



SPECTRAXE

Attachment A

SpectrAxe Rulebook

Amendments Generally and to Rule 101, Rule 204, Rule 212, Rule 302, Rule 306, Rule 312, Rule 314, Rule 403, Rule 404.C, Rule 405, Rule 406, Rule 407, Rule 412, Rule 413, Rule 414, Rule 415, Rule 416, Rule 502, Rule 503, Rule 903, Rule 1102 and Rule 1104

[Explanation of changes, blackline format, and clean format provided in the following page]



Explanation of Changes

Rule	Description of Change	Explanation of Change and Relevant SEF Core Principles
General	<p>Changed references to the “SEF” to either the “Company” or the “Axe FX Trading Platform,” as appropriate.</p> <p>Changed references to the “SEF Platform” to the “Axe FX Trading Platform.”</p> <p>Changed references to “Rules of the SEF” to “Rules of this SpectrAxe Rulebook.”</p>	<p>Updated Rulebook references to the “SEF” and the “SEF Platform” to the “Axe FX Trading Platform,” which is the new name given to the SEF platform operated by SpectrAxe.</p> <p>Certain references to the “SEF” actually meant SpectrAxe, the company, and not the SEF platform operated by SpectrAxe. Such references were updated to the “Company” to better clarify what is being referenced.</p> <p>The phrase “Rules of the SEF” have been changed to “Rules of this SpectrAxe Rulebook” to clarify that the referenced Rules are located solely in the SpectrAxe Rulebook.</p>
101. Defined Terms	<p>Amend definition of “Designated Contact.”</p> <p>Add definition of “Operational Contact.”</p>	<p>Certain Participants requested that the individual(s) responsible for receiving general updates regarding the Axe FX Trading Platform be separate from the individual(s) responsible for overseeing the Authorized Users on the Axe FX Trading Platform. Accordingly, the Rulebook has been updated to divide the Designated Contact into two different positions: an updated Designated Contact, who is responsible for receiving and reviewing general notices sent by the Company, and the new Operational Contact, who is the individual that the Company will contact in regards to any issues regarding Trades and/or Authorized Users.</p> <p>Participants can designated the same individual(s) as both their Designated Contact and Operational Contact, if they wish.</p>

		SEF Core Principle 4
101. Defined Terms	Amend definition of "Legal Team."	The definition of "Legal Team" was amended to clarify that it also references external legal counsel, where appropriate.
101. Defined Terms	Amend definition of "Order Book."	The previous definition referred to "Participants in the trading system or platform," which is redundant since all Participants, by definition, are participants of the Axe FX Trading Platform. Accordingly, the unnecessary phrase "in the trading system or platform" was removed.
101. Defined Terms	Remove the term "Participant Agreement Addendum."	The Participant Agreement Addendum was the addendum to the Participant Agreement that stated the various Limits applicable to the Participant. The onboarding process has been streamlined to no longer have the notice of the Limits applicable to a Participant be an addendum to the Participant Agreement. Participants and PFIs have instead preferred a standalone Limits notice form or providing written notice via email. Accordingly, the term "Participant Agreement Addendum" has been removed and, where appropriate, replaced with references to a general "Limits notice."
101. Defined Terms	Amend definition of "PFI Participant Agreement."	The definition was updated to clarify that the PFI Participant Agreement may not necessarily have any addendums. To be clear, the current version of the PFI Participant Agreement does not have any addendums.
101. Defined Terms	Amend definition of "Swap Execution Facility."	The definition was updated to remove the unnecessary phrase "as such."
204(d)(i). Participant Committee	Fix grammar.	The term "provide" has been changed to "provides."
212. Confidentiality	Fix grammar.	Updated the combined reference to "material or non-public information" to separate references of "material information" and "non-public

		information” to clarify that they are separate concepts.
302(b). Trading Privileges Eligibility	Update ECP proof requirement. Remove the reference to the Participant Agreement Addendum and include the option to submit an alternative form of authorization from the PFI indicating the Limits available to the Participant.	The ECP proof requirement has been updated to no longer represent in writing that a Participant is an ECP. Though certain Participants will certainly represent in writing that they are ECPs, others have directed the Company to other forms of proof of their ECP status, such as their swap dealer registration status. The Company finds such proof sufficient of a Participant’s ECP status and will not further require a separate representation in writing. As explained above, the term “Participant Agreement Addendum” has been removed and replaced, where appropriate, with references to a general Limits notice. SEF Core Principles 2 and 7
306. PFI Connection Requirement	Remove the reference to the Participant Agreement Addendum and include the option to submit an alternative form of authorization from the PFI indicating the Limits available to the Participant.	As explained above, the term “Participant Agreement Addendum” has been removed and replaced, where appropriate, with references to a general Limits notice.
312(e). Withdrawal	Clarify the process for a PFI to withdraw from serving as a PFI on the SEF Platform.	The updated Rule clarifies that the termination provisions of the PFI Facilitation Agreement reference the process described in Rules 312(a)-(d), even though Rules 312(a)-(d) refer to Participants. SEF Core Principles 2 and 7
314. Market Maker Programs	Add reference to PFIs.	The updated Rule clarifies that Market Maker Programs can be available for PFIs in addition to Participants. SEF Core Principles 4 and 7
403. Price Dissemination and Publication of Trading Information	Change reference to Participants to PFIs in LEI provision.	The updated Rule clarifies that the swap data reporting will report the LEI of the PFIs, which are the counterparties to the Trade.

	<p>Amend references to Participants “who were matched on the SEF.”</p> <p>Update reference to CFTC Regulations.</p> <p>Update error reporting procedures.</p> <p>Update reference to Rule 502.</p>	<p>The updated Rule clarifies that “Participants who were matched on the SEF” is in reference to Participants that have caused their PRIs to enter into Trades, to clarify that it is the PFIs, and not the Participants, that are the counterparties to the Trade.</p> <p>The reference to CFTC Regulation 37.901(b) was amended to remove the subsection (b).</p> <p>The Rule has been amended to clarify that the Trade review and notice procedures in Rules 407(b)-(c) shall apply in cases where there is an error or omission in reported swap data (whether discovered by the Company or reported by a Participant or PFI). To be clear, this was always the case but the Rule was previously written in a way that could cause certain Participants to mistakenly believe that there was a separate Trade review and notice process for errors and omissions in reported swap data.</p> <p>The Rule erroneously referenced Rule 502(d), and has been corrected to reference Rule 502(c).</p> <p>SEF Core Principles 4 and 7</p>
<p>404.C. Procedures Relating to Transactions in Swaps</p>	<p>Replace the reference to the Participant Agreement Addendum with a reference to a Limits notice.</p>	<p>As explained above, the term “Participant Agreement Addendum” has been removed and replaced, where appropriate, with references to a general Limits notice.</p>
<p>405. Modification or Cancellation of Orders</p>	<p>Amend procedure to modify or cancel an Order.</p>	<p>The Rule has been updated to clarify that an Order can be modified or cancelled without explicit acceptance by the Company. Rather, the Axe FX Trading Platform allows Participants to modify or cancel their Orders by themselves (without waiting for Company approval). The Rule has also been updated to clarify that the Axe FX Trading Platform will indicate that an Order was cancelled. Modification of an Order will not generate any alerts,</p>

	<p>Update notice procedure regarding Company modifications or cancellations of Orders.</p>	<p>and the Axe FX Trading Platform will simply show the modified Order.</p> <p>The notice procedure has been updated so that written notice of the Company modifying or cancelling an Order is not required prior to the modification or cancellation, which could result in timing issues given the speed in which an Order can be accepted.</p> <p>SEF Core Principles 2, 4 and 7</p>
<p>406. Information Regarding Orders</p>	<p>Fix grammar.</p>	<p>Remove unnecessary phrase "through the SEF."</p>
<p>407(c). Price Adjustments, Cancellations and Review of Executed Orders by the Company</p>	<p>Include the Help Desk telephone number and email address.</p> <p>Amend the Company's procedure when an error or omission has occurred.</p> <p>Add that the Company will promptly submit as soon as technologically practicable after discovery the corrected swap data to the applicable SDR.</p>	<p>The Help Desk's contact information, which was available on the Company's website, was also added to the Rulebook for the convenience of Participants.</p> <p>The Rule has been amended to clarify that the Trade review and notice procedures in Rules 407(b) shall apply in cases where there is an error or omission in reported swap data (whether discovered by the Company or reported by a Participant or PFI). To be clear, this was always the case but the Rule was previously written in a way that could cause certain Participants to mistakenly believe that there was a separate Trade review and notice process for errors and omissions in reported swap data.</p> <p>The addition of the provision that the Company will promptly submit as soon as technologically practicable after discovery the corrected swap data to the applicable SDR clarifies that this requirement, which is present in Rule 403(e), also applies under Rule 407(c).</p> <p>SEF Core Principles 2, 4 and 10</p>

<p>407(d)(iii). Price Adjustments, Cancellations and Review of Executed Orders by the Company</p>	<p>Add a good faith and commercially reasonable standard for modification or cancellation of Trades due to PFI request.</p>	<p>This provision was included to clarify that the good faith and commercially reasonable standard, which is present in Rule 405, also applies under Rule 407(d).</p> <p>SEF Core Principles 2, 4 and 7</p>
<p>412. Emergencies</p>	<p>Fix grammar.</p> <p>Amend references to clearing, settling or trading activities related to the “matches made on the SEF.”</p>	<p>Added missing commas, removed an unnecessary “or,” and added a missing “the.”</p> <p>Replaced the phrase “related to matches made on the SEF” with “made on the Axe FX Trading Platform or pursuant to the Rules of this SpectrAxe Rulebook,” which provides more clarity.</p> <p>SEF Core Principle 8</p>
<p>413. Limitation of Liability</p>	<p>Replace the reference to the Participant Agreement Addendum with a reference to a Limits notice.</p> <p>Add that warranties and representations can be modified by separate contracts.</p>	<p>As explained above, the term “Participant Agreement Addendum” has been removed and replaced, where appropriate, with references to a general Limits notice.</p> <p>The phrase “except as otherwise provided in this Rule or separate contract, including the PFI Facilitation Agreement,” which was present under subsection (a), has been included to indicate that it also applies to subsection (b), regarding warranties and representations.</p>
<p>414. Requirements for Persons Submitting Orders, RFQs and Responses to RFQs</p>	<p>Added reference to the applicable CFTC Regulation.</p> <p>Amended the provision regarding the clearing requirement indication.</p> <p>Fix grammar.</p>	<p>Added reference to the applicable CFTC Regulation for the benefit of Participants.</p> <p>Added the phrase “if applicable” to indicate that the clearing requirement indication does not apply to the Axe FX Trading Platform.</p> <p>Capitalized “Reporting Counterparty,” as it is a defined term.</p> <p>SEF Core Principle 10</p>

415. User IDs	Add reference to the Operational Contact.	<p>The Rule has been updated to indicate that the Operational Contact, in addition to the Designated Contact, is empowered to activate or deactivate the Participant's User IDs.</p> <p>SEF Core Principle 2 and 4</p>
416. Designated Contact(s) and Operational Contacts	<p>Add reference to the Operational Contact.</p> <p>Add written notice provision.</p>	<p>The Rule has been updated to include Operational Contacts.</p> <p>The Rule has also been updated to require a written notice to change a Participant's Designated Contact or an Operational Contact.</p> <p>SEF Core Principle 2 and 4</p>
502(c). Required Notices	Amend error or omission reporting procedures.	<p>The Rule has been updated to clarify that Participants and PFIs should review Trade Communications as soon as practicable upon receipt, in order to promptly notify the Company of any error or omission in reported swap data. The Rule has also been updated to clarify that corrected or completed swap data should be provided to the Company as part of any error or omission notice to the Company. The Rule has also been updated to better clarify how a Participant or PFI should notify other relevant parties should they become aware of an error or omission. The Rule previously did not differentiate between Participants and PFIs on such notice procedures. Lastly, the Rule has been updated to clarify that such notice requirements apply in addition to any notice that would be sent to the Company.</p> <p>SEF Core Principles 4, 7 and 10</p>
503. Books and Records; Cooperation in Proceedings	Fix grammar.	The titles of referenced CFTC Regulations that were previously identified have been removed.
903. Exercise of Options	Amend option exercise process.	The Rule has been updated to clarify that it applies not only to exercised options but also to options that a Participant wants to expire without

		<p>exercising. The term “abandoned” has been replaced with “expired.”</p> <p>SEF Core Principles 4 and 7</p>
1102. Trading by Company Officials Prohibited; Misuse of Material, Non-Public Information	Fix grammar.	<p>Updated the combined reference to “material or non-public information” to separate references of “material information” and “non-public information” to clarify that they are separate concepts.</p> <p>Removed the reference to subsection (1) in the reference to CFTC Regulation 1.59(d).</p> <p>SEF Core Principle 12</p>
1104. SEF Data	<p>Amend SEF Data license provision.</p> <p>Fix grammar.</p>	<p>The terms “non-exclusive” and “non-transferable” were added to the description of the SEF Data license.</p> <p>Corrected typo “trade mark” to “trademark” and replaced an erroneous “or” with the correct word, “of.”</p>



SPECTRAXE

Redline Versions of the Amended Rules

(General Amendments, Rule 101, Rule 204, Rule 212, Rule 302, Rule 306, Rule 312, Rule 314, Rule 403, Rule 404.C, Rule 405, Rule 406, Rule 407, Rule 412, Rule 413, Rule 414, Rule 415, Rule 416, Rule 502, Rule 503, Rule 903, Rule 1102 and Rule 1104)

[provided in the following page]

Rule 101

Defined Terms

Unless otherwise specified in these Rules or unless the context otherwise requires, the terms defined below in this Rule 101 shall for all purposes of these Rules have the meanings specified herein.

AAA

The term “AAA” means the American Arbitration Association.

Affiliate

An “Affiliate” of, or a Person “Affiliated” with, another Person means a Person who, directly or indirectly, Controls, is Controlled by, or is under common Control with, such other Person.

API

The term “API” means application programming interface.

Appeals Panel

The term “Appeals Panel” means a panel appointed by the CCO pursuant to Rule 716(g).

Applicable Law

The term “Applicable Law” means, with respect to any Person, any statute, law, regulation, rule or ordinance of any governmental authority, or self-regulatory organization applicable to such Person, including without limitation the CEA, the Exchange Act and CFTC Regulations.

Audit Trail

The term “Audit Trail” has the meaning given to that term in Rule 505(a).

Authorized User

The term “Authorized User” means any natural person who is an agent or employee of a PFI, a Participant or any other Person that has been authorized to access the [SEF Axe FX Trading Platform](#). In the case a computer or system is used to access the [SEF Axe FX Trading Platform](#) via an API, the natural person designated to be responsible for such computer or system’s activity on the [SEF Axe FX Trading Platform](#) shall be the Authorized User.

Beneficial Ownership or Beneficially Owned

The term “Beneficial Ownership,” or an interest “Beneficially Owned” by any Person, means, with respect to an account, a direct or indirect (through one or more subsidiaries or Affiliates) pecuniary interest in the account (through any Swap, arrangement, understanding, relationship or otherwise).

Board

The term “Board” means the Board of Directors of the Company constituted in accordance with the LLC Agreement, these Rules and Applicable Law.

Cancel Order

The term “Cancel Order” means an Order that cancels fully or partially an existing Order.

Cancel Replace Order

The term “Cancel Replace Order” means an Order to cancel fully or partially an existing Order and replace it with a new Order for a different quantity or price.

CFTC

The term “CFTC” means the Commodity Futures Trading Commission and includes any successor agency or authority.

CFTC Regulation

The term “CFTC Regulation” means any rule, regulation, order or directive and any published interpretation thereof adopted or promulgated from time to time by the CFTC.

Chief Compliance Officer

The term “Chief Compliance Officer” (or “CCO”) means the individual appointed by the Board from time to time to oversee compliance matters in accordance with Rule 211.

Chief Executive Officer

The term “Chief Executive Officer” (or “CEO”) means the individual appointed by the Board from time to time to serve as chief executive officer of the Company.

Chief Operating Officer

The term “Chief Operating Officer” (or “COO”) means the individual appointed by the Board from time to time to serve as chief operations officer of the Company.

Cleared Swap

The term “Cleared Swap” means a Swap that is required to be cleared by a DCO pursuant to Section 2(h)(1) of the CEA and CFTC Regulation 50.2 (Treatment of Swaps Subject to a Clearing Requirement) or is otherwise designated by or on behalf of the parties to be submitted to a DCO for clearing, including a New Swap/Old Terms or New Swap/Corrected Terms, including any such Swap that is rejected from clearing by the applicable DCO. As of the date of this Rulebook, the [SEFAxe FX Trading Platform](#) does not offer Cleared Swaps.

Client Account

The term “Client Account” means a Person that has granted investment discretion to trade on its behalf.

Commodity Exchange Act

The term “Commodity Exchange Act” (or “CEA”) means the law set forth at 7 U.S.C. § 1, *et. seq.*

Company

The term “Company” will be SpectrAxe, LLC.

Company Official

The term “Company Official” means any Officer of, or individual employed directly by, the Company or any individual rendering similar services on behalf of the Company under a secondment agreement.

Compliance Department

The term “Compliance Department” means the CCO and the individuals under the supervision of the CCO who are responsible for enforcing these Rules and conducting investigations of alleged violations of these Rules. As the term is used herein, the Compliance Department includes: (i) the Company’s compliance staff dedicated to enforcing these Rules and performing services directly related to the Company’s compliance with Applicable Law and (ii) employees of other divisions of the Company or its Affiliates who have certain regulatory responsibilities with respect to the Company.

Control

The term “Control,” including the terms “Controlling,” “Controlled by” and “under common Control with,” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities or otherwise.

Derivatives Clearing Organization

The term “Derivatives Clearing Organization” (or “DCO”) has the meaning given to that term in Section 1a(15) of the CEA. For the avoidance of doubt, the Company does not submit Uncleared Swaps to a DCO and does not have any agreement or arrangement with a DCO for Uncleared Swaps.

Designated Contact

The term “Designated Contact” means a natural person who is designated, pursuant to Rule 416, by a Participant or PFI with the authority to ~~act on behalf of and represent~~ receive Notices and other communications from the Company to the Participant or PFI ~~as applicable~~. The Designated Contact may, but need not be, an Authorized User.

Director

The term “Director” means any member of the Board.

Disciplinary Offense

The term “Disciplinary Offense” shall have the meaning set forth in Rule 209(c).

Disciplinary Panel

The term “Disciplinary Panel” means the panel appointed pursuant to Rule 710 to conduct hearings in connection with disciplinary proceedings (other than summary impositions of fines pursuant to Rule 717), to make findings, render decisions, and impose sanctions pursuant to Chapter 7 of the Rules.

Electronic Access

The term “EA” or “Electronic Access” means electronic access to the ~~SEF's~~ Axe FX Trading Platform's Order Book and execution functionality through direct electronic connection.

Eligible Contract Participant

The term “Eligible Contract Participant” has the meaning given to that term under Section 1a(18) of the CEA and CFTC Regulations thereunder.

Emergency

The term “Emergency” has the meaning given to that term in Rule 412(a).

Exchange Act or Securities Exchange Act of 1934

The term “Exchange Act” of “Securities Exchange Act of 1934” means the law set forth at 15 U.S.C. § 78a, *et. seq.*

Final Decision

The term “Final Decision” shall have the meaning set forth in Rule 209(c).

Introducing Agent

The term “Introducing Agent” means a futures commission merchant or introducing broker registered with the CFTC, or any Person that is exempt from such registration (or not required under Applicable Law to so register). As of the date of this Rulebook, Introducing Agents are not permitted on the [SEF Axe FX Trading Platform](#).

Investigation Report

The term “Investigation Report” has the meaning given to that term in Rule 703.

Legal Entity Identifier

The term “Legal Entity Identifier” means a unique code assigned to swap counterparties and entities in accordance with the standards set by the Global Legal Entity Identifier System.

Legal Team

The term “Legal Team” means the function of the [SEF Company, including any relevant external legal counsel](#), that is responsible for the legal and regulatory affairs of the [SEF Axe FX Trading Platform](#).

Limits

The term “Limits” means the limits on trading as determined by the relevant PFI, including but not limited to, product restrictions and trade volume limits. A PFI may set separate Limits for Trades via the Order Book and Trades via an RFQ. A PFI may also set Limits on the aggregate exposure it has to another PFI, which shall take precedence over any Limits applicable to a Participant. A breach of any such

Limits (whether applicable to a Participant or a PFI) may prevent a Participant from entering into a Trade.

LLC Agreement

The term “LLC Agreement” means the Limited Liability Company Agreement of SpectrAxe, LLC, as amended, supplemented or otherwise modified from time to time.

Major Swap Participant

The term “Major Swap Participant” has the meaning given to that term in Section 1a(33) of the CEA.

Market Data

The term “Market Data” means any and all data and other information contained in, displayed on, generated by or derived from the [SEFAxe FX Trading Platform](#) or transactions in Swaps entered into pursuant to these Rules, including Orders, RFQs, prices and volumes.

Market Data Vendors

The term “Market Data Vendors” means one or more vendors of financial market information which have entered into agreements with the Company to distribute Market Data.

Market Maker

The term “Market Maker” means a Participant authorized by the Company to participate in the Market Maker Program under Rule 314.

Master Agreement

The term “Master Agreement” means, as applicable, either (a) the 1992 or 2002 ISDA Master Agreement published by the International Swaps and Derivatives Association, Inc. as may be entered into between a PFI and its customer, including any Credit Support Annex thereto or; (b) a domestic master agreement (e.g., the FBF Master Agreement from the French Banking Federation or the German Master Agreement for Financial Derivatives Transactions).

Message Traffic

The term “Message Traffic” means electronic transmissions of Orders, Order modifications, Cancel Orders, Cancel Replace Orders, RFQs, trade reports and other messages entered into the [SEFAxe FX Trading Platform](#) by or through an Authorized User or sent to an Authorized User by the Company. Depending on the context, Message Traffic may refer to one-way or two-way transmissions.

NFA

The term “NFA” means the National Futures Association.

Nominating Committee

The term “Nominating Committee” means the committee of the Board constituted pursuant to Rule 203.

Notice to Participants

The term “Notice to Participants” means a communication sent by or on behalf of the Company to all Participants, as described in Rule 310.

Officer

The term “Officer” means any officer of the Company.

Operational Contact

The term “Operational Contact” means a natural person who is designated, pursuant to Rule 416, by a Participant to be available by telephone, or other reasonable communication method as determined by the Company, at any time one of its Authorized Users is accessing the Axe FX Trading Platform. The Operational Contact may, but need not be, an Authorized User.

Order

The term “Order” means an actionable firm bid or offer for a Swap (i) displayed in the Order Book, (ii) transmitted as a response to an RFQ, (iii) transmitted by acceptance of a response to an RFQ or (iv) any modification thereof. The term “Order” does not include an RFQ request nor a response to an RFQ that is not a firm bid or offer.

Order Book

The term “Order Book” means the portion of the ~~SEF~~ Axe FX Trading Platform in which Participants ~~in the trading system or platform~~ have the ability to enter Orders designated for the Order Book, observe or receive such Orders entered by other Participants, and execute such Orders.

Owner

The term “Owner” means any Person holding an ownership interest in the Company or defined as a “Member” in the LLC Agreement.

Participant

The term “Participant” refers to Swap Dealers, funds, and other such Persons with Trading Privileges. A Participant may be acting as a principal or on behalf of one or more Client Accounts, provided that the term “Participant” shall not include any such Client Accounts.

Participant Agreement

The term “Participant Agreement” means the agreement between a Participant and SpectrAxe that allows the Participant to access the [SEFAxe FX Trading Platform](#) pursuant to the Rules. References to Participant Agreements shall include their addendums, [if any](#), unless provided otherwise. As used herein, and unless otherwise required by the context, the term “Participant Agreement” also includes PFI Participant Agreements.

Participant Agreement Addendum

~~The term “Participant Agreement Addendum” (or “the Addendum,” as context permits) means the addendum to the Participant Agreement that states, in part, various Limits applicable to the Participant.~~

Participant Committee

The term “Participant Committee” means the committee of the Board constituted pursuant to Rule 204.

Participating Financial Institution

The term “Participating Financial Institution” (or “PFI”) means a financial institution that has been approved by the Company to enter into the Trades that a Participant, with whom the PFI has PFI/Participant Trading Documentation that establishes the connection requirement pursuant to Rule 306(a), effectuates on the [SEFAxe FX Trading Platform](#).

Permitted Transaction

The term “Permitted Transaction” means any transaction not involving a Swap that is required by Section 2(h)(8) of the CEA to be executed on, or pursuant to the rules of, a swap execution facility or a designated contract market.

Person

The term “Person” means any natural person, association, partnership, limited liability company, joint venture, trust or corporation.

PFI/Participant Trading Documentation

The prime brokerage agreement or other such documentation that governs the trading relationship (e.g. Master Agreement) in effect between a Participant and a PFI and allows the Participant to satisfy the PFI connection requirement in Rule 306.

PFI Facilitation Agreement

The term “PFI Facilitation Agreement” means the agreement between the Company and each PFI regarding the settlement of Trades executed by the Participants, including the establishment of Limits on the aggregate exposure a PFI may have to another PFI through the [SEFAxe FX Trading Platform](#).

PFI Participant Agreement

The term “PFI Participant Agreement” means the agreement between the Company and a Participant that is the same legal entity as a PFI (e.g., a trading desk of the PFI), which allows the Participant to access the [SEFAxe FX Trading Platform](#) pursuant to the Rules. References to the PFI Participant Agreement shall include their addendums, if any, unless provided otherwise.

Pre-Execution Communication

The term “Pre-Execution Communication” means a communication between two Persons for the purpose of establishing the terms of an Order prior to entering into a Trade, including any communication that involves pre-determination of the size, side of market, or price of such an Order; provided that any communication between two Persons that involves an agreement to enter into a Trade between the parties that legally binds the parties to such Trade shall not be considered a Pre-Execution Communication.

Proprietary Account

The term “Proprietary Account” has the meaning set forth in CFTC Regulation 1.3 (Definitions).

Proprietary Information

The term “Proprietary Information” has the meaning given to that term in Rule 1104(d).

Public Director

The term “Public Director” means a director of the Company with the qualifications described in Rule 208.

Regulatory Oversight Committee

The term “Regulatory Oversight Committee” means the committee of the Board constituted in accordance with Rule 205.

Reporting Counterparty

The term “Reporting Counterparty” has the meaning set forth in CFTC Regulation 45.1 (Definitions).

Required Swap Continuation Data

The term “Required Swap Continuation Data” has the meaning given to that term in CFTC Regulation 45.1 (Definitions).

Required Swap Creation Data

The term “Required Swap Creation Data” has the meaning given to that term in CFTC Regulation 45.1 (Definitions).

RFQ

The term “RFQ” means a request for quote sent in accordance with these Rules.

Rule

The term “Rule” means any rule adopted or amended, from time to time, by the Company related to or in respect of the operation of, or business conducted on, the ~~SEF~~ [Axe FX Trading Platform](#).

Security

The term “Security” has the meaning given to that term under Section 3(a)(10) of the Exchange Act.

Swap Data Repository

The term “Swap Data Repository” (or “SDR”) means any swap data repository registered with the CFTC to which the Company may select to report, as required by and in accordance with the CEA and CFTC Regulations, the terms of the Trades executed pursuant to these Rules.

Swap Execution Facility

The term “Swap Execution Facility” (or “SEF” ~~-or “SEF Platform”~~) means the swap execution facility [Axe FX Trading Platform, which is](#) operated by the Company and registered ~~as such~~ with the CFTC.

SEF Data

The term “SEF Data” means any and all data and other information related to Swap activities on the [SEFAxe FX Trading Platform](#) or pursuant to this Rulebook, including but not limited to Market Data.

Settlement Agreement

The term “Settlement Agreement,” shall have the meaning set forth in Rule 209(c).

Standing Committee

The term “Standing Committee” means each of the Nominating Committee, the Participant Committee and the Regulatory Oversight Committee.

Swap

The term “Swap” has the meaning given to that term in Section 1a(47) of the CEA and in the CFTC Regulations promulgated thereunder (without regard to any determination by the Secretary of the Treasury pursuant to Section 1b of the CEA).

Swap Dealer

The term “Swap Dealer” has the meaning given to that term in Section 1a(49) of the CEA.

Terms Incorporated by Reference

The term “Terms Incorporated by Reference” has the meaning given to that term in Rule 1101(b)(i).

Trade

The term “Trade” means a Swap transaction that is executed on the [SEFAxe FX Trading Platform](#) or subject to the Rules.

Trade Communication

The term “Trade Communication” means a written or electronic confirmation from the [SEFCompany](#) regarding the status of a Trade (i.e., whether the Trade is confirmed, amended or cancelled) and with all necessary economic terms.

Trading Hours

The term “Trading Hours” means, with respect to any Swap, the hours during which the [SEFAxe FX Trading Platform](#) is regularly open for the trading of such Swap.

