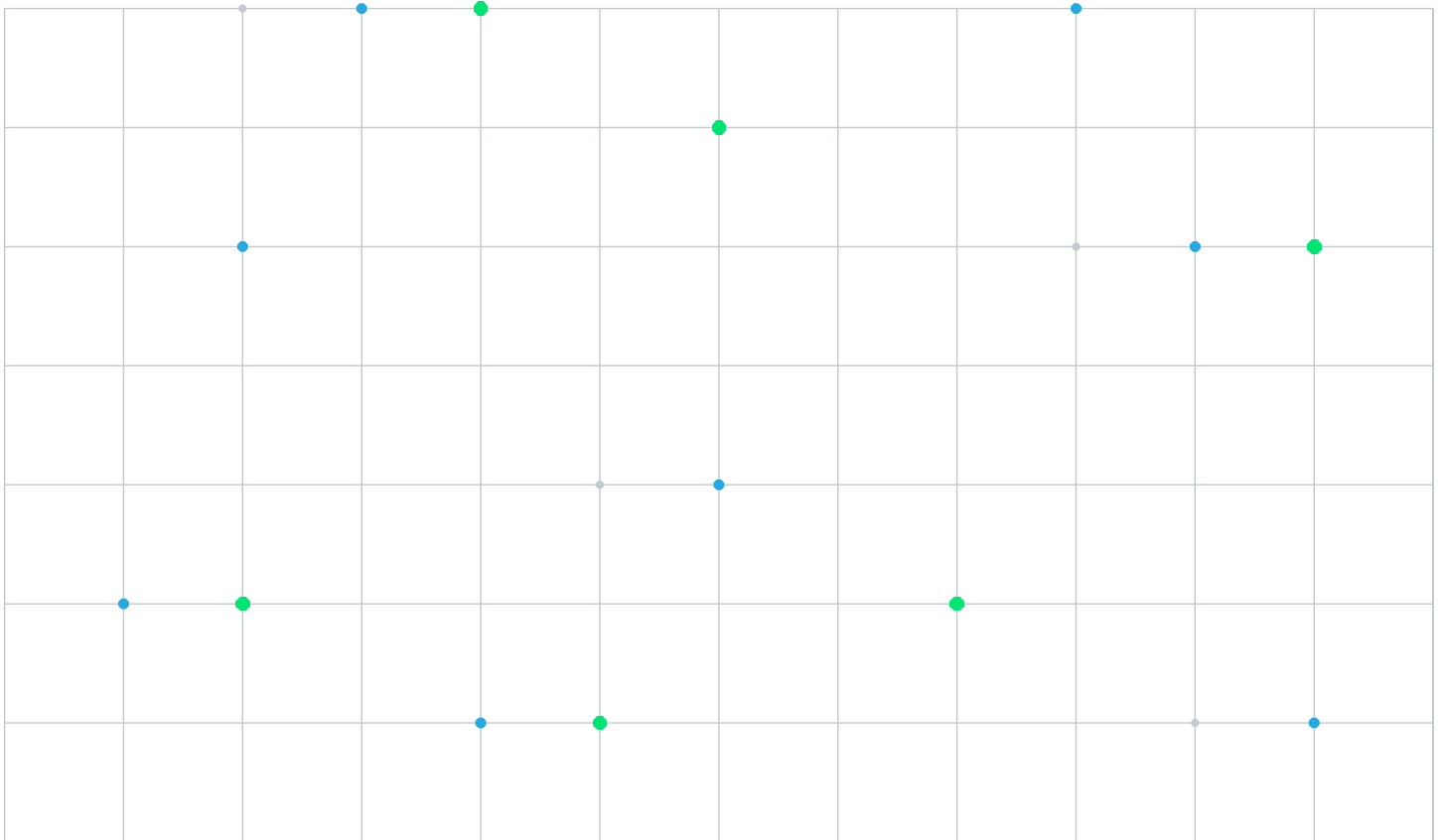


EBS Dealing Rules – Appendix EBS Direct (Forwards and Institutional)



