

## **CBOE FIXED INCOME MARKETS, LLC** **OPERATING PROCEDURES**

These Operating Procedures supplement and form part of the Participant Agreement (the “Agreement”) between a Participant (collectively referred to herein as “Participants”), and Cboe Fixed Income Markets, LLC (“Cboe FI” or “Provider”).

In the event that Cboe FI provides to any other Participant within the same class of Participants more favorable terms with respect to these Operating Procedures than those agreed to in this Agreement by the parties, then those more favorable terms will automatically inure to the Participant and the Agreement shall be considered modified and amended to include such better terms.

For reference, a history of the revisions made to these Operating Procedures as against the previous version is provided in Annex B.

### **PLATFORM TERMS AND CONDITIONS**

#### **ARTICLE I -- DEFINITIONS AND CONSTRUCTION**

**Section 1.1. Certain Definitions.** As used in these Operating Procedures, the following terms have the respective meanings set forth below.

“Access Codes” means the participant identification codes and passwords provided by the Provider to the Participant for use by the Participant.

“Affiliate” means, with respect to any Person, any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlled” and “controlling” have meanings correlative thereto.

“Agreement” means the Participant Agreement, the Operating Procedures, and all exhibits, schedules, and addenda hereto.

“Confidential Information” means any non-public information of either party that is of a confidential or proprietary nature that is provided by the disclosing party, its Affiliates or Representatives (the “Disclosing Party”) to the receiving party, its Affiliates or Representatives (the “Receiving Party”) at any time, including, but not limited to, trade secrets, know-how, formulas, processes, applications, data, descriptions, specifications, designs, hardware and software configurations, drawings, ideas, software code, documentation, plans, business strategies, equipment, product road maps, prototypes, toolkits, information regarding information security controls and any other non-public information related to the Disclosing Party’s past, present, or future research, development, business plans, operations, or other

activities. Confidential Information also includes all documents and other materials prepared by the Receiving Party using Confidential Information of the Disclosing Party. For the avoidance of doubt, Confidential Information shall not include Participant Data, as defined in Section 6.3(a) of these Operating Procedures. All Confidential Information is and shall remain the exclusive property of the Disclosing Party. Notwithstanding the foregoing, to be considered Confidential Information, any physical or electronic materials shall be clearly marked “Confidential Information” by the Disclosing Party prior to the disclosure of such information to the Receiving Party.

“Data” means certain data and other information disseminated by the Platform which does not identify Participant, and which is not Participant Data: (a) relating to securities or other financial instruments, products, vehicles, currencies, indexes, values, indicators, or other means; (b) related to participants on the Platform or activities of the Platform; or (c) made available by the Provider as Provider may designate from time to time.

“Fees” has the meaning specified in Section 5.1.

“Force Majeure Event” has the meaning specified in Section 12.1.

“Governmental Authority” means any national, federal, state, provincial, county, municipal or local government, foreign or domestic, or the government of any political subdivision of any of the foregoing, or any entity, authority, agency, ministry or other similar body exercising executive, legislative, judicial, regulatory or administrative authority or functions of or pertaining to government, including any authority or other quasi-governmental entity established to perform any of such functions.

“Law” means all applicable laws, rules, regulations, judgments, decrees, treaties, ordinances, orders and rulings of any Governmental Authority or self-regulatory organization, authority, agency or body, in each case which has jurisdiction over the Provider, the Participant, or their respective operations.

“Operating Procedures” means these Cboe Fixed Income Markets, LLC Operating Procedures, as amended from time-to-time in Provider’s sole discretion.

“Other Institution” means each of the financial institutions that has entered into, or will enter into, a Participant Agreement with Provider with respect to the use of the Platform by such institution.

“Person” means an individual, partnership, limited partnership, corporation, limited liability company, joint stock company, unincorporated organization or association, trust or joint venture, or a Governmental Authority.

“Participant” means the entity identified in the Participant Agreement.

“Participant Covered Party” means the Participant, including its Affiliates, as applicable, and their respective Representatives.

“Participant Data” has the meaning specified in Section 6.3(a).

“Platform” means each separate and discrete trading platform designated and provided by a Provider Covered Party, accessible via the Internet and/or telecommunications networks and through a front-end trading or graphical user interface or application program interface that enables select financial institutions, either directly or through an authorized third party, to enter into Transactions. Each separate trading platform provided by a Provider Covered Party (i) may require a separate and distinct Access Code, (ii) provides separate and distinct pools of liquidity, (iii) is not registered as a securities exchange and is not a facility of any registered securities exchange operated by any Provider Covered Party, and (iv) is not registered as a swap execution facility or as a multilateral trading facility.

“Provider” has the meaning specified in the Preamble hereto.

“Provider Covered Party” means the Provider, its Affiliates, and their respective Representatives.

“Provider IP Rights” has the meaning specified in Section 6.1.

“Representatives” means a Person’s officers, directors, members, managers, employees, and agents.

“Transaction” means a UST Transaction.

“UST Transaction” means a transaction for the purchase or sale of a U.S. Treasury security, which is generally settled one business day after the trade date (T+1).

**Section 1.2. References to Dollars.** References to dollars or “\$” in these Operating Procedures or any Schedule or Exhibit hereto shall mean United States dollars.

## ARTICLE II -- THE PLATFORM

**Section 2.1. Functionality of the Platform.** The Platform will reasonably facilitate the ability of Participant and Other Institutions to enter into Transactions. The Platform may have such additional functionality as the Provider shall determine is necessary or desirable to the operation of the Platform, including but not limited to functionality available to certain Participants used to administer credit controls determined by such Participant to administer its account.

## ARTICLE III -- OPERATION OF THE PLATFORM

**Section 3.1. Operating Procedures.** The Provider shall have the right, at any time, to amend the provisions of these Operating Procedures upon twenty (20) days prior posting on the Provider’s website; provided, however, that any amendment to the Operating Procedures may be made effective immediately where appropriate in the Provider’s sole determination (i) to permit the Platform and/or the Provider to comply with any Law; or (ii) to facilitate the continued and proper operation of the Platform without performance interruption or degradation. To the extent reasonably practicable, Provider will also send notification of such amendments via email to Participants. Any use of the Platform after the effective date of such amendments to the Operating Procedures shall be deemed acceptance of such amendments by Participant.

**Section 3.3. Technical Support.** The Provider shall provide a reasonable level of help

desk support to the Participant during normal trading hours (as set forth below in Section 11 (Trading Days and Trading Hours) of the Operation of the Platform section).

**Section 3.4. Platform Maintenance.** The Provider shall perform scheduled maintenance on the Platform with advance electronic notice (which notice may consist of a posting of the times of scheduled maintenance on the Provider's website) to the Participant and shall perform unscheduled maintenance at such times as shall be reasonably necessary, in the Provider's sole determination, to maintain the Platform in good working order, or to otherwise facilitate the proper performance of the Platform. To the extent reasonably practicable, the Provider shall endeavor to provide advance notice of such unscheduled maintenance.