Trading Privileges

The term “Trading Privileges” means the rights associated with allowing a Person to enter into Trades, such as allowing that Person’s Authorized Users to enter Orders or RFQs, respond to RFQs, enter into Trades and otherwise effect Swap transactions, whether directly or indirectly, on or pursuant to the Rules of ~~the SEF~~[this SpectrAxe Rulebook](#), either on that Person’s own behalf or on behalf of Client Accounts.

Uncleared Swap

The term “Uncleared Swap” means a Swap other than a Cleared Swap. As of the date of this Rulebook, all swaps executed on the ~~SEF~~[Axe FX Trading Platform](#) will be an Uncleared Swap.

Underlying Instrument

The term “Underlying Instrument” means, with respect to a Swap, the good, right, security, index or other asset or measure which is the subject of that Swap.

Unique Transaction Identifier

The term “Unique Transaction Identifier” or “UTI” shall have the meaning set forth in CFTC Regulation 45.5 (Unique Transaction Identifiers).

User ID

The term “User ID” means a unique identification number assigned by the Company to an Authorized User.

Rule 201

Board of Directors

- (a) The business and affairs of the Company shall be managed by the Board in accordance with the LLC Agreement.
- (b) At all times, at least 35% of the Directors shall be Public Directors. Each Director (including Public Directors) shall be elected in accordance with the LLC Agreement, and shall serve for a term of two years from the date of his or her election (or the remainder of any Public Director term to which he or she is elected as a replacement) and until his or her successor is duly appointed, or until his or her earlier resignation, removal for cause or dismissal pursuant to the LLC Agreement.
- (c) To qualify as a Public Director, an individual must be found, by action of the Board, to have no material relationship with the SEF. The Board must make such finding upon the nomination or appointment of the Director and as often as necessary in light of all circumstances relevant to such Director, but in no case less than annually.
 - (i) A “material relationship” is one that reasonably could affect the independent judgment or decision-making of the Director. In making the finding specified in this Rule, the Board need not consider previous service as a Director of the [SEFCompany](#) to constitute a “material relationship.” A Director shall be considered to have a “material relationship” with the [SEFCompany](#) if any of the following circumstances exist or have existed within the past year:
 - (A) Such Director is an Officer or an employee of the [SEFCompany](#), or an officer or an employee of an Affiliate of the [SEFCompany](#);
 - (B) Such Director is a Participant [of the Axe FX Trading Platform](#) or Owner of the [SEFCompany](#);
 - (C) Such Director is a director, an officer, or an employee of a Participant [of the Axe FX Trading Platform](#) or Owner of the [SEFCompany](#);
 - (D) Such Director is an officer of another entity, which entity has a compensation committee (or similar body) on which any Officer of the [SEFCompany](#) serves;
 - (E) Such Director, or an entity with which the Director is a partner, an officer, an employee, or a director, receives more than \$100,000 in combined annual payments for legal, accounting, or consulting services from the [SEFCompany](#) or its Affiliate, any Participant, or PFI, or any Affiliate of such Participant or PFI. Compensation for services as a Director of the [SEFCompany](#) or as a director of an Affiliate thereof does not count toward the \$100,000 payment limit, nor does deferred compensation for services rendered prior to becoming a Director, so

long as such compensation is in no way contingent, conditioned, or revocable; or

- (F) Notwithstanding Rule 201(c)(i)(E), in the case of a Public Director that is a member of the Regulatory Oversight Committee or the Participant Committee, such Public Director accepts, directly or indirectly, any consulting, advisory, or other compensatory fee from the [SEF Company](#) or its Affiliate or any Participant or PFI, or any Affiliate of such Participant or PFI, other than deferred compensation for service rendered prior to becoming a member of the Regulatory Oversight Committee or the Participant Committee, provided that such compensation is in no way contingent, conditioned, or revocable. This Rule 201(c)(i)(F) does not apply to compensation received in the Public Director's capacity as a member of the Regulatory Oversight Committee or Participant Committee.
- (d) Any of the relationships set forth in Rule 201(c)(i) apply to the "immediate family" of such Director (*i.e.*, spouse, parents, children, and siblings) in each case, whether by blood, marriage, or adoption, or any natural person residing in the home of the Director or that of his or her "immediate family."
- (e) A Public Director of the [SEF Company](#) may also serve as a public director of an Affiliate of the [SEF Company](#) if he or she otherwise meets the requirements set forth in Rule 201(c).
- (f) The compensation of Public Directors and other non-executive members of the Board shall not be linked to the business performance of the Company.

Rule 204

Participant Committee

- (a) Not later than the compliance date of the CFTC Regulations applicable to the Company's governance as a SEF, the Board shall designate certain of its members to serve as the Participant Committee, which shall:
 - (i) determine the standards and requirements for initial and continuing eligibility for being a Participant;
 - (ii) review appeals of initial denials of Participant applications; and
 - (iii) review for approval any new Rules or the amendment or repeal of existing Rules that may result in different categories of Participants receiving disparate access to the [SEFAxe FX Trading Platform](#).
- (b) At all times following the compliance date of the CFTC Regulations applicable to the Company's governance as a SEF, the Participant Committee shall include no fewer than the minimum number or percentage of Public Directors required by such CFTC Regulations. If required by CFTC Regulations, one of the Public Directors shall serve as the chair of the Participant Committee.
- (c) In reviewing appeals of initial denials of Participant applications, the Participant Committee shall not uphold any denial if the relevant application meets the standards and requirements that the Participant Committee has established.
- (d) The Participant Committee shall not, and shall not permit the Company to, restrict access or impose burdens on access to the [SEFAxe FX Trading Platform](#) in a discriminatory manner, within each category or class of Participants or between similarly situated categories or classes of Participants.
 - (i) The Participant Committee shall ensure that the SEF ~~provide~~[provides](#) any Eligible Contract Participant and any independent software vendor with impartial access to its market(s) and market services, as required by CFTC Regulation 37.202 (Access Requirements).

Rule 211

Chief Compliance Officer

- (a) The Board shall designate an individual to serve as the CCO of the Company. The CCO shall:
 - (i) report directly to the Regulatory Oversight Committee;
 - (ii) oversee and review the Company's compliance with the Core Principles set forth in Section 5h of the CEA and Part 37 of the CFTC Regulations;
 - (iii) resolve, in consultation with the Board, the Regulatory Oversight Committee or the CEO, any conflicts of interest that may arise, including:
 - (A) conflicts between business considerations and compliance requirements, including the requirement that the Company provide fair, open and impartial access in accordance with CFTC Regulation 37.202 (Access Requirements); and
 - (B) conflicts between the Company's management and members of the Board;
 - (iv) establish and administer written policies and procedures reasonably designed to prevent violations of the CEA and CFTC Regulations;
 - (v) take reasonable steps to ensure compliance with the CEA and CFTC Regulations;
 - (vi) establish procedures for the remediation of noncompliance issues identified by the CCO through Compliance Department reviews, ~~look-backs~~look-backs, internal or external audit findings, self-reported errors or validated complaints;
 - (vii) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues;
 - (viii) establish and administer a compliance manual designed to promote compliance with the applicable laws, rules, and regulations and a written code of ethics designed to prevent ethical violations and to promote honesty and ethical conduct;
 - (ix) supervise the Company's self-regulatory program with respect to trade practice surveillance, market surveillance, real-time market monitoring, compliance with audit trail requirements, enforcement and disciplinary proceedings, audits, examinations, and other regulatory responsibilities with respect to Participants, Authorized Users, all Persons using any Participant's User IDs, and all other Persons subject to the jurisdiction of the ~~SEF~~SEF Company

under Rule 301, and, in addition to the foregoing in this Rule 211(a)(ix), exercise supervisory authority over all staff acting at the direction of the CCO;

- (x) provide any information regarding the Company's self-regulatory program that is requested by the Board or the Regulatory Oversight Committee;
 - (xi) supervise the effectiveness and sufficiency of any regulatory services provided to the Company by a regulatory service provider in accordance with CFTC Regulation 37.204 (Regulatory Services Provided by a Third Party); and
 - (xii) prepare the Company's annual compliance report, in accordance with CFTC Regulation 37.1501 (Chief Compliance Officer), and submit the completed report to the Board and CFTC.
- (b) No individual disqualified from registration pursuant to Section 8a(2) or 8a(3) of the CEA may serve as CCO.

Rule 212

Confidentiality

No Company Official, member of the Board, any committee established by the Board, or any Disciplinary Panel or Appeals Panel shall use or disclose any “material, ~~information~~ or “non-public information,” each as defined in CFTC Regulation 1.59(a) (Activities of Self-Regulatory Organization Employees, Governing Board Members, Committee Members, and Consultants), obtained in connection with the performance of his official duties for any purpose other than the performance of such official duties.

Rule 214

Maintenance of Books and Records by the Company

- (a) The Company shall keep, or cause to be kept, all books and records required to be maintained pursuant to the CEA and CFTC Regulations, including CFTC Regulations 37.1001 (Recordkeeping) and 45.2(a) (Swap Recordkeeping).
 - (i) All books and records shall include the Legal Entity Identifier of the [SEFCompany](#) and the counterparties to the Trade as required by CFTC Regulation 45.6 (Legal Entity Identifiers).
- (b) The Company shall retain all such books and records for the life of each Trade transacted pursuant to these Rules and five years following the termination of such Trade, and shall make such books and records readily accessible for inspection, in each case in the form and manner required under the CEA and CFTC Regulations, including CFTC Regulations 37.1001 and 45.2(a).
- (c) Copies of records shall be provided, at the expense of the [SEFCompany](#), to any representative of the CFTC upon request. Copies of records shall be provided either by electronic means, in hard copy, or both, as requested by the CFTC.
- (d) The Company shall report to the CFTC, in a form and manner acceptable to the CFTC, such information as the CFTC determines to be necessary or appropriate for the CFTC to perform the duties of the CFTC under the CEA.
- (e) The Company may disclose, to any government agency, self-regulatory organization or other Person, information concerning or associated with a Participant or other Person if the Company believes such disclosure is necessary and appropriate in exercising a legal or regulatory function, whether or not a formal arrangement governing the disclosure exists or a request for information was made.

Rule 301

Jurisdiction

ANY PERSON INITIATING OR EXECUTING A TRANSACTION ON OR SUBJECT TO THE RULES OF ~~THE SEF~~[THIS SPECTRAXE RULEBOOK](#) DIRECTLY, AS AN AGENT OF A PFI, OR THROUGH ANY INTERMEDIARY; ANY PERSON FOR WHOSE BENEFIT SUCH A TRANSACTION IS INITIATED OR EXECUTED; AND ANY PERSON WHO HELPS FACILITATE SUCH A TRANSACTION, INCLUDING EACH PFI, SHALL BE DEEMED TO CONSENT TO (I) BE BOUND BY, AND COMPLY WITH, THE RULES AND APPLICABLE LAW, TO THE EXTENT APPLICABLE TO IT; (II) SUBMIT TO THE JURISDICTION OF THE COMPANY WITH RESPECT TO ANY AND ALL MATTERS ARISING FROM, RELATED TO, OR IN CONNECTION WITH, ITS STATUS, ACTS OR OMISSIONS ON THE ~~SEF~~[AXE FX TRADING PLATFORM](#); AND (III) TO THE EXTENT APPLICABLE TO IT, ASSIST THE COMPANY IN COMPLYING WITH ITS LEGAL AND REGULATORY OBLIGATIONS, COOPERATE WITH THE COMPANY AND ANY GOVERNMENTAL AUTHORITY HAVING JURISDICTION OVER THE COMPANY IN ANY INQUIRY, INVESTIGATION, AUDIT, EXAMINATION OR PROCEEDING, AND AUTHORIZE THE COMPANY OR ITS AFFILIATES TO PROVIDE INFORMATION REGARDING THE COMPANY TO ANY SELF-REGULATORY ORGANIZATION TO FULFILL ANY OF THE COMPANY'S OBLIGATIONS UNDER THE RULES OR THE APPLICABLE LAW.

Rule 302

Trading Privileges Eligibility

- (a) Subject to the requirements, procedures and conditions described in this Chapter 3 and any limitation, restriction or revocation from time to time imposed by the Company, Trading Privileges to the ~~SEF~~[Axe FX Trading Platform](#) shall be provided solely to Participants.
- (b) A Person that desires to obtain Trading Privileges and become a Participant shall:
- (i) be, and ~~represent in writing~~[provide proof](#) to the Company that it is, an Eligible Contract Participant;
 - (ii) provide such information and documentation as may be reasonably requested by the Company, and comply with the procedures established by the Company for admission;
 - (iii) distribute the Rules and Notices to Participants to its Authorized Users pursuant to Rule 310(d);
 - (iv) comply with the PFI connection requirement in Rule 306;
 - (v) submit a completed, signed Participant Agreement~~—and—Participant Agreement Addendum; and~~
 - ~~(vi)~~ [submit, or cause their PFI to submit, a notice to the Company that provides the Limits applicable to the Participant \(the notice may be a completed form provided by the Company or through some other form of written authorization from the PFI, at the discretion of the Company\); and](#)
 - ~~(vii)~~ ~~(vi)~~ if such Person is organized or established under the laws of a country other than the United States:
 - (A) represent and certify to the Company that it is in compliance with the registration or authorization requirements of its home country or provide a brief explanation as to why such requirements, if any, are not applicable;
 - (B) represent and certify to the Company that it is regulated in its home country by a financial regulatory authority with respect to the maintenance of relevant books and records or provide a brief explanation as to why such requirements, if any, are not applicable;
 - (C) represent and certify to the Company that it is subject to regular inspections and examinations by such home country regulator or provide a brief explanation as to why such requirements, if any, are not applicable; and

- (D) make such other representations as the Company deems necessary to comply with Applicable Law.
- (c) Transaction-Level Business Conduct Obligations for Swap Dealers Do Not Apply on the Order Book of the [SEF Axe FX Trading Platform](#)
- (i) The Order Book of the [SEF Axe FX Trading Platform](#) has been structured such that no Participant (including a Swap Dealer) will know the identity of another Participant. Therefore, for all Trades entered into through the Order Book, pursuant to CFTC Regulation 23.431(c) (Disclosures of Material Information) and CFTC No-Action Letter 19-06, Division of Swap Dealer and Intermediary Oversight, No-Action Position for Off-SEF Swaps Executed Pursuant to Prime Brokerage Arrangements (Mar. 22, 2019), the obligations set forth in CFTC Regulation 23.431(a) and (b) shall not apply.
- (d) At all times, each Participant must comply with all applicable eligibility criteria required pursuant to these Rules and shall notify the Company immediately if it ceases to meet any of such applicable eligibility criteria, including when it no longer meets the PFI connection requirement in Rule 306 (e.g., the prime brokerage agreement with its PFI is terminated).
- (e) A Person whose application for Trading Privileges has been denied or granted conditionally pursuant to this Rule 302, and any Participant or Authorized User whose Trading Privileges or status, respectively, is revoked, suspended or limited pursuant to Rules 303 or 305, may appeal the Company's decision in accordance with the provisions of Chapter 7. A determination of the Company to revoke, suspend or limit a Person's access to the [SEF Axe FX Trading Platform](#) pursuant to Rules 303 and 305 shall not take effect until the review procedures under Chapter 7 have been exhausted or the time for review has expired.

Rule 304

Introducing Agent Eligibility and Access to the **SEF**[Axe FX Trading Platform](#)

[RESERVED]

Rule 305

Authorized Users

- (a) Each Participant that is not a natural person shall appoint in writing (via electronic mail or the Company's authorization forms) at least one of its employees (or, if a Participant has no employees, an agent who is a natural person) to act as an Authorized User. Participants may also appoint additional employees, agents, or authorized contractors who are individuals to act as Authorized Users. Participants must designate which Authorized Users have Trading Privileges and which Authorized Users must access the [SEFAxe FX Trading Platform](#) on a "view only" basis.
- (b) The Company may, in its sole but reasonable discretion, and acting in an impartial, transparent, fair and nondiscriminatory manner, revoke, suspend or limit the status of a Person as an Authorized User, and shall promptly notify the relevant Participant in accordance with the procedures established by the Company.
- (c) A Participant may, at any time, revoke an authorization granted by it to any Authorized User or revoke an authorized User ID granted by it to any other Person by providing written notice of such revocation to the Company pursuant to Rule 415(d). Upon receipt of the written notice, the Company shall, as soon as is practicable, revoke and disable such Person's access to the [SEFAxe FX Trading Platform](#). A Participant shall take immediate and appropriate measures to ensure that, after any such revocation, (i) the affected Person shall not have access to the [SEFAxe FX Trading Platform](#) and (ii) the affected Person shall not utilize his or her User ID. The Company shall act promptly, but in any event within one business day of receiving notice from the Participant, to disallow the entry of Orders or RFQs and responses to RFQs from the revoked User IDs.
- (d) All obligations of Participants under these Rules shall also apply to each of their Authorized Users to the extent applicable, and each Participant shall be responsible for the actions and omissions of each of its Authorized Users. Each Participant shall have procedures for performing day-to-day monitoring of its Authorized Users to ensure that each Participant will conduct its business in a fair and equitable manner and in accordance with these Rules
- (e) Each Participant will ensure, on an ongoing basis, that none of its Authorized Users are subject to a disqualification pursuant to any Applicable Law (unless an appropriate exemption has been obtained with respect thereto) and that each Authorized User will be technically proficient in respect of the use of the [SEFAxe FX Trading Platform](#).
- (f) For purposes of these Rules, any reference to (i) the Trading Privileges of a Participant shall also be deemed to refer and apply to the exercise of Trading Privileges by any of such Participant's Authorized Users and vice versa; (ii) a Participant submitting or receiving Orders or RFQs, or entering into Trades, shall be deemed to also refer and apply to any such actions engaged in by any of such

Participant's Authorized Users and vice versa; and (iii) the knowledge of, or matters known to, any Participant shall be deemed to also refer to and include the knowledge of, or matters known to, its Authorized Users and vice versa.

Rule 306

PFI Connection Requirement

- (a) Except as stated elsewhere in this Rule 306(a), each Participant must have PFI/Participant Trading Documentation in effect with a financial institution that has executed a PFI Facilitation Agreement with the Company.
 - (i) An entity that is the same legal entity as a PFI (e.g., a trading desk of the PFI) may wish to obtain Trading Privileges. Such entities may obtain Trading Privileges provided that:
 - (A) Such entity enters into a PFI Participant Agreement with the Company;
 - (B) The PFI that is the same legal entity as such entity has a Master Agreement or comparable trading relationship documentation in place with at least two other PFIs; and
 - (C) Such entity fulfills every requirement applicable to Participants under this Rulebook other than the requirement to have PFI/Participant Trading Documentation in Rule 306(a).
- (b) A Participant must provide a copy of its PFI/Participant Trading Documentation to the Company upon request, pursuant to Rule 302(b)(ii).
- (c) When the Company is notified about a Participant that no longer fulfills the PFI connection requirement pursuant to Rule 306(a), the Company shall require the Participant to prove the establishment of a new PFI connection by submitting a new ~~Participant Agreement Addendum~~ Limits notice that identifies the new PFI and the new Limits applicable to the Participant. Such Participant shall have its Trading Privileges suspended until the ~~new Participant Agreement Addendum~~ identification of the new PFI and a new Limits notice is submitted to the Company. At the sole discretion of the Company, a Participant may, instead of a completed Limits notice form provided by the Company, provide some other form of authorization from its new PFI that indicates the Limits applicable to the Participant.

Rule 307

Dues, Assessments, Fees and Commissions

- (a) The Company shall set and communicate in writing the times and amounts (along with any other information that may be required to be disclosed under Applicable Law) of any dues, assessments, commissions or fees to be paid by Participants, which shall be paid to the Company when due in the manner designated by the Company. The Company shall be responsible for ensuring that its dues, assessments, commissions and fees, as well as the collection method for such dues, assessments, commissions and fees, do not violate Applicable Law.
- (b) If a Participant fails to pay when due any Company dues, assessments, commissions, or fees levied on or owed by such Participant, and such payment obligation remains unsatisfied for thirty days after its due date, the Company may suspend, revoke, limit, condition, restrict or qualify the Trading Privileges of such Participant as it deems necessary or appropriate. The provisions of Chapter 7 (other than Rule 717) shall not apply to any such suspension, revocation, limitation, condition, restriction or qualification of Trading Privileges.
- (c) The Company shall set comparable fee structures for Eligible Contract Participants and independent software vendors receiving comparable access to, or services from, the ~~SEF~~ [Axe FX Trading Platform](#), as required by CFTC Regulation 37.202 (Access Requirements).

Rule 310

Notices to Participants

- (a) The Company shall publish a notice with respect to each addition to, modification of, or clarification of, these Rules or of any action to implement any Rules, in a form and manner that is reasonably designed to enable each Participant to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to such addition, modification or clarification prior to the effective date thereof (each a "Notice to Participants"). Each Notice to Participants shall be published prior to the earlier of its filing with the CFTC or the effective date thereof, and in any event within the time frame required under Applicable Law, including CFTC Regulations 40.5(a)(6) (Voluntary Submission of Rules for Commission Review and Approval) and 40.6(a)(2) (~~Self-Certification~~[Self-Certification](#) of Rules).
- (b) For purposes of publication in accordance with paragraph (a), the Company shall send an email regarding a Notice to Participants to the Designated Contacts of all Participants and PFIs before publishing the Notice to Participants on the Company's website. Any Notice to Participants that has been transmitted by email and then published on the Company's website, in compliance with this paragraph (b), shall be deemed to have been validly made to all Participants and PFIs, as well as their Authorized Users.
- (c) Participants are responsible for ensuring that their PFI receives or is notified of all Notices to Participants and agrees to conform with the changes implemented by the Notices to Participants. PFIs who do not agree to the changes implemented by a Notice to Participants must withdraw from the ~~SEF~~[Axe FX Trading Platform](#) pursuant to the PFI Facilitation Agreement as soon as possible after such determination is made. The Company shall not be responsible or liable for the failure of a PFI to receive or agree to a Notice to Participants.
- (d) Participants are responsible for ensuring that their Authorized Users receive or are notified of all Notices to Participants and agree to conform with the changes implemented by the Notices to Participants. Authorized Users who do not agree with the changes implemented by a Notice to Participants must not access the ~~SEF~~[Axe FX Trading Platform](#) as soon as possible after such determination is made. The Company shall not be responsible or liable for the failure of an Authorized User to receive or agree to a Notice to Participants.
- (e) Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency.

Rule 311

Communications Between the Company and Participants or PFIs

Each Participant and PFI must provide the Company with its current electronic mail address and the electronic mail address of each of its Authorized Users and promptly update each such address whenever it changes. Each Participant and PFI may additionally provide the Company with a phone number or Bloomberg Terminal ID. All communications between the Company on the one hand and the Participant or PFI on the other hand will be transmitted by electronic mail; telephone, with confirmation by electronic mail; the Instant Bloomberg chat platform; and/or posted on the ~~SEF~~[Axe FX Trading](#) Platform or on the Company website, except as otherwise specified by the Company. Each Participant and PFI shall be responsible for conveying such communications to its Authorized Users and other Persons to whom the Participant or PFI has given its User ID(s). All communications made to a Participant or PFI shall also be deemed to have been made to all of its Authorized Users and other Persons to whom the Participant or PFI has given its User ID(s). Each Participant and PFI will also be responsible for promptly reviewing and, if necessary, responding to all electronic communications from the Company to the Participant or PFI, any of such Participant's or PFI's Authorized Users, or any Person to whom such Participant or PFI has given User ID(s) assigned to it by the Company.

Rule 312

Withdrawal

- (a) To withdraw from the [SEFAxe FX Trading Platform](#), a Participant must send a written notice to the Company that, at a minimum, states that the Participant intends to withdraw from the [SEFAxe FX Trading Platform](#), states the date that the Participant wants the withdrawal to be effective, and contains the Legal Entity Identifier of the Participant.
- (b) Effective upon the date that the Company accepts the withdrawal of a Participant (which withdrawal shall be deemed accepted upon receipt by the Company of written notice of withdrawal unless a separate effective date was provided), all rights and privileges of such Participant and its Authorized Users shall terminate (including such Participant's Trading Privileges and its Authorized Users' ability to access the SEFAxe FX Trading Platform) immediately (or the Company may suspend prior to termination, if necessary, to appropriately effectuate such termination).
- (c) The withdrawal of a Participant shall not affect the rights of the Company under these Rules or relieve the former Participant of its obligation under the terms of any Trade entered into or otherwise arising under these Rules before the effective date of such withdrawal.
- (d) A Participant that has withdrawn remains subject to these Rules, the Company requirements and the jurisdiction of the Company for acts done and omissions made while a Participant, and must cooperate in any disciplinary proceeding under Chapter 7 as if the withdrawn Participant were still a Participant, respectively.
- (e) To withdraw from the [SEFAxe FX Trading Platform](#), a PFI must follow the termination provisions of the PFI Facilitation Agreement. [To be clear, a PFI Facilitation Agreement that authorizes a PFI to withdraw from serving as a PFI on the Axe FX Trading Platform by sending SpectrAxe a notice in the manner provided by Rule 312 in the SpectrAxe Rulebook allows such PFI to withdraw under the same process as Participants, as described in Rules 312\(a\)-\(d\).](#)
- (f) Effective upon the date that the Company accepts the withdrawal of a PFI, each Participant who became eligible for Trading Privileges through a prime brokerage agreement or some other documentation that governs the trading relationship (e.g. Master Agreement) with such PFI pursuant to Rule 306(a) shall have its Trading Privileges and its Authorized Users' ability to access the [SEFAxe FX Trading Platform](#) immediately terminated (or the Company may suspend prior to termination, if necessary, to appropriately effectuate such termination).

Rule 314

Market Maker Programs

The Company may adopt one or more “Market Maker Programs” under which any Participant meeting the requirements of any such Market Maker Program may be authorized to act as a market maker subject to the terms and conditions of participation in such Market Maker Program as published by the Company from time to time. Any such Market Maker Program may provide for the following:

- (a) Eligibility qualifications, including minimum liquidity and minimum net capital requirements, that must be satisfied;
- (b) Procedures regarding the application and approval process for [PFIs or](#) Participants with respect to participation in the Market Maker Program; and
- (c) The terms of participation, including applicable standards of conduct, means of accessing the [SEF](#) [Axe FX Trading Platform](#) (including APIs), bid and offer commitments, execution priority and fees or other payment arrangements.

Rule 401

Swaps Traded on the [SEFAxe FX Trading Platform](#)

- (a) The Company shall determine which Swaps can be traded from time to time pursuant to these Rules, provided that any determination in respect of listing a Swap for trading pursuant to these Rules shall be submitted to the CFTC as required by the CEA and CFTC Regulations. As of the date of this Rulebook, the [SEFAxe FX Trading Platform](#) will facilitate limit orders only.
- (b) Subject to compliance with the CEA and CFTC Regulations, Swaps traded on the [SEFAxe FX Trading Platform](#) may be Uncleared Swaps. As of the date of this Rulebook, the SEF does not permit the trading of Cleared Swaps.
- (c) The Company shall permit trading only in Swaps that are not readily susceptible to manipulation and for which the Company has, prior to listing the Swap, submitted to the CFTC the information required in Appendix C to Part 38 of the CFTC's Regulations (Demonstration of Compliance that a Contract is not Readily Susceptible to Manipulation). The Company shall make such submission pursuant to Part 40 of the CFTC's Regulations.

Rule 402

Business Days and Trading Hours

The Company shall from time to time determine (a) the business days during any particular calendar year and (b) the Trading Hours on such business days for any particular Swap available for trading on the ~~SEF~~[Axe FX Trading Platform](#). All time references shall be based on local time prevailing in the City of New York, New York. Opening times start on the first second of the minute cited. Closing times end on the last second of the minute cited. Trading Hours may vary among different types of Swaps. The Company may from time to time adopt procedures for the opening or closing of trading in any Swap.

Rule 403

Price Dissemination and Publication of Trading Information

- (a) The Company shall directly or indirectly transmit data regarding each Trade executed pursuant to these Rules to a single SDR in the form and manner, and within the timeframe, required by the CEA and CFTC Regulations. The Company shall transmit swap transaction and pricing data, including the Required Swap Creation Data, for each Trade executed on the ~~Company's trading platform or facility~~ [Axe FX Trading Platform](#), or pursuant to these Rules, to that SDR as soon as technologically practicable after the Participants on the ~~SEF~~ [Axe FX Trading Platform](#) effectuate the Trade, using the facilities, methods and data standards specified by the SDR. Each Participant must provide sufficient information to the ~~SEF~~ [Company](#), including the information required under Rule 414 of this Rulebook, to enable ~~to SEF~~ [the Company](#) to report all creation data required by CFTC Regulations.

As of the date of this Rulebook, the ~~SEF~~ [Company](#) reports its Part 43 and Part 45 data for Trades to DTCC, a registered SDR.