1. Definitions and Interpretation

Capitalised terms in this Appendix have the same meaning as in the Dealing Rules, unless otherwise specified. In addition, these terms have the following corresponding meanings:

Acceptance Period	Has the meaning given to it in Rule 2.6.5.
Liquidity Consumer	A Participant who may submit Trade Requests via EBS Direct.
Liquidity Provider	A Participant which satisfies the requirements in Rule 2.3 and provides indicative prices in Products that Liquidity Consumers can respond to by sending Trade Requests.
Notice of Execution	A Deal or Deals effected on EBS Direct, ordinarily carried as a message via a transaction notification FIX interface or other STP that is supported by the Operator (which may include, depending on configuration, Thomson Reuters Trade Notification (TRTN), FIX Drop Copy, Traiana, the Participant's own order management system, SFTP or other supported system).
Off-Platform Deal	Has the meaning given to it in Rule 2.10.1.
Order Viewer	A screen on EBS Direct that shows the Liquidity Consumer's Orders.
Request for Streaming Quote ("RFSQ")	A trading functionality where a Participant requests a stream of indicative prices for a particular Product from one or more Participants.
Underlying Clients	Means, where a Liquidity Consumer acts as an investment manager, investment adviser or otherwise acts as an agent on behalf of an underlying fund or customer, the identity of which has been disclosed to the Operator, such underlying fund or customer.

All capitalised terms not otherwise defined in this Appendix shall have the meaning ascribed to them in the Customer Agreements. In this Appendix, words in the singular include the plural and vice versa and words in one gender include any other gender. A reference to persons in this Appendix shall include a reference to legal persons and natural persons as the context requires. Headings are for ease of reference only and do not form part of this Appendix. Reference to statutory or regulatory provisions or instruments shall include any amendment, modification or re-enactment or re-making thereof.

2. EBS Direct

- 2.1. EBS Direct is a dealing service provided by the Operator which enables Liquidity Consumers to transact in Products:
 - 2.1.1. with Liquidity Providers on a direct and disclosed basis; or
 - 2.1.2. on a non-disclosed basis, by a Participant acting as a Prime Bank for a Liquidity Consumer.
- 2.2. EBS Direct allows for trading on the EBS Direct – Forwards and EBS Direct – Institutional interfaces, which contain functionality optimised for particular customer types and trading requirements. The interfaces operate under the same rules of this Appendix, unless otherwise specified.

2.3. Eligibility Criteria for Liquidity Providers

- 2.3.1. In order to be admitted as a Liquidity Provider on EBS Direct, a Participant must, on application and during the period that the Participant acts as a Liquidity Provider:
 - a) have the appropriate regulatory status under Applicable Laws to act as a Liquidity Provider;
 - b) when dealing with Liquidity Consumers, the Liquidity Provider deals as principal in relation to Products it offers on EBS Direct; and
 - c) meet any other relevant access requirements for Liquidity Providers adopted and published by the Operator from time to time.

2.4. Eligibility Criteria for Liquidity Consumers

- 2.4.1. For Transactions to occur between Participants using EBS Direct, a Liquidity Consumer must have a direct trading relationship with at least one Liquidity Provider or Prime Bank.

2.5. The Routing Process

2.5.1. General

- a) Each Liquidity Consumer must establish a relationship with its Liquidity Provider(s) or a Prime Bank.
- b) The Liquidity Consumer is solely responsible for its own management and administration of its credit exposures and that of any Underlying Clients.
- c) For a Transaction on EBS Direct to occur, the Liquidity Provider or a Prime Bank must enable a Liquidity Consumer, and (if relevant) some or all of the Underlying Clients managed by the Liquidity Consumer.

