
Systematic Internaliser Commercial Policy – Non-Equity Instruments



Dated: 3 January 2018

A. Purpose and Explanation of This Policy

Where a Goldman Sachs (“GS”) legal entity is acting as a systematic internaliser (such entity, an “SI GSLE”) in accordance with MiFID II it is required, subject to certain conditions, to publish firm quotes. This Policy applies to such SI GSLE’s activity in “**Non-Equity Instruments**” (being bonds, derivatives, structured finance products and emission allowances that are traded on an EU trading venue).

If you are a client of an SI GSLE and wish to trade against a quote in a Non-Equity Instrument which that SI GSLE has published, you may request to do so. However, to determine whether you are in fact able to trade against a particular quote the SI GSLE may apply its “commercial policy”, which is made up of the factors set out in Section B below.

Note that the SI GSLE is not required to publish (or to give you access to) quotes in sizes above the relevant “size specific to the financial instrument” (“SSTI”) or instruments that are not deemed liquid by the European Securities and Markets Authority (ESMA).

Please refer to <http://www.goldmansachs.com/disclosures/eq-si-policy.pdf> for GS’s commercial policy in relation to its activity as an SI in respect of equity instruments.

B. Access Criteria

The “Access Criteria” below set out the factors that an SI GSLE may take into account when determining whether a client (the “**Requesting Client**”) should be given access to a published quote already provided to another client (the “**Original Client**”).

These criteria will be applied in an objective and non-discriminatory way.

If you are a Requesting Client, an SI GSLE may decline to trade with you at the published quote where any of the following apply:

1. General Account Opening Criteria

You cease to meet the SI GSLE’s general account opening criteria.

2. Trade Size

You ask for a price in respect of a different trade size to the Original Client.

3. Credit Profile

The SI GSLE’s internal assessment of your creditworthiness differs from that of the Original Client.

4. Pricing of Cleared vs Bilateral/Uncleared Derivative Transactions

A firm quote provided to an Original Client in respect of a transaction in a derivative which is intended to be cleared may not be available to you if you intend to enter into a transaction in the same derivative on a bilateral/uncleared basis.

5. Derivative Transactions to be Cleared on Different CCPs

A firm quote provided to an Original Client in respect of a transaction in a derivative which is intended to be cleared at one CCP may not be available to you if you intend to enter into a transaction in the same derivative that is to be cleared at another CCP.

6. Contractual Agreement Terms

A firm quote provided to an Original Client in respect of a transaction in a Non-Equity Instrument that is subject to particular contractual terms under the relevant master agreement (e.g. ISDA) and/or collateral agreement (e.g. CSA) may not be available to you if a similar transaction between the SI GSLE and you would be subject to differing contractual terms which may or do affect trade economics, credit profile, settlement risk or any other objectively measurable economic or risk parameter.

7. Timing of Quote

A firm quote in respect of a transaction in a Non-Equity Instrument may be considered stale (and thus no longer executable) if market conditions change or with the lapse of time (taking into account the liquidity and characteristics of the market for the Non-Equity Instrument in question).

In addition, and notwithstanding that an SI GSLE may continue to make quotes public, an SI GSLE may be unable to execute transactions in a Non-Equity Instrument with certain clients where applicable legal or regulatory restrictions prevent it from doing so.

C. Mechanism for Publishing and Accessing Quotes

With the exception of quotes in securitised derivatives which are provided via automated systems, SI GSLE quotes will be made public on the '[MiFID II Non-equities SI Quote Publication Page](#)'. SI GSLE quotes in securitized derivatives which are provided via automated systems will be made available on the '[MiFID II Non-equities SI Quote Publication Page – Securitised Derivatives](#)'. These pages will be updated 24 hours a day, seven days a week.

If you are interested in trading against a published quote, please use your usual method of communication to contact your GS salesperson or trader to make such request. To identify the relevant quote, please provide the SI Quote ID specified against the published quote.

Your salesperson or trader will determine whether that published quote is available to you in accordance with the Access Criteria section above. If not, you may be offered an updated quote (which may in turn be published by SI GSLE, if necessary to comply with its obligations).