- (i) The Company's transmission of data shall include an actual description of the underlying asset(s) of the Trade, as required by CFTC Regulation 43.4(c)(2) (Swap Transaction and Pricing Data to be Publicly Disseminated in Real-Time).
- (ii) The Company's transmission of data shall include the actual notional or principal amount of the Trade, as required by CFTC Regulation 43.4(d)(2)(i) (Swap Transaction and Pricing Data to be Publicly Disseminated in Real-Time).
- (iii) The Company's transmission of data shall include the Legal Entity Identifier of the ~~SEF~~ [Company](#) and the relevant ~~Participant~~ [PFIs](#) that entered into the Trade ~~(or that Participant's PFI, if applicable)~~, as required by CFTC Regulation 45.6 (Legal Entity Identifiers).
- (iv) The Company will report all amended Required Swap Creation Data to the same SDR to which the SEF reported the initial Required Swap Creation Data for a Trade, as required by CFTC Regulation 45.10(a)(2) (Reporting to a Single Swap Data Repository).
- (v) As soon as technologically practicable after execution of the Trade, the Company shall transmit to the Participants who [acted on behalf of the PFIs that](#) entered into the Trade the identity of the SDR that the Company transmitted data to pursuant to Rule 403.
- (vi) The Company shall determine the Reporting Counterparty pursuant to CFTC Regulation 45.8 (Determination of which Counterparty shall Report).

- (A) If both counterparties involved in a Trade have equal reporting status under CFTC Regulation 45.8, the Company shall designate the seller of the Trade as the Reporting Counterparty unless explicitly stated otherwise.
- (B) For Multi-Leg Trades, defined as two or more component Trades that are executed by and between two counterparties where the component Trades are priced together as one economic transaction (e.g., spread), the Reporting Counterparty shall be determined as follows:

Where both counterparties have equal reporting status under CFTC Regulation 45.8, the Company shall designate the seller of a Trade that is executed as part of the Multi-Leg Trade as the Reporting Counterparty for that leg of the Multi-Leg Trade.

- (vii) The Reporting Counterparty must report all Required Swap Continuation Data, in the form and manner required by Part 45 of the CFTC Regulations, to the SDR that the Company reported the Required Swap Creation Data, unless otherwise provided in the CFTC Regulations.
- (b) The Company may provide such swap transaction and pricing data to Participants and their Authorized Users no earlier than the time it transmits such information to an SDR and in a form that does not disclose the identities, or otherwise facilitate the identification, of the Participants who ~~were matched on the SEF~~ [caused their PFIs to enter into the Trade on the Axe FX Trading Platform](#). Appendix A to Part 43 sets forth the data fields required for the reporting of Required Swap Creation Data.
 - (c) The Company shall publish information as required by CFTC Regulation 37.901 ~~(b)~~ (General Requirements).
 - (d) The Company may make available to Participants an indicative, non-attributed pricing page on the ~~SEF~~ [Axe FX Trading Platform](#) for certain types of Swaps of the most commonly traded tenors within such type of Swap.
 - (e) If the Company becomes aware of an error or omission in the swap transaction and pricing data, including the Required Swap Creation Data, reported to an SDR or any swap data the Company is required to report to an SDR, Participant, PFI, or the CFTC, either directly or by notification from either Participant ~~who was matched on the SEF~~ [whose PFI entered into a Trade on the Axe FX Trading Platform](#) for the swap transaction with the error or omission (or their PFIs), the Company shall [follow the procedures on trade review noted in Rule 407\(b\) and the procedures on trading errors and omissions in Rule 407\(c\) to confirm the error or omission. If necessary, the Company may request the relevant Participant or PFI to submit corrected data to the Company. The Company shall](#) promptly submit, as soon as technologically practicable after discovery, [the](#) corrected data to the same SDR, Participant, PFI, or

the CFTC, as applicable, in the same format as the erroneous or omitted data was originally reported.

- (i) ~~Participants and PFIs that become aware of such~~ If a Participant or PFI becomes aware of an error or omission in the swap transaction and pricing data, including the Required Swap Creation Data, before the Company, such Participant or PFI must follow the procedures listed in Rule 407(c) and Rule 502(~~dc~~).

Rule 404.A

Order Book

- (a) Participants shall have the ability to post Orders on the Order Book in any Swap offered on the ~~SEF~~[Axe FX Trading Platform](#) in accordance with these Rules, for its own account or the account of any Client Account for whom it acts.
- (b) The execution functionality of the Order Book requires a Participant to execute the Order with the best displayed price in the time priority such Order was entered into the Order Book.

Rule 404.B

RFQ

The ~~SEF~~ [Axe FX Trading Platform](#) may provide for an RFQ system for the following types of RFQs:

- (a) *RFQ for Permitted Transactions.* For Permitted Transactions, an RFQ requester may select one or more RFQ recipients eligible to receive such RFQ.

Rule 404.C

Procedures Relating to Transactions in Swaps

- (a) The Company may, in its sole discretion, adopt procedures relating to transactions in Swaps and the types of RFQs that may be sent or Orders that may be entered on the [SEFAxe FX Trading Platform](#) with respect to any Swap (which shall be set by the Company from time to time and published on the SEF), including establishing limits or minimums on the number and/or size of RFQs or Orders that may be submitted by a Participant through the [SEFAxe FX Trading Platform](#) or subject to these Rules, and establishing minimum price-quoting increments for each Swap.
 - (i) Participants shall be subject to all applicable Limits listed in their [Participant Agreement-Addendum Limits notice](#) (e.g., product restrictions and trade volume limits).
 - (ii) Nothing in this Rulebook, a Participant Agreement ~~and Addendum~~, or the PFI Facilitation Agreement shall be deemed to constitute a partnership between the [SEF Company](#), the PFIs and the Participants (or any subset thereof), or constitute one such Person acting as the agent of another such Person, except where expressly set out therein.
- (b) Any amendments to the procedures described in this Rule 404.C will be made pursuant to Part 40 of the CFTC Regulations.

Rule 404.D

Pre-Execution Communications

- (a) Pre-Execution Communications with respect to Trades entered into through the Order Book shall be prohibited.
- (b) Pre-Execution Communications are permitted with respect to Trades entered into through the ~~SEF's~~ [Axe FX Trading Platform's](#) RFQ system in accordance with Rule 404.B.

Rule 405

Modification or Cancellation of Orders

Any Order that has been entered into the ~~SEF~~[Axe FX Trading Platform](#) may be modified or cancelled unless and until a Trade is entered into or the Order otherwise expires. ~~Such modification or~~

~~A~~ cancellation ~~will~~shall become effective only upon acceptance by the ~~Company of a "Cancel Replace Order" or~~[Axe FX Trading Platform of a](#) "Cancel Order," ~~as the case may be,~~ with respect to the original Order, ~~prior to the expiration of such Order or entering into of a Trade.~~ The [Axe FX Trading Platform shall indicate or the Company shall otherwise communicate that a cancellation is successful.](#)

~~The~~ Company will not submit or agree to submit a cancellation or correction for the purposes of re-reporting swap transaction and pricing data, including Required Swap Creation Data, in order to gain or extend a delay in public dissemination of accurate Swap transaction or pricing data or to otherwise evade the reporting requirements of Part 43 or Part 45 of CFTC Regulations.

If the Company modifies or cancels an Order under this Rule 405, it will do so in good faith and in a commercially reasonable manner and will provide ~~prior~~ written notice of such modification or cancellation to the affected Participants and PFIs. Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency pursuant to Rule 412.

Rule 406

Information Regarding Orders

The Company will make information from the ~~SEF~~[Axe FX Trading Platform](#) available to Participants and other Persons at such times and in such manner (whether through the ~~SEF~~[Axe FX Trading Platform](#), financial information services or otherwise) as it may be required by Applicable Law, including, but not limited to CFTC Regulation 37.900 (Timely Publication of Trading Information), provided that SEF Data and other information related to a Participant, Authorized User, Client Account or PFI, as applicable, shall not be disclosed by the Company unless permitted by these Rules or Applicable Law, including CFTC Regulation 37.7 (Prohibited Use of Data Collected for Regulatory Purposes). Each Participant or other Person receiving any such information ~~through the SEF~~ may redistribute such information only to such extent and in such manner as may be permitted by the Company in writing from time to time.

Rule 407

Price Adjustments, Cancellations and Review of Executed Orders by the Company

(a) *Adjustment and Cancellation Authority.*

The Company may adjust trade prices or cancel executed orders, solely in accordance with published policies of the Company, when such action is necessary to mitigate market disrupting events caused by: (i) improper conduct such as market manipulation or clearly erroneous trading behavior (e.g., fat finger entries) or (ii) malfunctions in the Company's systems. If the Company takes any action pursuant to this Rule 407(a), it will do so in a commercially reasonable manner, considering whether such price adjustment or cancellation will adversely impact market integrity, facilitate market manipulation or other illegitimate activity, or otherwise violate the Rules or Applicable Law, and it will give prompt notice and in any event will use good faith, commercially reasonable efforts to provide any affected Participants and PFIs with reasonable prior notice and, where required by Applicable Law (including CFTC Regulation 37.405 (Risk Controls for Trading)), to obtain consent to such adjustment or cancellation. Participants shall be responsible for obtaining any required consent to such adjustment or cancellation from their Client Account(s), if applicable.

(b) *Review of Trades Generally.*

Subject to Rule 407(c), the Company may initiate a review of a Trade based on its analysis of market conditions or in response to a request for review by a Participant. Such request for review must be made as soon as practicable but in no event after the end of the business day in which such Trade took place. The Company shall promptly determine whether the Trade will be subject to review and, upon deciding to review the Trade, the Company will promptly issue an alert to the affected Participants and PFIs indicating that the Trade is under review. In the case of a Trade determined by the Company to be illiquid, the Company may initiate a review on its own initiative if it determines that the trade price was significantly out of line with prices in the market at the time of such transaction (based on pricing data that is readily available to the Company). In the course of its review of any Trade, the Company may, but is not obligated to, inform any of the affected Participants and PFIs the identity and contact information of the other affected Participant and PFI.

(c) *Trading Errors or Omissions.*

The Company provides a Help Desk telephone number ([US: +1-332-282-1751](tel:+13322821751); [UK: +44-20-4551-8237](tel:+442045518237)) and email address (support@spectrax.com) to report any errors or omissions. Upon receipt of a report of an error or omission, the Company ~~reviews the audit trail information and contacts~~ shall follow the procedures on trade review noted in Rule 407(b) to confirm that an error or omission has occurred. If the error or omission is confirmed, the Company shall promptly submit as soon as technologically practicable after discovery corrected data to the same SDR that the

erroneous or omitted data was originally reported, in the same format as the erroneous or omitted data was originally reported, pursuant to Rule 403(e). The Company shall also contact all affected Participants and PFIs to confirm the error or omission. If the error or omission ~~is confirmed, the Company follows the procedures on trade review noted in Rule 407(b).~~ If the error or omission is not confirmed, the Company contacts the Person that provided the notice to notify the Person that there will be no correction to the data previously reported to the SDR.

(d) *PFI Cancellation or Modification.*

- (i) A PFI shall have the right to request a cancellation or modification of any Trade:
 - (A) that is executed in excess or in violation of a Limit set by the PFI, including a Limit on the aggregate exposure it has to another PFI; or
 - (B) that is executed by or with a Person that was not authorized by the PFI under the relevant PFI/Participant Trading Documentation.
- (ii) A PFI must request the cancellation or modification by sending a notice to the Company that states the UTI of the Trade (if any) and the reason for cancellation or modification. If the Company determines that the cancellation or modification satisfies the conditions of this Rule, the Company will cancel or modify the Trade.
 - (A) Alternatively, a PFI may request the cancellation or modification of a Trade by contacting the Help Desk.
- (iii) If the Company modifies or cancels a Trade under this Rule 407(d), it will do so in good faith and in a commercially reasonable manner and will provide written notice of such modification or cancellation to the affected Participants and PFIs. Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency pursuant to Rule 412.

Rule 408

Position Limits

- (a) To reduce the potential threat of market manipulation or congestion, the Company may adopt for each of the contracts of the ~~SEF~~[Axe FX Trading Platform](#), as is necessary and appropriate, position limitations. The Company may grant exemptions from position limits, as it may determine to be necessary and appropriate, in accordance with CFTC Regulations (including notice provisions consistent with Applicable Law, such as CFTC Regulations 40.5(a)(6) (Voluntary Submission of Rules for Commission Review and Approval) and 40.6(a)(2) (Self-Certification of Rules) and CFTC Regulations 37.600 (Position Limits or Accountability) and 37.601 (Additional Sources for Compliance)). This Rule 408 shall apply in the event that the Company does adopt any such position limits, which limits will be included in these Rules, if adopted, and prior notice of any such adoption will be provided as a Notice to Participants consistent with Rule 310 and in accordance with Applicable Law (including notice provisions consistent with Applicable Law, including CFTC Regulations 40.5(a)(6) and 40.6(a)(2)). The Company will monitor all such position limits for whether they meet or exceed reportable levels. The Company shall continually assess whether additional position limits are necessary, appropriate, and should be adopted.
- (b) A Person seeking an exemption from position limits, including limits established pursuant to a previously-approved exemption, must file the required application with the Compliance Department and receive approval prior to exceeding such limits. Notwithstanding the foregoing, a Person who establishes an ~~exemption-eligible~~[exemption-eligible](#) position in excess of position limits and files the required application with the Company shall not be in violation of this Rule provided the filing occurs within one business day after assuming the position. In the event the positions in excess of the limits are not deemed to be exemption-eligible, such Person will be in violation of position limits for the period of time in which the excess positions remained open.

The application must be in the form and manner prescribed by the Compliance Department and, at a minimum, must: (i) provide a description of the exemption sought, including whether the exemption is for bona fide hedging positions as defined in CFTC Regulation 1.3 (Definitions), risk management positions or arbitrage/spread positions; (ii) provide a complete and accurate explanation of the underlying exposure related to the exemption request; (iii) agree to promptly provide, upon request by the Compliance Department, information or documentation regarding the Person's exemption application; (iv) agree to comply with all terms, conditions or limitations imposed by the Compliance Department with respect to the exemption; (v) agree that the Compliance Department may modify or revoke the exemption at any time; (vi) agree to initiate and liquidate positions in an orderly manner; and (vii) agree to promptly submit a supplemental statement to the

Compliance Department whenever there is a material change to the information provided in the most recent application.

- (c) Pursuant to Section 4a(a) of the CEA, the CFTC may also from time to time establish position limits for Swaps traded pursuant to these Rules. For any Swap subject to a position limit set by the CFTC, the Company shall not set its position limit at a level higher than the CFTC's limit.
- (d) In the event that a Person is found to be in violation of a position limit, nothing in this Rule shall in any way limit the authority of the Company to take lawful and appropriate action in response to such violation. Such actions may include, but are not limited to, any of the summary suspension actions described in Rule 717(a)(i)-(iii).
- (e) Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency or the authority of the Company to review at any time any position owned or controlled by any Person and, as the Company may deem necessary to comply with Applicable Law (including CFTC Regulations 37.600 (Position Limits or Accountability) and 37.601 (Additional Sources for Compliance)), to direct that such position be reduced to the position limit provided by the Company.

Rule 409

Position Accountability

To reduce the potential threat of market manipulation or congestion, the Company shall adopt for each of the contracts of the [SEF Axe FX Trading Platform](#), as is necessary and appropriate, position accountability levels, in accordance with CFTC Regulations (including notice provisions consistent with Applicable Law, such as CFTC Regulations 40.5(a)(6) (Voluntary Submission of Rules for Commission Review and Approval) and 40.6(a)(2) (~~Self-Certification of~~[Self-Certification of](#) Rules) and CFTC Regulations 37.600 (Position Limits or Accountability) and 37.601 (Additional Sources for Compliance)). Upon adoption of position accountability levels by the Company, a Person who holds or controls aggregate positions in a Swap in excess of such position accountability levels relating to that Swap shall be subject to the following provisions:

- (a) Such Person shall provide, in a timely manner upon request by the Compliance Department, information regarding the nature of the position, trading strategy, and hedging information if applicable;
- (b) Such Person shall, if so ordered by the Compliance Department, acting in its discretion, liquidate or not increase further the positions which exceed such levels;
- (c) Such positions must be initiated and liquidated in an orderly manner;
- (d) This Rule 409 shall not limit the jurisdiction of the Company to take action that it determines necessary or appropriate in respect of any positions on the [SEF Axe FX Trading Platform](#); and
- (e) Upon request, such Person must provide the Compliance Department with information, in a form and manner acceptable to the Compliance Department, identifying the owner, any controlling parties and any additional required information for each reportable account.

Rule 412

Emergencies

- (a) *Emergency Defined.* The term “Emergency” means any occurrence or circumstance that, in the opinion of the Board, the CEO, COO or CCO requires immediate action and threatens or may threaten the fair and orderly trading in, ~~or the liquidation of,~~ or the delivery pursuant to, ~~any Swap traded pursuant to these Rules.~~ An Emergency may include any of the following:
- (i) Any manipulative activity or attempted manipulative activity;
 - (ii) Any actual, attempted or threatened corner, squeeze, congestion or undue concentration of positions;
 - (iii) Any circumstance that may materially affect the performance of Swaps, including failure of the payment system or the bankruptcy or insolvency of any Participant or PFI;
 - (iv) Any action taken by the U.S. federal or any foreign government, any other governmental body, or any other entity or trading facility (foreign or domestic), in each case that may have a direct impact on the clearing, settling or trading activities ~~related to the matches made on the SEF~~ made on the Axe FX Trading Platform or pursuant to the Rules of this SpectrAxe Rulebook; and
 - (v) Any circumstance that may have a severe, adverse effect upon the functioning of the ~~SEF~~ Axe FX Trading Platform.
- (b) *Emergency Authority.* In the event of an Emergency, the COO or any individual designated by the COO and approved by the Board may place into immediate effect a temporary emergency addition to these Rules that may provide for, or may authorize, the Board or any committee thereof to undertake actions necessary or appropriate to respond to the Emergency, including such actions as:
- (i) imposing or modifying position limits, price limits or intraday market restrictions;
 - (ii) ordering the liquidation or transfer of open positions in any Swap;
 - (iii) ordering the fixing of a settlement price of any Swap;
 - (iv) extending, limiting or changing the Trading Hours or expiration date in respect of one or more Swaps;
 - (v) suspending or curtailing trading, or limiting trading to liquidation only, in any or all Swaps;

- (vi) transferring Swap contracts and associated margin, or altering any Swap's settlement terms or conditions;
 - (vii) modifying or suspending any provision of these Rules; and/or
 - (viii) taking market actions as may be directed by the CFTC.
- (c) Any action placed into effect in accordance with Rule 412(b) shall be reviewed by the Board as soon as practicable under the circumstances and may be revoked, suspended or modified by the Board.
- (d) Any action placed into effect in accordance with Rule 412(b) must be consistent with the requirements of the PFI Facilitation Agreement to the fullest extent allowed by Applicable Law.
- (e) *Physical Emergency.* If, in the judgment of the CEO, the COO, or any individual designated by the CEO or the COO and approved by the Board, the physical functions of the [SEF Axe FX Trading Platform](#) are, or are threatened to be, severely and adversely affected by a physical emergency, such Person shall have authority to take such action as he may deem necessary or appropriate to respond to such physical emergency, including closing the [SEF Axe FX Trading Platform](#), delaying the opening of trading in one or more Swaps or suspending trading in or extending Trading Hours for one or more Swaps. In the event that any action has been taken pursuant to the immediately preceding sentence, any Person who is authorized to take such action may order the removal of any restriction previously imposed pursuant to such sentence, upon a determination by such Person that the physical emergency that gave rise to such restriction has sufficiently abated to permit the physical functions of the [SEF Axe FX Trading Platform](#) to continue in an orderly manner. Any Order, RFQ or response to an RFQ made during the physical emergency by any Person shall be subject to review, modification or reversal by the Board. In the event that trading is suspended in any or all Swaps, any unexecuted Orders, RFQs or responses to RFQs for the suspended Swaps that are currently resting in the [SEF Axe FX Trading Platform](#) will automatically be cancelled and must be resubmitted upon resumption of trading in the affected Swaps.
- (f) *Notification and Recording.*
- (i) The Company will use reasonable efforts to notify the CFTC prior to implementing, modifying or terminating a rule pursuant to this Rule 412 (an "Emergency Rule"). If such prior notification is not practicable, the Company will notify the CFTC as soon as reasonably practicable, but in all circumstances within 24 hours of the implementation, modification or termination of such Emergency Rule.
 - (ii) Whenever the Company takes action pursuant to this Rule 412 to respond to an Emergency, it will ensure that prompt notice is given to Participants as soon as practicable. Participants shall be responsible for informing their

Authorized Users and Client Accounts, as applicable, of such notice. Although the Company will send prompt notice to the PFIs, it is ultimately the Participant's responsibility to ensure that its PFI is informed of such notice. The Company shall not be responsible or liable for the failure of any Authorized User, Client Account or PFI to be informed of such notice.

- (iii) Upon taking any action in response to an Emergency, the Company shall document the decisions and deliberations related to such action, and such documentation will be maintained for at least five years following the date on which the Emergency ceases to exist or to affect the Company. Under Section (a)(2) of the Guidance to Core Principle 8 for Part 37 of the CFTC Regulations, the Company will promptly notify the CFTC of its exercise of emergency action, explaining its decision-making process, the reasons for using its emergency authority, and how conflicts of interest were minimized, including the extent to which the Company considered the effect of its emergency action on the underlying markets and on markets that are linked or referenced to the contracts traded on its facility, including similar markets on other trading venues. Information on all regulatory actions carried out pursuant to the Company's emergency action shall be included in a timely submission of a certified rule pursuant to Part 40 of the CFTC Regulations.
- (iv) When the Company determines that the Emergency has been reduced sufficiently to allow the Company to resume normal functioning, any such actions will be modified or terminated, as appropriate, and notice, when practicable, will be given to Participants. Participants shall be responsible for informing their Authorized Users and Client Accounts, as applicable, of such notice. Although the Company will send notice to the PFIs, it is ultimately the Participant's responsibility to ensure that its PFI is informed of such notice. The Company shall not be responsible or liable for the failure of any Authorized User, Client Account or PFI to be informed of such notice.
- (g) *Conflicts of Interest.* The conflict of interest provisions set forth in Rule 213 and the related documentation requirements set forth in Rule 213(d) shall apply, with any such modifications or adaptations as may be necessary or appropriate under the circumstances, to the taking of any action under this Rule 412 by the CEO, the COO or their respective designee.
- (h) If the Emergency is related to a Swap that is fungible with financial products traded on another swap execution facility or a designated contract market, the Company will endeavor to coordinate its response with any directions received from the CFTC.

Rule 413

LIMITATION OF LIABILITY

- (a) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, NEITHER THE COMPANY, NOR ANY AFFILIATE OF THE COMPANY, NOR ANY OF THEIR RESPECTIVE MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES, EQUITY HOLDERS, AGENTS, CONSULTANTS OR SERVICE PROVIDERS (INCLUDING ANY REGULATORY SERVICES PROVIDER), NOR ANY MEMBER OF ANY COMMITTEE OR OTHER GOVERNING BODY OF ANY AFFILIATE OF THE COMPANY (EACH OF THE FOREGOING, AS APPLICABLE, THE "DISCLAIMING PARTY" AND, COLLECTIVELY, "DISCLAIMING PARTIES"), SHALL BE LIABLE TO ANY PERSON FOR ANY LOSSES ARISING OUT OF OR IN CONNECTION WITH:
- (i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER EVENT, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF THE ~~SEF~~[AXE FX TRADING PLATFORM](#) OR ANY OTHER SYSTEMS AND SERVICES OF THE COMPANY, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION, ELECTRONIC ORDER ENTRY AND DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY PARTICIPANTS AND AUTHORIZED USERS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL

COMPUTERS, SOFTWARE, HARDWARE AND FIRMWARE RELATING THERETO; OR

- (ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER EVENT, OF ANY SYSTEM OR SERVICE OF THE COMPANY, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR
- (iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE COMPANY OR ANY OF THE COMPANY'S SYSTEMS, SERVICES OR FACILITIES; OR
- (iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY OF THE COMPANY'S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES BY ANY PERSON; OR
- (v) ANY FAILURE OR ACCEPTANCE OF A TRADE BY A PARTICIPANT OR PFI; OR
- (vi) ANY BREACH OR FAILURE BY A PFI TO COMPLY WITH THE TERMS OF THE PFI FACILITATION AGREEMENT; OR
- (vii) ANY BREACH OR FAILURE BY A PARTICIPANT OR PFI TO COMPLY WITH THE TERMS OF THE APPLICABLE PARTICIPANT AGREEMENT OR ~~PARTICIPANT AGREEMENT ADDENDUM~~ [LIMITS NOTICE \(OR SIMILAR AUTHORIZATION OF A PARTICPANT BY A PFI\)](#).

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM IS BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND NEGLIGENT MISREPRESENTATION), RESTITUTION, BREACH OF STATUTORY DUTY, BREACH OF WARRANTY OR OTHERWISE AND WITHOUT REGARD TO WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD-PARTY CLAIM, UNLESS THE DISCLAIMING PARTY HAS BEEN FINALLY ADJUDICATED BY A COURT OF COMPETENT JURISDICTION TO HAVE ENGAGED IN FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE COMMODITY EXCHANGE ACT AND REGULATIONS THEREUNDER.

- (b) [EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT,](#) THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS PROVIDED BY THE COMPANY OR ANY OTHER DISCLAIMING PARTIES

RELATING TO ANY SYSTEMS OR SERVICES OF THE COMPANY OR SERVICES AND THE EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE [SEEFAXE FX TRADING PLATFORM](#), AND THE COMPANY HEREBY SPECIFICALLY DISCLAIMS, OVERRIDES AND EXCLUDES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL IMPLIED WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES, CONDITIONS, OTHER CONTRACTUAL TERMS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES WITH RESPECT TO THE SERVICES, WHETHER EXPRESS, IMPLIED OR STATUTORY, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY THE COMPANY OR ANY OTHER DISCLAIMING PARTY OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO, AS TO TITLE, SATISFACTORY QUALITY, ACCURACY, COMPLETENESS, UNINTERRUPTED USE, NON-INFRINGEMENT, TIMELINESS, TRUTHFULNESS, SEQUENCE AND ANY IMPLIED WARRANTIES, CONDITIONS AND OTHER CONTRACTUAL TERMS ARISING FROM TRANSACTION USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE) RELATING TO ANY SYSTEMS OR SERVICES OF THE COMPANY OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE [SEEFAXE FX TRADING PLATFORM](#).

- (c) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, UNLESS THE COMPANY HAS BEEN FINALLY ADJUDICATED BY A COURT OF COMPETENT JURISDICTION TO HAVE ENGAGED IN FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE COMPANY'S TOTAL COMBINED AGGREGATE LIABILITIES SHALL NOT EXCEED \$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED BY ALL PERSONS ON A SINGLE DAY; \$200,000 FOR ALL LOSSES SUFFERED BY ALL PERSONS FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND \$1,000,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED BY ALL PERSONS IN A SINGLE CALENDAR YEAR. IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR SINGLE MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD. IN NO EVENT SHALL THE TOTAL COMBINED AGGREGATE LIABILITY OF THE DISCLAIMING PARTIES FOR ALL CLAIMS ARISING OUT OF ANY FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS OR ANY OTHER CAUSES IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE COMPANY'S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES,

INCLUDING THE [SEFAXE FX TRADING PLATFORM](#), OR THE NEGLIGENCE OF THE COMPANY OR ANY DISCLAIMING PARTY EXCEED \$1,000,000 IN ANY GIVEN CALENDAR YEAR.

- (d) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, UNDER NO CIRCUMSTANCES SHALL THE COMPANY BE LIABLE TO A PARTICIPANT, PFI, AUTHORIZED USER, CLIENT ACCOUNT OR ANY OTHER PERSON FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY LOSS OR PUNITIVE DAMAGES OF ANY KIND, REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY LOSS OF REVENUE, LOSS OF ACTUAL OR ANTICIPATED PROFITS, LOSS OF CONTRACTS, LOSS OF THE USE OF MONEY, LOSS OF ANTICIPATED SAVINGS, LOSS OF BUSINESS, LOSS OF OPPORTUNITY, LOSS OF MARKET SHARE, LOSS OF GOODWILL, LOSS OF REPUTATION OR LOSS OF, DAMAGE TO OR CORRUPTION OF DATA, HOWEVER SUFFERED OR INCURRED, REGARDLESS OF WHETHER THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR WHETHER SUCH DAMAGES OTHERWISE COULD HAVE BEEN FORESEEN OR PREVENTED.
- (e) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, UNDER NO CIRCUMSTANCES SHALL THE COMPANY BE LIABLE FOR THE ACTS, ERRORS OR OMISSIONS OF ANY THIRD PARTY, INCLUDING ANY MARKET DATA VENDOR, SDR OR DCO.
- (f) [RESERVED].
- (g) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, ANY DISPUTE ARISING OUT OF THE USE OF THE SYSTEMS OR SERVICES OF THE COMPANY OR SERVICES, EQUIPMENT, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE [SEFAXE FX TRADING PLATFORM](#), IN WHICH ONE OR MORE DISCLAIMING PARTIES IS A PARTY SHALL BE ARBITRATED PURSUANT TO THESE RULES IN CHAPTER 8, AND REFERENCES IN CHAPTER 8 TO A "PARTICIPANT" SHALL, TO THE EXTENT RELEVANT, BE DEEMED FOR SUCH PURPOSE TO MEAN AND INCLUDE THE DISCLAIMING PARTIES. ANY SUCH CLAIM AGAINST A DISCLAIMING PARTY SHALL BE BROUGHT WITHIN ONE YEAR FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH (F) SHALL IN NO WAY BE CONSTRUED TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY THESE RULES. IF, FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT A DISPUTE

IS NOT ARBITRABLE, SUCH DISPUTE MAY BE LITIGATED ONLY IN ACCORDANCE WITH RULE 1112.