2.5.2. Trade Requests

- a) EBS Direct supports Trade Requests from Liquidity Consumers.
- b) A Trade Request shall specify the currency, tenor (or specific date), side, price (near and far leg price for Packaged Transaction of Forwards), amount (near and far leg for Packaged Transaction of Forwards) and value date (near and far leg for Packaged Transaction of Forwards). The Trade Request will show the identifier of the Liquidity Consumer. The identifier for the Underlying Client(s) will be included with each Order loaded into EBS Direct by the Liquidity Consumer.

2.5.3. Execution Methods

- a) The 'Request for Streaming Quote' (RFSQ) protocol allows a Liquidity Consumer to select the required Product in the EBS Direct market view and request one or more Liquidity Providers to provide a stream of indicative prices to that Liquidity Consumer based upon the particular parameters of the request, for a predetermined time (currently two minutes, but can be configured by the Liquidity Consumer).
- b) Upon receiving the RFSQ message, Liquidity Providers can decide whether to provide indicative prices to the Liquidity Consumer. Liquidity Consumers will view the indicative prices they receive from Liquidity Providers in their existing EBS Direct aggregated market view and can select the indicative price that they wish to trade, which will send through a Trade Request to the Liquidity Provider providing the relevant indicative price.
- c) If the Trade Request is accepted by the Liquidity Provider in accordance with Rule 2.6.3, a Deal will result between the Liquidity Consumer and the Liquidity Provider who provided the indicative price.

2.6. EBS Direct Transactions

2.6.1. A Transaction on EBS Direct may result in one or more Deals. Each Deal consists of a Liquidity Consumer and a Liquidity Provider, or a Prime Bank and a Liquidity Provider.

2.6.2. Liquidity Providers may submit streams of indicative prices for the Products to Liquidity Consumers directly, or indirectly through a Prime Bank. A Liquidity Provider's stream of indicative prices shall be routed to each of its Liquidity Consumers so that a Liquidity Consumer has an aggregated view of indicative prices from Liquidity Providers.

2.6.3. Subject to Rule 2.6.8, a Deal on EBS Direct is done when:

- a) a Liquidity Consumer submits a Trade Request to a Liquidity Provider;
- b) the Liquidity Provider accepts the Trade Request and sends an execution report to EBS Direct;
- c) the execution report is then either accepted or rejected by EBS Direct or can expire (and EBS Direct will send a message to the Liquidity Provider in the event of that rejection or expiration); and
- d) the deal is done when the acceptance message (the Liquidity Provider's execution report) is sent to the Liquidity Consumer.

2.6.4. If a Participant suspects that a Deal is in doubt, it must immediately contact the support team for Deal status confirmation.

2.6.5. Liquidity Providers have an acceptance period set by the Operator (in its sole discretion) in which to accept a Trade Request (the "Acceptance Period").

2.6.6. If a Trade Request is not accepted during the Acceptance Period or is rejected by a Liquidity Provider, no Match shall occur and no Transaction shall arise with that Liquidity Provider.

2.6.7. If a simultaneous RFSQ was made of multiple Liquidity Providers and the Liquidity Consumer selected a 'Best price option', and the Trade Request is not accepted or is rejected, EBS Direct will automatically make a Trade Request of the best price available from the Liquidity Providers available to the Liquidity Consumer.

2.6.8. If a Trade Request is not accepted by a Liquidity Provider within the Acceptance Period, any subsequent attempt to accept that Trade Request shall not result in a Transaction.

2.6.9. The Operator shall be entitled to vary or remove (or require the Liquidity Consumer, Liquidity Provider or the relevant Prime Bank to vary or remove) from EBS Direct any Offer, Bid, instruction or message placed in or

input through EBS Direct. This includes, but is not limited to, where there is a significant price movement in a Product during a short period.

2.6.10. If a Participant suspects, is notified by the Operator, or otherwise becomes aware that there is or may be a malfunction or technical failure in EBS Direct, the Participant shall immediately remove all instructions placed by it on EBS Direct and (if the Operator did not notify the Participant) notify the Operator of the same and refrain from using EBS Direct until it has been notified by the Operator that such malfunction or technical failure has been corrected. The Operator shall be entitled to cancel or revoke any Transactions in case of such malfunction or technical failure in accordance with the Applicable Law.