**Section 3.5. Suspension or Limitation of System or Information.** Notwithstanding any other provision of these Operating Procedures, the Provider shall have the right to restrict access to, or to impose limits or suspend trading on, the Platform, either generally or in respect of Transactions involving specific securities, or in respect of certain participants, or to discontinue transmitting any or all information, or to refuse to process any or all Transactions, if in the Provider's sole determination any of the following circumstances occurs: (i) full or partial Platform failure, including failure of the technology constituting the Platform or any of the communications links within the Platform, or between the Platform and the Participant, any Other Institution or any other participant, or any other circumstance where it is not practicable for the Provider to provide access to the Platform; (ii) a breach of Platform security; (iii) a material breach by the Participant of its obligations under these Operating Procedures; (iv) in order to comply with Law; or (v) if market conditions generally, or conditions with respect to a particular Transaction or type of Transaction specifically, render it necessary or desirable, in the Provider's sole determination, to do so. Any actions taken by the Provider pursuant to this Section 3.5 shall continue for such time as the Provider shall reasonably determine to be necessary or desirable. The Participant agrees that (x) it shall be a material breach of these Operating Procedures to evade, or attempt to evade, any suspension, restriction, or limitation imposed under this Section 3.5; and (y) the Provider shall not be obligated to take any action permitted under this Section 3.5.

**Section 3.6. Control of the Platform.** The Provider shall have sole discretion and control over, and the right to modify at any time, the Platform's functionality, configuration, appearance, and content, including without limitation: (i) the parameters and protocols by which orders or quotes are placed, routed, matched, displayed or otherwise processed or handled by the Platform; and (ii) the availability of the Platform with respect to a particular type of Transaction at any particular time or location. To the extent reasonably practicable, the Provider shall endeavor to provide notice of such modification.

## ARTICLE IV -- OBLIGATIONS OF THE PARTICIPANT

**Section 4.1. Equipment; Connections.** The Participant shall be solely responsible for the purchase or lease, installation, maintenance, and performance of all remote terminal equipment, and all software resident thereon, necessary to access and use the Platform. The Participant shall be solely responsible for establishing and maintaining the telecommunications and/or data network lines and equipment necessary to transmit data between the Participant's terminal equipment and the Platform. The Participant is solely responsible for any losses, damages or costs incurred as a result of errors made by, or the failure of, any equipment and/or access method used to access the Platform, unless such losses, damages or costs are the result of

Provider's gross negligence, fraud, or willful misconduct.

**Section 4.2. Transmission of Information.**

(a) In connection with the use of the Platform by the Participant, the operation of the Platform (including the matching of bids and offers submitted to the Platform by the Participant and the formation of Transactions with respect thereto) shall be based on (i) all bids, offers, orders, commands and other input information received from the Participant, and accompanied by a valid Access Code, in the form in which such information is received by the Platform; and (ii) Transaction confirmations sent to the Participant by the Platform reflecting Transactions based on information received from the Participant, accompanied by a valid Access Code, in the form in which such confirmations are sent out by the Platform. To the extent a Transaction is executed by the Platform on terms which are different from the terms reflected in a bid or order submitted to the Platform accompanied by a valid Access Code as a result of data corruption or otherwise, the Provider shall only be liable for losses incident thereto only to the extent that the Provider has committed gross negligence or engaged in willful misconduct with respect thereto, provided, however, that the Provider shall use commercially reasonable efforts to ensure that orders are processed in accordance with the terms specified by the Participant and to notify such party of any errors in transmission or processing to the extent that the Provider becomes aware of them in a timely manner. For the avoidance of doubt, the Participant shall be bound by any Transaction resulting from any bids, offers, orders, commands, and other input information the Participant submitted to the Platform that are accompanied by a valid Access Code, and the Provider shall not be responsible for any loss, corruption or modification of information submitted to or sent by the Platform, except to the extent caused by Provider's gross negligence or willful misconduct. To the extent any corruption or modification of information submitted to or sent by the Platform results in a Participant executing a Transaction in which it did not intend to transact, Provider shall take reasonable steps to assist the Participant in mitigating any resulting loss pursuant to the Transaction Review Policy in Section 3 - Operation of the Platform below.

Neither the Provider nor any Other Institution (solely with respect to information submitted by the Participant) shall have any duty to verify whether any information submitted to the Platform accompanied by a valid Access Code issued to the Participant or such Other Institution was authorized by the Participant or such Other Institution. Notwithstanding the foregoing, in the event a Transaction is executed on the Platform between the Participant and an Other Institution as a result of the Provider's willful misconduct or fraudulent or grossly negligent disclosure of the Access Codes by the Provider, Provider shall take reasonable steps to assist the Participant in mitigating any resulting loss pursuant to the Transaction Review Policy in Section 3 - Operation of the Platform below.

**Section 4.3. Compliance with Applicable Laws and Operating Procedures.** Access to and use of the Platform by the Participant shall be subject to compliance by the Participant, with all applicable Law and these Operating Procedures. At all times, the Participant shall be deemed hereby to represent and warrant to the Provider that its access to and use of the Platform complies in all respects with Participant's obligations under these Operating Procedures, and Participant's obligations under applicable Law. The Participant shall be solely responsible for maintaining any records of Transactions required to be maintained by it under Law, or any agreement to which the Participant is a party or by which it is bound.

**Section 4.4. Access Codes and Security.** The Provider shall provide the Participant with Access Codes to be used only by authorized personnel of the Participant. Participant shall be responsible for maintaining the security of the Access Codes used by its authorized personnel. The Participant shall promptly notify the Provider as soon as the Participant becomes aware of any unauthorized use or misuse of the Platform or the Access Codes. Upon receipt of such notice, if the Provider reasonably believes that the Participant or any other Person acting through the Participant's facilities, is breaching the Platform's security, using the Platform without due authority, or using the Platform in a manner that is not in the best interests of the participants therein generally, or otherwise misusing the Platform, the Provider shall have the right (but not the obligation) in its sole discretion to take any action as it may reasonably deem necessary to prevent the Participant or any such employee, agent or other Person, from accessing or using the Platform until such time as (in the Provider's sole determination) such breach, unauthorized use or misuse is no longer continuing or will no longer continue. The Participant shall take all measures reasonable under the circumstances to rectify such breach, use, unauthorized use, or misuse, whether requested by the Provider or not, including immediately ceasing to access or use the Platform. The Provider shall not be liable for any breach of Platform security or for any losses of the Participant arising therefrom, except to the extent caused by Provider's fraud, gross negligence or willful misconduct; provided, however, that to the extent any breach of Platform security results in the Participant executing a Transaction in which it did not intend to transact, Provider shall take reasonable steps to assist the Participant in mitigating any resulting loss pursuant to the Transaction Review Policy in Section 3 - Operation of the Platform below.