- (h) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, NO PFI OR ITS AFFILIATES; DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES; OR THE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES OF ITS AFFILIATES SHALL BE LIABLE FOR ANY LOSS INCURRED OR SUFFERED BY A PARTICIPANT BY ENTERING INTO A TRADE. NO PFI OR ITS AFFILIATES; DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES; OR THE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES OF ITS AFFILIATES SHALL BE LIABLE FOR ANY LOSS INCURRED OR SUFFERED BY A PARTICIPANT RESULTING FROM ANY ACT OR OMISSION, INCLUDING WILLFUL DEFAULT, OF THE [SEFAXE FX TRADING](#) PLATFORM OR ANY OTHER PARTICIPANT OR AUTHORIZED USER ON THE [SEFAXE FX TRADING](#) PLATFORM
- (i) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, NO PFI OR ITS AFFILIATES; DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES; OR THE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES OF ITS AFFILIATES SHALL HAVE ANY LIABILITY FOR ANY INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES OR FOR LOSS OF PROFITS, LOSS OF GOODWILL, OR LOSS OF BUSINESS OPPORTUNITY.
- (j) NO PFI SHALL BE LIABLE FOR THE ACCURACY OR REASONABLENESS OF ANY DUES, ASSESSMENTS, COMMISSIONS OR FEES THAT THE COMPANY MAY CHARGE A PARTICIPANT.

Rule 414

Requirements for Persons Submitting Orders, RFQs and Responses to RFQs

- (a) Each Order, RFQ or response to an RFQ submitted to the [SEFAxe FX Trading Platform](#) shall be submitted under the applicable User ID of the Authorized User for the Participant entering or intermediating such Order, RFQ or response to an RFQ.

Each Order, RFQ or response to an RFQ submitted to the [SEFAxe FX Trading Platform](#) shall include information identifying the relevant Swap (including the delivery or expiry month), price, notional amount of the Swap, correct CTI code (as described in Rule 615), buy or sell, appropriate account designation, and Order type, and any other information necessary for the [SEFCompany](#) to satisfy its reporting obligations pursuant to Rule 403.

- (b) Each Order, RFQ or response to an RFQ submitted to the [SEFAxe FX Trading Platform](#) shall include the following information for the Participant entering or intermediating such Order, [RFQ or response to an RFQ \(to the extent such information is not otherwise pre-populated\), pursuant to CFTC Regulation 45.8\(h\)\(1\) \(Determination of which Counterparty shall Report\):](#)

~~RFQ or response to an RFQ (to the extent such information is not otherwise pre-populated):~~

- (i) the Legal Entity Identifier of such Participant;
 - (ii) a yes/no indication of whether such Participant is a Swap Dealer with respect to the Swap for which the Order, RFQ or response to an RFQ is placed;
 - (iii) a yes/no indication of whether such Participant is a Major Swap Participant with respect to the Swap for which the Order, RFQ or response to an RFQ is placed;
 - (iv) a yes/no indication of whether such Participant is a financial entity (as defined in Section 2(h)(7)(C) of the CEA);
 - (v) a yes/no indication of whether such Participant is a U.S. person; and
 - (vi) [if applicable](#), an indication of whether such Participant will elect the clearing requirement exception in Section 2(h)(7) of the CEA for any Swap resulting from the Order, RFQ or response to an RFQ.
- (c) If a Trade will be allocated, then each Order, RFQ or response to an RFQ submitted to the [SEFAxe FX Trading Platform](#) shall include the following information for the Participant entering or intermediating such Order, RFQ or response to an RFQ (to the extent such information is not otherwise pre-populated), [pursuant to CFTC Regulation 45.8\(h\)\(1\)\(vii\):](#)
- (i) An indication that the Trade will be allocated;

- (ii) The Legal Entity Identifier of the agent;
 - (iii) An indication of whether the Trade will be a post-allocation Swap; and
 - (iv) If the Trade will be a post-allocation Swap, the UTI of the initial swap transaction between the ~~reporting-counterparty~~Reporting Counterparty and the agent.
- (d) As used in this Rule 414, “financial entity,” “agent” and “U.S. person” have the meaning given those terms in the CEA, CFTC Regulations and exemptive or ~~no-~~action relief or interpretive guidance issued by the CFTC or its staff, as applicable.

Rule 415

User IDs

- (a) No Person may use a User ID to place any Order, RFQ or response to an RFQ except as permitted by these Rules, nor may any Person knowingly permit or assist with the unauthorized use of a User ID. Each Authorized User, Participant, PFI or any other Person that has been authorized to access the [SEFAxe FX Trading Platform](#) shall take reasonable measures to ensure that no assigned User ID is used by any Person not authorized by these Rules.
- (b) No Person shall submit to the [SEFAxe FX Trading Platform](#) any Order, RFQ or response to an RFQ using the User ID of any other Person, unless the Person submitting the Order, RFQ or response to an RFQ is an Authorized User for that Person.
- (c) Each Participant, PFI or any other Person that has been authorized to access the [SEFAxe FX Trading Platform](#) shall provide in writing to the Company and keep current such information as the Company may require concerning itself and each of its Authorized Users or any other Person it permits to have direct access, including Persons who have been granted Electronic Access, to the [SEFAxe FX Trading Platform](#) by using its User ID.
- (d) Any request that the Company activate or deactivate a User ID shall be submitted in writing by a Designated Contact [or Operational Contact](#) of the relevant Participant or PFI in the manner provided for by the Company. The Company shall have no liability for any action or inaction due to its good faith reliance upon such a written request or for any communication system failure.
- (e) Each Participant, PFI or any other Person that has been authorized to access the [SEFAxe FX Trading Platform](#) shall notify the Compliance Department promptly upon becoming aware of:
 - (i) any unauthorized disclosure or use of any User ID assigned to it and of any other reason for deactivating a User ID assigned to it;
 - (ii) any unauthorized disclosure or use of any User ID assigned to its Authorized User and of any other reason for deactivating a User ID assigned to that Authorized User;
 - (iii) any unauthorized access to the [SEFAxe FX Trading Platform](#) by any Person using a User ID assigned to it; or
 - (iv) any unauthorized access to the [SEFAxe FX Trading Platform](#) by any Person using a User ID assigned to its Authorized User.

Rule 416

Designated Contact(s) and Operational Contact(s)

Each Participant and PFI shall ~~(a)~~ identify in writing to the Company one or more Designated Contacts, as the Company may determine, ~~and (b) ensure that at least one of its Designated Contacts is available by telephone at any time one of its Authorized Users is accessing the SEF~~ who are authorized to receive Notices and other communications from the Company.

Each Participant shall identify in writing to the Company one or more Operational Contacts, as the Company may determine.

A Participant or PFI must notify the Company in writing to change a Designated Contact or an Operational Contact.

Rule 417

Message Traffic

The Company may at any time restrict or establish utilization fees in respect of Message Traffic, either with respect to all or any Participants and Authorized Users in order to safeguard the security or operations of the ~~SEF~~[Axe FX Trading Platform](#), or to preserve market integrity, fair and orderly trading, or if otherwise in the public interest.

Rule 501

Duties and Responsibilities of Participants and their Authorized Users

- (a) Each Participant and its Authorized Users, shall:
- (i) use the [SEF Axe FX Trading Platform](#) in a responsible manner and not for any improper purpose;
 - (ii) use the [SEF Axe FX Trading Platform](#) only to conduct business that is subject to these Rules and in a manner consistent with these Rules;
 - (iii) comply with these Rules, submit to the jurisdiction of the Company to enforce these Rules and act in a manner consistent with these Rules;
 - (iv) observe high standards of market conduct, fair dealing, and just and equitable principles of trade while conducting or seeking to conduct any business connected with or concerning the Company;
 - (v) not knowingly mislead or conceal any material fact or matter required to be disclosed in any dealings or filings with the Company or in connection with a disciplinary proceeding; and
 - (vi) keep all User IDs, account numbers and passwords related to the [SEF Axe FX Trading Platform](#) confidential.
- (b) Participants shall comply with all applicable anti-spoofing policies for Swaps which the Company posts on the [SEF Axe FX Trading Platform](#) or sets forth in Notices to Participants from time to time.

Rule 502

Required Notices

- (a) Each Participant shall promptly notify the CCO upon becoming aware of any of the following events, in each case, with respect to the Participant's status, and the status of its Authorized Users, which relates to or may affect its or their participation or conduct on the ~~SEF~~ [Axe FX Trading Platform](#):
 - (i) any material changes to information provided to the Company in connection with an application for Participant or Authorized User status;

- (ii) any refusal of admission to any self-regulatory organization, or withdrawal of an application for membership or participant status in a self-regulatory organization, by the Participant or any of its Authorized Users;
 - (iii) any expulsion, suspension or fine in excess of \$50,000 (whether through an adverse determination, voluntary settlement or otherwise) imposed on the Participant or any of its Authorized Users, by any self-regulatory organization;
 - (iv) any denial or withdrawal of an application for registration or license with respect to the Participant or any of its Authorized Users by or from any government agency or self-regulatory organization, and any revocation, suspension or conditioning of a registration or license granted by any government agency or self-regulatory organization to the Participant or any of its respective Authorized Users;
 - (v) the commencement of any judicial or administrative proceeding against the Participant or any of its respective Authorized Users by a government agency or the imposition of a fine in excess of \$50,000, cease and desist order, denial of trading privileges, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed by any government agency or self-regulatory organization;
 - (vi) the indictment or conviction of, or any confession of guilt or plea of guilty or *nolo contendere* by the Participant or any of its Authorized Users, senior officers or principals for any felony or for any misdemeanor involving, arising from, or related to, the purchase or sale of any Swap or other financial instrument, or involving or arising from fraud or moral turpitude;
 - (vii) the bankruptcy or insolvency of the Participant or any of its Affiliates; and
 - (viii) the failure of any Participant to be an Eligible Contract Participant.
- (b) Each PFI shall promptly notify the CCO upon becoming aware of any of the following events, in each case, with respect to the PFI's status, and the status of its Authorized Users, which relates to or may affect its or their participation or conduct on the [SEF Axe FX Trading Platform](#):
- (i) any material changes to information provided to the Company in connection with the information provided to the Company in the PFI Facilitation Agreement;
 - (ii) any refusal of admission to any self-regulatory organization, or withdrawal of an application for membership or participant status in a self-regulatory organization, by the PFI or any of its Authorized Users;

- (iii) any expulsion, suspension or fine in excess of \$250,000 (whether through an adverse determination, voluntary settlement or otherwise) imposed on the PFI or any of its Authorized Users, by any self-regulatory organization;
 - (iv) any denial or withdrawal of an application for registration or license with respect to the PFI or any of its Authorized Users by or from any government agency or self-regulatory organization, and any revocation, suspension or conditioning of a registration or license granted by any government agency or self-regulatory organization to the PFI or any of its respective Authorized Users;
 - (v) the commencement of any judicial or administrative proceeding against the PFI or any of its respective Authorized Users by a government agency or the imposition of a fine in excess of \$250,000, denial of Trading Privileges, cease and desist order, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed by any government agency or self-regulatory organization;
 - (vi) the indictment or conviction of, or any confession of guilt or plea of guilty or *nolo contendere* by the PFI or any of its Authorized Users, senior officers or principals for any felony or for any misdemeanor involving, arising from, or related to, the purchase or sale of any Swap or other financial instrument, or involving or arising from fraud or moral turpitude;
 - (vii) the bankruptcy or insolvency of the PFI or any of its Affiliates; and
 - (viii) the failure of any PFI to be an Eligible Contract Participant.
- (c) Each Participant and [PFI shall review the Trade Communication issued pursuant to Rule 1101\(b\) as soon as practicable upon receipt. A Participant or](#) PFI shall promptly notify the Company upon becoming aware of an error or omission in swap transaction and pricing data, including Required Swap Creation Data, for a Trade by contacting the Company pursuant to Rule 407. [The Participant or PFI must submit to the Company the corrected or completed data as part of the notice.](#)
- ~~(e)~~ [In addition to notifying the Company, Participants that become aware of an error or omission in swap transaction and pricing data must promptly notify their PFI of the error or omission if they become aware of the error or omission first. PFIs before their PFI. PFIs that become aware of an error or omission in swap transaction and pricing data must promptly notify their Participants of the error or omission if they become aware of the error or omission first. before their relevant Participant, in addition to notifying the Company. If the PFI that becomes aware of the error or omission \(whether on its own or due to notification from its Participant\) is not the Reporting Counterparty \(as determined by Rule 403\(a\)\(vi\)\), such PFI must also notify the Reporting Counterparty of the error or omission pursuant to CFTC Regulations 43.3\(e\)\(2\) \(Method and Timing for Real-time Public Reporting\) and 45.14\(a\)\(2\) \(Correcting Errors in Swap Data and Verification of Swap Data Accuracy\).](#)

~~Participants and PFIs must correct the error or omission by submitting the corrected or completed data to the SEF as required by CFTC Regulation 43.3(e) (Method and Timing for Real-Time Public Reporting) or applicable no-action relief issued by the CFTC.~~

Rule 503

Books and Records; Cooperation in Proceedings

- (a) Each Participant, PFI, Authorized User, and Client Account shall prepare and keep current all books, ledgers and other similar records (including, but not limited to, records of any such Person's activity in the index or instrument used as a reference price, the underlying commodity, and related derivatives markets), in the manner prescribed by the CEA, CFTC Regulations and these Rules and shall prepare and keep current such other books and records and adopt such forms as the Company may from time to time prescribe. Such books and records shall be made available to the Company and its authorized representatives, upon request during regular business hours, and the Company agrees to adhere to reasonable logical and physical access and security procedures of such Participant, PFI, Authorized User, and Client Account and, with respect to the CFTC, the Department of Justice and their respective authorized representatives, upon request in accordance with Applicable Law including CFTC Regulations 37.203 (Rule Enforcement Program) and 37.404 (Ability to Obtain Information).
- (b) Upon reasonable prior notice, the Company may require a Participant, PFI, Authorized User, or Client Account to furnish such information concerning the Participant's, PFI's, Authorized User's, and Client Account's business that is subject to these Rules as the Company deems necessary to enable it to perform its obligations under Applicable Law, including CFTC Regulations 37.203 (~~Rule Enforcement Program~~) and 37.404 (~~Ability to Obtain Information~~), including information relating to (i) Trades entered into pursuant to the ~~rules of the SEF~~, [Rules of this SpectrAxe Rulebook](#), including the information required under CFTC Regulation 37.404(b); and (ii) information requested by a government agency relating to the Company and/or the Company's compliance with Applicable Law that the Company believes is maintained by, or otherwise in the possession of, a Participant, PFI, Authorized User, or Client Account.
- (c) All data and information provided to or obtained by the Company pursuant to this Rule 503 shall be subject to the confidentiality provisions in Rule 1106.

Rule 504

System Security

Each Participant and PFI shall (a) be solely responsible for controlling and monitoring the use of all User IDs issued to it and its Authorized Users by the Company, (b) ensure that each Person accessing the [SEFAXe FX Trading Platform](#) using such User IDs is assigned a unique password and that each password is used only by the Person to whom it is assigned, and (c) notify the Company promptly upon becoming aware of any unauthorized disclosure or use of the User IDs or passwords or of any other reason for deactivating User IDs or passwords.

Each Participant shall be bound by any actions taken through the use of its User IDs or passwords, including entering into Trades, whether or not such actions were authorized by such Participant or any of its Authorized Users or executed by any Person other than an Authorized User of such Participant, except to the extent that (a) Participant has notified the Company in writing that such User ID or password should be canceled or suspended and the Company has not taken appropriate actions within a reasonable time to cancel or suspend such User ID or password, or (b) unauthorized use of the User ID or password is the direct result of gross negligence or willful misconduct by the Company.

Rule 505

Front-End User Interface; Audit Trail

- (a) Each Participant and PFI shall be solely responsible for ensuring that any ~~front-end~~front-end interface connecting to the SEF Axe FX Trading Platform that is not provided by the Company, and that is used by the Participant, its Authorized Users, or any other Person using its User IDs, maintains a routing/front-end audit trail for all Orders; RFQs; responses to RFQs, including entry, modification, cancellation and responses to such messages; and Trades entered into through any gateway to the SEF Axe FX Trading Platform, including the times thereof to the highest level of precision achievable by the Participant's or PFI's operating system, but at least to the nearest second ("Audit Trail"). Data that is so captured must not be capable of being modified.
- (b) Participants and PFIs shall maintain, or shall cause other third parties to whom they have provided connectivity to the SEF Axe FX Trading Platform to maintain, Audit Trail data in the form and manner required by CFTC Regulations (including CFTC Regulation 37.205 (Audit Trail)) and in accordance with such additional requirements as may be established by the Company. Participants and PFIs must have the ability to produce such data, or cause such data to be produced, in a standard format upon request of the Compliance Department.

Rule 506

Financial Requirements

Each Participant and PFI must notify the Company promptly upon becoming aware that it fails to satisfy the minimum financial requirements applicable to it in order to participate on the [SEF Axe FX Trading Platform](#), including the requirement to qualify as an Eligible Contract Participant. Upon request by the Company, Participants and PFIs shall submit financial and related information to the Company sufficient to demonstrate that it qualifies as an Eligible Contract Participant. A Participant or PFI that is unable to demonstrate to the Company that it is in compliance with such minimum financial requirements shall not engage in transactions subject to these Rules except for the purpose of closing open positions.

Each Participant must notify the Company promptly upon becoming aware that its PFI is unable to provide the prime brokerage services necessary to settle Trades in the manner discussed herein.

Rule 507

Restrictions on Activity

If the Company determines that the financial or operational condition of a Participant or PFI, or one of the Participant's or PFI's Affiliates is such that to allow that Participant to continue to have access to the ~~SEF~~ [Axe FX Trading Platform](#) would adversely affect the Company or the financial markets, the Company may impose additional Limits (including, but not limited to, product restrictions and trade volume limits) on such Participant or terminate, in whole or in part, the Trading Privileges of such Participant, as well as the exercise of such Trading Privileges by its Authorized Users.

If there are any discrepancies among the Limits applicable to a Participant, the Limits set by the PFI shall govern, then the Limits set by the Company pursuant to this Rule 507.

Rule 603

Fraudulent Acts Prohibited

No Participant or its Authorized Users, or any other Person, shall engage or attempt to engage, directly or indirectly, in any fraudulent act, practice, or course of business which operates or would operate as a fraud or deceit upon any Person or any manipulative device, scheme, or artifice to defraud, deceive, trick or mislead another Person (including the Company) in connection with or related to any Trade or other Swap activity related to the [SEFAxe FX Trading Platform](#), including improper cross trading, accommodation trading, or front running.

Rule 605

Market Disruption Prohibited

Orders, RFQs or responses to RFQs entered into the [SEFAxe FX Trading Platform](#) for the purpose of upsetting the equilibrium of the market in any Swap or creating a condition in which prices do not or will not reflect market values (based on market conditions and prices at the time such Order, RFQ or response to an RFQ is entered into the [SEFAxe FX Trading Platform](#), as determined by reference to available market data) are prohibited, and any Person who makes or assists in entering any such Order, RFQ or response to an RFQ with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such Order, RFQ or response to an RFQ will be deemed to have engaged in an act detrimental to the Company.

Rule 609

Acts Detrimental

It shall be a violation of these Rules for a Participant, Authorized User, or other Person to engage in any act which is materially detrimental to the Company's ability to operate the ~~SEE~~ [Axe FX Trading Platform](#) or comply with Applicable Law.

Rule 611

Disclosing Orders, RFQs

Except as otherwise permitted by these Rules, no Participant or Authorized User shall disclose to any Person that is not acting on behalf of such Participant the terms of any Order, RFQ or response to an RFQ prior to its entry into the ~~SEF~~[Axe FX Trading Platform](#), other than (a) an Authorized User of the same Participant for the sole purpose of executing or recording such Order, RFQ or response to an RFQ, (b) a Company Official, or (c) the CFTC, the Department of Justice or any other regulatory or self-regulatory organization with jurisdiction over the Company or such Participant.

Rule 614

“Money passing,” Pre-Arranged and Noncompetitive Transactions Prohibited

- (a) No Person may enter Orders, RFQs or responses to RFQs the purpose of which is to enter into Trades without a net change in a Participant’s open positions but a resulting profit to one Participant and a loss to the other Participant, commonly known as a “money pass.”
- (b) No Person shall pre-arrange any purchase or sale or noncompetitively enter into a Trade ~~or~~ made on the Axe FX Trading Platform or pursuant to the Rules of ~~the SEF~~ this SpectrAxe Rulebook.
- (c) Rule 614(b) shall not apply to Trades that are entered into through the ~~SEF’s~~ Axe FX Trading Platform’s RFQ system in accordance with Rule 404.B(b).

Rule 702

Inquiries and Investigation

- (a) The Compliance Department will investigate any matter within the Company's jurisdiction of which it becomes aware. The Compliance Department will determine the nature and scope of its inquiries and investigations within its sole discretion and will function independently of any commercial interests of the Company.
- (b) The Compliance Department has the authority to:
 - (i) initiate and conduct inquiries and investigations;
 - (ii) prepare Investigation Reports and make recommendations concerning initiating disciplinary proceedings;
 - (iii) prosecute alleged violations within the Company's jurisdiction; and
 - (iv) represent the Company on an appeal to an Appeal Panel of any disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.
- (c) Each Person, with respect to Orders, RFQs, responses to RFQs or transactions on the [SEFAxe FX Trading Platform](#):
 - (i) is obligated to appear, testify and respond in writing to interrogatories within the time period required by the Compliance Department in connection with:
 - (A) any Rule;
 - (B) any inquiry or investigation; or
 - (C) any preparation by and presentation during a disciplinary proceeding or appeal from a decision in a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action by the Company;
 - (ii) is obligated to produce books, records, papers, documents or other tangible evidence in its possession, custody or control within the time period required by the Compliance Department in connection with:
 - (A) any Rule;
 - (B) any inquiry or investigation; or
 - (C) any preparation by and presentation during a disciplinary proceeding or appeal from a decision in any disciplinary proceeding, summary

imposition of fines, summary suspension or other summary action by the Company; and

- (iii) may not impede or delay any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.

Rule 719

Reinstatement after Summary Suspension

- (a) A respondent whose Trading Privileges are suspended, revoked, limited, conditioned, restricted or qualified pursuant to Rule 718 may apply for reinstatement by filing with the Compliance Department a written request stating the applicant's reasons for seeking reinstatement. The Company will not consider a respondent's request for reinstatement if the respondent:
- (i) owes any fines, fees, charges or costs to the Company;
 - (ii) continues to fail to appear at disciplinary proceedings without good cause; or
 - (iii) continues to impede the progress of disciplinary proceedings.

Within a reasonable period after the filing of a request for reinstatement, the Appeals Panel will conduct a hearing to consider the request. At the hearing for reinstatement, the respondent will present its case supporting the reinstatement and the Compliance Department, acting on behalf of the CCO may, in its discretion, present its case opposing or supporting the reinstatement and each may present relevant and admissible evidence and facts and call, examine and cross-examine witnesses. At the hearing for reinstatement, the Company may require any Participant or Authorized User (and, as applicable, any employees or Affiliates) involved in activity proposed to be conducted on the ~~SEF~~[Axe FX Trading Platform](#) to appear as witnesses and produce evidence if the Appeals Panel determines that the evidence is relevant.

- (b) As promptly as reasonably possible after a reinstatement hearing, the Appeals Panel will issue an order reinstating, denying the reinstatement, or placing conditions on the reinstatement of the Trading Privileges of the respondent. The order will include a brief summary of the evidence introduced at the reinstatement hearing; and, if applicable, findings of fact and conclusions not contained in the notice of summary action issued pursuant to Rule 718(b) above. The order of the Appeals Panel may not be appealed.

Rule 720

Rights and Responsibilities after Suspension or Termination

- (a) When the Trading Privileges of a Participant or the exercise of such Trading Privileges by an Authorized User are suspended for a period of 12 months or less, none of its rights or Trading Privileges (including the right to hold oneself out to the public as a Participant or Authorized User or enter Orders on the ~~SEF~~[Axe FX Trading Platform](#) and receive Participant rates for fees, costs, and charges, as applicable) will apply to such Participant or Authorized User during the period of the suspension, except for the right to assert claims against others as provided in Chapter 8 of these Rules. Any such suspension will not affect the rights of creditors under these Rules or relieve the Participant or Authorized User of its obligations under these Rules to perform with respect to any Trades entered into before the suspension, or for any Company fees, costs, or charges incurred during the suspension. The Company may discipline a suspended Participant or Authorized User under this Chapter 7 for any violation of a Rule or provision of Applicable Law committed by the Participant or Authorized User before, during or after the suspension.
- (b) When the Trading Privileges of a Participant or the exercise of such Trading Privileges by an Authorized User are terminated, all of its rights or Trading Privileges, as applicable, will terminate, except for the right of the Participant or Authorized User in question to assert claims against others, as provided in Chapter 8 of these Rules. Any such termination will not affect the rights of creditors under these Rules. A terminated Participant or Authorized User may only seek to reinstate its authorization to exercise Trading Privileges by providing the Company with satisfactory evidence that it complies with Rule 302. The Company will not consider the application of a terminated Participant or Authorized User if such Participant or Authorized User, as the case may be, fails to appear at disciplinary proceedings without good cause or impedes the progress of disciplinary proceedings.
- (c) A suspended or terminated Participant or Authorized User remains subject to these Rules and the jurisdiction of the Company for any acts or omissions prior to the suspension or termination, and must cooperate in any inquiry, investigation, disciplinary proceeding, appeal from disciplinary proceedings, summary suspension or other summary action as if the suspended or terminated Participant or Authorized User still had Trading Privileges or could still exercise Trading Privileges.

Rule 801

General

- (a) Except as otherwise provided in these Rules, Participants, PFIs, and Authorized Users shall arbitrate pursuant to these Rules in this Chapter 8 all disputes, controversies and claims between or among themselves arising out of the Trades entered into pursuant to the ~~rules of the SEF~~ [Rules of this SpectrAxe Rulebook](#) or the use of the systems or services of the Company or the services, equipment, or facilities used to support such systems or services, including, without limitation, the ~~SEF~~ [Axe FX Trading Platform](#). Any such claim against a Participant or Authorized User shall be brought within two years from the time that a cause of action has accrued. This Rule 801 shall in no way be construed to create a cause of action and shall not authorize an action that would otherwise be prohibited by these Rules or Applicable Law. If for any reason a court of competent jurisdiction finds that a dispute is not arbitrable, such dispute may be litigated only in accordance with Rule 1113.

- (b) Notwithstanding the foregoing, this Rule 801 does not apply to disputes between or among Participants, PFIs or Authorized Users where: (i) such Persons are required by the rules of a self-regulatory organization to submit to the dispute resolution procedures of that self-regulatory organization; or (ii) such Persons have, by valid and binding agreement, committed to negotiate or litigate in a manner other than the process set out in this Chapter 8.
 - (i) The following agreements shall be considered valid and binding agreements for purposes of this Rule 801(b): the PFI Facilitation Agreement, PFI/Participant Trading Documentation, and Master Agreements between PFIs.

Rule 802

Forum and Arbitration Rules

All disputes, controversies and claims between or among Participants, PFIs and Authorized Users arising out of the Trades entered into pursuant to the ~~rules of the SEF~~[Rules of this SpectrAxe Rulebook](#) or the use of the systems or services of the Company or the services, equipment, or facilities used to support such systems or services, including, without limitation, the ~~SEF~~[Axe FX Trading Platform](#), shall be settled by arbitration administered by the AAA under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Rule 903

Exercise of Options

- (a) A buyer of an option who purchased an option may only exercise on the date of option maturity (referred to, by the industry, as “European Options”). Currently, the ~~SEF~~[Axe FX Trading Platform](#) only offers foreign currency options.
- (b) To exercise or expire an option, a buyer of an option must provide ~~a written notice~~ ~~or~~ an electronic notice through the applicable ~~SEF~~[Axe FX Trading Platform](#) functionality to the Company that states that the buyer of an option will exercise or expire its option (~~a written notice to the Company shall be acceptable only if such functionality is technically unavailable~~). Upon receipt of this notice, the Company shall send a notice to all affected Participants and PFIs that states that the option has been exercised or expired.
 - (i) This option exercise provision shall supersede any other provision to the contrary in any agreement entered into by the Participants or PFIs.
- (c) The Company shall make all commercially reasonable efforts to ensure that the anonymity of the parties involved is retained during the settlement and delivery processes, as applicable.
- (d) If an option is not exercised or expired by the buyer of an option before expiration, the expiration process will be determined by an auto exercise process, which will be based on the option strike price relative to the reference rate at expiration. If the strike price of a call is below the reference rate at expiration, the option will be automatically exercised. If the strike price of a call is equal to or above the reference rate at expiration, the option will be ~~abandoned~~expired. If the strike price of a put is above the reference rate at expiration, the option will be automatically exercised. If the strike price of a put is equal to or below the reference rate at expiration, the option will be ~~abandoned~~expired.
- (e) In no case shall the ~~SEF~~[Company](#) be responsible for the exercise of, or failure to exercise, an option.