2.6.11. Matching Priority

- a) EBS Direct will immediately route the submitted Trade Request to the Liquidity Provider(s) with the best indicative price. Subject to Rule 2.6.11.b), each Liquidity Provider's indicative price is prioritized in order of price and speed of response of the related Liquidity Provider.
- b) On the EBS Direct – Forwards platform, Liquidity Consumers can prioritise the order of responses of their Liquidity Providers. On the EBS Direct – Institutional platform, Liquidity Consumers can choose to direct Trade Requests only to selected Liquidity Providers.
- c) Any Trade Request that is not accepted or is rejected by the Liquidity Provider will be reactivated by EBS Direct with one of the Liquidity Consumer's remaining Liquidity Providers according to the rules of price and speed of the Liquidity Provider's response to the related RFSQ. If no Match occurs within the Acceptance Period, then no Transaction occurs and the Liquidity Consumer will be notified as such.

2.7. Post Trade

2.7.1. Notice of Execution

- a) The Operator provides an automated Notice of Execution through EBS Direct, originating from the relevant executing Liquidity Provider, notifying the Liquidity Consumer (and its Prime Bank, if applicable) of the Deal that the Liquidity Consumer (and/or its Underlying Client(s)) has executed. It is the Liquidity Consumer's responsibility to ensure that its software is able to receive the EBS Direct STP messages and that the interface is properly installed, tested and working.
- b) Each Notice of Execution for Deals executed fully electronically over the Platform shall also constitute a confirmation of the Deal.
- c) Rule 2.7.1.b) shall not apply to any Off-Platform Deals unless the Liquidity Consumer and their Liquidity Provider(s) specifically agree that this shall apply, following implementation and testing of appropriate additional controls.
- d) Notwithstanding any of the above, it remains the responsibility of the Liquidity Consumer, the Prime Bank (if applicable) and the Liquidity Provider to a Transaction on EBS Direct to confirm and verify Deals and the accuracy and completeness of the Notice of Execution for each Transaction. In the event that any error or discrepancy arises or that such Notice of Execution is not accurate and complete or is not generated, the Liquidity Consumer shall immediately (and in any event within one hour of the Transaction) contact the relevant Prime Bank (if applicable), the Liquidity Provider and the Operator.

2.8. Administration

2.8.1. Participants on EBS Direct must notify the Operator of the name and contact details of responsible personnel in their compliance and operations functions, and keep the Operator informed of any changes thereto. Such personnel need to have the ability and authority to assist with the resolution of Deal in doubt scenarios.

2.8.2. Security

- a) It is the responsibility of each Participant to implement the Operator's security requirements and procedures, including adequate security systems and procedures at its locations in accordance with Applicable Law.

2.8.3. Liquidity Consumer Management

- a) The Liquidity Provider is solely responsible for establishing and maintaining trading relationships with Liquidity Consumers.
- b) It is the sole responsibility of the Liquidity Provider to administer and maintain settlement instructions and/or Credit Limits with any Liquidity Consumer and the Operator accepts no responsibility for administering or managing Credit Limits or settlement instructions for any Liquidity Provider. Management of Credit Limits and settlement instructions occurs outside of EBS Direct.

2.8.4. The Operator, on receiving written instructions from a Liquidity Consumer, can amend system administration parameters, but accepts no liability or responsibility for errors or omissions when carrying out the request.

