

**TRUMID FINANCIAL LLC**

**ATS RULEBOOK**

**EFFECTIVE**

**April 4, 2021**

## TABLE OF CONTENTS

<b>CHAPTER 1 ATS</b> .....	1
<b>101</b> Access to the ATS .....	1
<b>102</b> Qualifications of Users .....	1
<b>103</b> Trading Privileges.....	2
<b>104</b> Limitations.....	2
<b>105</b> Application of Rules and Jurisdiction.....	2
<b>106</b> Trading Fees .....	2
<b>107</b> Modifications to ATS.....	2
<b>CHAPTER 2 BUSINESS CONDUCT</b> .....	3
<b>201</b> Duties and Responsibilities of Users and Authorized Persons .....	3
<b>202</b> Minimum Financial and Related Reporting Requirements .....	4
<b>203</b> Information Regarding Orders.....	4
<b>CHAPTER 3 TRADING PRACTICES</b> .....	4
<b>301</b> Acts Detrimental to Company Prohibited.....	4
<b>302</b> Violative Pre-Execution Communication Prohibited .....	5
<b>303</b> Risk-Based Limits .....	5
<b>304</b> U.S. Treasury Hedging .....	5
<b>305</b> Trade Confirmations.....	5
<b>306</b> Trade Cancellations and Adjustments; Error Trade Policy .....	5
<b>307</b> Delays and Cessation of Trading.....	7
<b>CHAPTER 4 TERMINATION, LIMITATION OR SUSPENSION OF ACCESS</b> ....	7
<b>401</b> Determinations of the Company .....	7
<b>402</b> Responsibilities After Termination .....	7
<b>CHAPTER 5 INTERMEDIARIES</b> .....	7
<b>501</b> Relationship with Intermediary .....	7
<b>CHAPTER 6 MISCELLANEOUS</b> .....	8
<b>601</b> Company Intellectual Property; Proprietary Data and Information; Transaction Data.....	8
<b>602</b> Use of Third Party Providers .....	10
<b>603</b> Extension or Waiver of Rules.....	11
<b>604</b> Effect of Amendment, Repeal or New Rule.....	11
<b>605</b> Signatures .....	11
<b>606</b> Governing Law; Legal Proceedings .....	11

<b>607</b>	Emergencies.....	12
<b>608</b>	LIMITATION OF LIABILITY; NO WARRANTIES.....	12
<b>609</b>	Communications To and From the Company.....	17
<b>610</b>	Force Majeure.....	18
<b>611</b>	Use of CUSIPs .....	18
<b>612</b>	Use of Ratings Data	
<b>CHAPTER 7 DEFINITIONS.....</b>		<b>19</b>
<b>701</b>	Definitions .....	19

## CHAPTER 1 ATS

### 101 Access to the ATS

(a) Users shall adopt, implement and enforce control procedures that, at a minimum: (i) prevent unauthorized access to, use or misuse of the ATS, (ii) limit access to the ATS to its Authorized Persons and (iii) prevent entry of Orders that exceed any Risk-Based Limits. Users shall be solely responsible for any breach or failure of their respective control procedures and may not rely on control procedures implemented by the Company or an Intermediary.

(b) Users shall not knowingly introduce or permit the introduction of any Viruses or other software routines or hardware components designed to permit unauthorized access or to disable, erase or otherwise harm the ATS. Each User is solely responsible for ensuring the security of its and its Authorized Persons' connection to the ATS, and is solely responsible for any Losses that may be incurred as a result of errors made by, or the failure of, or delays caused by, the software, hardware or equipment that is used by such User (and its Authorized Persons) to access the ATS, and which is not provided by the Company.

(c) Except as otherwise expressly permitted by the Company, each User shall be responsible for ensuring that it does not grant access to the ATS to any Person located in a country that is not an Authorized Jurisdiction.

(d) A Person's access and use of the ATS (itself or through an Authorized Person and whether or not on behalf of a Customer Account) constitutes an agreement by such Person to be bound by these Rules as a User and, if accessing and using the ATS on behalf of a Customer Account, an agreement by such Person on behalf of such Customer Account to bind such Customer Account to these Rules. If a Person is unwilling to accept and abide by the Rules as a User, such Person should immediately cease all use of the ATS and should request that the Company disable all Access Codes assigned to it or its Authorized Persons.