Rule 904

Uncleared Swap Transactions between the PFI and Participant

As a consequence of a Participant effectuating a Trade on the [SEFAxe FX Trading](#) Platform, a separate, corresponding Uncleared Swap may arise under the PFI/Participant Trading Documentation between that Participant and its PFI, if applicable (“Mirror Swap”). This Mirror Swap shall be governed by the terms of such Mirror Swap and the applicable PFI/Participant Trading Documentation. The [SEFCompany](#) shall not have any responsibility for any element of the Mirror Swap transaction, including any applicable reporting obligations.

Rule 1101

Legal Certainty; Confirmations

- (a) No Trade entered into pursuant to the ~~rules of the SEF~~ [Rules of this SpectrAxe Rulebook](#) shall be void, voidable, subject to rescission, otherwise invalidated or rendered unenforceable as a result of:
 - (i) a violation by the [SEF Company](#) of the provisions of Section 5h of the CEA or of Part 37 of the CFTC Regulations;
 - (ii) any CFTC proceeding to alter or supplement a Rule, term, or condition of the SEF under Section 8a(7) of the CEA or to declare an emergency under Section 8a(9) of the CEA; or
 - (iii) any other proceeding the effect of which is to:
 - (A) alter or supplement a specific term or condition or trading rule or procedure or
 - (B) require the [SEF Company](#) to adopt a specific term or condition, trading rule or procedure or take or refrain from taking a specific action.
- (b) Issuance of SEF Confirmations for Trades.
 - (i) The economic terms specific to an executed Trade shall be reflected by the Company in the Trade Communications sent to the applicable Participants and PFIs. The Trade Communications shall serve as confirmations for the previously-negotiated freestanding agreement, such as a Master Agreement, between the counterparties. As such, Trade Communications must state that they incorporate by reference the terms of such agreement between the counterparties.
 - (ii) Trade Communications, for purposes of these Rules and CFTC Regulation 37.6(b) (Enforceability) and Parts 43 and 45 of CFTC Regulations, shall serve as a confirmation of the Trades and, in the event of any inconsistency between the terms specified in a Trade Communication and any other terms, including the terms in a Master Agreement between the relevant PFIs, the terms of the Trade Communication shall legally supersede all other contradictory terms.
 - (iii) Each Trade Communication shall state (A) that it serves as confirmation for applicable freestanding agreements and (B) that in the event of any inconsistency between the terms of a Trade Communication and any other terms, including the terms in a Master Agreement between the relevant PFIs, the terms of the Trade Communication shall legally supersede all other contradictory terms.

- (c) The confirmation of all terms of a Trade shall be effective as of the time of execution.
- (d) In accordance with CFTC No-Action Letter 17-17, Division of Market Oversight, Extension of No-Action Relief for Swap Execution Facility Confirmation and Recordkeeping Requirements under Commodity Futures Trading Commission Regulations 37.6(b), 37.1000, 37.1001, 45.2, and 45.3(a) (Mar. 24, 2017), until the effective date of revised CFTC Regulations that establish a permanent, practicable SEF confirmation solution, PFIs are not required to provide to the Company its Master Agreements with the other PFIs before their respective Participants enter into Trades, but must provide copies of such agreement to the Company upon request. Upon request from the CFTC, the Company will request a PFI to provide copies of such Master Agreements and will provide the copies to the CFTC as soon as they are available.
- (e) The Company may use a third-party service provider to issue Trade Communications to the Participants and PFIs (“Communications Agent”), provided such Communications Agent is contractually obligated to satisfy the requirements of the Company and Applicable Law. The Company shall remain responsible for providing confirmations even when utilizing a Communications Agent.

Rule 1102

Trading by Company Officials Prohibited; Misuse of Material, Non-Public Information

- (a) No Board member, member of a Disciplinary Panel or Appeals Panel or Company Official may trade (for such individual's own account, or for or on behalf of any other account), directly or indirectly, any Swap, swap traded on another swap execution facility or other market, or any commodity interest relating thereto where such individual has access to "material information" or "non-public information" (as such terms are defined in CFTC Regulation 1.59(a) (Activities of Self-Regulatory Organization Employees, Governing Board Members, Committee Members, and Consultants)) concerning such Swap or commodity interest.
- (b) Company Officials, agents and independent contractors of the Company are prohibited from disclosing "material information" or "non-public information" (as defined in CFTC Regulation 1.59(a)) obtained as a result of their employment, agency relationship or engagement with the Company.
- (c) No Company Official may trade (for such individual's own account, or for or on behalf of any other account) directly or indirectly any Swap or any commodity interest related thereto.
- (d) No Person subject to the jurisdiction of the Company under Rule 301 may trade for such Person's own account, or for or on behalf of any other account, in any commodity interest, on the basis of any "material, ~~information~~ or "non-public information" (as defined in CFTC Regulation 1.59(a)) that such person knows was obtained in violation of CFTC Regulation 1.59(d)(4) from any Board member, member of a Disciplinary Panel or Appeals Panel, Company Official or agent or independent contractor of the Company.

Rule 1104

SEF Data

- (a) Subject to each Participant's rights in the applicable portions of SEF Data (including fills), as well as the PFI Facilitation Agreement, the Company shall have a royalty free, non-exclusive, non-transferable, worldwide, perpetual license to any SEF Data, and shall own all rights, title and interest in and to all intellectual property and other proprietary rights (including all copyright, patent, trademark or trade secret rights) in all derivative works based on SEF Data that are created by or on behalf of the Company to the extent that such derived data is truly a derivative of the SEF Data, and, unless required by Applicable Law to use such SEF Data solely for internal risk management purposes, decisions with respect to use and distribution of SEF Data shall be made by the Board of the Company; provided, however, subject to its obligations under Applicable Law, the Company shall not use (or permit other parties to use) SEF Data, including Market Data, to replicate or reverse engineer a Participant's trading strategies, and Company shall not sell, retransmit or redistribute SEF Data unless such SEF Data is anonymized and contains transaction data of multiple Persons. Participants, PFIs and other Persons Affiliated with any of the foregoing may not distribute, sell, or retransmit SEF Data to any third party without the consent of the Company, provided that each Participant and PFI retains such rights as it may enjoy under Applicable Law with respect to the applicable portions of SEF Data solely in the form such SEF Data was submitted to the Company by such Participant or PFI. Nothing in this Rulebook shall restrict a Participant or PFI with respect to its use of (including creation of any derivative works in respect of) its own data.
- (b) The Company will not use for business or marketing purposes any proprietary data or personal information collected or received from or on behalf of any Person for the purpose of fulfilling the Company's regulatory obligations.
- (c) The Company may share such proprietary data or personal information with one or more registered entities (as such term is defined in CFTC Regulations) in accordance with Applicable Law.
- (d) Each Participant (on behalf of itself and its Client Accounts) hereby acknowledges and agrees that the Company may disclose and disseminate swap transaction and pricing data, including Required Swap Creation Data and Required Swap Continuation Data, pursuant to these Rules.

Each Participant and PFI acknowledges and agrees that the Company owns and shall retain all right, title and interest in and to the ~~SEF~~ Axe FX Trading Platform, all components thereof, including without limitation all related applications, all application programming interfaces, user interface designs, software and source code and any and all

intellectual property rights therein, including, without limitation all registered or unregistered, as applicable copyright, ~~trade mark~~, [trademark](#), service mark, trade secret, trade name, data or database rights, design rights, moral rights, inventions, whether or not capable ~~of~~ [of](#) protection by patent or registration, rights in commercial information or technical information, including know-how, research and development data and manufacturing methods, patent, and other intellectual property and ownership rights, including applications for the grant of any of the same, in or to the SEF and all other related proprietary rights of the Company and/or any of its Affiliates (together, with any and all enhancements, corrections, bug fixes, updates and other modifications to any of the foregoing and any and all data or information of any kind transmitted by means of any of the foregoing, "Proprietary Information"). Each Participant and PFI further acknowledges and agrees that the Proprietary Information is the exclusive, valuable and confidential property of the Company. Each Participant and PFI acknowledges and agrees that it shall not reverse engineer, copy, bug fix, correct, update, transfer, reproduce, republish, broadcast, create derivative works based on or otherwise modify, in any manner, all or any part of the ~~SEF~~ [Axe FX Trading Platform](#) or the Proprietary Information. Each Participant and PFI agrees to keep the Proprietary Information confidential and not to transfer, rent, lease, loan, sell or distribute, directly or indirectly, all or any portion of the ~~SEF~~ [Axe FX Trading Platform](#) or any Proprietary Information.



SPECTRAXE

Copy of the Amended Rules

(General Amendments, Rule 101, Rule 204, Rule 212, Rule 302, Rule 306, Rule 312, Rule 314, Rule 403, Rule 404.C, Rule 405, Rule 406, Rule 407, Rule 412, Rule 413, Rule 414, Rule 415, Rule 416, Rule 502, Rule 503, Rule 903, Rule 1102 and Rule 1104)

[provided in the following page]

Rule 101

Defined Terms

Unless otherwise specified in these Rules or unless the context otherwise requires, the terms defined below in this Rule 101 shall for all purposes of these Rules have the meanings specified herein.

AAA

The term “AAA” means the American Arbitration Association.

Affiliate

An “Affiliate” of, or a Person “Affiliated” with, another Person means a Person who, directly or indirectly, Controls, is Controlled by, or is under common Control with, such other Person.

API

The term “API” means application programming interface.

Appeals Panel

The term “Appeals Panel” means a panel appointed by the CCO pursuant to Rule 716(g).

Applicable Law

The term “Applicable Law” means, with respect to any Person, any statute, law, regulation, rule or ordinance of any governmental authority, or self-regulatory organization applicable to such Person, including without limitation the CEA, the Exchange Act and CFTC Regulations.

Audit Trail

The term “Audit Trail” has the meaning given to that term in Rule 505(a).

Authorized User

The term “Authorized User” means any natural person who is an agent or employee of a PFI, a Participant or any other Person that has been authorized to access the Axe FX Trading Platform. In the case a computer or system is used to access the Axe FX Trading Platform via an API, the natural person designated to be responsible for such computer or system’s activity on the Axe FX Trading Platform shall be the Authorized User.

Beneficial Ownership or Beneficially Owned

The term “Beneficial Ownership,” or an interest “Beneficially Owned” by any Person, means, with respect to an account, a direct or indirect (through one or more subsidiaries or Affiliates) pecuniary interest in the account (through any Swap, arrangement, understanding, relationship or otherwise).

Board

The term “Board” means the Board of Directors of the Company constituted in accordance with the LLC Agreement, these Rules and Applicable Law.

Cancel Order

The term “Cancel Order” means an Order that cancels fully or partially an existing Order.

Cancel Replace Order

The term “Cancel Replace Order” means an Order to cancel fully or partially an existing Order and replace it with a new Order for a different quantity or price.

CFTC

The term “CFTC” means the Commodity Futures Trading Commission and includes any successor agency or authority.

CFTC Regulation

The term “CFTC Regulation” means any rule, regulation, order or directive and any published interpretation thereof adopted or promulgated from time to time by the CFTC.

Chief Compliance Officer

The term “Chief Compliance Officer” (or “CCO”) means the individual appointed by the Board from time to time to oversee compliance matters in accordance with Rule 211.

Chief Executive Officer

The term “Chief Executive Officer” (or “CEO”) means the individual appointed by the Board from time to time to serve as chief executive officer of the Company.

Chief Operating Officer

The term “Chief Operating Officer” (or “COO”) means the individual appointed by the Board from time to time to serve as chief operations officer of the Company.

Cleared Swap

The term “Cleared Swap” means a Swap that is required to be cleared by a DCO pursuant to Section 2(h)(1) of the CEA and CFTC Regulation 50.2 (Treatment of Swaps Subject to a Clearing Requirement) or is otherwise designated by or on behalf of the parties to be submitted to a DCO for clearing, including a New Swap/Old Terms or New Swap/Corrected Terms, including any such Swap that is rejected from clearing by the applicable DCO. As of the date of this Rulebook, the Axe FX Trading Platform does not offer Cleared Swaps.

Client Account

The term “Client Account” means a Person that has granted investment discretion to trade on its behalf.

Commodity Exchange Act

The term “Commodity Exchange Act” (or “CEA”) means the law set forth at 7 U.S.C. § 1, *et. seq.*

Company

The term “Company” will be SpectrAxe, LLC.

Company Official

The term “Company Official” means any Officer of, or individual employed directly by, the Company or any individual rendering similar services on behalf of the Company under a secondment agreement.

Compliance Department

The term “Compliance Department” means the CCO and the individuals under the supervision of the CCO who are responsible for enforcing these Rules and conducting investigations of alleged violations of these Rules. As the term is used herein, the Compliance Department includes: (i) the Company’s compliance staff dedicated to enforcing these Rules and performing services directly related to the Company’s compliance with Applicable Law and (ii) employees of other divisions of the Company or its Affiliates who have certain regulatory responsibilities with respect to the Company.

Control

The term “Control,” including the terms “Controlling,” “Controlled by” and “under common Control with,” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities or otherwise.

Derivatives Clearing Organization

The term “Derivatives Clearing Organization” (or “DCO”) has the meaning given to that term in Section 1a(15) of the CEA. For the avoidance of doubt, the Company does not submit Uncleared Swaps to a DCO and does not have any agreement or arrangement with a DCO for Uncleared Swaps.

Designated Contact

The term “Designated Contact” means a natural person who is designated, pursuant to Rule 416, by a Participant or PFI with the authority to receive Notices and other communications from the Company to the Participant or PFI. The Designated Contact may, but need not be, an Authorized User.

Director

The term “Director” means any member of the Board.

Disciplinary Offense

The term “Disciplinary Offense” shall have the meaning set forth in Rule 209(c).

Disciplinary Panel

The term “Disciplinary Panel” means the panel appointed pursuant to Rule 710 to conduct hearings in connection with disciplinary proceedings (other than summary impositions of fines pursuant to Rule 717), to make findings, render decisions, and impose sanctions pursuant to Chapter 7 of the Rules.

Electronic Access

The term “EA” or “Electronic Access” means electronic access to the Axe FX Trading Platform’s Order Book and execution functionality through direct electronic connection.

Eligible Contract Participant

The term “Eligible Contract Participant” has the meaning given to that term under Section 1a(18) of the CEA and CFTC Regulations thereunder.

Emergency

The term “Emergency” has the meaning given to that term in Rule 412(a).

Exchange Act or Securities Exchange Act of 1934

The term “Exchange Act” of “Securities Exchange Act of 1934” means the law set forth at 15 U.S.C. § 78a, *et. seq.*

Final Decision

The term “Final Decision” shall have the meaning set forth in Rule 209(c).

Introducing Agent

The term “Introducing Agent” means a futures commission merchant or introducing broker registered with the CFTC, or any Person that is exempt from such registration (or not required under Applicable Law to so register). As of the date of this Rulebook, Introducing Agents are not permitted on the Axe FX Trading Platform.

Investigation Report

The term “Investigation Report” has the meaning given to that term in Rule 703.

Legal Entity Identifier

The term “Legal Entity Identifier” means a unique code assigned to swap counterparties and entities in accordance with the standards set by the Global Legal Entity Identifier System.

Legal Team

The term “Legal Team” means the function of the Company, including any relevant external legal counsel, that is responsible for the legal and regulatory affairs of the Axe FX Trading Platform.

Limits

The term “Limits” means the limits on trading as determined by the relevant PFI, including but not limited to, product restrictions and trade volume limits. A PFI may set separate Limits for Trades via the Order Book and Trades via an RFQ. A PFI may also set Limits on the aggregate exposure it has to another PFI, which shall take precedence over any Limits applicable to a Participant. A breach of any such

Limits (whether applicable to a Participant or a PFI) may prevent a Participant from entering into a Trade.

LLC Agreement

The term “LLC Agreement” means the Limited Liability Company Agreement of SpectrAxe, LLC, as amended, supplemented or otherwise modified from time to time.

Major Swap Participant

The term “Major Swap Participant” has the meaning given to that term in Section 1a(33) of the CEA.

Market Data

The term “Market Data” means any and all data and other information contained in, displayed on, generated by or derived from the Axe FX Trading Platform or transactions in Swaps entered into pursuant to these Rules, including Orders, RFQs, prices and volumes.

Market Data Vendors

The term “Market Data Vendors” means one or more vendors of financial market information which have entered into agreements with the Company to distribute Market Data.

Market Maker

The term “Market Maker” means a Participant authorized by the Company to participate in the Market Maker Program under Rule 314.

Master Agreement

The term “Master Agreement” means, as applicable, either (a) the 1992 or 2002 ISDA Master Agreement published by the International Swaps and Derivatives Association, Inc. as may be entered into between a PFI and its customer, including any Credit Support Annex thereto or; (b) a domestic master agreement (e.g., the FBF Master Agreement from the French Banking Federation or the German Master Agreement for Financial Derivatives Transactions).

Message Traffic

The term “Message Traffic” means electronic transmissions of Orders, Order modifications, Cancel Orders, Cancel Replace Orders, RFQs, trade reports and other messages entered into the Axe FX Trading Platform by or through an Authorized User or sent to an Authorized User by the Company. Depending on the context, Message Traffic may refer to one-way or two-way transmissions.

NFA

The term “NFA” means the National Futures Association.

Nominating Committee

The term “Nominating Committee” means the committee of the Board constituted pursuant to Rule 203.

Notice to Participants

The term “Notice to Participants” means a communication sent by or on behalf of the Company to all Participants, as described in Rule 310.

Officer

The term “Officer” means any officer of the Company.

Operational Contact

The term “Operational Contact” means a natural person who is designated, pursuant to Rule 416, by a Participant to be available by telephone, or other reasonable communication method as determined by the Company, at any time one of its Authorized Users is accessing the Axe FX Trading Platform. The Operational Contact may, but need not be, an Authorized User.

Order

The term “Order” means an actionable firm bid or offer for a Swap (i) displayed in the Order Book, (ii) transmitted as a response to an RFQ, (iii) transmitted by acceptance of a response to an RFQ or (iv) any modification thereof. The term “Order” does not include an RFQ request nor a response to an RFQ that is not a firm bid or offer.

Order Book

The term “Order Book” means the portion of the Axe FX Trading Platform in which Participants have the ability to enter Orders designated for the Order Book, observe or receive such Orders entered by other Participants, and execute such Orders.

Owner

The term “Owner” means any Person holding an ownership interest in the Company or defined as a “Member” in the LLC Agreement.

Participant

The term “Participant” refers to Swap Dealers, funds, and other such Persons with Trading Privileges. A Participant may be acting as a principal or on behalf of one or

more Client Accounts, provided that the term “Participant” shall not include any such Client Accounts.

Participant Agreement

The term “Participant Agreement” means the agreement between a Participant and SpectrAxe that allows the Participant to access the Axe FX Trading Platform pursuant to the Rules. References to Participant Agreements shall include their addendums, if any, unless provided otherwise. As used herein, and unless otherwise required by the context, the term “Participant Agreement” also includes PFI Participant Agreements.

Participant Committee

The term “Participant Committee” means the committee of the Board constituted pursuant to Rule 204.

Participating Financial Institution

The term “Participating Financial Institution” (or “PFI”) means a financial institution that has been approved by the Company to enter into the Trades that a Participant, with whom the PFI has PFI/Participant Trading Documentation that establishes the connection requirement pursuant to Rule 306(a), effectuates on the Axe FX Trading Platform.

Permitted Transaction

The term “Permitted Transaction” means any transaction not involving a Swap that is required by Section 2(h)(8) of the CEA to be executed on, or pursuant to the rules of, a swap execution facility or a designated contract market.

Person

The term “Person” means any natural person, association, partnership, limited liability company, joint venture, trust or corporation.

PFI/Participant Trading Documentation

The prime brokerage agreement or other such documentation that governs the trading relationship (e.g. Master Agreement) in effect between a Participant and a PFI and allows the Participant to satisfy the PFI connection requirement in Rule 306.

PFI Facilitation Agreement

The term “PFI Facilitation Agreement” means the agreement between the Company and each PFI regarding the settlement of Trades executed by the Participants, including the establishment of Limits on the aggregate exposure a PFI may have to another PFI through the Axe FX Trading Platform.

PFI Participant Agreement

The term “PFI Participant Agreement” means the agreement between the Company and a Participant that is the same legal entity as a PFI (e.g., a trading desk of the PFI), which allows the Participant to access the Axe FX Trading Platform pursuant to the Rules. References to the PFI Participant Agreement shall include their addendums, if any, unless provided otherwise.

Pre-Execution Communication

The term “Pre-Execution Communication” means a communication between two Persons for the purpose of establishing the terms of an Order prior to entering into a Trade, including any communication that involves pre-determination of the size, side of market, or price of such an Order; provided that any communication between two Persons that involves an agreement to enter into a Trade between the parties that legally binds the parties to such Trade shall not be considered a Pre-Execution Communication.

Proprietary Account

The term “Proprietary Account” has the meaning set forth in CFTC Regulation 1.3 (Definitions).

Proprietary Information

The term “Proprietary Information” has the meaning given to that term in Rule 1104(d).

Public Director

The term “Public Director” means a director of the Company with the qualifications described in Rule 208.

Regulatory Oversight Committee

The term “Regulatory Oversight Committee” means the committee of the Board constituted in accordance with Rule 205.

Reporting Counterparty

The term “Reporting Counterparty” has the meaning set forth in CFTC Regulation 45.1 (Definitions).

Required Swap Continuation Data

The term “Required Swap Continuation Data” has the meaning given to that term in CFTC Regulation 45.1 (Definitions).

Required Swap Creation Data

The term “Required Swap Creation Data” has the meaning given to that term in CFTC Regulation 45.1 (Definitions).

RFQ

The term “RFQ” means a request for quote sent in accordance with these Rules.

Rule

The term “Rule” means any rule adopted or amended, from time to time, by the Company related to or in respect of the operation of, or business conducted on, the Axe FX Trading Platform.

Security

The term “Security” has the meaning given to that term under Section 3(a)(10) of the Exchange Act.

Swap Data Repository

The term “Swap Data Repository” (or “SDR”) means any swap data repository registered with the CFTC to which the Company may select to report, as required by and in accordance with the CEA and CFTC Regulations, the terms of the Trades executed pursuant to these Rules.

Swap Execution Facility

The term “Swap Execution Facility” (or “SEF”) means the swap execution facility Axe FX Trading Platform, which is operated by the Company and registered with the CFTC.

SEF Data

The term “SEF Data” means any and all data and other information related to Swap activities on the Axe FX Trading Platform or pursuant to this Rulebook, including but not limited to Market Data.

Settlement Agreement

The term “Settlement Agreement,” shall have the meaning set forth in Rule 209(c).

Standing Committee

The term “Standing Committee” means each of the Nominating Committee, the Participant Committee and the Regulatory Oversight Committee.

Swap

The term “Swap” has the meaning given to that term in Section 1a(47) of the CEA and in the CFTC Regulations promulgated thereunder (without regard to any determination by the Secretary of the Treasury pursuant to Section 1b of the CEA).

Swap Dealer

The term “Swap Dealer” has the meaning given to that term in Section 1a(49) of the CEA.

Terms Incorporated by Reference

The term “Terms Incorporated by Reference” has the meaning given to that term in Rule 1101(b)(i).

Trade

The term “Trade” means a Swap transaction that is executed on the Axe FX Trading Platform or subject to the Rules.

Trade Communication

The term “Trade Communication” means a written or electronic confirmation from the Company regarding the status of a Trade (i.e., whether the Trade is confirmed, amended or cancelled) and with all necessary economic terms.

Trading Hours

The term “Trading Hours” means, with respect to any Swap, the hours during which the Axe FX Trading Platform is regularly open for the trading of such Swap.

Trading Privileges

The term “Trading Privileges” means the rights associated with allowing a Person to enter into Trades, such as allowing that Person’s Authorized Users to enter Orders or RFQs, respond to RFQs, enter into Trades and otherwise effect Swap transactions, whether directly or indirectly, on or pursuant to the Rules of this SpectrAxe Rulebook, either on that Person’s own behalf or on behalf of Client Accounts.

Uncleared Swap

The term “Uncleared Swap” means a Swap other than a Cleared Swap. As of the date of this Rulebook, all swaps executed on the Axe FX Trading Platform will be an Uncleared Swap.

Underlying Instrument

The term “Underlying Instrument” means, with respect to a Swap, the good, right, security, index or other asset or measure which is the subject of that Swap.

Unique Transaction Identifier

The term “Unique Transaction Identifier” or “UTI” shall have the meaning set forth in CFTC Regulation 45.5 (Unique Transaction Identifiers).

User ID

The term “User ID” means a unique identification number assigned by the Company to an Authorized User.

Rule 201

Board of Directors

- (a) The business and affairs of the Company shall be managed by the Board in accordance with the LLC Agreement.
- (b) At all times, at least 35% of the Directors shall be Public Directors. Each Director (including Public Directors) shall be elected in accordance with the LLC Agreement, and shall serve for a term of two years from the date of his or her election (or the remainder of any Public Director term to which he or she is elected as a replacement) and until his or her successor is duly appointed, or until his or her earlier resignation, removal for cause or dismissal pursuant to the LLC Agreement.
- (c) To qualify as a Public Director, an individual must be found, by action of the Board, to have no material relationship with the SEF. The Board must make such finding upon the nomination or appointment of the Director and as often as necessary in light of all circumstances relevant to such Director, but in no case less than annually.
 - (i) A “material relationship” is one that reasonably could affect the independent judgment or decision-making of the Director. In making the finding specified in this Rule, the Board need not consider previous service as a Director of the Company to constitute a “material relationship.” A Director shall be considered to have a “material relationship” with the Company if any of the following circumstances exist or have existed within the past year:
 - (A) Such Director is an Officer or an employee of the Company, or an officer or an employee of an Affiliate of the Company;
 - (B) Such Director is a Participant of the Axe FX Trading Platform or Owner of the Company;
 - (C) Such Director is a director, an officer, or an employee of a Participant of the Axe FX Trading Platform or Owner of the Company;
 - (D) Such Director is an officer of another entity, which entity has a compensation committee (or similar body) on which any Officer of the Company serves;
 - (E) Such Director, or an entity with which the Director is a partner, an officer, an employee, or a director, receives more than \$100,000 in combined annual payments for legal, accounting, or consulting services from the Company or its Affiliate, any Participant, or PFI, or any Affiliate of such Participant or PFI. Compensation for services as a Director of the Company or as a director of an Affiliate thereof does not count toward the \$100,000 payment limit, nor does deferred compensation for services rendered prior to becoming a Director, so

long as such compensation is in no way contingent, conditioned, or revocable; or

- (F) Notwithstanding Rule 201(c)(i)(E), in the case of a Public Director that is a member of the Regulatory Oversight Committee or the Participant Committee, such Public Director accepts, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company or its Affiliate or any Participant or PFI, or any Affiliate of such Participant or PFI, other than deferred compensation for service rendered prior to becoming a member of the Regulatory Oversight Committee or the Participant Committee, provided that such compensation is in no way contingent, conditioned, or revocable. This Rule 201(c)(i)(F) does not apply to compensation received in the Public Director's capacity as a member of the Regulatory Oversight Committee or Participant Committee.
- (d) Any of the relationships set forth in Rule 201(c)(i) apply to the "immediate family" of such Director (*i.e.*, spouse, parents, children, and siblings) in each case, whether by blood, marriage, or adoption, or any natural person residing in the home of the Director or that of his or her "immediate family."
- (e) A Public Director of the Company may also serve as a public director of an Affiliate of the Company if he or she otherwise meets the requirements set forth in Rule 201(c).
- (f) The compensation of Public Directors and other non-executive members of the Board shall not be linked to the business performance of the Company.