**Section 4.5. Risk of Transactions.** The Participant acknowledges and agrees that: (i) either the Provider or Provider's fully disclosed clearing broker will be the central counterparty to Participant and Other Institution in each Transaction and will execute each Transaction on a riskless principal basis; (ii) neither the Provider nor Provider's fully disclosed clearing broker shall, directly or indirectly, be responsible for, or otherwise guarantee, the performance of any Other Institution with respect to any Transaction entered into by the Participant via the Platform, and the Participant shall proceed solely against the Other Institution in any Transaction executed via the Platform and not against the Provider or Provider's fully disclosed clearing broker to collect or recover any amounts owed to it or to enforce any of its rights in connection with, or as a result of, such Transaction; (iii) neither the relationship between the Participant and the Provider, nor the services provided by the Provider hereunder, nor any other aspect of these Operating Procedures, shall give rise to any fiduciary or equitable duties on the part of the Provider; (iv) the Provider may receive fees from both the Participant and an Other Institution in respect of a Transaction executed through the Platform; (v) the submitting or posting of any information to or on the Platform by the Provider or any Other Institution shall not be deemed to be a recommendation by the Provider or any Other Institution that the Participant enters into any particular Transaction or that any particular Transaction is suitable or appropriate for the Participant; and (vi) if any Other Institution does not perform on its leg of a Transaction in accordance with the Operating Procedures, Provider and/or Provider's fully disclosed clearing broker reserve the right to cancel a Transaction in their sole discretion, and neither Provider nor Provider's fully disclosed clearing broker will be liable to Participant for the decision to cancel a Transaction.

**Section 4.6 Platform Access.** All Participants who use the application program interface provided by Cboe FI (the "API") as the method to access the Platform must keep Cboe FI fully informed at all times of the identity of each software program or system that directly or indirectly accesses the API. From time-to-time, at its sole discretion and as accommodation, Cboe FI may

provide a Participant with access to the Platform by coding to the API of the Participant (the "Participant API"). To the extent that a Participant accesses Platform via a Participant API, the Participant shall promptly notify Cboe FI regarding any material changes to the Participant API.

## ARTICLE V -- FEES

### Section 5.1. Fees.

(a) The Participant shall pay to the Provider the fees (the "Fees") set forth in the fee schedule located on Cboe FI's website for each Transaction executed via the Platform to which the Participant is a counterparty.

(b) The Provider may amend the Fees from-time-to-time, in its sole discretion, upon at least ten (10) days' prior written notice (which may be sent electronically) to the Participant.

### Section 5.2. Payment of Fees.

(a) All Fees payable by the Participant shall be payable in United States dollars.

(b) The Provider shall deliver an electronic invoice to the Participant within ten (10) days of the end of each month reporting the Fees incurred with respect to all Transactions entered into by the Participant, or other services provided to the Participant, during that month. Payment of all Fees incurred during the preceding month shall be due, and the Participant agrees to pay, in full within thirty (30) days of the date of the invoice. Fees that are thirty (30) days' or more past due shall bear interest in an amount equal to the lesser of one percent (1%) per month or the maximum rate permitted by Law on the delinquent amount, until the delinquent amount is received by the Provider. In addition, the Provider shall have the right to recover from the Participant all costs and expenses (including, without limitation, the fees and disbursements of attorneys and collection agencies) incurred in connection with collecting or attempting to collect overdue Fees.

(c) The Participant shall pay all amounts due hereunder via electronic funds transfer to an account designated by the Provider.

**Section 5.3. Taxes.** The Participant shall pay on a timely basis to the appropriate Governmental Authority all taxes, levies, or charges (other than taxes based on the Provider's net income or personnel) imposed by any Governmental Authority of any kind whatsoever with respect to the Fees paid to or owing to the Provider and the Transactions executed by the Participant via the Platform.

## ARTICLE VI -- OWNERSHIP OF INTELLECTUAL PROPERTY AND INFORMATION

**Section 6.1. Ownership.** The Participant acknowledges and agrees that the Provider is the sole owner (except to the extent owned by third party licensors) of all right, title and interest in and to the Platform and each component thereof and all intellectual property and proprietary rights with respect thereto, including, without limitation: patent, copyright, trade secret, trademark

and other proprietary rights, in and to the Platform and each component thereof, and to all modifications, including custom modifications, to the Platform and each component thereof, whether made by or with the assistance of the Participant or any other Person, and any know-how, techniques, methodologies, equipment or processes used by the Provider; the look and feel of the Platform and each component thereof and all of the Provider's websites; all software (front- and back-end), all registered trademarks, trademark applications, trademarks and service marks, tradenames, URL registrations and all pricing information (collectively, the "Provider IP Rights"). The Participant shall have no intellectual property rights in or to the Provider IP Rights nor to pricing information with respect to the Other Institutions. The Participant shall take all reasonable steps to maintain the confidentiality of all documents and material provided by the Provider, its Affiliates or third-party providers with respect to the Platform and each component thereof. The Participant shall not (i) alter, maintain, enhance, or otherwise modify the Platform; (ii) disassemble, decompile or reverse-engineer the Platform; nor (iii) otherwise take express action to replicate the equivalent of the Platform.

**Section 6.2. Other Participants' Information.** The Participant shall not have access to any personally identifiable information with respect to any Other Institution. An Other Institution shall not have access to any personally identifiable information with respect to the Participant.

**Section 6.3. Data.**

(a) Participant hereby grants to Cboe FI a non-exclusive, non-assignable, non-transferable, worldwide, irrevocable license to receive and use information and data that Participant, in its sole discretion, enters into the Platform ("Participant Data") solely for the following purposes: (i) dissemination of anonymous best bid/ask quotations to Participants; (ii) internal management of the Platform (e.g., to inform liquidity configuration decisions); (iii) Participant post trade reports on an anonymized basis; and (iv) controlled dissemination of anonymous bid/ask quotations to potential Participants solely on an ad hoc and infrequent basis for display purposes only. For the avoidance of doubt, Participant Data is not considered Confidential Information. Notwithstanding the foregoing license, as between Cboe FI and Participant, Participant retains all ownership and other rights associated with Participant Data. Participant represents and warrants to the best of its knowledge that, with respect to Participant Data: (i) Participant owns or has sufficient rights in and to Participant Data to authorize Cboe FI to use Participant's Data to perform all obligations under these Operating Procedures with respect thereto; and (ii) use or delivery of Participant Data by Participant or Cboe FI will not violate the proprietary rights (including, without limitation, any privacy rights) of any party; and (iii) use or delivery of Participant's Data by Participant or Cboe FI will not violate any applicable law or regulation.

(b) Cboe FI is the owner of the Data and reserves the right, in its sole discretion, to manipulate, use, license and sublicense the Data to its Affiliates. To the extent the Participant receives any Data from the Provider pursuant to the terms hereof, the Participant shall not publish or redistribute the Data, or otherwise directly or indirectly provide any third party with access to the Data, or any data or information derived from the Data, without the Provider's prior written consent, which consent shall not be unreasonably withheld or delayed; provided, however, that Participant may distribute the Data to clients solely on an ad hoc and infrequent basis in support of its business activities, so long as the Data has been aggregated with and displayed as



a composite of the same type of aggregate data and anonymized such that its publication does not identify that the source of such aggregate data is the Provider and it is rendered incapable of being reverse engineered. Data may be provided by Cboe FI to certain participants on the Platform pursuant to the terms of these Operating Procedures.