### 102 Qualifications of Users

To be eligible for admission as a User, an applicant must:

- (i) be organized in an Authorized Jurisdiction and, if it is organized in a jurisdiction other than the United States, appoint and maintain an agent for service of process in the United States that is acceptable to the Company;
- (ii) be in compliance with any financial responsibility, recordkeeping and reporting requirements set forth under Applicable Law or Rule 202;
- (iii) agree to abide by the Rules, consent to the Company's monitoring with respect to ATS trading activities and cooperate promptly and fully with the Company in any investigation, inquiry, audit or examination regarding compliance with the Rules; and

- (iv) at all times maintain a customer relationship with an Intermediary and retain in force an Intermediary Commitment by such Intermediary in respect of transactions on the Trumid Market Center.

### **103 Trading Privileges**

Subject to the requirements and procedures set forth in this Chapter 1 and any User Agreement, Trading Privileges shall be offered to Users, subject to any limitation, restriction or revocation from time to time imposed on a User or its Authorized Persons by the Company. Trading Privileges are non-transferable, non-assignable and may not be sold or leased.

### **104 Limitations**

Upon notice that an Intermediary has revoked its Intermediary Commitment to a User, the right of such User and its Authorized Persons to access the Trumid Market Center will be terminated immediately.

### **105 Application of Rules and Jurisdiction**

(a) Any Person initiating or executing a transaction pursuant to the Rules, directly or through a User, consents to abide by the decisions of the Company in accordance with these Rules.

(b) Any User or Authorized Person whose right to access the ATS is revoked or terminated will remain bound by the Rules and Applicable Law, in each case to the extent applicable, with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such User or Authorized Person in respect of or arising out of its use of ATS prior to such revocation or termination.

### **106 Trading Fees**

(a) Each User or Customer Account, as applicable, shall pay such transaction-based fees to the Company as are in effect from time to time (the “**Trading Fees**”) in conjunction with the execution of transactions on the ATS. Such Trading Fees shall be in the form of spreads or similar price differentials on transactions executed on the ATS. The Company may, at any time, modify any or all of the Trading Fees; provided, that any increases in Trading Fees will become effective twenty (20) days after the Company has provided notice to the Users.

(b) The Company shall not be responsible for, nor have any obligation with respect to, the payment of any sales, use, goods and services, value added, transfer, property or other taxes, any tax in the nature of a withholding tax, and any duty or duties payable in respect of Trading Fees or any part thereof and/or the provision of the ATS, or otherwise (excluding any taxes imposed on the net income of the Company).

### **107 Modifications to ATS**

The Company shall have sole discretion and control over, and the right to modify at any time, the ATS' functionality, configuration, appearance and content, including without limitation:

(i) the selection of Products or transactions generally available on the ATS; (ii) the parameters and protocols by which Orders are placed, routed, matched or otherwise processed by the ATS; and (iii) the availability of the ATS with respect to particular Products or transactions at any particular times or locations. The Company shall endeavor to provide reasonable advance email notice to the Users in the event that such a modification requires technological, operational or systems changes by the Users.

## **CHAPTER 2 BUSINESS CONDUCT**

### **201 Duties and Responsibilities of Users and Authorized Persons**

- (a) Each User and each Authorized Person shall:
  - (i) use the ATS and effect transactions in Products in a responsible manner and not for any improper purpose;
  - (ii) use the ATS only to conduct business that is subject to the Rules and in a manner consistent with the Rules and Company Requirements;
  - (iii) comply with the Rules and Company Requirements and act in a manner consistent with the Rules and Company Requirements;
  - (iv) comply with the requirements established by the applicable Intermediary in relation to transactions on the ATS, as applicable;
  - (v) observe high standards of fair dealing and just and equitable principles of trade while conducting or seeking to conduct any business on or with respect to the ATS;
  - (vi) not knowingly mislead or conceal any material fact or matter in any dealings or filings with the Company;
  - (vii) cooperate promptly and fully with the Company in any investigation or inquiry by the Company regarding compliance with the Rules; and
  - (viii) keep all Access Codes, account numbers and passwords related to the ATS confidential.
  
- (b) No User or Authorized Person shall:
  - (i) take action or direct another to take action based on nonpublic information regarding Orders, however acquired; provided that the mere statement of opinions or indications of the price at which a market may open or resume trading does not constitute a violation of this Rule;

- (ii) make any fraudulent or misleading communications or engage in any fraudulent act or any scheme to defraud, deceive, trick or mislead in connection with or related to its use of the ATS;
- (iii) manipulate or attempt to manipulate the market in any Product in connection with or related to its use of the ATS;
- (iv) engage in conduct in violation of the Rules or the rules of any Regulatory Authority in connection with or related to its use of the ATS;
- (v) knowingly enter, or cause to be entered, Orders into the ATS other than in good faith for the purpose of executing bona fide transactions; or
- (vi) make any knowing misstatement of a material fact to the Company or any officer of the Company.