Rule 204

Participant Committee

- (a) Not later than the compliance date of the CFTC Regulations applicable to the Company's governance as a SEF, the Board shall designate certain of its members to serve as the Participant Committee, which shall:
 - (i) determine the standards and requirements for initial and continuing eligibility for being a Participant;
 - (ii) review appeals of initial denials of Participant applications; and
 - (iii) review for approval any new Rules or the amendment or repeal of existing Rules that may result in different categories of Participants receiving disparate access to the Axe FX Trading Platform.
- (b) At all times following the compliance date of the CFTC Regulations applicable to the Company's governance as a SEF, the Participant Committee shall include no fewer than the minimum number or percentage of Public Directors required by such CFTC Regulations. If required by CFTC Regulations, one of the Public Directors shall serve as the chair of the Participant Committee.
- (c) In reviewing appeals of initial denials of Participant applications, the Participant Committee shall not uphold any denial if the relevant application meets the standards and requirements that the Participant Committee has established.
- (d) The Participant Committee shall not, and shall not permit the Company to, restrict access or impose burdens on access to the Axe FX Trading Platform in a discriminatory manner, within each category or class of Participants or between similarly situated categories or classes of Participants.
 - (i) The Participant Committee shall ensure that the SEF provides any Eligible Contract Participant and any independent software vendor with impartial access to its market(s) and market services, as required by CFTC Regulation 37.202 (Access Requirements).

Rule 211

Chief Compliance Officer

- (a) The Board shall designate an individual to serve as the CCO of the Company. The CCO shall:
 - (i) report directly to the Regulatory Oversight Committee;
 - (ii) oversee and review the Company's compliance with the Core Principles set forth in Section 5h of the CEA and Part 37 of the CFTC Regulations;
 - (iii) resolve, in consultation with the Board, the Regulatory Oversight Committee or the CEO, any conflicts of interest that may arise, including:
 - (A) conflicts between business considerations and compliance requirements, including the requirement that the Company provide fair, open and impartial access in accordance with CFTC Regulation 37.202 (Access Requirements); and
 - (B) conflicts between the Company's management and members of the Board;
 - (iv) establish and administer written policies and procedures reasonably designed to prevent violations of the CEA and CFTC Regulations;
 - (v) take reasonable steps to ensure compliance with the CEA and CFTC Regulations;
 - (vi) establish procedures for the remediation of noncompliance issues identified by the CCO through Compliance Department reviews, look-backs, internal or external audit findings, self-reported errors or validated complaints;
 - (vii) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues;
 - (viii) establish and administer a compliance manual designed to promote compliance with the applicable laws, rules, and regulations and a written code of ethics designed to prevent ethical violations and to promote honesty and ethical conduct;
 - (ix) supervise the Company's self-regulatory program with respect to trade practice surveillance, market surveillance, real-time market monitoring, compliance with audit trail requirements, enforcement and disciplinary proceedings, audits, examinations, and other regulatory responsibilities with respect to Participants, Authorized Users, all Persons using any Participant's User IDs, and all other Persons subject to the jurisdiction of the Company

under Rule 301, and, in addition to the foregoing in this Rule 211(a)(ix), exercise supervisory authority over all staff acting at the direction of the CCO;

- (x) provide any information regarding the Company's self-regulatory program that is requested by the Board or the Regulatory Oversight Committee;
 - (xi) supervise the effectiveness and sufficiency of any regulatory services provided to the Company by a regulatory service provider in accordance with CFTC Regulation 37.204 (Regulatory Services Provided by a Third Party); and
 - (xii) prepare the Company's annual compliance report, in accordance with CFTC Regulation 37.1501 (Chief Compliance Officer), and submit the completed report to the Board and CFTC.
- (b) No individual disqualified from registration pursuant to Section 8a(2) or 8a(3) of the CEA may serve as CCO.

Rule 212

Confidentiality

No Company Official, member of the Board, any committee established by the Board, or any Disciplinary Panel or Appeals Panel shall use or disclose any “material information” or “non-public information,” each as defined in CFTC Regulation 1.59(a) (Activities of Self-Regulatory Organization Employees, Governing Board Members, Committee Members, and Consultants), obtained in connection with the performance of his official duties for any purpose other than the performance of such official duties.

Rule 214

Maintenance of Books and Records by the Company

- (a) The Company shall keep, or cause to be kept, all books and records required to be maintained pursuant to the CEA and CFTC Regulations, including CFTC Regulations 37.1001 (Recordkeeping) and 45.2(a) (Swap Recordkeeping).
 - (i) All books and records shall include the Legal Entity Identifier of the Company and the counterparties to the Trade as required by CFTC Regulation 45.6 (Legal Entity Identifiers).
- (b) The Company shall retain all such books and records for the life of each Trade transacted pursuant to these Rules and five years following the termination of such Trade, and shall make such books and records readily accessible for inspection, in each case in the form and manner required under the CEA and CFTC Regulations, including CFTC Regulations 37.1001 and 45.2(a).
- (c) Copies of records shall be provided, at the expense of the Company, to any representative of the CFTC upon request. Copies of records shall be provided either by electronic means, in hard copy, or both, as requested by the CFTC.
- (d) The Company shall report to the CFTC, in a form and manner acceptable to the CFTC, such information as the CFTC determines to be necessary or appropriate for the CFTC to perform the duties of the CFTC under the CEA.
- (e) The Company may disclose, to any government agency, self-regulatory organization or other Person, information concerning or associated with a Participant or other Person if the Company believes such disclosure is necessary and appropriate in exercising a legal or regulatory function, whether or not a formal arrangement governing the disclosure exists or a request for information was made.

Rule 301

Jurisdiction

ANY PERSON INITIATING OR EXECUTING A TRANSACTION ON OR SUBJECT TO THE RULES OF THIS SPECTRAXE RULEBOOK DIRECTLY, AS AN AGENT OF A PFI, OR THROUGH ANY INTERMEDIARY; ANY PERSON FOR WHOSE BENEFIT SUCH A TRANSACTION IS INITIATED OR EXECUTED; AND ANY PERSON WHO HELPS FACILITATE SUCH A TRANSACTION, INCLUDING EACH PFI, SHALL BE DEEMED TO CONSENT TO (I) BE BOUND BY, AND COMPLY WITH, THE RULES AND APPLICABLE LAW, TO THE EXTENT APPLICABLE TO IT; (II) SUBMIT TO THE JURISDICTION OF THE COMPANY WITH RESPECT TO ANY AND ALL MATTERS ARISING FROM, RELATED TO, OR IN CONNECTION WITH, ITS STATUS, ACTS OR OMISSIONS ON THE AXE FX TRADING PLATFORM; AND (III) TO THE EXTENT APPLICABLE TO IT, ASSIST THE COMPANY IN COMPLYING WITH ITS LEGAL AND REGULATORY OBLIGATIONS, COOPERATE WITH THE COMPANY AND ANY GOVERNMENTAL AUTHORITY HAVING JURISDICTION OVER THE COMPANY IN ANY INQUIRY, INVESTIGATION, AUDIT, EXAMINATION OR PROCEEDING, AND AUTHORIZE THE COMPANY OR ITS AFFILIATES TO PROVIDE INFORMATION REGARDING THE COMPANY TO ANY SELF-REGULATORY ORGANIZATION TO FULFILL ANY OF THE COMPANY'S OBLIGATIONS UNDER THE RULES OR THE APPLICABLE LAW.

Rule 302

Trading Privileges Eligibility

- (a) Subject to the requirements, procedures and conditions described in this Chapter 3 and any limitation, restriction or revocation from time to time imposed by the Company, Trading Privileges to the Axe FX Trading Platform shall be provided solely to Participants.
- (b) A Person that desires to obtain Trading Privileges and become a Participant shall:
 - (i) be, and provide proof to the Company that it is, an Eligible Contract Participant;
 - (ii) provide such information and documentation as may be reasonably requested by the Company, and comply with the procedures established by the Company for admission;
 - (iii) distribute the Rules and Notices to Participants to its Authorized Users pursuant to Rule 310(d);
 - (iv) comply with the PFI connection requirement in Rule 306;
 - (v) submit a completed, signed Participant Agreement
 - (vi) submit, or cause their PFI to submit, a notice to the Company that provides the Limits applicable to the Participant (the notice may be a completed form provided by the Company or through some other form of written authorization from the PFI, at the discretion of the Company); and
 - (vii) if such Person is organized or established under the laws of a country other than the United States:
 - (A) represent and certify to the Company that it is in compliance with the registration or authorization requirements of its home country or provide a brief explanation as to why such requirements, if any, are not applicable;
 - (B) represent and certify to the Company that it is regulated in its home country by a financial regulatory authority with respect to the maintenance of relevant books and records or provide a brief explanation as to why such requirements, if any, are not applicable;
 - (C) represent and certify to the Company that it is subject to regular inspections and examinations by such home country regulator or provide a brief explanation as to why such requirements, if any, are not applicable; and

- (D) make such other representations as the Company deems necessary to comply with Applicable Law.
- (c) Transaction-Level Business Conduct Obligations for Swap Dealers Do Not Apply on the Order Book of the Axe FX Trading Platform
 - (i) The Order Book of the Axe FX Trading Platform has been structured such that no Participant (including a Swap Dealer) will know the identity of another Participant. Therefore, for all Trades entered into through the Order Book, pursuant to CFTC Regulation 23.431(c) (Disclosures of Material Information) and CFTC No-Action Letter 19-06, Division of Swap Dealer and Intermediary Oversight, No-Action Position for Off-SEF Swaps Executed Pursuant to Prime Brokerage Arrangements (Mar. 22, 2019), the obligations set forth in CFTC Regulation 23.431(a) and (b) shall not apply.
- (d) At all times, each Participant must comply with all applicable eligibility criteria required pursuant to these Rules and shall notify the Company immediately if it ceases to meet any of such applicable eligibility criteria, including when it no longer meets the PFI connection requirement in Rule 306 (e.g., the prime brokerage agreement with its PFI is terminated).
- (e) A Person whose application for Trading Privileges has been denied or granted conditionally pursuant to this Rule 302, and any Participant or Authorized User whose Trading Privileges or status, respectively, is revoked, suspended or limited pursuant to Rules 303 or 305, may appeal the Company's decision in accordance with the provisions of Chapter 7. A determination of the Company to revoke, suspend or limit a Person's access to the Axe FX Trading Platform pursuant to Rules 303 and 305 shall not take effect until the review procedures under Chapter 7 have been exhausted or the time for review has expired.

Rule 304

Introducing Agent Eligibility and Access to the Axe FX Trading Platform

[RESERVED]

Rule 305

Authorized Users

- (a) Each Participant that is not a natural person shall appoint in writing (via electronic mail or the Company's authorization forms) at least one of its employees (or, if a Participant has no employees, an agent who is a natural person) to act as an Authorized User. Participants may also appoint additional employees, agents, or authorized contractors who are individuals to act as Authorized Users. Participants must designate which Authorized Users have Trading Privileges and which Authorized Users must access the Axe FX Trading Platform on a "view only" basis.
- (b) The Company may, in its sole but reasonable discretion, and acting in an impartial, transparent, fair and nondiscriminatory manner, revoke, suspend or limit the status of a Person as an Authorized User, and shall promptly notify the relevant Participant in accordance with the procedures established by the Company.
- (c) A Participant may, at any time, revoke an authorization granted by it to any Authorized User or revoke an authorized User ID granted by it to any other Person by providing written notice of such revocation to the Company pursuant to Rule 415(d). Upon receipt of the written notice, the Company shall, as soon as is practicable, revoke and disable such Person's access to the Axe FX Trading Platform. A Participant shall take immediate and appropriate measures to ensure that, after any such revocation, (i) the affected Person shall not have access to the Axe FX Trading Platform and (ii) the affected Person shall not utilize his or her User ID. The Company shall act promptly, but in any event within one business day of receiving notice from the Participant, to disallow the entry of Orders or RFQs and responses to RFQs from the revoked User IDs.
- (d) All obligations of Participants under these Rules shall also apply to each of their Authorized Users to the extent applicable, and each Participant shall be responsible for the actions and omissions of each of its Authorized Users. Each Participant shall have procedures for performing day-to-day monitoring of its Authorized Users to ensure that each Participant will conduct its business in a fair and equitable manner and in accordance with these Rules
- (e) Each Participant will ensure, on an ongoing basis, that none of its Authorized Users are subject to a disqualification pursuant to any Applicable Law (unless an appropriate exemption has been obtained with respect thereto) and that each Authorized User will be technically proficient in respect of the use of the Axe FX Trading Platform.
- (f) For purposes of these Rules, any reference to (i) the Trading Privileges of a Participant shall also be deemed to refer and apply to the exercise of Trading Privileges by any of such Participant's Authorized Users and vice versa; (ii) a Participant submitting or receiving Orders or RFQs, or entering into Trades, shall be deemed to also refer and apply to any such actions engaged in by any of such Participant's Authorized Users and vice versa; and (iii) the knowledge of, or matters

known to, any Participant shall be deemed to also refer to and include the knowledge of, or matters known to, its Authorized Users and vice versa.

Rule 306

PFI Connection Requirement

- (a) Except as stated elsewhere in this Rule 306(a), each Participant must have PFI/Participant Trading Documentation in effect with a financial institution that has executed a PFI Facilitation Agreement with the Company.
 - (i) An entity that is the same legal entity as a PFI (e.g., a trading desk of the PFI) may wish to obtain Trading Privileges. Such entities may obtain Trading Privileges provided that:
 - (A) Such entity enters into a PFI Participant Agreement with the Company;
 - (B) The PFI that is the same legal entity as such entity has a Master Agreement or comparable trading relationship documentation in place with at least two other PFIs; and
 - (C) Such entity fulfills every requirement applicable to Participants under this Rulebook other than the requirement to have PFI/Participant Trading Documentation in Rule 306(a).
- (b) A Participant must provide a copy of its PFI/Participant Trading Documentation to the Company upon request, pursuant to Rule 302(b)(ii).
- (c) When the Company is notified about a Participant that no longer fulfills the PFI connection requirement pursuant to Rule 306(a), the Company shall require the Participant to prove the establishment of a new PFI connection by submitting a new Limits notice that identifies the new PFI and the new Limits applicable to the Participant. Such Participant shall have its Trading Privileges suspended until the identification of the new PFI and a new Limits notice is submitted to the Company. At the sole discretion of the Company, a Participant may, instead of a completed Limits notice form provided by the Company, provide some other form of authorization from its new PFI that indicates the Limits applicable to the Participant.

Rule 307

Dues, Assessments, Fees and Commissions

- (a) The Company shall set and communicate in writing the times and amounts (along with any other information that may be required to be disclosed under Applicable Law) of any dues, assessments, commissions or fees to be paid by Participants, which shall be paid to the Company when due in the manner designated by the Company. The Company shall be responsible for ensuring that its dues, assessments, commissions and fees, as well as the collection method for such dues, assessments, commissions and fees, do not violate Applicable Law.
- (b) If a Participant fails to pay when due any Company dues, assessments, commissions, or fees levied on or owed by such Participant, and such payment obligation remains unsatisfied for thirty days after its due date, the Company may suspend, revoke, limit, condition, restrict or qualify the Trading Privileges of such Participant as it deems necessary or appropriate. The provisions of Chapter 7 (other than Rule 717) shall not apply to any such suspension, revocation, limitation, condition, restriction or qualification of Trading Privileges.
- (c) The Company shall set comparable fee structures for Eligible Contract Participants and independent software vendors receiving comparable access to, or services from, the Axe FX Trading Platform, as required by CFTC Regulation 37.202 (Access Requirements).

Rule 310

Notices to Participants

- (a) The Company shall publish a notice with respect to each addition to, modification of, or clarification of, these Rules or of any action to implement any Rules, in a form and manner that is reasonably designed to enable each Participant to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to such addition, modification or clarification prior to the effective date thereof (each a "Notice to Participants"). Each Notice to Participants shall be published prior to the earlier of its filing with the CFTC or the effective date thereof, and in any event within the time frame required under Applicable Law, including CFTC Regulations 40.5(a)(6) (Voluntary Submission of Rules for Commission Review and Approval) and 40.6(a)(2) (Self-Certification of Rules).
- (b) For purposes of publication in accordance with paragraph (a), the Company shall send an email regarding a Notice to Participants to the Designated Contacts of all Participants and PFIs before publishing the Notice to Participants on the Company's website. Any Notice to Participants that has been transmitted by email and then published on the Company's website, in compliance with this paragraph (b), shall be deemed to have been validly made to all Participants and PFIs, as well as their Authorized Users.
- (c) Participants are responsible for ensuring that their PFI receives or is notified of all Notices to Participants and agrees to conform with the changes implemented by the Notices to Participants. PFIs who do not agree to the changes implemented by a Notice to Participants must withdraw from the Axe FX Trading Platform pursuant to the PFI Facilitation Agreement as soon as possible after such determination is made. The Company shall not be responsible or liable for the failure of a PFI to receive or agree to a Notice to Participants.
- (d) Participants are responsible for ensuring that their Authorized Users receive or are notified of all Notices to Participants and agree to conform with the changes implemented by the Notices to Participants. Authorized Users who do not agree with the changes implemented by a Notice to Participants must not access the Axe FX Trading Platform as soon as possible after such determination is made. The Company shall not be responsible or liable for the failure of an Authorized User to receive or agree to a Notice to Participants.
- (e) Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency.

Rule 311

Communications Between the Company and Participants or PFIs

Each Participant and PFI must provide the Company with its current electronic mail address and the electronic mail address of each of its Authorized Users and promptly update each such address whenever it changes. Each Participant and PFI may additionally provide the Company with a phone number or Bloomberg Terminal ID. All communications between the Company on the one hand and the Participant or PFI on the other hand will be transmitted by electronic mail; telephone, with confirmation by electronic mail; the Instant Bloomberg chat platform; and/or posted on the Axe FX Trading Platform or on the Company website, except as otherwise specified by the Company. Each Participant and PFI shall be responsible for conveying such communications to its Authorized Users and other Persons to whom the Participant or PFI has given its User ID(s). All communications made to a Participant or PFI shall also be deemed to have been made to all of its Authorized Users and other Persons to whom the Participant or PFI has given its User ID(s). Each Participant and PFI will also be responsible for promptly reviewing and, if necessary, responding to all electronic communications from the Company to the Participant or PFI, any of such Participant's or PFI's Authorized Users, or any Person to whom such Participant or PFI has given User ID(s) assigned to it by the Company.

Rule 312

Withdrawal

- (a) To withdraw from the Axe FX Trading Platform, a Participant must send a written notice to the Company that, at a minimum, states that the Participant intends to withdraw from the Axe FX Trading Platform, states the date that the Participant wants the withdrawal to be effective, and contains the Legal Entity Identifier of the Participant.
- (b) Effective upon the date that the Company accepts the withdrawal of a Participant (which withdrawal shall be deemed accepted upon receipt by the Company of written notice of withdrawal unless a separate effective date was provided), all rights and privileges of such Participant and its Authorized Users shall terminate (including such Participant's Trading Privileges and its Authorized Users' ability to access the SEFAxe FX Trading Platform) immediately (or the Company may suspend prior to termination, if necessary, to appropriately effectuate such termination).
- (c) The withdrawal of a Participant shall not affect the rights of the Company under these Rules or relieve the former Participant of its obligation under the terms of any Trade entered into or otherwise arising under these Rules before the effective date of such withdrawal.
- (d) A Participant that has withdrawn remains subject to these Rules, the Company requirements and the jurisdiction of the Company for acts done and omissions made while a Participant, and must cooperate in any disciplinary proceeding under Chapter 7 as if the withdrawn Participant were still a Participant, respectively.
- (e) To withdraw from the Axe FX Trading Platform, a PFI must follow the termination provisions of the PFI Facilitation Agreement. To be clear, a PFI Facilitation Agreement that authorizes a PFI to withdraw from serving as a PFI on the Axe FX Trading Platform by sending SpectrAxe a notice in the manner provided by Rule 312 in the SpectrAxe Rulebook allows such PFI to withdraw under the same process as Participants, as described in Rules 312(a)-(d).
- (f) Effective upon the date that the Company accepts the withdrawal of a PFI, each Participant who became eligible for Trading Privileges through a prime brokerage agreement or some other documentation that governs the trading relationship (e.g. Master Agreement) with such PFI pursuant to Rule 306(a) shall have its Trading Privileges and its Authorized Users' ability to access the Axe FX Trading Platform immediately terminated (or the Company may suspend prior to termination, if necessary, to appropriately effectuate such termination).

Rule 314

Market Maker Programs

The Company may adopt one or more “Market Maker Programs” under which any Participant meeting the requirements of any such Market Maker Program may be authorized to act as a market maker subject to the terms and conditions of participation in such Market Maker Program as published by the Company from time to time. Any such Market Maker Program may provide for the following:

- (a) Eligibility qualifications, including minimum liquidity and minimum net capital requirements, that must be satisfied;
- (b) Procedures regarding the application and approval process for PFIs or Participants with respect to participation in the Market Maker Program; and
- (c) The terms of participation, including applicable standards of conduct, means of accessing the Axe FX Trading Platform (including APIs), bid and offer commitments, execution priority and fees or other payment arrangements.

Rule 401

Swaps Traded on the Axe FX Trading Platform

- (a) The Company shall determine which Swaps can be traded from time to time pursuant to these Rules, provided that any determination in respect of listing a Swap for trading pursuant to these Rules shall be submitted to the CFTC as required by the CEA and CFTC Regulations. As of the date of this Rulebook, the Axe FX Trading Platform will facilitate limit orders only.
- (b) Subject to compliance with the CEA and CFTC Regulations, Swaps traded on the Axe FX Trading Platform may be Uncleared Swaps. As of the date of this Rulebook, the SEF does not permit the trading of Cleared Swaps.
- (c) The Company shall permit trading only in Swaps that are not readily susceptible to manipulation and for which the Company has, prior to listing the Swap, submitted to the CFTC the information required in Appendix C to Part 38 of the CFTC's Regulations (Demonstration of Compliance that a Contract is not Readily Susceptible to Manipulation). The Company shall make such submission pursuant to Part 40 of the CFTC's Regulations.

Rule 402

Business Days and Trading Hours

The Company shall from time to time determine (a) the business days during any particular calendar year and (b) the Trading Hours on such business days for any particular Swap available for trading on the Axe FX Trading Platform. All time references shall be based on local time prevailing in the City of New York, New York. Opening times start on the first second of the minute cited. Closing times end on the last second of the minute cited. Trading Hours may vary among different types of Swaps. The Company may from time to time adopt procedures for the opening or closing of trading in any Swap.

Rule 403

Price Dissemination and Publication of Trading Information

- (a) The Company shall directly or indirectly transmit data regarding each Trade executed pursuant to these Rules to a single SDR in the form and manner, and within the timeframe, required by the CEA and CFTC Regulations. The Company shall transmit swap transaction and pricing data, including the Required Swap Creation Data, for each Trade executed on the Axe FX Trading Platform, or pursuant to these Rules, to that SDR as soon as technologically practicable after the Participants on the Axe FX Trading Platform effectuate the Trade, using the facilities, methods and data standards specified by the SDR. Each Participant must provide sufficient information to the Company, including the information required under Rule 414 of this Rulebook, to enable the Company to report all creation data required by CFTC Regulations.

As of the date of this Rulebook, the Company reports its Part 43 and Part 45 data for Trades to DTCC, a registered SDR.

- (i) The Company's transmission of data shall include an actual description of the underlying asset(s) of the Trade, as required by CFTC Regulation 43.4(c)(2) (Swap Transaction and Pricing Data to be Publicly Disseminated in Real-Time).
- (ii) The Company's transmission of data shall include the actual notional or principal amount of the Trade, as required by CFTC Regulation 43.4(d)(2)(i) (Swap Transaction and Pricing Data to be Publicly Disseminated in Real-Time).
- (iii) The Company's transmission of data shall include the Legal Entity Identifier of the Company and the relevant PFIs that entered into the Trade, as required by CFTC Regulation 45.6 (Legal Entity Identifiers).
- (iv) The Company will report all amended Required Swap Creation Data to the same SDR to which the SEF reported the initial Required Swap Creation Data for a Trade, as required by CFTC Regulation 45.10(a)(2) (Reporting to a Single Swap Data Repository).
- (v) As soon as technologically practicable after execution of the Trade, the Company shall transmit to the Participants who acted on behalf of the PFIs that entered into the Trade the identity of the SDR that the Company transmitted data to pursuant to Rule 403.
- (vi) The Company shall determine the Reporting Counterparty pursuant to CFTC Regulation 45.8 (Determination of which Counterparty shall Report).

- (A) If both counterparties involved in a Trade have equal reporting status under CFTC Regulation 45.8, the Company shall designate the seller of the Trade as the Reporting Counterparty unless explicitly stated otherwise.
- (B) For Multi-Leg Trades, defined as two or more component Trades that are executed by and between two counterparties where the component Trades are priced together as one economic transaction (e.g., spread), the Reporting Counterparty shall be determined as follows:

Where both counterparties have equal reporting status under CFTC Regulation 45.8, the Company shall designate the seller of a Trade that is executed as part of the Multi-Leg Trade as the Reporting Counterparty for that leg of the Multi-Leg Trade.

- (vii) The Reporting Counterparty must report all Required Swap Continuation Data, in the form and manner required by Part 45 of the CFTC Regulations, to the SDR that the Company reported the Required Swap Creation Data, unless otherwise provided in the CFTC Regulations.
- (b) The Company may provide such swap transaction and pricing data to Participants and their Authorized Users no earlier than the time it transmits such information to an SDR and in a form that does not disclose the identities, or otherwise facilitate the identification, of the Participants who caused their PFIs to enter into the Trade on the Axe FX Trading Platform. Appendix A to Part 43 sets forth the data fields required for the reporting of Required Swap Creation Data.
 - (c) The Company shall publish information as required by CFTC Regulation 37.901 (General Requirements).
 - (d) The Company may make available to Participants an indicative, non-attributed pricing page on the Axe FX Trading Platform for certain types of Swaps of the most commonly traded tenors within such type of Swap.
 - (e) If the Company becomes aware of an error or omission in the swap transaction and pricing data, including the Required Swap Creation Data, reported to an SDR or any swap data the Company is required to report to an SDR, Participant, PFI, or the CFTC, either directly or by notification from either Participant whose PFI entered into a Trade on the Axe FX Trading Platform for the swap transaction with the error or omission (or their PFIs), the Company shall follow the procedures on trade review noted in Rule 407(b) and the procedures on trading errors and omissions in Rule 407(c) to confirm the error or omission. If necessary, the Company may request the relevant Participant or PFI to submit corrected data to the Company. The Company shall promptly submit, as soon as technologically practicable after discovery, the corrected data to the same SDR, Participant, PFI, or the CFTC, as applicable, in the same format as the erroneous or omitted data was originally reported.

- (i) If a Participant or PFI becomes aware of an error or omission in the swap transaction and pricing data, including the Required Swap Creation Data, before the Company, such Participant or PFI must follow the procedures listed in Rule 407(c) and Rule 502(c).

Rule 404.A

Order Book

- (a) Participants shall have the ability to post Orders on the Order Book in any Swap offered on the Axe FX Trading Platform in accordance with these Rules, for its own account or the account of any Client Account for whom it acts.
- (b) The execution functionality of the Order Book requires a Participant to execute the Order with the best displayed price in the time priority such Order was entered into the Order Book.

Rule 404.B

RFQ

The Axe FX Trading Platform may provide for an RFQ system for the following types of RFQs:

- (a) *RFQ for Permitted Transactions.* For Permitted Transactions, an RFQ requester may select one or more RFQ recipients eligible to receive such RFQ.

Rule 404.C

Procedures Relating to Transactions in Swaps

- (a) The Company may, in its sole discretion, adopt procedures relating to transactions in Swaps and the types of RFQs that may be sent or Orders that may be entered on the Axe FX Trading Platform with respect to any Swap (which shall be set by the Company from time to time and published on the SEF), including establishing limits or minimums on the number and/or size of RFQs or Orders that may be submitted by a Participant through the Axe FX Trading Platform or subject to these Rules, and establishing minimum price-quoting increments for each Swap.
 - (i) Participants shall be subject to all applicable Limits listed in their Limits notice (e.g., product restrictions and trade volume limits).
 - (ii) Nothing in this Rulebook, a Participant Agreement, or the PFI Facilitation Agreement shall be deemed to constitute a partnership between the Company, the PFIs and the Participants (or any subset thereof), or constitute one such Person acting as the agent of another such Person, except where expressly set out therein.
- (b) Any amendments to the procedures described in this Rule 404.C will be made pursuant to Part 40 of the CFTC Regulations.

Rule 404.D

Pre-Execution Communications

- (a) Pre-Execution Communications with respect to Trades entered into through the Order Book shall be prohibited.
- (b) Pre-Execution Communications are permitted with respect to Trades entered into through the Axe FX Trading Platform's RFQ system in accordance with Rule 404.B.

Rule 405

Modification or Cancellation of Orders

Any Order that has been entered into the Axe FX Trading Platform may be modified or cancelled unless and until a Trade is entered into or the Order otherwise expires.

A cancellation shall become effective only upon acceptance by the Axe FX Trading Platform of a "Cancel Order," with respect to the original Order prior to the expiration of such Order or entering into of a Trade. The Axe FX Trading Platform shall indicate or the Company shall otherwise communicate that a cancellation is successful.