**Section 6.4. Trade Data.** Under certain circumstances as more fully described below, certain Participants may receive from Cboe FI at approximately 10:00 p.m., Eastern Time (ET), on each trading day, certain post-trade Data in respect of the trading day which had ended at 5:00 p.m., ET the prior trading day. Generally, Participants which satisfy Cboe FI's Liquidity Provider ("LP") Standards (which are part of these Operating Procedures and described below) may receive, in Cboe FI's sole determination, such post-trade Data. Cboe FI is under no obligation to send such Data to any such Participant and may discontinue to do so with respect to any or all Participants at any time.

In the event that Cboe FI determines, in its sole discretion, to send such Data to certain Participants which are deemed by Cboe FI to be LPs as set forth above, such Data may include information on orders that such LP had interacted with during the trading day, such as (a) a list of all of the Transactions entered into on the Cboe FI Platform by the LP on such trading day, (b) a list of all orders sent to the LP on the Cboe FI Platform on such trading day which were rejected (or deemed to have been rejected) by such LP and which did not result in the consummation of a transaction, or (c) a list of volumes of such LP's trading activity on the Platform in respect of a given day, and any such reports may also include such other post-trade Data as Cboe FI may determine in its discretion. In all cases, the counterparty to such Transactions and the party sending such rejected orders shall be identified to the LP by way of a numeric identifier and shall not be identified by name or by any other personally identifiable information.

**Section 6.5. Market Data Products.** No commercialized market Data ("Market Data") products will be created from the Full Amount (as defined below) trading protocol.

**Section 6.6. CUSIP Database.** Participant agrees and acknowledges that the CUSIP Database and the information contained therein is and shall remain valuable intellectual property owned by, or licensed to, CUSIP Global Services ("CGS") and the American Bankers Association ("ABA"), and that no proprietary rights are being transferred to Participant in such materials or in any of the information contained therein. Any use by Participant outside of the clearing and settlement of transactions requires a license from CGS, along with an associated fee based on usage. Participant agrees that misappropriation or misuse of such materials will cause serious damage to CGS and ABA, and that in such event money damages may not constitute sufficient compensation to CGS and ABA; consequently, Participant agrees that in the event of any misappropriation or misuse, CGS and ABA shall have the right to obtain injunctive relief in addition to any other legal or financial remedies to which CGS and ABA may be entitled.

Participant agrees that Participant shall not publish or distribute in any medium the CUSIP Database or any information contained therein or summaries or subsets thereof to any person or entity except in connection with the normal clearing and settlement of security transactions. Participant further agrees that the use of CUSIP numbers and descriptions is not intended to create or maintain, and does

not serve the purpose of the creation or maintenance of, a master file or database of CUSIP descriptions or numbers for itself or any third-party recipient of such service and is not intended to create and does not serve in any way as a substitute for the CUSIP MASTER TAPE, PRINT, DB, INTERNET, ELECTRONIC, CD-ROM Services and/or any other future services developed by the CGS.

NEITHER CGS, ABA NOR ANY OF THEIR AFFILIATES MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO THE ACCURACY, ADEQUACY OR COMPLETENESS OF ANY OF THE INFORMATION CONTAINED IN THE CUSIP DATABASE. ALL SUCH MATERIALS ARE PROVIDED TO PARTICIPANT ON AN "AS IS" BASIS, WITHOUT ANY WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE NOR WITH RESPECT TO THE RESULTS WHICH MAY BE OBTAINED FROM THE USE OF SUCH MATERIALS. NEITHER CGS, ABA NOR THEIR AFFILIATES SHALL HAVE ANY RESPONSIBILITY OR LIABILITY FOR ANY ERRORS OR OMISSIONS NOR SHALL THEY BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT OR INDIRECT, SPECIAL OR CONSEQUENTIAL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL THE LIABILITY OF CGS, ABA OR ANY OF THEIR AFFILIATES PURSUANT TO ANY CAUSE OF ACTION, WHETHER IN CONTRACT, TORT, OR OTHERWISE, EXCEED THE FEE PAID BY PARTICIPANT FOR ACCESS TO SUCH MATERIALS IN THE MONTH IN WHICH SUCH CAUSE OF ACTION IS ALLEGED TO HAVE ARISEN. FURTHERMORE, CGS AND ABA SHALL HAVE NO RESPONSIBILITY OR LIABILITY FOR DELAYS OR FAILURES DUE TO CIRCUMSTANCES BEYOND THEIR CONTROL.

Participant agrees that the foregoing terms and conditions in this Section 6.6 shall survive any termination of its right of access to the materials identified above.

## ARTICLE VII -- WITHDRAWAL OF A PARTICIPANT

**Section 7.1. Withdrawal of a Participant.** A Participant may withdraw from the Platform by submitting a written request to the Provider. All requests for withdrawal of Participant status will be reviewed by Provider's staff. Unless otherwise provided by written agreement, a Participant's request to withdraw from the Platform shall be effective thirty (30) days after the Provider's receipt of a Participant's request to withdraw and shall be conditioned upon payment of all fees due and owing to the Provider by such Participant.

Notwithstanding anything contained in the preceding paragraph, any Participant which either has (i) withdrawn from the Platform or (ii) had its trading privileges terminated or revoked by the Provider, shall remain liable to the Provider with respect to all matters arising from, in connection with or related to the status, acts or omissions of such Participant that occurred prior to such Participant's withdrawal, or prior to the termination or revocation of such Participant's trading privileges. For the avoidance of doubt, the Participant shall remain liable for all activity on the Platform up to and including the actual termination date of trading privileges.

### **Section 7.2. Termination.**

(a) Either of the Participant or the Provider shall have the right to terminate this Agreement immediately upon written notice to the other party in the event of any action, application or proceeding taken in respect of the other party with respect to the bankruptcy or insolvency of the other party. In addition, at any time following the Effective Date, either of the Participant or the Provider shall have the right to terminate this Agreement, without cause, upon thirty (30) days' advance written notice to the other party.

(b) The Provider shall have the right to terminate this Agreement upon thirty (30) days' prior written notice to the Participant in the event of any material breach by the Participant of this Agreement, including the Operating Procedures, which is not cured within such thirty (30) day period.

(c) The Provider shall have the right to terminate this Agreement immediately upon notice to the Participant: (i) upon the occurrence of any event which would reasonably prevent the Provider from providing the Platform to participants generally, including, without limitation, any termination of, default under, or failure to enter into an agreement between the Provider and any third party (other than an Affiliate) that is material to the operation of the Platform, any loss or potential loss of regulatory authorization or license, or any limitation on the Provider's right to license the use of the Platform to participants; (ii) if the Participant has violated any Law in connection with its use of the Platform; (iii) if, as a result of the use or misuse of the Platform by the Participant, the Provider has suspended access to and use of the Platform in accordance with this Agreement and the Participant fails to cure the cause of the suspension to the reasonable satisfaction of Provider within ten (10) days of such suspension; (iv) if the Provider determines, in its sole discretion, that the security or normal operation of any part of the Platform has been compromised and cannot be promptly cured; or (v) if the Provider determines, in its sole discretion, that it shall for any reason cease providing access to the Platform to participants generally. In the event that Provider exercises its right to terminate this Agreement under this subsection (c), subject to Section 7.3, below, it shall do so without any liability to the Participant.