(c) Each User shall employ practices to monitor and enforce compliance with its internal risk limits. Subject to the limitations set forth in any Error Trade Policy, each User or Customer Account, as applicable, shall be responsible for all Orders and transactions effected on the ATS by or for the account of such User or Customer Account. Each User shall be responsible for all Orders and transactions effected on the ATS by any Person using its Access Codes, except for transactions effected by third parties if the relevant Access Code (i) was obtained by such third party directly from the Company or (ii) was not terminated by the Company within one (1) Business Day following its receipt of a written request from such User to terminate such Access Code.

## **202 Minimum Financial and Related Reporting Requirements**

Each User must notify the Company immediately upon becoming aware that it fails to satisfy minimum financial requirements applicable to such User and established pursuant to Applicable Law. A User 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 the Rules except for the purpose of closing open positions.

## **203 Information Regarding Orders**

Each User or other Person receiving any information through the ATS shall not redistribute such information other than to the extent and in the manner as may be expressly permitted by the Company in writing from time to time. The foregoing limitation shall not apply, with respect to a particular User, to its User Data.

# **CHAPTER 3 TRADING PRACTICES**

## **301 Acts Detrimental to Company Prohibited**

No User or any of its Authorized Persons shall intentionally engage in any act that could reasonably be expected to be detrimental to the Company or access the ATS in any way which

could reasonably be expected to bring disrepute upon the Company. Without limiting the generality of the foregoing, it shall be deemed an act detrimental to the Company to (i) permit unauthorized use of the ATS; (ii) assist any Person in obtaining unauthorized access to the ATS; (iii) trade on the Trumid Market Center without an agreement and an established account with an Intermediary; (iv) alter the equipment associated with the ATS (except with the Company's consent); (v) interfere with the operation of the ATS; (vi) intercept or interfere with information provided thereby; or (vii) in any way use the ATS in a manner contrary to the Rules.

### **302 Violative Pre-Execution Communication Prohibited**

No User or Authorized Person may engage in any pre-execution communication for an illegal purpose or in violation of Applicable Law.

### **303 Risk-Based Limits**

Each Intermediary may establish Risk-Based Limits for one or more Products as between a User and such Intermediary and may grant exemptions from Risk-Based Limits in certain circumstances. Prior to entering any Order, each User shall take reasonable steps not to exceed the Risk-Based Limits established by the applicable Intermediary. A User may not enter Orders on the ATS that, if executed, would cause it to exceed Risk-Based Limits imposed by an Intermediary for transactions by a User.

### **304 U.S. Treasury Hedging**

All spread-based Corporate or Municipal Bonds on the ATS will trade against a reference benchmark U.S. Treasury bond. The Company will offer Authorized Traders the ability to hedge the interest rate component of spread-based transactions on the ATS. The Company shall endeavor to follow standard market convention for the particular U.S. Treasury benchmark for each Corporate or Municipal Bond traded on the ATS for which such hedging is offered. The Company shall take commercially reasonable efforts to ensure that U.S. Treasury bond pricing and execution is received from a widely accepted liquidity provider. The price for the contemporaneous spotting and crossing of U.S. Treasury bonds shall be identical, and shall be determined by the Company promptly at the end of each Trading Swarm. Execution details will be appropriately provided for Customers choosing a delayed spot time. Each Authorized Trader of a User shall be required to affirmatively change his/her preference whether to spot or cross U.S. Treasury bonds before entering a spread-based Order. Any decision of such Authorized Trader to spot or cross U.S. Treasury bonds on the ATS shall be binding on the applicable User.

### **305 Trade Confirmations**

The economic terms specific to a transaction agreed by Users, for itself or on behalf of its Customer Accounts, shall be reflected in a written communication (the "**Trade Confirmation**") sent to each such User by the applicable Intermediary.

### **306 Trade Cancellations and Adjustments; Error Trade Policy**

(a) Error Trade Policy. The Company may cancel any Trumid Market Center trade that it determines would be detrimental to market integrity. All determinations of the Company to cancel a trade, or to decline to cancel a trade, shall be final, and the Company shall not have any

liability for Losses

arising out of determinations made by the Company pursuant to this Rule, notwithstanding the limitations on liability otherwise set forth in Rule 608.

