



# Contents

---

1.	Methodology and Calculations .....	3
2.	MEP Parameters .....	4
3.	Request for Waiver of Surcharges .....	4
4.	Repeat breaches .....	5

# 1. Methodology and Calculations

The Messaging Efficiency Program (MEP) criteria applies monthly for the Asian NDF 1M Currency pairs on EBS Market.<sup>1</sup> The program applies to Asian NDFs to support quote quality at Top of Book and replaces the prior QFR program.

To facilitate this, those breaching the MEP by having both:

- A TOB quote fill ratio (QFR) below a minimum threshold (in percent), and
- A median life at TOB below a minimum threshold (in milliseconds),

will be charged an excess quoting surcharge per quote (in USD) above a maximum allowable quote threshold.

The calculation is as follows:

The maximum allowable quote threshold (designated in the MEP) is the summation of:

- The maximum quote number (calculated by dividing the Good to Cancel order (GTC) deal volume by the MEP TOB QFR), and
- An extra defined quote “allowance”, which is applied for all counterparties to help account for monthly fluctuations or counterparties with low quote activity.

For example:

- A counterparty who breaches both MEP requirements and is 5,000 quotes above the maximum allowable quote threshold will be charged an excess quoting surcharge for those quotes
  - E.g. 5,000 X USD \$0.50 equals an excess quoting surcharge of USD \$2,500

<sup>1</sup> Offered by NEX SEF Limited for on-SEF/on-MTF FX NDFs on the NEX SEF MTF and BrokerTec Europe Limited for on-MTF/off-SEF FX NDFs on the EBS UK MTF.

## 2. MEP Parameters

MEP parameter settings are as follows, but can be amended at the discretion of EBS to maintain a healthy market ecology (where possible, at least one month's notice will be given).

Off-SEF Ccy Pairs	Minimum # of Orders	Surcharge	Hours (GMT)		
				TOB QFR	Median TOB Order Life
INR 1M	6,000	\$0.50	03:00–11:00	3.0%	3 seconds
KRW 1M	6,000	\$0.50	00:00–12:00	3.0%	3 seconds
TWD 1M	1,500	\$0.50	01:00–10:00	10.0%	10 seconds
IDR 1M	1,000	\$0.50	00:00–12:00	15.0%	15 seconds
PHP 1M	1,000	\$0.50	00:00–12:00	15.0%	15 seconds

On-SEF Ccy Pairs	Minimum # of Orders	Surcharge	Hours (GMT)		
				TOB QFR	Median TOB Order Life
INR 1M	500	\$0.50	12:00–21:00	7.0%	7 seconds
KRW 1M	500	\$0.50	12:00–21:00	7.0%	7 seconds
TWD 1M	500	\$0.50	12:00–21:00	10.0%	10 seconds
IDR 1M	500	\$0.50	12:00–21:00	15.0%	15 seconds
PHP 1M	500	\$0.50	12:00–21:00	15.0%	15 seconds

## 3. Request for Waiver of Surcharges

A customer may submit a Request for Waiver (RFW) of a surcharge if the firm believes that there was a compelling justification for exceeding the applicable messaging threshold. Waiver requests for the MEP must be submitted between the first and 10th business day of the month following the month in which the MEP surcharge occurred. The EBS MEP Waiver Committee, made up of a cross functional group across relevant

CME teams to support a consistent review process, will carefully consider those requests and has sole discretion as to whether to grant any waivers.

Please email [ebsmarketmepwaiver@cmegroup.com](mailto:ebsmarketmepwaiver@cmegroup.com) detailing the reason why you exceeded the MEP, and we will subsequently notify you of EBS's decision.

## 4. Repeat breaches

If a customer was to repeatedly breach the MEP, it will be considered as a breach of the [EBS UK MTF Rulebook – General Terms](#) or the [NEX SEF Rulebook](#) (as applicable) and EBS may enforce the remedies available to it in those rules.

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 authorised 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](http://www.cmegroup.com).

Mailing Address: 20 South Wacker Drive, Chicago, Illinois 60606  
Copyright © 2023 CME Group Inc. All rights reserved.

