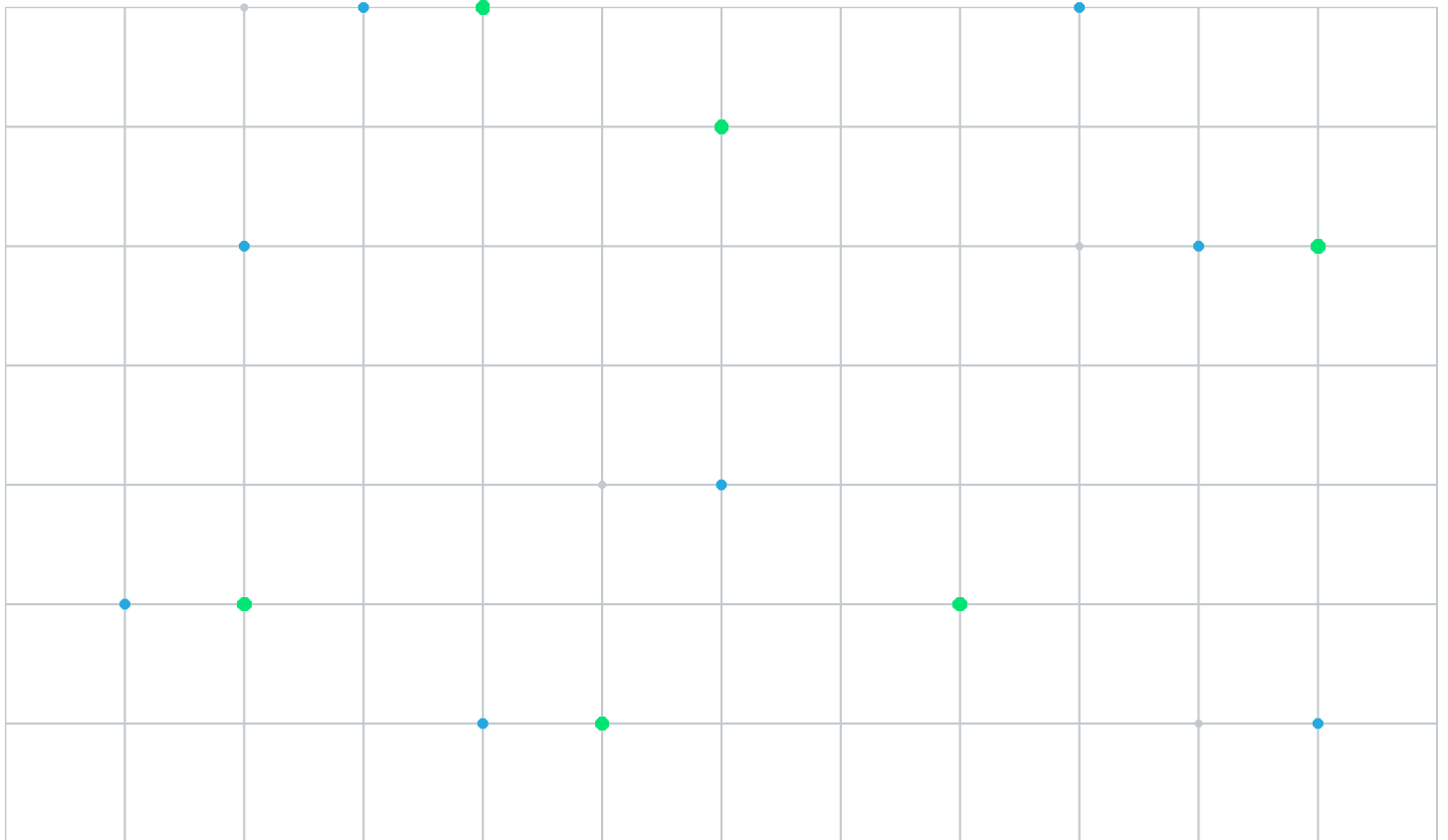


EBS Market Quote Fill Ratio Policy



Terms used in this policy have the same meaning as in the EBS Dealing Rules, unless otherwise specified.

1. Quote Fill

Quote Fill Ratio (“**QFR**”) metrics are monitored daily and communicated to Participants at a minimum on a weekly basis in the event that the agreed minimum threshold is not achieved. For NDFs on EBS Ai and USD/CNH, the QFR is calculated over a rolling period. The threshold calculations are aggregated across all Trader IDs and Deal codes to achieve an institution wide metric by currency pair (other than for USD/CNH, where metrics are calculated on a per-Trading Floor code basis). For institutions that support multiple trading entities and strategies, the Operator reserves the right to calculate fill ratio metrics at an ID / Code level basis.