**Section 7.3. Effect of Termination.** Termination of this Agreement shall not terminate or otherwise modify the Participant's obligations with respect to any liability or matter arising out of the use by the Platform by the Participant, any Transaction executed via the Platform by the Participant prior to such termination, or any other obligations intended to survive such termination. Upon such termination, the Participant shall pay all Fees accrued and payable to the Provider under this Agreement prior to such termination and shall, upon Provider's written request, promptly return to the Provider or destroy (at Participant's election) all materials and documents relating to this Agreement and the Platform ("Platform Information"); provided that Participant shall not be under any obligation to effect any such return or destruction of Platform Information to the extent Participant is required to keep copies of Platform Information as a matter of legal or regulatory obligation, governmental or court order, professional or compliance rules or internal compliance rules or policies; provided, further, that the return or destroy obligation shall only apply to any documents saved in electronic form to the extent that it is reasonably practicable to expunge such documents from computers, back-up systems or similar devices.

## **ARTICLE VIII -- REPRESENTATIONS AND WARRANTIES**

**Section 8.1. Representations and Warranties of the Provider.** The Provider hereby represents and warrants to the Participant that: (i) it has the power and authority to execute, deliver and perform its obligations under these Operating Procedures; (ii) these Operating Procedures constitute its legal, valid and binding obligation, enforceable against it in accordance with its terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity; and (iii) it has and will maintain security controls that meet applicable standards and comply with applicable regulatory requirements.

## **ARTICLE IX -- DISCLAIMERS AND LIMITATION OF LIABILITY**

**Section 9.1. DISCLAIMERS.** THE PARTICIPANT UNDERSTANDS AND AGREES THAT THE PLATFORM, ITS COMPONENTS, ANY RELATED EQUIPMENT, ANY DOCUMENTATION AND OTHER MATERIALS ARE PROVIDED "AS IS". EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, THE PROVIDER, ITS AFFILIATES, AND ANY THIRD-PARTY PROVIDERS, SPECIFICALLY DISCLAIM, WITHOUT LIMITATION, ALL WARRANTIES OF ANY KIND TO THE PARTICIPANT AND OTHER THIRD PARTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR THOSE WARRANTIES ARISING FROM A COURSE OF PERFORMANCE, A COURSE OF DEALING OR TRADE USAGE. THE PROVIDER AND ITS AFFILIATES MAKE NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION ON THE PLATFORM OR AS TO THE RESULTS TO BE ATTAINED BY THE PARTICIPANT OR ANY THIRD PARTY FROM ACCESS TO OR USE OF THE PLATFORM. THE PROVIDER, ITS AFFILIATES AND THIRD-PARTY PROVIDERS SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY CLAIMS RELATING TO ANY SOFTWARE, ANY TECHNOLOGY, ANY EQUIPMENT, THE PLATFORM, ANY INFORMATION, MATERIALS, TRANSACTIONS OR THAT THE PLATFORM MEETS THE PARTICIPANT'S REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, COMPLETE, ACCURATE OR FREE FROM ERRORS OR DEFECTS, EXCEPT IN

INSTANCES IN WHICH THE PROVIDER HAS ENGAGED IN FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR BREACHED ANY WARRANTY, REPRESENTATION OR AGREEMENT. THE PROVIDER DOES NOT MAKE ANY WARRANTY AS TO THE LIFE OF ANY URL GENERATED OR PUBLISHED. THE PARTICIPANT ACKNOWLEDGES THAT CERTAIN SOFTWARE AND EQUIPMENT USED BY THE PARTICIPANT MAY NOT BE CAPABLE OF SUPPORTING CERTAIN FEATURES OF THE PLATFORM. EACH PARTY HERETO HEREBY ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES MADE BY THE OTHER EXCEPT AS SPECIFICALLY SET FORTH IN THESE OPERATING PROCEDURES.

**Section 9.2. Limitation of Liability.** The parties hereto acknowledge that the limitations set forth in this Section 9.2 are integral to the amount of Fees levied in connection with these Operating Procedures and that, were the Provider to assume any further liability other than as expressly set forth herein, such Fees would of necessity be set substantially higher. **EACH PARTY UNDERSTANDS AND AGREES THAT IT, ITS AFFILIATES AND THIRD PARTY PROVIDERS (AND THEIR RESPECTIVE REPRESENTATIVES) SHALL HAVE NO LIABILITY FOR ANY INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFIT, LOST DATA, LOSS OF USE OF THE PLATFORM, BUSINESS INTERRUPTION, LOSS OF BUSINESS REPUTATION OR GOODWILL, COSTS OF SUBSTITUTE SERVICES, OR DOWNTIME COSTS) SUFFERED BY THE OTHER PARTY, ITS AFFILIATES, THIRD PARTY PROVIDERS AND REPRESENTATIVES, EVEN IF THE OTHER PARTY, ITS AFFILIATES, THIRD PARTY PROVIDERS AND REPRESENTATIVES HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE. NOTWITHSTANDING ANY OTHER PROVISION OF THESE OPERATING PROCEDURES, THE AGGREGATE LIABILITY OF THE PROVIDER AND ITS AFFILIATES (AND THEIR REPRESENTATIVES) FOR DAMAGES FOR ANY CAUSE WHATSOEVER RELATING TO OR ARISING OUT OF THESE OPERATING PROCEDURES OR THE PLATFORM, AND REGARDLESS OF THE FORM OF ACTION, SHALL BE LIMITED TO (A) THE AMOUNT OF FEES ACTUALLY PAID BY THE PARTICIPANT TO THE PROVIDER DURING THE SIX (6) MONTHS PRIOR TO THE EVENT GIVING RISE TO SUCH DAMAGES OR (B) \$50,000, WHICHEVER AMOUNT IS GREATER; PROVIDED, HOWEVER, THAT SUCH LIMITATION DOES NOT APPLY IN RESPECT OF ANY LIABILITY ARISING OUT OF A PARTY'S GROSS NEGLIGENCE, FRAUD, OR WILLFUL MISCONDUCT, OR A PARTY'S OBLIGATIONS UNDER ARTICLE X (INDEMNIFICATION).**

**Section 9.3. ADDITIONAL LIMITATIONS.** THE PROVIDER SHALL HAVE NO LIABILITY TO THE PARTICIPANT IN CONNECTION WITH THE FAILURE BY ANY OTHER INSTITUTION TO PERFORM ITS OBLIGATIONS UNDER A TRANSACTION ENTERED INTO BY THE PARTICIPANT AND SUCH OTHER INSTITUTION OR THE FAILURE OF ANY OTHER INSTITUTION OR OTHER PARTICIPANTS TO COMPLY WITH THESE OPERATING PROCEDURES OR ITS AGREEMENTS WITH THE PROVIDER REGARDING ACCESS TO OR USE OF THE PLATFORM.