The Company will not submit or agree to submit a cancellation or correction for the purposes of re-reporting swap transaction and pricing data, including Required Swap Creation Data, in order to gain or extend a delay in public dissemination of accurate Swap transaction or pricing data or to otherwise evade the reporting requirements of Part 43 or Part 45 of CFTC Regulations.

If the Company modifies or cancels an Order under this Rule 405, it will do so in good faith and in a commercially reasonable manner and will provide written notice of such modification or cancellation to the affected Participants and PFIs. Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency pursuant to Rule 412.

Rule 406

Information Regarding Orders

The Company will make information from the Axe FX Trading Platform available to Participants and other Persons at such times and in such manner (whether through the Axe FX Trading Platform, financial information services or otherwise) as it may be required by Applicable Law, including, but not limited to CFTC Regulation 37.900 (Timely Publication of Trading Information), provided that SEF Data and other information related to a Participant, Authorized User, Client Account or PFI, as applicable, shall not be disclosed by the Company unless permitted by these Rules or Applicable Law, including CFTC Regulation 37.7 (Prohibited Use of Data Collected for Regulatory Purposes). Each Participant or other Person receiving any such information may redistribute such information only to such extent and in such manner as may be permitted by the Company in writing from time to time.

Rule 407

Price Adjustments, Cancellations and Review of Executed Orders by the Company

(a) *Adjustment and Cancellation Authority.*

The Company may adjust trade prices or cancel executed orders, solely in accordance with published policies of the Company, when such action is necessary to mitigate market disrupting events caused by: (i) improper conduct such as market manipulation or clearly erroneous trading behavior (e.g., fat finger entries) or (ii) malfunctions in the Company's systems. If the Company takes any action pursuant to this Rule 407(a), it will do so in a commercially reasonable manner, considering whether such price adjustment or cancellation will adversely impact market integrity, facilitate market manipulation or other illegitimate activity, or otherwise violate the Rules or Applicable Law, and it will give prompt notice and in any event will use good faith, commercially reasonable efforts to provide any affected Participants and PFIs with reasonable prior notice and, where required by Applicable Law (including CFTC Regulation 37.405 (Risk Controls for Trading)), to obtain consent to such adjustment or cancellation. Participants shall be responsible for obtaining any required consent to such adjustment or cancellation from their Client Account(s), if applicable.

(b) *Review of Trades Generally.*

Subject to Rule 407(c), the Company may initiate a review of a Trade based on its analysis of market conditions or in response to a request for review by a Participant. Such request for review must be made as soon as practicable but in no event after the end of the business day in which such Trade took place. The Company shall promptly determine whether the Trade will be subject to review and, upon deciding to review the Trade, the Company will promptly issue an alert to the affected Participants and PFIs indicating that the Trade is under review. In the case of a Trade determined by the Company to be illiquid, the Company may initiate a review on its own initiative if it determines that the trade price was significantly out of line with prices in the market at the time of such transaction (based on pricing data that is readily available to the Company). In the course of its review of any Trade, the Company may, but is not obligated to, inform any of the affected Participants and PFIs the identity and contact information of the other affected Participant and PFI.

(c) *Trading Errors or Omissions.*

The Company provides a Help Desk telephone number (US: +1-332-282-1751; UK: +44-20-4551-8237) and email address (support@spectrax.com) to report any errors or omissions. Upon receipt of a report of an error or omission, the Company shall follow the procedures on trade review noted in Rule 407(b) to confirm that an error or omission has occurred. If the error or omission is confirmed, the Company shall promptly submit as soon as technologically practicable after discovery corrected data to the same SDR that the erroneous or omitted data was originally reported, in

the same format as the erroneous or omitted data was originally reported, pursuant to Rule 403(e). The Company shall also contact all affected Participants and PFIs to confirm the error or omission. If the error or omission is not confirmed, the Company contacts the Person that provided the notice to notify the Person that there will be no correction to the data previously reported to the SDR.

(d) *PFI Cancellation or Modification.*

- (i) A PFI shall have the right to request a cancellation or modification of any Trade:
 - (A) that is executed in excess or in violation of a Limit set by the PFI, including a Limit on the aggregate exposure it has to another PFI; or
 - (B) that is executed by or with a Person that was not authorized by the PFI under the relevant PFI/Participant Trading Documentation.
- (ii) A PFI must request the cancellation or modification by sending a notice to the Company that states the UTI of the Trade (if any) and the reason for cancellation or modification. If the Company determines that the cancellation or modification satisfies the conditions of this Rule, the Company will cancel or modify the Trade.
 - (A) Alternatively, a PFI may request the cancellation or modification of a Trade by contacting the Help Desk.
- (iii) If the Company modifies or cancels a Trade under this Rule 407(d), it will do so in good faith and in a commercially reasonable manner and will provide written notice of such modification or cancellation to the affected Participants and PFIs. Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency pursuant to Rule 412.

Rule 408

Position Limits

- (a) To reduce the potential threat of market manipulation or congestion, the Company may adopt for each of the contracts of the Axe FX Trading Platform, as is necessary and appropriate, position limitations. The Company may grant exemptions from position limits, as it may determine to be necessary and appropriate, in accordance with CFTC Regulations (including notice provisions consistent with Applicable Law, such as CFTC Regulations 40.5(a)(6) (Voluntary Submission of Rules for Commission Review and Approval) and 40.6(a)(2) (Self-Certification of Rules) and CFTC Regulations 37.600 (Position Limits or Accountability) and 37.601 (Additional Sources for Compliance)). This Rule 408 shall apply in the event that the Company does adopt any such position limits, which limits will be included in these Rules, if adopted, and prior notice of any such adoption will be provided as a Notice to Participants consistent with Rule 310 and in accordance with Applicable Law (including notice provisions consistent with Applicable Law, including CFTC Regulations 40.5(a)(6) and 40.6(a)(2)). The Company will monitor all such position limits for whether they meet or exceed reportable levels. The Company shall continually assess whether additional position limits are necessary, appropriate, and should be adopted.
- (b) A Person seeking an exemption from position limits, including limits established pursuant to a previously-approved exemption, must file the required application with the Compliance Department and receive approval prior to exceeding such limits. Notwithstanding the foregoing, a Person who establishes an exemption-eligible position in excess of position limits and files the required application with the Company shall not be in violation of this Rule provided the filing occurs within one business day after assuming the position. In the event the positions in excess of the limits are not deemed to be exemption-eligible, such Person will be in violation of position limits for the period of time in which the excess positions remained open.

The application must be in the form and manner prescribed by the Compliance Department and, at a minimum, must: (i) provide a description of the exemption sought, including whether the exemption is for bona fide hedging positions as defined in CFTC Regulation 1.3 (Definitions), risk management positions or arbitrage/spread positions; (ii) provide a complete and accurate explanation of the underlying exposure related to the exemption request; (iii) agree to promptly provide, upon request by the Compliance Department, information or documentation regarding the Person's exemption application; (iv) agree to comply with all terms, conditions or limitations imposed by the Compliance Department with respect to the exemption; (v) agree that the Compliance Department may modify or revoke the exemption at any time; (vi) agree to initiate and liquidate positions in an orderly manner; and (vii) agree to promptly submit a supplemental statement to the Compliance Department whenever there is a material change to the information provided in the most recent application.

- (c) Pursuant to Section 4a(a) of the CEA, the CFTC may also from time to time establish position limits for Swaps traded pursuant to these Rules. For any Swap subject to a position limit set by the CFTC, the Company shall not set its position limit at a level higher than the CFTC's limit.
- (d) In the event that a Person is found to be in violation of a position limit, nothing in this Rule shall in any way limit the authority of the Company to take lawful and appropriate action in response to such violation. Such actions may include, but are not limited to, any of the summary suspension actions described in Rule 717(a)(i)-(iii).
- (e) Nothing in this Rule shall in any way limit the authority of the Company to take action in response to an Emergency or the authority of the Company to review at any time any position owned or controlled by any Person and, as the Company may deem necessary to comply with Applicable Law (including CFTC Regulations 37.600 (Position Limits or Accountability) and 37.601 (Additional Sources for Compliance)), to direct that such position be reduced to the position limit provided by the Company.

Rule 409

Position Accountability

To reduce the potential threat of market manipulation or congestion, the Company shall adopt for each of the contracts of the Axe FX Trading Platform, as is necessary and appropriate, position accountability levels, in accordance with CFTC Regulations (including notice provisions consistent with Applicable Law, such as CFTC Regulations 40.5(a)(6) (Voluntary Submission of Rules for Commission Review and Approval) and 40.6(a)(2) (Self-Certification of Rules) and CFTC Regulations 37.600 (Position Limits or Accountability) and 37.601 (Additional Sources for Compliance)). Upon adoption of position accountability levels by the Company, a Person who holds or controls aggregate positions in a Swap in excess of such position accountability levels relating to that Swap shall be subject to the following provisions:

- (a) Such Person shall provide, in a timely manner upon request by the Compliance Department, information regarding the nature of the position, trading strategy, and hedging information if applicable;
- (b) Such Person shall, if so ordered by the Compliance Department, acting in its discretion, liquidate or not increase further the positions which exceed such levels;
- (c) Such positions must be initiated and liquidated in an orderly manner;
- (d) This Rule 409 shall not limit the jurisdiction of the Company to take action that it determines necessary or appropriate in respect of any positions on the Axe FX Trading Platform; and
- (e) Upon request, such Person must provide the Compliance Department with information, in a form and manner acceptable to the Compliance Department, identifying the owner, any controlling parties and any additional required information for each reportable account.

Rule 412

Emergencies

- (a) *Emergency Defined.* The term “Emergency” means any occurrence or circumstance that, in the opinion of the Board, the CEO, COO or CCO requires immediate action and threatens or may threaten the fair and orderly trading in, the liquidation of, or the delivery pursuant to any Swap traded pursuant to these Rules. An Emergency may include any of the following:
- (i) Any manipulative activity or attempted manipulative activity;
 - (ii) Any actual, attempted or threatened corner, squeeze, congestion or undue concentration of positions;
 - (iii) Any circumstance that may materially affect the performance of Swaps, including failure of the payment system or the bankruptcy or insolvency of any Participant or PFI;
 - (iv) Any action taken by the U.S. federal or any foreign government, any other governmental body, or any other entity or trading facility (foreign or domestic), in each case that may have a direct impact on the clearing, settling or trading activities made on the Axe FX Trading Platform or pursuant to the Rules of this SpectrAxe Rulebook; and
 - (v) Any circumstance that may have a severe, adverse effect upon the functioning of the Axe FX Trading Platform.
- (b) *Emergency Authority.* In the event of an Emergency, the COO or any individual designated by the COO and approved by the Board may place into immediate effect a temporary emergency addition to these Rules that may provide for, or may authorize, the Board or any committee thereof to undertake actions necessary or appropriate to respond to the Emergency, including such actions as:
- (i) imposing or modifying position limits, price limits or intraday market restrictions;
 - (ii) ordering the liquidation or transfer of open positions in any Swap;
 - (iii) ordering the fixing of a settlement price of any Swap;
 - (iv) extending, limiting or changing the Trading Hours or expiration date in respect of one or more Swaps;
 - (v) suspending or curtailing trading, or limiting trading to liquidation only, in any or all Swaps;

- (vi) transferring Swap contracts and associated margin, or altering any Swap's settlement terms or conditions;
 - (vii) modifying or suspending any provision of these Rules; and/or
 - (viii) taking market actions as may be directed by the CFTC.
- (c) Any action placed into effect in accordance with Rule 412(b) shall be reviewed by the Board as soon as practicable under the circumstances and may be revoked, suspended or modified by the Board.
- (d) Any action placed into effect in accordance with Rule 412(b) must be consistent with the requirements of the PFI Facilitation Agreement to the fullest extent allowed by Applicable Law.
- (e) *Physical Emergency.* If, in the judgment of the CEO, the COO, or any individual designated by the CEO or the COO and approved by the Board, the physical functions of the Axe FX Trading Platform are, or are threatened to be, severely and adversely affected by a physical emergency, such Person shall have authority to take such action as he may deem necessary or appropriate to respond to such physical emergency, including closing the Axe FX Trading Platform, delaying the opening of trading in one or more Swaps or suspending trading in or extending Trading Hours for one or more Swaps. In the event that any action has been taken pursuant to the immediately preceding sentence, any Person who is authorized to take such action may order the removal of any restriction previously imposed pursuant to such sentence, upon a determination by such Person that the physical emergency that gave rise to such restriction has sufficiently abated to permit the physical functions of the Axe FX Trading Platform to continue in an orderly manner. Any Order, RFQ or response to an RFQ made during the physical emergency by any Person shall be subject to review, modification or reversal by the Board. In the event that trading is suspended in any or all Swaps, any unexecuted Orders, RFQs or responses to RFQs for the suspended Swaps that are currently resting in the Axe FX Trading Platform will automatically be cancelled and must be resubmitted upon resumption of trading in the affected Swaps.
- (f) *Notification and Recording.*
- (i) The Company will use reasonable efforts to notify the CFTC prior to implementing, modifying or terminating a rule pursuant to this Rule 412 (an "Emergency Rule"). If such prior notification is not practicable, the Company will notify the CFTC as soon as reasonably practicable, but in all circumstances within 24 hours of the implementation, modification or termination of such Emergency Rule.
 - (ii) Whenever the Company takes action pursuant to this Rule 412 to respond to an Emergency, it will ensure that prompt notice is given to Participants as soon as practicable. Participants shall be responsible for informing their

Authorized Users and Client Accounts, as applicable, of such notice. Although the Company will send prompt notice to the PFIs, it is ultimately the Participant's responsibility to ensure that its PFI is informed of such notice. The Company shall not be responsible or liable for the failure of any Authorized User, Client Account or PFI to be informed of such notice.

- (iii) Upon taking any action in response to an Emergency, the Company shall document the decisions and deliberations related to such action, and such documentation will be maintained for at least five years following the date on which the Emergency ceases to exist or to affect the Company. Under Section (a)(2) of the Guidance to Core Principle 8 for Part 37 of the CFTC Regulations, the Company will promptly notify the CFTC of its exercise of emergency action, explaining its decision-making process, the reasons for using its emergency authority, and how conflicts of interest were minimized, including the extent to which the Company considered the effect of its emergency action on the underlying markets and on markets that are linked or referenced to the contracts traded on its facility, including similar markets on other trading venues. Information on all regulatory actions carried out pursuant to the Company's emergency action shall be included in a timely submission of a certified rule pursuant to Part 40 of the CFTC Regulations.
- (iv) When the Company determines that the Emergency has been reduced sufficiently to allow the Company to resume normal functioning, any such actions will be modified or terminated, as appropriate, and notice, when practicable, will be given to Participants. Participants shall be responsible for informing their Authorized Users and Client Accounts, as applicable, of such notice. Although the Company will send notice to the PFIs, it is ultimately the Participant's responsibility to ensure that its PFI is informed of such notice. The Company shall not be responsible or liable for the failure of any Authorized User, Client Account or PFI to be informed of such notice.
- (g) *Conflicts of Interest.* The conflict of interest provisions set forth in Rule 213 and the related documentation requirements set forth in Rule 213(d) shall apply, with any such modifications or adaptations as may be necessary or appropriate under the circumstances, to the taking of any action under this Rule 412 by the CEO, the COO or their respective designee.
- (h) If the Emergency is related to a Swap that is fungible with financial products traded on another swap execution facility or a designated contract market, the Company will endeavor to coordinate its response with any directions received from the CFTC.

Rule 413

LIMITATION OF LIABILITY

- (a) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, NEITHER THE COMPANY, NOR ANY AFFILIATE OF THE COMPANY, NOR ANY OF THEIR RESPECTIVE MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES, EQUITY HOLDERS, AGENTS, CONSULTANTS OR SERVICE PROVIDERS (INCLUDING ANY REGULATORY SERVICES PROVIDER), NOR ANY MEMBER OF ANY COMMITTEE OR OTHER GOVERNING BODY OF ANY AFFILIATE OF THE COMPANY (EACH OF THE FOREGOING, AS APPLICABLE, THE "DISCLAIMING PARTY" AND, COLLECTIVELY, "DISCLAIMING PARTIES"), SHALL BE LIABLE TO ANY PERSON FOR ANY LOSSES ARISING OUT OF OR IN CONNECTION WITH:
- (i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER EVENT, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF THE AXE FX TRADING PLATFORM OR ANY OTHER SYSTEMS AND SERVICES OF THE COMPANY, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION, ELECTRONIC ORDER ENTRY AND DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY PARTICIPANTS AND AUTHORIZED USERS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE AND FIRMWARE RELATING THERETO; OR
 - (ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER EVENT, OF ANY SYSTEM OR SERVICE OF THE COMPANY, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR
 - (iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE COMPANY OR ANY OF THE COMPANY'S SYSTEMS, SERVICES OR FACILITIES; OR
 - (iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY OF THE COMPANY'S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES BY ANY PERSON; OR

- (v) ANY FAILURE OR ACCEPTANCE OF A TRADE BY A PARTICIPANT OR PFI; OR
- (vi) ANY BREACH OR FAILURE BY A PFI TO COMPLY WITH THE TERMS OF THE PFI FACILITATION AGREEMENT; OR
- (vii) ANY BREACH OR FAILURE BY A PARTICIPANT OR PFI TO COMPLY WITH THE TERMS OF THE APPLICABLE PARTICIPANT AGREEMENT OR LIMITS NOTICE (OR SIMILAR AUTHORIZATION OF A PARTICIPANT BY A PFI).

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM IS BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND NEGLIGENT MISREPRESENTATION), RESTITUTION, BREACH OF STATUTORY DUTY, BREACH OF WARRANTY OR OTHERWISE AND WITHOUT REGARD TO WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD-PARTY CLAIM, UNLESS THE DISCLAIMING PARTY HAS BEEN FINALLY ADJUDICATED BY A COURT OF COMPETENT JURISDICTION TO HAVE ENGAGED IN FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE COMMODITY EXCHANGE ACT AND REGULATIONS THEREUNDER.

- (b) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS PROVIDED BY THE COMPANY OR ANY OTHER DISCLAIMING PARTIES RELATING TO ANY SYSTEMS OR SERVICES OF THE COMPANY OR SERVICES AND THE EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE AXE FX TRADING PLATFORM, AND THE COMPANY HEREBY SPECIFICALLY DISCLAIMS, OVERRIDES AND EXCLUDES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL IMPLIED WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES, CONDITIONS, OTHER CONTRACTUAL TERMS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES WITH RESPECT TO THE SERVICES, WHETHER EXPRESS, IMPLIED OR STATUTORY, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY THE COMPANY OR ANY OTHER DISCLAIMING PARTY OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO, AS TO TITLE, SATISFACTORY QUALITY, ACCURACY, COMPLETENESS, UNINTERRUPTED USE, NON-INFRINGEMENT, TIMELINESS, TRUTHFULNESS, SEQUENCE AND ANY IMPLIED WARRANTIES, CONDITIONS AND OTHER CONTRACTUAL TERMS ARISING FROM TRANSACTION USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE) RELATING TO ANY SYSTEMS OR SERVICES OF THE COMPANY OR SERVICES, EQUIPMENT OR FACILITIES

USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE AXE FX TRADING PLATFORM.

- (c) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, UNLESS THE COMPANY HAS BEEN FINALLY ADJUDICATED BY A COURT OF COMPETENT JURISDICTION TO HAVE ENGAGED IN FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE COMPANY'S TOTAL COMBINED AGGREGATE LIABILITIES SHALL NOT EXCEED \$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED BY ALL PERSONS ON A SINGLE DAY; \$200,000 FOR ALL LOSSES SUFFERED BY ALL PERSONS FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND \$1,000,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED BY ALL PERSONS IN A SINGLE CALENDAR YEAR. IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR SINGLE MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD. IN NO EVENT SHALL THE TOTAL COMBINED AGGREGATE LIABILITY OF THE DISCLAIMING PARTIES FOR ALL CLAIMS ARISING OUT OF ANY FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS OR ANY OTHER CAUSES IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE COMPANY'S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE AXE FX TRADING PLATFORM, OR THE NEGLIGENCE OF THE COMPANY OR ANY DISCLAIMING PARTY EXCEED \$1,000,000 IN ANY GIVEN CALENDAR YEAR.
- (d) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, UNDER NO CIRCUMSTANCES SHALL THE COMPANY BE LIABLE TO A PARTICIPANT, PFI, AUTHORIZED USER, CLIENT ACCOUNT OR ANY OTHER PERSON FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY LOSS OR PUNITIVE DAMAGES OF ANY KIND, REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY LOSS OF REVENUE, LOSS OF ACTUAL OR ANTICIPATED PROFITS, LOSS OF CONTRACTS, LOSS OF THE USE OF MONEY, LOSS OF ANTICIPATED SAVINGS, LOSS OF BUSINESS, LOSS OF OPPORTUNITY, LOSS OF MARKET SHARE, LOSS OF GOODWILL, LOSS OF REPUTATION OR LOSS OF, DAMAGE TO OR CORRUPTION OF DATA, HOWEVER SUFFERED OR INCURRED, REGARDLESS OF WHETHER THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR WHETHER SUCH DAMAGES OTHERWISE COULD HAVE BEEN FORESEEN OR PREVENTED.

- (e) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, UNDER NO CIRCUMSTANCES SHALL THE COMPANY BE LIABLE FOR THE ACTS, ERRORS OR OMISSIONS OF ANY THIRD PARTY, INCLUDING ANY MARKET DATA VENDOR, SDR OR DCO.
- (f) [RESERVED].
- (g) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, INCLUDING THE PFI FACILITATION AGREEMENT, ANY DISPUTE ARISING OUT OF THE USE OF THE SYSTEMS OR SERVICES OF THE COMPANY OR SERVICES, EQUIPMENT, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE AXE FX TRADING PLATFORM, IN WHICH ONE OR MORE DISCLAIMING PARTIES IS A PARTY SHALL BE ARBITRATED PURSUANT TO THESE RULES IN CHAPTER 8, AND REFERENCES IN CHAPTER 8 TO A "PARTICIPANT" SHALL, TO THE EXTENT RELEVANT, BE DEEMED FOR SUCH PURPOSE TO MEAN AND INCLUDE THE DISCLAIMING PARTIES. ANY SUCH CLAIM AGAINST A DISCLAIMING PARTY SHALL BE BROUGHT WITHIN ONE YEAR FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH (F) SHALL IN NO WAY BE CONSTRUED TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY THESE RULES. IF, FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT A DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY BE LITIGATED ONLY IN ACCORDANCE WITH RULE 1112.
- (h) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, NO PFI OR ITS AFFILIATES; DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES; OR THE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES OF ITS AFFILIATES SHALL BE LIABLE FOR ANY LOSS INCURRED OR SUFFERED BY A PARTICIPANT BY ENTERING INTO A TRADE. NO PFI OR ITS AFFILIATES; DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES; OR THE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES OF ITS AFFILIATES SHALL BE LIABLE FOR ANY LOSS INCURRED OR SUFFERED BY A PARTICIPANT RESULTING FROM ANY ACT OR OMISSION, INCLUDING WILLFUL DEFAULT, OF THE AXE FX TRADING PLATFORM OR ANY OTHER PARTICIPANT OR AUTHORIZED USER ON THE AXE FX TRADING PLATFORM
- (i) EXCEPT AS OTHERWISE PROVIDED IN THIS RULE OR SEPARATE CONTRACT, NO PFI OR ITS AFFILIATES; DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES; OR THE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND NOMINEES OF ITS AFFILIATES SHALL HAVE ANY LIABILITY FOR ANY

INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES OR FOR LOSS OF PROFITS, LOSS OF GOODWILL, OR LOSS OF BUSINESS OPPORTUNITY.

- (j) NO PFI SHALL BE LIABLE FOR THE ACCURACY OR REASONABLENESS OF ANY DUES, ASSESSMENTS, COMMISSIONS OR FEES THAT THE COMPANY MAY CHARGE A PARTICIPANT.

Rule 414

Requirements for Persons Submitting Orders, RFQs and Responses to RFQs

- (a) Each Order, RFQ or response to an RFQ submitted to the Axe FX Trading Platform shall be submitted under the applicable User ID of the Authorized User for the Participant entering or intermediating such Order, RFQ or response to an RFQ.

Each Order, RFQ or response to an RFQ submitted to the Axe FX Trading Platform shall include information identifying the relevant Swap (including the delivery or expiry month), price, notional amount of the Swap, correct CTI code (as described in Rule 615), buy or sell, appropriate account designation, and Order type, and any other information necessary for the Company to satisfy its reporting obligations pursuant to Rule 403.

- (b) Each Order, RFQ or response to an RFQ submitted to the Axe FX Trading Platform shall include the following information for the Participant entering or intermediating such Order, RFQ or response to an RFQ (to the extent such information is not otherwise pre-populated), pursuant to CFTC Regulation 45.8(h)(1) (Determination of which Counterparty shall Report):

- (i) the Legal Entity Identifier of such Participant;
- (ii) a yes/no indication of whether such Participant is a Swap Dealer with respect to the Swap for which the Order, RFQ or response to an RFQ is placed;
- (iii) a yes/no indication of whether such Participant is a Major Swap Participant with respect to the Swap for which the Order, RFQ or response to an RFQ is placed;
- (iv) a yes/no indication of whether such Participant is a financial entity (as defined in Section 2(h)(7)(C) of the CEA);
- (v) a yes/no indication of whether such Participant is a U.S. person; and
- (vi) if applicable, an indication of whether such Participant will elect the clearing requirement exception in Section 2(h)(7) of the CEA for any Swap resulting from the Order, RFQ or response to an RFQ.

- (c) If a Trade will be allocated, then each Order, RFQ or response to an RFQ submitted to the Axe FX Trading Platform shall include the following information for the Participant entering or intermediating such Order, RFQ or response to an RFQ (to the extent such information is not otherwise pre-populated), pursuant to CFTC Regulation 45.8(h)(1)(vii):

- (i) An indication that the Trade will be allocated;
- (ii) The Legal Entity Identifier of the agent;

- (iii) An indication of whether the Trade will be a post-allocation Swap; and
 - (iv) If the Trade will be a post-allocation Swap, the UTI of the initial swap transaction between the Reporting Counterparty and the agent.
- (d) As used in this Rule 414, “financial entity,” “agent” and “U.S. person” have the meaning given those terms in the CEA, CFTC Regulations and exemptive or no-action relief or interpretive guidance issued by the CFTC or its staff, as applicable.

Rule 415

User IDs

- (a) No Person may use a User ID to place any Order, RFQ or response to an RFQ except as permitted by these Rules, nor may any Person knowingly permit or assist with the unauthorized use of a User ID. Each Authorized User, Participant, PFI or any other Person that has been authorized to access the Axe FX Trading Platform shall take reasonable measures to ensure that no assigned User ID is used by any Person not authorized by these Rules.
- (b) No Person shall submit to the Axe FX Trading Platform any Order, RFQ or response to an RFQ using the User ID of any other Person, unless the Person submitting the Order, RFQ or response to an RFQ is an Authorized User for that Person.
- (c) Each Participant, PFI or any other Person that has been authorized to access the Axe FX Trading Platform shall provide in writing to the Company and keep current such information as the Company may require concerning itself and each of its Authorized Users or any other Person it permits to have direct access, including Persons who have been granted Electronic Access, to the Axe FX Trading Platform by using its User ID.
- (d) Any request that the Company activate or deactivate a User ID shall be submitted in writing by a Designated Contact or Operational Contact of the relevant Participant or PFI in the manner provided for by the Company. The Company shall have no liability for any action or inaction due to its good faith reliance upon such a written request or for any communication system failure.
- (e) Each Participant, PFI or any other Person that has been authorized to access the Axe FX Trading Platform shall notify the Compliance Department promptly upon becoming aware of:
 - (i) any unauthorized disclosure or use of any User ID assigned to it and of any other reason for deactivating a User ID assigned to it;
 - (ii) any unauthorized disclosure or use of any User ID assigned to its Authorized User and of any other reason for deactivating a User ID assigned to that Authorized User;
 - (iii) any unauthorized access to the Axe FX Trading Platform by any Person using a User ID assigned to it; or
 - (iv) any unauthorized access to the Axe FX Trading Platform by any Person using a User ID assigned to its Authorized User.

Rule 416

Designated Contact(s) and Operational Contact(s)

Each Participant and PFI shall identify in writing to the Company one or more Designated Contacts, as the Company may determine, who are authorized to receive Notices and other communications from the Company.

Each Participant shall identify in writing to the Company one or more Operational Contacts, as the Company may determine.

A Participant or PFI must notify the Company in writing to change a Designated Contact or an Operational Contact.

Rule 417

Message Traffic

The Company may at any time restrict or establish utilization fees in respect of Message Traffic, either with respect to all or any Participants and Authorized Users in order to safeguard the security or operations of the Axe FX Trading Platform, or to preserve market integrity, fair and orderly trading, or if otherwise in the public interest.