Dealt Quotes / Quotes submitted = % Fill ratio

(For NDFs on EBS Ai and USD/CNH: Volume of GTC Orders traded in USD millions / Number of GTC Orders submitted = % Fill ratio)

Self matched Deals will be excluded for the purposes of the Quote Fill Ratio calculations.

a) QFR for NDFs on EBS Ai

The parameters for the QFRs for NDFs on EBS Ai will be notified to Participants by way of updates to this policy from time to time.

b) QFR for USD/CNH

From 26 June 2017, the Operator introduced a QFR for USD/CNH trades. Participants must meet a minimum quote fill ratio of 1.5% in USD/CNH on EBS Market outside of 13:00 GMT to 21:00 GMT. Participants will be assessed by Trading Floor code, and must enter a minimum of 300 GTC Orders during the interval for the threshold to apply.

2. Fill Ratio Targets and Penalties

Quote Fill Target = The calculation of the Quote Fill target considers all Quotes Submitted within a pre-defined number of price increments either side of the EBS Best Price. The number of increments taken into consideration for each currency pair is specified in the Guide to Currency Pair Parameters on EBS Market.

3. Enforcement/penalties for non-compliance:

For Products other than NDFs over EBS Ai:

- a) If a Participant is in breach of the QFR metrics, the Operator shall provide formal written notification of contravention of the EBS Dealing Rules to the Participant. This may take the form of an e-mailed report notifying the Participant that a specific code/ID is in breach of the QFR over the previous 5 day average.

- b) Upon a second breach of the QFR the Operator will impose a 1 Trading Day suspension of access to trading in that currency pair from the code/ID in breach.
- c) Upon a third breach of the QFR the Operator will impose a further 5 Trading Days suspension of access to trading in that currency pair from the code/ID in breach. This will be accompanied by a formal notification by e-mail or letter.
- d) Upon a fourth breach of the QFR the Operator will impose a further one week suspension of access to trading in that currency pair and a 1 day suspension of access to all other currency pairs from the code/ID in breach. This will be accompanied by a formal notification by e-mail or letter.
- e) Upon a fifth breach of the QFR the Operator will impose a further one week suspension of access to trading all currency pairs from the Code/ID in breach. This will be accompanied by a formal notification by e-mail or letter and referral to EBS Senior Management.
- f) At this time a meeting may be required between the Participant and EBS Senior Management to discuss further measures, inter alia:
 - i. imposing higher MQL for non-compliance on all EBS Market major currency pairs;
 - ii. restricting throughput capacity; and
 - iii. suspension from EBS Market.

Failure to attend will result in immediate suspension from EBS Market.

4. For NDFs over EBS Ai:

- a) During any 2 week QFR calculation window, the Operator will inform a Participant if they are not meeting the QFR thresholds.
- b) Following this notification, the Participant will be given a two week warning period to bring the QFR into compliance with the relevant thresholds.
- c) After the warning period, should the Participant fail to meet the established QFR requirement for the relevant NDFs, this will be considered by the Operator as disruptive behaviour and the Participant will be formally notified that their behaviour has been identified as being disruptive and that they must cease quoting within 24 hours via EBS Ai in that NDF pair for all timezones for two weeks, after which they may resume trading.
- d) Any additional breach or refusal to cease trading for the above period will result in an indefinite suspension in that currency pair over EBS Ai for that Participant, with a system based control applied to their access at the earliest opportunity, until such a time that the Operator is assured that no further breaches will take place. Any reinstatement is at the Operator's sole discretion.

5. For USD/CNH:

- a) The QFR will be assessed on a weekly basis, looking at the previous 2 weeks of activity.
- b) If a Trading Floor is in breach of the QFR, the Participant will be notified by Tuesday 17:00 New York local time that they have 2 weeks to improve their activity and meet the QFR requirement.

- c) The 2 week period will be assessed in isolation. If the Trading Floor is meeting the QFR requirements, the Operator will communicate that they will revert to be assessed as per standard practice.
- d) However, if the Trading Floor continues to be in breach at the end of the 2 week period, the Operator will communicate that they must cease quoting in USD/CNH within 24 hours via EBS Ai for a period of 2 weeks. This will be communicated by Tuesday 17:00 New York local time.
- e) If a further breach is witnessed within 12 weeks of the original notification it may result in indefinite suspension.

6. OFF-SEF NDF QFRs

The following QFR Thresholds apply as of 07 June 2021:

Window (AM is 00 GMT to 12 GMT, PM is 12 GMT to 00 GMT)	NDF OFF-SEF	QFR Threshold	New Order Requirement
AM	INR 1M	2.0%	300
AM	KRW 1M	1.0%	300
AM	TWD 1M	3.0%	300
AM	IDR 1M	3.0%	300
AM	PHP 1M	3.0%	300
PM	INR 1M	1.5%	300
PM	KRW 1M	5.0%	300
PM	TWD 1M	5.0%	300
PM	IDR 1M	5.0%	300
PM	PHP 1M	5.0%	300

7. Questions

If you have any questions, please contact your EBS account representative.

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