## **ARTICLE X -- INDEMNIFICATION**

**Section 10.1 Indemnification by Provider.** The Provider agrees to defend, hold harmless and indemnify each Participant Covered Party from and against any claim, suit or proceeding brought by a third-party against such Participant Covered Party to the extent that such claim, suit or proceeding is based on a claim that the Platform infringes any copyright, trade secret or registered patent of a third party, and the Provider shall pay all costs incurred by (including reasonable attorneys' fees and disbursements) and damages finally awarded against a Participant Covered Party with respect to such third-party claim, suit or proceeding; provided that the Provider shall not be responsible in any way for (i) any compromise or settlement made without the Provider's prior written consent or (ii) such costs and damages that result from the Participant Covered Party's

fraud, gross negligence or willful misconduct. Such indemnity, however, specifically excludes any claims, suits, or proceedings (or portions thereof) which arise or result, directly or indirectly, from the misuse of the Platform by the Participant, or the use of the Platform by Participant in a manner that violates Law or these Operating Procedures, or in a manner for which the Platform was neither designed nor contemplated, provided that no infringement would have occurred absent such misuse or such use. Such indemnity also specifically excludes any claims, suits or proceedings which arise or result from (i) alteration of the Platform by the Participant, provided that no infringement would have occurred absent such alteration, or (ii) use of the Platform by the Participant in combination with apparatus, hardware, software, or services not provided, authorized, or furnished by the Provider, provided that no infringement would have occurred absent such combination. The Participant Covered Party seeking indemnification under this Section 10.1 shall promptly notify the Provider in writing of any claim, suit or proceeding that the Provider may have obligations under this Section 10.1, provided, however, that any failure of the Participant Covered Party to provide prompt written notice pursuant to this Section 10.1 shall excuse the Provider only to the extent that it is prejudiced thereby. The Participant Covered Party seeking indemnification hereunder shall reasonably cooperate with the Provider regarding the defense of any claim, proceeding, suit or threatened suit. The Provider shall have full control of any such claim, proceeding or suit and the authority to settle or otherwise dispose of any suit or threatened suit. In no event, however, may the Provider agree, without the Participant Covered Party's prior written consent, to any settlement of any pending or threatened claim, suit or proceeding for which it has agreed to provide indemnification under these Operating Procedures unless such settlement (i) imposes liability or obligation upon the Participant Covered Party; (ii) does not include a statement as to or admission of fault, culpability or a failure to act by or on behalf of any Participant Covered Party; and (iii) includes a provision unconditionally releasing the Participant Covered Party and each other indemnified party from all liability in respect of claims by any releasing party. Upon written notice of a third-party claim that the Platform is infringing a third party's copyright, trade secret or registered patent, the Provider may, but is not obligated to (i) modify or replace the Platform to make it non-infringing; (ii) procure any rights from any Person necessary to continue to provide access to the Platform; or (iii) cease to provide access to the Platform (but only if alternatives (i) or (ii) are not commercially reasonable), in full satisfaction of its obligations under this Section 10.1. The indemnity herein excludes any cost or damages attributable to Participant's continued use of the Platform after Participant's receipt of written notice from Provider that Provider has elected to cease providing the Platform pursuant to this Section 10.1. The provisions of this Section 10.1 state the sole and exclusive remedy of the Participant and each Participant Covered Party with respect to third-party infringement claims relating to the Platform.

**Section 10.2. Indemnification by Participant.** The Participant agrees to defend, hold harmless and indemnify each Provider Covered Party from and against any claim, suit or proceeding brought by a third party against such Provider Covered Party to the extent that it is based on a claim arising, directly or indirectly, out of the Participant's trading on the Platform, or any other trade or transaction involving the Participant, and the Participant shall pay all costs incurred by (including reasonable attorneys' fees and disbursements) and damages finally awarded against the Provider Covered Party; provided that the Participant shall not be responsible for (i) any compromise or settlement made without the Participant's prior written consent or (ii) such costs and damages that result from the Provider Covered Party's fraud, gross negligence or willful misconduct. The Provider Covered Party seeking indemnification under this Section 10.2 shall

promptly notify the Participant in writing of any claim, suit or proceeding that the Participant may have obligations under this Section 10.2, provided, however, that any failure of the Provider Covered Party to provide prompt written notice pursuant to this Section 10.2 shall excuse the Participant only to the extent that it is prejudiced thereby. The Provider Covered Party seeking indemnification hereunder shall reasonably cooperate with the Participant regarding the defense of any claim, proceeding, suit or threatened suit. The Participant shall have full control of any such claim, proceeding or suit and the authority to settle or otherwise dispose of any suit or threatened suit. In no event, however, may the Participant agree to any settlement of any claim, suit or proceeding for which it has agreed to provide indemnification under these Operating Procedures if such settlement would impose any liability or obligation upon the Provider Covered Party, without the Provider Covered Party's prior written consent.

## **ARTICLE XI – CONFIDENTIALITY AND NON-USE**

**Section 11.1. Confidentiality and Non-Use Obligations.** In addition to any confidentiality and non-use obligations set forth in the Participant Agreement or elsewhere in these Operating Procedures, the Receiving Party shall be obligated to comply with this Article XI with respect to Confidential Information of the Disclosing Party. The Receiving Party shall: (i) treat and cause to be treated as confidential all such Confidential Information; (ii) use the same degree of care, but no less than a reasonable degree of care, to avoid publication, disclosure, unauthorized use, or dissemination of such Confidential Information as the Receiving Party employs with respect to its own information of like importance; (iii) use such Confidential Information only in connection with the purpose for which it was provided; (iv) grant access to such Confidential Information only to Representatives that have a need to know such information for the purpose for which it was provided; (v) not alter, modify, decompile, disassemble, reverse engineer, translate or create derivative works from such Confidential Information; and (v) return or destroy (at Disclosing Party's election) the Disclosing Party's Confidential Information promptly following the Disclosing Party's request; provided that Receiving Party shall not be under any obligation to effect any such return or destruction of such Confidential Information to the extent the Receiving Party or its Representatives are required to keep copies of such Confidential Information as a matter of legal or regulatory obligation, governmental or court order, professional or compliance rules or internal compliance rules or policies; provided, further, that the return or destroy obligation shall only apply to any documents saved in electronic form to the extent that it is reasonably practicable to expunge such documents from computers, back-up systems or similar devices. Any such destruction will, upon the request of the Disclosing Party, be confirmed in writing.

**Section 11.2. Compelled Disclosure.** The Receiving Party may disclose Confidential Information of the Disclosing Party to the extent required by a Governmental Authority or other third party under operation of Law, provided that the Receiving Party (other than in connection with a routine regulatory examination of Receiving Party or its Affiliates) notifies the Disclosing Party in writing of any such disclosure obligation promptly upon receipt. The Receiving Party will (other than in connection with a routine regulatory examination of Receiving Party or its Affiliates) (a) consult to the extent reasonable under the circumstances with the Disclosing Party on the advisability of taking steps to resist or narrow such request; and (b) if disclosure is required or deemed advisable, not hinder the Disclosing Party in any attempt that it may make to obtain an order or other reliable assurance that designated portions of its Confidential Information should not be disclosed. The Receiving Party will be entitled to reimbursement of reasonable expenses, including the fees and expenses of counsel, incurred in connection with actions taken pursuant to this provision. The Receiving Party shall notify



the Disclosing Party immediately upon discovery of any loss, unauthorized disclosure or use of such Confidential Information or any other breach of its confidentiality obligations. In any such event, the Receiving Party shall help the Disclosing Party in every reasonable way to regain possession of the Confidential Information and shall prevent any further unauthorized disclosure or use.