Rule 501

Duties and Responsibilities of Participants and their Authorized Users

- (a) Each Participant and its Authorized Users, shall:
 - (i) use the Axe FX Trading Platform in a responsible manner and not for any improper purpose;
 - (ii) use the Axe FX Trading Platform only to conduct business that is subject to these Rules and in a manner consistent with these Rules;
 - (iii) comply with these Rules, submit to the jurisdiction of the Company to enforce these Rules and act in a manner consistent with these Rules;
 - (iv) observe high standards of market conduct, fair dealing, and just and equitable principles of trade while conducting or seeking to conduct any business connected with or concerning the Company;
 - (v) not knowingly mislead or conceal any material fact or matter required to be disclosed in any dealings or filings with the Company or in connection with a disciplinary proceeding; and
 - (vi) keep all User IDs, account numbers and passwords related to the Axe FX Trading Platform confidential.

- (b) Participants shall comply with all applicable anti-spoofing policies for Swaps which the Company posts on the Axe FX Trading Platform or sets forth in Notices to Participants from time to time.

Rule 502

Required Notices

- (a) Each Participant shall promptly notify the CCO upon becoming aware of any of the following events, in each case, with respect to the Participant's status, and the status of its Authorized Users, which relates to or may affect its or their participation or conduct on the Axe FX Trading Platform:
 - (i) any material changes to information provided to the Company in connection with an application for Participant or Authorized User status;
 - (ii) any refusal of admission to any self-regulatory organization, or withdrawal of an application for membership or participant status in a self-regulatory organization, by the Participant or any of its Authorized Users;
 - (iii) any expulsion, suspension or fine in excess of \$50,000 (whether through an adverse determination, voluntary settlement or otherwise) imposed on the Participant or any of its Authorized Users, by any self-regulatory organization;
 - (iv) any denial or withdrawal of an application for registration or license with respect to the Participant or any of its Authorized Users by or from any government agency or self-regulatory organization, and any revocation, suspension or conditioning of a registration or license granted by any government agency or self-regulatory organization to the Participant or any of its respective Authorized Users;
 - (v) the commencement of any judicial or administrative proceeding against the Participant or any of its respective Authorized Users by a government agency or the imposition of a fine in excess of \$50,000, cease and desist order, denial of trading privileges, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed by any government agency or self-regulatory organization;
 - (vi) the indictment or conviction of, or any confession of guilt or plea of guilty or *nolo contendere* by the Participant or any of its Authorized Users, senior officers or principals for any felony or for any misdemeanor involving, arising from, or related to, the purchase or sale of any Swap or other financial instrument, or involving or arising from fraud or moral turpitude;
 - (vii) the bankruptcy or insolvency of the Participant or any of its Affiliates; and
 - (viii) the failure of any Participant to be an Eligible Contract Participant.
- (b) Each PFI shall promptly notify the CCO upon becoming aware of any of the following events, in each case, with respect to the PFI's status, and the status of its Authorized

Users, which relates to or may affect its or their participation or conduct on the Axe FX Trading Platform:

- (i) any material changes to information provided to the Company in connection with the information provided to the Company in the PFI Facilitation Agreement;
 - (ii) any refusal of admission to any self-regulatory organization, or withdrawal of an application for membership or participant status in a self-regulatory organization, by the PFI or any of its Authorized Users;
 - (iii) any expulsion, suspension or fine in excess of \$250,000 (whether through an adverse determination, voluntary settlement or otherwise) imposed on the PFI or any of its Authorized Users, by any self-regulatory organization;
 - (iv) any denial or withdrawal of an application for registration or license with respect to the PFI or any of its Authorized Users by or from any government agency or self-regulatory organization, and any revocation, suspension or conditioning of a registration or license granted by any government agency or self-regulatory organization to the PFI or any of its respective Authorized Users;
 - (v) the commencement of any judicial or administrative proceeding against the PFI or any of its respective Authorized Users by a government agency or the imposition of a fine in excess of \$250,000, denial of Trading Privileges, cease and desist order, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed by any government agency or self-regulatory organization;
 - (vi) the indictment or conviction of, or any confession of guilt or plea of guilty or *nolo contendere* by the PFI or any of its Authorized Users, senior officers or principals for any felony or for any misdemeanor involving, arising from, or related to, the purchase or sale of any Swap or other financial instrument, or involving or arising from fraud or moral turpitude;
 - (vii) the bankruptcy or insolvency of the PFI or any of its Affiliates; and
 - (viii) the failure of any PFI to be an Eligible Contract Participant.
- (c) Each Participant and PFI shall review the Trade Communication issued pursuant to Rule 1101(b) as soon as practicable upon receipt. A Participant or PFI shall promptly notify the Company upon becoming aware of an error or omission in swap transaction and pricing data, including Required Swap Creation Data, for a Trade by contacting the Company pursuant to Rule 407. The Participant or PFI must submit to the Company the corrected or completed data as part of the notice.

In addition to notifying the Company, Participants that become aware of an error or omission in swap transaction and pricing data must promptly notify their PFI of the error or omission if they become aware of the error or omission before their PFI. PFIs that become aware of an error or omission in swap transaction and pricing data must promptly notify their Participants of the error or omission if they become aware of the error or omission before their relevant Participant, in addition to notifying the Company. If the PFI that becomes aware of the error or omission (whether on its own or due to notification from its Participant) is not the Reporting Counterparty (as determined by Rule 403(a)(vi)), such PFI must also notify the Reporting Counterparty of the error or omission pursuant to CFTC Regulations 43.3(e)(2) (Method and Timing for Real-time Public Reporting) and 45.14(a)(2) (Correcting Errors in Swap Data and Verification of Swap Data Accuracy).

Rule 503

Books and Records; Cooperation in Proceedings

- (a) Each Participant, PFI, Authorized User, and Client Account shall prepare and keep current all books, ledgers and other similar records (including, but not limited to, records of any such Person's activity in the index or instrument used as a reference price, the underlying commodity, and related derivatives markets), in the manner prescribed by the CEA, CFTC Regulations and these Rules and shall prepare and keep current such other books and records and adopt such forms as the Company may from time to time prescribe. Such books and records shall be made available to the Company and its authorized representatives, upon request during regular business hours, and the Company agrees to adhere to reasonable logical and physical access and security procedures of such Participant, PFI, Authorized User, and Client Account and, with respect to the CFTC, the Department of Justice and their respective authorized representatives, upon request in accordance with Applicable Law including CFTC Regulations 37.203 (Rule Enforcement Program) and 37.404 (Ability to Obtain Information).
- (b) Upon reasonable prior notice, the Company may require a Participant, PFI, Authorized User, or Client Account to furnish such information concerning the Participant's, PFI's, Authorized User's, and Client Account's business that is subject to these Rules as the Company deems necessary to enable it to perform its obligations under Applicable Law, including CFTC Regulations 37.203 and 37.404, including information relating to (i) Trades entered into pursuant to the Rules of this SpectrAxe Rulebook, including the information required under CFTC Regulation 37.404(b); and (ii) information requested by a government agency relating to the Company and/or the Company's compliance with Applicable Law that the Company believes is maintained by, or otherwise in the possession of, a Participant, PFI, Authorized User, or Client Account.
- (c) All data and information provided to or obtained by the Company pursuant to this Rule 503 shall be subject to the confidentiality provisions in Rule 1106.

Rule 504

System Security

Each Participant and PFI shall (a) be solely responsible for controlling and monitoring the use of all User IDs issued to it and its Authorized Users by the Company, (b) ensure that each Person accessing the Axe FX Trading Platform using such User IDs is assigned a unique password and that each password is used only by the Person to whom it is assigned, and (c) notify the Company promptly upon becoming aware of any unauthorized disclosure or use of the User IDs or passwords or of any other reason for deactivating User IDs or passwords.

Each Participant shall be bound by any actions taken through the use of its User IDs or passwords, including entering into Trades, whether or not such actions were authorized by such Participant or any of its Authorized Users or executed by any Person other than an Authorized User of such Participant, except to the extent that (a) Participant has notified the Company in writing that such User ID or password should be canceled or suspended and the Company has not taken appropriate actions within a reasonable time to cancel or suspend such User ID or password, or (b) unauthorized use of the User ID or password is the direct result of gross negligence or willful misconduct by the Company.

Rule 505

Front-End User Interface; Audit Trail

- (a) Each Participant and PFI shall be solely responsible for ensuring that any front-end interface connecting to the Axe FX Trading Platform that is not provided by the Company, and that is used by the Participant, its Authorized Users, or any other Person using its User IDs, maintains a routing/front-end audit trail for all Orders; RFQs; responses to RFQs, including entry, modification, cancellation and responses to such messages; and Trades entered into through any gateway to the Axe FX Trading Platform, including the times thereof to the highest level of precision achievable by the Participant's or PFI's operating system, but at least to the nearest second ("Audit Trail"). Data that is so captured must not be capable of being modified.
- (b) Participants and PFIs shall maintain, or shall cause other third parties to whom they have provided connectivity to the Axe FX Trading Platform to maintain, Audit Trail data in the form and manner required by CFTC Regulations (including CFTC Regulation 37.205 (Audit Trail)) and in accordance with such additional requirements as may be established by the Company. Participants and PFIs must have the ability to produce such data, or cause such data to be produced, in a standard format upon request of the Compliance Department.

Rule 506

Financial Requirements

Each Participant and PFI must notify the Company promptly upon becoming aware that it fails to satisfy the minimum financial requirements applicable to it in order to participate on the Axe FX Trading Platform, including the requirement to qualify as an Eligible Contract Participant. Upon request by the Company, Participants and PFIs shall submit financial and related information to the Company sufficient to demonstrate that it qualifies as an Eligible Contract Participant. A Participant or PFI that is unable to demonstrate to the Company that it is in compliance with such minimum financial requirements shall not engage in transactions subject to these Rules except for the purpose of closing open positions.

Each Participant must notify the Company promptly upon becoming aware that its PFI is unable to provide the prime brokerage services necessary to settle Trades in the manner discussed herein.

Rule 507

Restrictions on Activity

If the Company determines that the financial or operational condition of a Participant or PFI, or one of the Participant's or PFI's Affiliates is such that to allow that Participant to continue to have access to the Axe FX Trading Platform would adversely affect the Company or the financial markets, the Company may impose additional Limits (including, but not limited to, product restrictions and trade volume limits) on such Participant or terminate, in whole or in part, the Trading Privileges of such Participant, as well as the exercise of such Trading Privileges by its Authorized Users.

If there are any discrepancies among the Limits applicable to a Participant, the Limits set by the PFI shall govern, then the Limits set by the Company pursuant to this Rule 507.

Rule 603

Fraudulent Acts Prohibited

No Participant or its Authorized Users, or any other Person, shall engage or attempt to engage, directly or indirectly, in any fraudulent act, practice, or course of business which operates or would operate as a fraud or deceit upon any Person or any manipulative device, scheme, or artifice to defraud, deceive, trick or mislead another Person (including the Company) in connection with or related to any Trade or other Swap activity related to the Axe FX Trading Platform, including improper cross trading, accommodation trading, or front running.

Rule 605

Market Disruption Prohibited

Orders, RFQs or responses to RFQs entered into the Axe FX Trading Platform for the purpose of upsetting the equilibrium of the market in any Swap or creating a condition in which prices do not or will not reflect market values (based on market conditions and prices at the time such Order, RFQ or response to an RFQ is entered into the Axe FX Trading Platform, as determined by reference to available market data) are prohibited, and any Person who makes or assists in entering any such Order, RFQ or response to an RFQ with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such Order, RFQ or response to an RFQ will be deemed to have engaged in an act detrimental to the Company.

Rule 609

Acts Detrimental

It shall be a violation of these Rules for a Participant, Authorized User, or other Person to engage in any act which is materially detrimental to the Company's ability to operate the Axe FX Trading Platform or comply with Applicable Law.

Rule 611

Disclosing Orders, RFQs

Except as otherwise permitted by these Rules, no Participant or Authorized User shall disclose to any Person that is not acting on behalf of such Participant the terms of any Order, RFQ or response to an RFQ prior to its entry into the Axe FX Trading Platform, other than (a) an Authorized User of the same Participant for the sole purpose of executing or recording such Order, RFQ or response to an RFQ, (b) a Company Official, or (c) the CFTC, the Department of Justice or any other regulatory or self-regulatory organization with jurisdiction over the Company or such Participant.

Rule 614

“Money passing,” Pre-Arranged and Noncompetitive Transactions Prohibited

- (a) No Person may enter Orders, RFQs or responses to RFQs the purpose of which is to enter into Trades without a net change in a Participant’s open positions but a resulting profit to one Participant and a loss to the other Participant, commonly known as a “money pass.”
- (b) No Person shall pre-arrange any purchase or sale or noncompetitively enter into a Trade made on the Axe FX Trading Platform or pursuant to the Rules of this SpectrAxe Rulebook.
- (c) Rule 614(b) shall not apply to Trades that are entered into through the Axe FX Trading Platform’s RFQ system in accordance with Rule 404.B(b).

Rule 702

Inquiries and Investigation

- (a) The Compliance Department will investigate any matter within the Company's jurisdiction of which it becomes aware. The Compliance Department will determine the nature and scope of its inquiries and investigations within its sole discretion and will function independently of any commercial interests of the Company.
- (b) The Compliance Department has the authority to:
 - (i) initiate and conduct inquiries and investigations;
 - (ii) prepare Investigation Reports and make recommendations concerning initiating disciplinary proceedings;
 - (iii) prosecute alleged violations within the Company's jurisdiction; and
 - (iv) represent the Company on an appeal to an Appeal Panel of any disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.
- (c) Each Person, with respect to Orders, RFQs, responses to RFQs or transactions on the Axe FX Trading Platform:
 - (i) is obligated to appear, testify and respond in writing to interrogatories within the time period required by the Compliance Department in connection with:
 - (A) any Rule;
 - (B) any inquiry or investigation; or
 - (C) any preparation by and presentation during a disciplinary proceeding or appeal from a decision in a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action by the Company;
 - (ii) is obligated to produce books, records, papers, documents or other tangible evidence in its possession, custody or control within the time period required by the Compliance Department in connection with:
 - (A) any Rule;
 - (B) any inquiry or investigation; or
 - (C) any preparation by and presentation during a disciplinary proceeding or appeal from a decision in any disciplinary proceeding, summary

imposition of fines, summary suspension or other summary action by the Company; and

- (iii) may not impede or delay any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.

Rule 719

Reinstatement after Summary Suspension

- (a) A respondent whose Trading Privileges are suspended, revoked, limited, conditioned, restricted or qualified pursuant to Rule 718 may apply for reinstatement by filing with the Compliance Department a written request stating the applicant's reasons for seeking reinstatement. The Company will not consider a respondent's request for reinstatement if the respondent:
- (i) owes any fines, fees, charges or costs to the Company;
 - (ii) continues to fail to appear at disciplinary proceedings without good cause; or
 - (iii) continues to impede the progress of disciplinary proceedings.

Within a reasonable period after the filing of a request for reinstatement, the Appeals Panel will conduct a hearing to consider the request. At the hearing for reinstatement, the respondent will present its case supporting the reinstatement and the Compliance Department, acting on behalf of the CCO may, in its discretion, present its case opposing or supporting the reinstatement and each may present relevant and admissible evidence and facts and call, examine and cross-examine witnesses. At the hearing for reinstatement, the Company may require any Participant or Authorized User (and, as applicable, any employees or Affiliates) involved in activity proposed to be conducted on the Axe FX Trading Platform to appear as witnesses and produce evidence if the Appeals Panel determines that the evidence is relevant.

- (b) As promptly as reasonably possible after a reinstatement hearing, the Appeals Panel will issue an order reinstating, denying the reinstatement, or placing conditions on the reinstatement of the Trading Privileges of the respondent. The order will include a brief summary of the evidence introduced at the reinstatement hearing; and, if applicable, findings of fact and conclusions not contained in the notice of summary action issued pursuant to Rule 718(b) above. The order of the Appeals Panel may not be appealed.

Rule 720

Rights and Responsibilities after Suspension or Termination

- (a) When the Trading Privileges of a Participant or the exercise of such Trading Privileges by an Authorized User are suspended for a period of 12 months or less, none of its rights or Trading Privileges (including the right to hold oneself out to the public as a Participant or Authorized User or enter Orders on the Axe FX Trading Platform and receive Participant rates for fees, costs, and charges, as applicable) will apply to such Participant or Authorized User during the period of the suspension, except for the right to assert claims against others as provided in Chapter 8 of these Rules. Any such suspension will not affect the rights of creditors under these Rules or relieve the Participant or Authorized User of its obligations under these Rules to perform with respect to any Trades entered into before the suspension, or for any Company fees, costs, or charges incurred during the suspension. The Company may discipline a suspended Participant or Authorized User under this Chapter 7 for any violation of a Rule or provision of Applicable Law committed by the Participant or Authorized User before, during or after the suspension.
- (b) When the Trading Privileges of a Participant or the exercise of such Trading Privileges by an Authorized User are terminated, all of its rights or Trading Privileges, as applicable, will terminate, except for the right of the Participant or Authorized User in question to assert claims against others, as provided in Chapter 8 of these Rules. Any such termination will not affect the rights of creditors under these Rules. A terminated Participant or Authorized User may only seek to reinstate its authorization to exercise Trading Privileges by providing the Company with satisfactory evidence that it complies with Rule 302. The Company will not consider the application of a terminated Participant or Authorized User if such Participant or Authorized User, as the case may be, fails to appear at disciplinary proceedings without good cause or impedes the progress of disciplinary proceedings.
- (c) A suspended or terminated Participant or Authorized User remains subject to these Rules and the jurisdiction of the Company for any acts or omissions prior to the suspension or termination, and must cooperate in any inquiry, investigation, disciplinary proceeding, appeal from disciplinary proceedings, summary suspension or other summary action as if the suspended or terminated Participant or Authorized User still had Trading Privileges or could still exercise Trading Privileges.

Rule 801

General

- (a) Except as otherwise provided in these Rules, Participants, PFIs, and Authorized Users shall arbitrate pursuant to these Rules in this Chapter 8 all disputes, controversies and claims between or among themselves arising out of the Trades entered into pursuant to the Rules of this SpectrAxe Rulebook or the use of the systems or services of the Company or the services, equipment, or facilities used to support such systems or services, including, without limitation, the Axe FX Trading Platform. Any such claim against a Participant or Authorized User shall be brought within two years from the time that a cause of action has accrued. This Rule 801 shall in no way be construed to create a cause of action and shall not authorize an action that would otherwise be prohibited by these Rules or Applicable Law. If for any reason a court of competent jurisdiction finds that a dispute is not arbitrable, such dispute may be litigated only in accordance with Rule 1113.
- (b) Notwithstanding the foregoing, this Rule 801 does not apply to disputes between or among Participants, PFIs or Authorized Users where: (i) such Persons are required by the rules of a self-regulatory organization to submit to the dispute resolution procedures of that self-regulatory organization; or (ii) such Persons have, by valid and binding agreement, committed to negotiate or litigate in a manner other than the process set out in this Chapter 8.
 - (i) The following agreements shall be considered valid and binding agreements for purposes of this Rule 801(b): the PFI Facilitation Agreement, PFI/Participant Trading Documentation, and Master Agreements between PFIs.

Rule 802

Forum and Arbitration Rules

All disputes, controversies and claims between or among Participants, PFIs and Authorized Users arising out of the Trades entered into pursuant to the Rules of this SpectrAxe Rulebook or the use of the systems or services of the Company or the services, equipment, or facilities used to support such systems or services, including, without limitation, the Axe FX Trading Platform, shall be settled by arbitration administered by the AAA under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Rule 903

Exercise of Options

- (a) A buyer of an option who purchased an option may only exercise on the date of option maturity (referred to, by the industry, as “European Options”). Currently, the Axe FX Trading Platform only offers foreign currency options.
- (b) To exercise or expire an option, a buyer of an option must provide an electronic notice through the applicable Axe FX Trading Platform functionality to the Company that states that the buyer of an option will exercise or expire its option (a written notice to the Company shall be acceptable only if such functionality is technically unavailable). Upon receipt of this notice, the Company shall send a notice to all affected Participants and PFIs that states that the option has been exercised or expired.
 - (i) This option exercise provision shall supersede any other provision to the contrary in any agreement entered into by the Participants or PFIs.
- (c) The Company shall make all commercially reasonable efforts to ensure that the anonymity of the parties involved is retained during the settlement and delivery processes, as applicable.
- (d) If an option is not exercised or expired by the buyer of an option before expiration, the expiration process will be determined by an auto exercise process, which will be based on the option strike price relative to the reference rate at expiration. If the strike price of a call is below the reference rate at expiration, the option will be automatically exercised. If the strike price of a call is equal to or above the reference rate at expiration, the option will be expired. If the strike price of a put is above the reference rate at expiration, the option will be automatically exercised. If the strike price of a put is equal to or below the reference rate at expiration, the option will be expired.
- (e) In no case shall the Company be responsible for the exercise of, or failure to exercise, an option.

Rule 904

Uncleared Swap Transactions between the PFI and Participant

As a consequence of a Participant effectuating a Trade on the Axe FX Trading Platform, a separate, corresponding Uncleared Swap may arise under the PFI/Participant Trading Documentation between that Participant and its PFI, if applicable ("Mirror Swap"). This Mirror Swap shall be governed by the terms of such Mirror Swap and the applicable PFI/Participant Trading Documentation. The Company shall not have any responsibility for any element of the Mirror Swap transaction, including any applicable reporting obligations.

Rule 1101

Legal Certainty; Confirmations

- (a) No Trade entered into pursuant to the Rules of this SpectrAxe Rulebook shall be void, voidable, subject to rescission, otherwise invalidated or rendered unenforceable as a result of:
 - (i) a violation by the Company of the provisions of Section 5h of the CEA or of Part 37 of the CFTC Regulations;
 - (ii) any CFTC proceeding to alter or supplement a Rule, term, or condition of the SEF under Section 8a(7) of the CEA or to declare an emergency under Section 8a(9) of the CEA; or
 - (iii) any other proceeding the effect of which is to:
 - (A) alter or supplement a specific term or condition or trading rule or procedure or
 - (B) require the Company to adopt a specific term or condition, trading rule or procedure or take or refrain from taking a specific action.
- (b) Issuance of SEF Confirmations for Trades.
 - (i) The economic terms specific to an executed Trade shall be reflected by the Company in the Trade Communications sent to the applicable Participants and PFIs. The Trade Communications shall serve as confirmations for the previously-negotiated freestanding agreement, such as a Master Agreement, between the counterparties. As such, Trade Communications must state that they incorporate by reference the terms of such agreement between the counterparties.
 - (ii) Trade Communications, for purposes of these Rules and CFTC Regulation 37.6(b) (Enforceability) and Parts 43 and 45 of CFTC Regulations, shall serve as a confirmation of the Trades and, in the event of any inconsistency between the terms specified in a Trade Communication and any other terms, including the terms in a Master Agreement between the relevant PFIs, the terms of the Trade Communication shall legally supersede all other contradictory terms.
 - (iii) Each Trade Communication shall state (A) that it serves as confirmation for applicable freestanding agreements and (B) that in the event of any inconsistency between the terms of a Trade Communication and any other terms, including the terms in a Master Agreement between the relevant PFIs, the terms of the Trade Communication shall legally supersede all other contradictory terms.

- (c) The confirmation of all terms of a Trade shall be effective as of the time of execution.
- (d) In accordance with CFTC No-Action Letter 17-17, Division of Market Oversight, Extension of No-Action Relief for Swap Execution Facility Confirmation and Recordkeeping Requirements under Commodity Futures Trading Commission Regulations 37.6(b), 37.1000, 37.1001, 45.2, and 45.3(a) (Mar. 24, 2017), until the effective date of revised CFTC Regulations that establish a permanent, practicable SEF confirmation solution, PFIs are not required to provide to the Company its Master Agreements with the other PFIs before their respective Participants enter into Trades, but must provide copies of such agreement to the Company upon request. Upon request from the CFTC, the Company will request a PFI to provide copies of such Master Agreements and will provide the copies to the CFTC as soon as they are available.
- (e) The Company may use a third-party service provider to issue Trade Communications to the Participants and PFIs (“Communications Agent”), provided such Communications Agent is contractually obligated to satisfy the requirements of the Company and Applicable Law. The Company shall remain responsible for providing confirmations even when utilizing a Communications Agent.

Rule 1102

Trading by Company Officials Prohibited; Misuse of Material, Non-Public Information

- (a) No Board member, member of a Disciplinary Panel or Appeals Panel or Company Official may trade (for such individual's own account, or for or on behalf of any other account), directly or indirectly, any Swap, swap traded on another swap execution facility or other market, or any commodity interest relating thereto where such individual has access to "material information" or "non-public information" (as such terms are defined in CFTC Regulation 1.59(a) (Activities of Self-Regulatory Organization Employees, Governing Board Members, Committee Members, and Consultants)) concerning such Swap or commodity interest.
- (b) Company Officials, agents and independent contractors of the Company are prohibited from disclosing "material information" or "non-public information" (as defined in CFTC Regulation 1.59(a)) obtained as a result of their employment, agency relationship or engagement with the Company.
- (c) No Company Official may trade (for such individual's own account, or for or on behalf of any other account) directly or indirectly any Swap or any commodity interest related thereto.
- (d) No Person subject to the jurisdiction of the Company under Rule 301 may trade for such Person's own account, or for or on behalf of any other account, in any commodity interest, on the basis of any "material information" or "non-public information" (as defined in CFTC Regulation 1.59(a)) that such person knows was obtained in violation of CFTC Regulation 1.59(d) from any Board member, member of a Disciplinary Panel or Appeals Panel, Company Official or agent or independent contractor of the Company.

Rule 1104

SEF Data

- (a) Subject to each Participant's rights in the applicable portions of SEF Data (including fills), as well as the PFI Facilitation Agreement, the Company shall have a royalty free, non-exclusive, non-transferable, worldwide, perpetual license to any SEF Data, and shall own all rights, title and interest in and to all intellectual property and other proprietary rights (including all copyright, patent, trademark or trade secret rights) in all derivative works based on SEF Data that are created by or on behalf of the Company to the extent that such derived data is truly a derivative of the SEF Data, and, unless required by Applicable Law to use such SEF Data solely for internal risk management purposes, decisions with respect to use and distribution of SEF Data shall be made by the Board of the Company; provided, however, subject to its obligations under Applicable Law, the Company shall not use (or permit other parties to use) SEF Data, including Market Data, to replicate or reverse engineer a Participant's trading strategies, and Company shall not sell, retransmit or redistribute SEF Data unless such SEF Data is anonymized and contains transaction data of multiple Persons. Participants, PFIs and other Persons Affiliated with any of the foregoing may not distribute, sell, or retransmit SEF Data to any third party without the consent of the Company, provided that each Participant and PFI retains such rights as it may enjoy under Applicable Law with respect to the applicable portions of SEF Data solely in the form such SEF Data was submitted to the Company by such Participant or PFI. Nothing in this Rulebook shall restrict a Participant or PFI with respect to its use of (including creation of any derivative works in respect of) its own data.
- (b) The Company will not use for business or marketing purposes any proprietary data or personal information collected or received from or on behalf of any Person for the purpose of fulfilling the Company's regulatory obligations.
- (c) The Company may share such proprietary data or personal information with one or more registered entities (as such term is defined in CFTC Regulations) in accordance with Applicable Law.
- (d) Each Participant (on behalf of itself and its Client Accounts) hereby acknowledges and agrees that the Company may disclose and disseminate swap transaction and pricing data, including Required Swap Creation Data and Required Swap Continuation Data, pursuant to these Rules.

Each Participant and PFI acknowledges and agrees that the Company owns and shall retain all right, title and interest in and to the Axe FX Trading Platform, all components thereof, including without limitation all related applications, all application programming interfaces, user interface designs, software and source code and any and all

intellectual property rights therein, including, without limitation all registered or unregistered, as applicable copyright, trademark, service mark, trade secret, trade name, data or database rights, design rights, moral rights, inventions, whether or not capable of protection by patent or registration, rights in commercial information or technical information, including know-how, research and development data and manufacturing methods, patent, and other intellectual property and ownership rights, including applications for the grant of any of the same, in or to the SEF and all other related proprietary rights of the Company and/or any of its Affiliates (together, with any and all enhancements, corrections, bug fixes, updates and other modifications to any of the foregoing and any and all data or information of any kind transmitted by means of any of the foregoing, "Proprietary Information"). Each Participant and PFI further acknowledges and agrees that the Proprietary Information is the exclusive, valuable and confidential property of the Company. Each Participant and PFI acknowledges and agrees that it shall not reverse engineer, copy, bug fix, correct, update, transfer, reproduce, republish, broadcast, create derivative works based on or otherwise modify, in any manner, all or any part of the Axe FX Trading Platform or the Proprietary Information. Each Participant and PFI agrees to keep the Proprietary Information confidential and not to transfer, rent, lease, loan, sell or distribute, directly or indirectly, all or any portion of the Axe FX Trading Platform or any Proprietary Information.