the market.

In case of repeated errors entered by a same Member Broker or trader, BYMA may dismiss their requests or claims and apply pertinent preventive (BYMA Operating Rules, Arts. 87 and 88) and due diligence measures (BYMA Market Surveillance Procedures, Art. 7), as it may deem convenient. BYMA shall also inform the National Securities Commission on this matter, in compliance with Argentine Law No. 26,831, section 56.

Annex I

There follows the price or rate deviation table to be applied upon receipt of an Erroneous Trade Cancellation Request:

Assets	Reference Price or Rate	% Absolute Value exceeding the reference price or rate
Equity included in the Leading Panel	Last trade price of the day. If there is no such price, previous Reference Price to the one recorded on the erroneous trade.	5%
Equity not included in the Leading Panel	Last trade price of the day. If there is no such price, previous Reference Price to the one recorded on the erroneous trade.	10%
Bullet, zero coupon or fixed-rate Treasury Notes or any other treasury notes which rate may be calculated directly and have the same trading and issuance currency.	Average rate applied to similar securities during the day of the trading session.	15%
Futures	Last trade price of the day. If there is no such price, previous Reference Price to the one recorded on the erroneous trade.	3%

For fixed-rate securities (except for bullet, zero coupon or fixed-rate Treasury Notes or any other treasury notes which rate may be calculated directly and which have the same trading and issuance currency), the price to be used to calculate whether a trading is erroneous or not will depend on the traded volume, based on the following factors:

Amount in pesos (ARS) settled with an erroneous price*		Percentage of error in price
From	To	
ARS 0.01	ARS 50,000,000.00	3%
ARS 50,000,000.01	ARS 200,000,000.00	2%
ARS 200,000,000.01	-	1.50%

*the amount in dollars is calculated based on the ARD/USD selling exchange rate published by Banco Nación on the previous business day.