**Section 11.3. Injunctive Relief.** The Receiving Party acknowledges that the Confidential Information of the Disclosing Party constitutes unique and valuable information of the Disclosing Party and that the breach of any of the provisions contained herein will result in irreparable harm and continuing damages to the Disclosing Party and its business, and that legal remedies for any such breach or threatened breach would be inadequate. Accordingly, in addition to such remedies as may be available to the Disclosing Party at Law, the Disclosing Party shall be entitled to an injunction (both preliminary and permanent) from any court of competent jurisdiction, without posting bond or other security, enjoining and restricting the breach or threatened breach.

**Section 11.4. Term.** The terms and conditions of this Article XI shall survive the termination of the Agreement for a period of five (5) years from the date of such termination.

## ARTICLE XII – MISCELLANEOUS

**Section 12.1. Force Majeure.** In the event that either the Participant or the Provider is unable to perform any of its obligations under these Operating Procedures because of a natural disaster, act of war, act of terrorism, actions or decrees of Governmental Authorities, communications line failure, computer hackers or other events not the fault of the affected party (a “Force Majeure Event”), the party who has been so affected shall give notice immediately to the other party and shall use its best efforts to resume performance hereunder. Neither party shall be liable for any failure or delay in the performance of any its obligations (other than the payment of Fees pursuant to Article V) due to a Force Majeure Event. Failure to meet due dates or time schedules resulting from a Force Majeure Event shall extend the due dates or time schedules for reasonable periods of time as reasonably determined by the Provider in good faith.

**Section 12.2. Notices.** Except as expressly provided herein, all notices or other communications required or permitted hereunder shall be in writing and shall be delivered personally, sent by email, sent by certified, registered or express air mail, postage prepaid, or sent by overnight courier, and shall be deemed given (i) when so delivered personally, (ii) upon receipt of email, or (iii) if mailed, sent by overnight courier, or sent electronically, upon actual receipt, (x) if to the Participant, to the contact as set forth in the Participant Agreement, and (y) if to the Provider, at the address or email addresses set forth below:

Cboe Fixed Income Markets, LLC  
17 State Street, 31<sup>st</sup> floor  
New York, New York 10004  
Attn: Legal Department

Email: [legalnotices@cboe.com](mailto:legalnotices@cboe.com)  
With a copy to: [fitradedesk@cboe.com](mailto:fitradedesk@cboe.com)

**Section 12.3. Survival of Certain Sections.** Articles IV, VI, VIII, IX, X, XI, and XII and Sections 3.6, 5.2, 5.3 and 7.3 of these Operating Procedures and Section 1 of the Agreement shall

survive any termination of the Agreement.

## **OPERATION OF THE PLATFORM**

### **1. Obligations of Participants**

A Participant may enter into Transactions on the Cboe FI Platform for its own account on a principal basis and is required to establish certain limits (“Credit Limits”) for its various trading accounts. The Participant may designate such Credit Limits directly on a Cboe FI-provided user interface. Cboe FI shall be entitled to rely upon information provided by such Participant through the Platform and shall not be responsible for any losses to a Participant or to any other person arising from such Participant’s failure to monitor its Credit Limits adequately and appropriately. The Participant may, alternatively, communicate to Cboe FI its Credit Limits in writing via email or via other form of communication; provided, however, that the Credit Limits shall only be effective upon entry into the Platform’s system, either by the Participant or by Cboe FI staff on its behalf.

### **2. Available Securities**

The Cboe FI Platform offers Participants the ability to enter into Transactions (as such term is defined above) in the current on-the-run issues that are listed on Cboe FI’s website (the “UST Securities Issues Webpage”).

### **3. Transaction Review Policy**

Either the Provider or Provider’s fully disclosed clearing broker will be the central counterparty to Participant and Other Institution in each Transaction and will execute each Transaction on a riskless principal basis. Neither the Provider nor Provider’s fully disclosed clearing broker shall, directly or indirectly, be responsible for, or otherwise guarantee, the performance of any Other Institution with respect to any Transaction entered into by the Participant via the Platform, and the Participant shall proceed solely against the Other Institution in any Transaction executed via the Platform and not against the Provider or Provider’s fully disclosed clearing broker to collect or recover any amounts owed to it or to enforce any of its rights in connection with, or as a result of, such Transaction. If any Other Institution does not perform on its leg of a Transaction in accordance with the Operating Procedures, Provider and/or Provider’s fully disclosed clearing broker reserve the right to cancel a Transaction in their sole discretion, and neither Provider nor Provider’s fully disclosed clearing broker will be liable to Participant for the decision to cancel a Transaction. Any other Transactions executed on the Platform between a Participant and Other Institution shall remain in full force and effect. Any dispute between a Participant and Other Institution relating to a Transaction or otherwise, shall be resolved between such counterparties or be arbitrated pursuant to FINRA’s rules.

### **4. Liquidity Configuration and Quoting**

Cboe FI Participants may interact with a customized set of potential counterparties that is

determined by Cboe FI in its sole discretion based on several factors, including but not limited to: (a) Participant-defined trading strategy or objectives; (b) Participant-defined counterparty preference; (c) Participant-defined types of liquidity (i.e., firm only, non-firm only, or both firm and non-firm); (d) Participant's access method; (e) historical market impact; (f) historical bid-offer spreads; and (g) historical acceptance rates.

For the avoidance of doubt, Cboe FI may, in its sole discretion, decline to implement any Participant-defined configuration, and may modify such configuration at any time for any reason.

Liquidity Provider quotes are disseminated only to counterparty Liquidity Consumers ("LCs") and are never made available to other LPs or non-counterparty LCs. Conversely, LCs will never interact with other LCs and may only view LP quotes that are available within their configured liquidity pool.

Though LPs may stream quotes to Cboe FI in a decimalized format, market data will always be disseminated to LCs in prescribed price increments defined for each security made available to trade as listed on the UST Securities Issues Webpage pursuant to Section 2 above. To the extent that an LP's streamed quote is within a prescribed price increment, it will be disseminated to LCs at the nearest (less marketable) prescribed price increment. Should an aggressive LC order match against an LP quote that had been streamed to Cboe FI at a more marketable rate, the trade will execute at the better rate from the LC's perspective.

#### **5. Full Amount Protocol**

All quotes received in the order book are sorted and matched based on a protocol of variables to be considered in the following order: (i) price; (ii) firm; (iii) non-firm (see Section 8 below); and (iv) time. Cboe FI will disseminate to each LC the best bid and offer available at a given size for each subscribed U.S. Treasury security within its configured liquidity pool based on this protocol.

All aggressive orders sent to the Platform shall be deemed to have a minimum fill size equivalent to the full notional amount of the order (i.e., the "Full Amount"). A match will only occur against a single quote in respect of the full notional amount of the order (and will not occur in respect of less than such full notional amount).

#### **6. Order Types**

Available order types are listed and described on Annex A attached hereto.

## **7. Bona Fide U.S. Treasury Securities Transactions**

The Cboe FI Platform permits certain bona fide Transactions, which generally settle within one business day of the trade date. A full listing of securities, minimum price increments, and reference data can be found on Cboe FI's website.