2.8.5. Underlying Clients

For Liquidity Consumers acting under this Appendix as agent on behalf of one or more Underlying Clients, those Liquidity Consumers must ensure, on a continuing basis, that:

- a) the Underlying Client(s) have adequate resources over which the Liquidity Consumer has authority, to enter into and perform any such Transaction which the Liquidity Consumer decides to undertake on their behalf;
- b) any Transactions entered into on EBS Direct are valid and binding obligations enforceable against those Underlying Client(s) in accordance with this Appendix, subject to bankruptcy or other Applicable Laws;
- c) where the Liquidity Consumer's use of EBS Direct is for the benefit and account of its Underlying Client(s), that Liquidity Consumer must have been given authority from such Underlying Client to use EBS Direct for their benefit and account;
- d) any claim by the Underlying Client(s) against the Operator, its Affiliates, agents or subcontractors is subject to the limitations of liability in the Agreements, and any such claim will be treated as if it were made by the Participant;
- e) the Liquidity Consumer has no reason to believe that its Underlying Client(s) will not be able to meet, or in the foreseeable future will not be able to meet, any settlement or payment obligations or are likely to become insolvent;
- f) the Liquidity Consumer has obtained and recorded evidence of the identity of its Underlying Client(s) in accordance with Applicable Laws and regulations (including, without limitation, anti-money laundering regulations); and
- g) in the event of a Default Event by any of the Liquidity Consumer's Underlying Clients, or the failure of the Liquidity Consumer's Underlying Clients to meet any of their material obligations, the relevant Liquidity Consumer will provide the Operator with the full name, registered office and contact details of the relevant Underlying Client and take all other steps as the Operator may reasonably (acting in good faith) require in

order that the Operator might take such steps as are necessary, including but not limited to instituting legal proceedings against the Underlying Client, to minimise the Operator's exposure and/or redress any loss or damage the Operator may have suffered.

2.9. Participant Support Obligations

2.9.1. If an Authorised Employee suspects a problem with EBS Direct which it considers may affect its use of EBS Direct, they must immediately:

- a) in the case of a Liquidity Provider, cease streaming any indicative prices and/or deny access to any of its Liquidity Consumers;
- b) in the case of a Liquidity Consumer, cease submitting any Trade Requests; and
- c) contact the support team.

2.9.2. The support team may require, amongst other things, at its sole discretion that:

- a) all or some of the Authorised Employees to stop using EBS Direct; and/or
- b) the Participant provides information in connection with the issue to support.

2.9.3. Participants shall comply with any reasonable requests of the support team in relation to any issue or problem with EBS Direct.

2.9.4. The Operator may terminate or suspend a Participant's access to EBS Direct if the Operator reasonably suspects that there is a problem with EBS Direct.

2.10. Off-Platform Deals (Voice Execution)

2.10.1. The EBS Direct – Institutional interface includes functionality to process trades that are executed outside of the platform, for example by between participants directly over the telephone ("Off-Platform Deals"). The functionality for Off-Platform Deals is a technology service provided by EBS Dealing Resources, and Off-Platform Deals do not form part of the dealing service provided by the Operator.



The content in this communication has been compiled by CME Group for general purposes only and is not intended to provide, and should not be construed as, advice. Although every attempt has been made to ensure the accuracy of the information within this communication as of the date of publication, CME Group assumes no responsibility for any errors or omissions and will not update it. Additionally, all examples and information in this communication are used for explanation purposes only and should not be considered investment advice or the results of actual market experience. This communication does not (within the meaning of any applicable legislation) constitute a Prospectus or a public offering of securities; nor is it a recommendation to buy, sell or retain any specific investment or service.

CME Group does not represent that any material or information contained in this communication is appropriate for use or permitted in any jurisdiction or country where such use or distribution would be contrary to any applicable law or regulation. In any jurisdiction where CME Group is not authorized to do business or where such distribution would be contrary to the local laws and regulations, this communication has not been reviewed or approved by any regulatory authority and access shall be at the liability of the user.

Certain CME Group subsidiaries are authorized and regulated by regulatory authorities. CME Group subsidiaries are required to retain records of telephone conversations and other electronic communications for a period of 5 to 7 years where required by certain regulation, copies of which are available on request (which may be subject to a fee). For further regulatory information please see www.cmegroup.com.

Copyright © 2021 CME Group Inc. All rights reserved.
Mailing Address: 20 South Wacker Drive, Chicago, Illinois 60606.