## **8. Liquidity Providers**

The Cboe FI Platform permits the submission and posting of firm and non-firm quotes. To the extent a Participant of the Platform has been designated by Cboe FI in its discretion as an LP pursuant to Cboe FI's LP Standards, which standards are located on Cboe FI's website and which are incorporated into these Operating Procedures by reference, such LP may be permitted to provide non-firm liquidity to the Platform. While firm liquidity consists of quotes submitted to the Platform that are immediately executable against incoming orders without any further action, non-firm liquidity consists of quotes submitted to the Platform that require the LP submitting such quote to either accept or decline an incoming order within certain parameters determined by Cboe FI prior to an execution against such LP's quote. An LP may provide firm or non-firm quotes to the Platform. Participants may, upon request, choose to interact with both firm and non-firm liquidity, or may opt to interact only with firm or non-firm liquidity.

Cboe FI does not disclose any identifying counterparty information to LPs before or during the order review time ("ORT"). If an LP does not affirmatively accept or decline an incoming order within the ORT, the incoming order will be deemed to have been rejected by the LP and no transaction will be executed. If such LP attempts to accept the incoming order after the ORT has expired, the Platform will electronically notify it that no transaction was executed. At Cboe FI's discretion, a LP that fails to meet the LP Standards shall lose its privilege of providing liquidity to the Platform.

A Participant which has chosen to interact with non-firm liquidity will have its order routed to match the best available quote as set forth in Section 5. In the event that such order matches a non-firm quote and the order is not accepted by the relevant LP prior to the expiration of the ORT, the aggressing order will be canceled by the Platform.

## **9. Transfer of Market Risk; Execution of Transactions**

Transactions involving firm liquidity are executed on the Platform when orders are matched by the Platform. In the case of non-firm liquidity, Transactions are executed upon acceptance of an order by the relevant LP. In either case, the transfer of market risk occurs upon execution of the Transaction as confirmed by the Platform, and any such execution shall not be affected by whether or not the Platform receives an acknowledgement from either or both parties to a Transaction

(including by a third-party intermediary acting on any such party's behalf) of its receipt of such confirmation. In all cases, the terms as set forth on the confirmation sent by the Platform shall constitute conclusive evidence of a transaction's execution under such terms.

#### **10. Order / Quote Number Limits**

Cboe FI may, in its discretion, limit the number of orders / quotes that an account may submit to the Platform within a given timeframe in order to protect Participants against excessive quoting and other errors. If a Participant exceeds any such order / quote number limit, the Platform will not accept any subsequent orders / quotes from that account for the remainder of the timeframe. Notwithstanding the foregoing, the Platform will continue to accept cancel orders during the remainder of the timeframe.

#### **11. Trading Days and Trading Hours**

The Platform generally operates from 7:30 a.m., ET, until 5:00 p.m., ET, Monday through Friday, and adheres to the holiday calendar set forth by SIFMA and located on its website.

#### **12. Participant Conduct and Review/Compliance Inquiries**

Cboe FI actively reviews transactions and Participant activity occurring on the Platform, both in real-time and on a post-trade basis. The Platform generates certain alerts from time to time designed to facilitate the review by Cboe FI staff of the conduct of its Participants. Cboe FI reserves the right to restrict or suspend a Participant's access to and use of the Platform if Cboe FI determines in its sole discretion that a Participant's activity fails to conform to these Operating Procedures or otherwise fails to reflect responsible trading practices or any common set of guidelines developed to promote the integrity and effective functioning of the interdealer US Treasury market.

To the extent a Participant has a question or requires support in respect of matters relating to conduct or other compliance issues, it may contact [FICompliance@cboe.com](mailto:FICompliance@cboe.com).

#### **13. Data Privacy/Transfers of Data Outside the EEA**

Provider agrees to comply with applicable data protection laws.

To the extent Personal Data includes information about individuals who are located in the European Economic Area ("EEA"), and Provider stores or otherwise processes such Personal Data outside of the EEA (other than to a country which is deemed by the European Commission to have an adequate level of protection by reason of its domestic law or of the international commitments

it has entered into), the provisions in the Standard Contractual Clauses<sup>1</sup> shall apply and shall supplement and form part of each such Participant Agreement.

***These revised Operating Procedures shall become effective automatically on the Effective Date set forth above, without further notice.***

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<sup>1</sup> “Standard Contractual Clauses” means the Standard Contractual Clauses for the Transfer of Personal Data From the Community to Third Countries (Controller-to-Controller Transfers) as approved by the European Commission Decision C(2004)5271 or any model clauses that are approved by the European Commission to amend or replace such

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clauses. “Data Subject”, “Personal Data” and “Processing” have the meaning given in the Standard Contractual Clauses.



Annex A  
Order Types

<i>Order Types</i>	<i>LCs</i>	<i>LPs</i>	<i>Description</i>
<b>1. Limit Orders</b>			
A. Session		✓	The Limit Session order type will submit an order with a limit price, becoming a new quote on the Full Amount order book. The order's time in force is Session; the order will remain on the order book until the order is matched, canceled by the Participant, or the Participant's session is terminated with the Platform. A Limit Session order may never aggress against a resting order.
B. Immediate or Cancel (IOC)	✓		The Limit IOC order type will submit an aggressive order to the order book. This order type will match against the best market quote better than or equal to its limit price, with a size equal to or greater than its order size, if available. If there is no liquidity available, the Limit IOC will be canceled by the Platform. The order's time in force is IOC; it may be completely filled or canceled.

**Annex B**  
**Revision History**

<i>Effective Date</i>	<i>Description of revisions as against previous version</i>
February 10, 2023	<ul style="list-style-type: none"> <li>• Added Revision History (Annex B)</li> <li>• Revised Section 3.1 to extend the notice period for amending the Operating Procedures from ten (10) days to twenty (20) days prior to posting on Cboe FI's website.</li> <li>• Amended Section 3.1 to provide email notification of amendments to the Operating Procedures to Participants via email to the extent reasonably practicable.</li> </ul>
March 16, 2023	<ul style="list-style-type: none"> <li>• Definition of Confidential Information and Section 11.1(Confidentiality and Non-Use Obligations) amended to make mutual.</li> <li>• Definition of Confidential Information revised to clarify that the definition of Confidential Information does not include Participant Data (as defined).</li> <li>• Section 11.2 (Compelled Disclosure) amended to make mutual.</li> <li>• Section 6.3(a) (Data) amended to allow Provider to disseminate Participant Data to potential Participants on an ad hoc and infrequent basis for display purposes only.</li> <li>• Section 6.3(b) (Data) amended to allow Participants to distribute Data to their clients solely on an ad hoc and infrequent basis in support of their business activities as set forth therein.</li> <li>• Section 8.1 (Representations and Warranties of the Provider) revised to clarify that Provider has security controls that meet applicable standards and comply with applicable regulatory requirements.</li> <li>• Section 10.1 (Indemnification by Provider) amended to provide that Provider's indemnity excludes any cost or damages attributable to Participant's continued use of the Platform after Participant's receipt of written notice from Provider that Provider has elected to cease providing the Platform pursuant to that Section.</li> </ul>