(b) Determination to Review a Trade. The Company may determine to review a Trumid Market Center trade based on its independent analysis of market activity or upon request for review by a User. A request for review must be made within 15 minutes of the execution of the trade, and the Company shall determine whether to review a trade promptly after such request has been received. In the absence of a timely request for review, during volatile market conditions, upon the release of significant news, or in any other circumstance in which the Company deems it to be appropriate, the Company may determine, in its sole discretion, that a trade shall not be subject to review. Upon deciding to review a trade, the Company will promptly issue an alert to involved Users indicating that the trade is under review. If the Company accepts a request for review, the Company shall complete such review within one Business Day after it accepts such request unless it notifies involved Users that it is unable to complete its review during this time period.

(c) Liability for Cancelled Trades. A Person responsible for an Order that results in a cancelled trade may be liable for the reasonable out-of-pocket Losses incurred by a Person whose trade was cancelled.

(d) Trade Cancellation Procedures. Upon a determination by the Company that a trade shall be cancelled, that decision will be implemented. The cancelled trade shall be reflected as cancelled in the Company's official records and, if applicable, shall be reported by the Company to the applicable Intermediary.

(e) ATS Malfunctions and Employee Errors. If a User believes that an Order was incorrectly displayed, executed and/or reported, it may request review of the Order and any resulting transaction. Upon receipt of such a request for review, the Company will review its records to determine if the Order was correctly displayed and/or executed by the ATS. If, as a result of that review, the Company determines that a mistake occurred as a result of a malfunction in the ATS or as a result of an error by an employee of the Company, the transaction will be canceled or adjusted, as appropriate, but the Company shall not be liable therefor except as provided in Rule 608. The Company will document in writing all requests for review, the time and manner in which it reviewed its electronic audit trail and other information in response to the request, the outcome of that review, and any action taken by the Company in response to that review. A decision by the Company to cancel a trade will be made as soon as practicable, and the Company shall notify Users and the applicable Intermediary of any such decision.

(f) Alternative Resolution by Agreement of Parties.

- (i) With the approval and through the facilitation of the Company, parties to a trade that is under review may instead mutually agree to cancel or adjust the price of the trade.
- (ii) Subject to clause (i) and through the facilitation of the Company, parties to a trade that is canceled or that has had its price adjusted may mutually agree to a cash adjustment.

- (iii) Any cancellation or adjustment made pursuant to this paragraph (f) shall be reported immediately to the applicable Users by the applicable Intermediary or Intermediaries. The parties shall maintain a record of such cancellation or adjustment.
- (g) Trade Rejections. Users shall promptly inform the Company if they receive a Trade Confirmation they believe to be in error. No User may reject or “DK” any transaction executed on the ATS without the prior approval of the Company.

### **307 Delays and Cessation of Trading**

The Company may, in its reasonable judgment and without liability to any User, Authorized Trader or other party, delay the commencement of any Trading Swarm or cease an ongoing Trading Swarm if news or events warrant such action. Any such delay or cessation of a Trading Swarm shall be electronically communicated as soon as is practicable, to the extent possible, to all Authorized Traders.

## **CHAPTER 4 TERMINATION, LIMITATION OR SUSPENSION OF ACCESS**

### **401 Determinations of the Company**

The Company may decide to suspend, limit or terminate a User’s or Authorized Person’s right to access the ATS. Any such decision by the Company (x) shall be made in a non-discriminatory manner, (y) will be the final action of the Company and (z) will not subject to appeal.

### **402 Responsibilities after Termination**

When the right of a User or Authorized Person to access the ATS is terminated, all of its rights will terminate. Any suspension or termination of access rights will not relieve the User (as to itself or any Customer Account, as applicable) or any Authorized Trader of its obligations under the Rules to perform any transactions entered into before the suspension, or for any Company fees, costs, or charges incurred prior to termination.

## **CHAPTER 5 INTERMEDIARIES**

### **501 Relationship with Intermediary**

(a) Each User (on behalf of itself or a Customer Account, as applicable) of the Trumid Market Center must obtain prior authorization from the Intermediary that will guarantee such User’s transactions on the Trumid Market Center, subject to applicable Risk-Based Limits.

(b) From the time that an Intermediary has provided the Company with evidence reasonably satisfactory to the Company of a written agreement with a User pursuant to which (x) such User has engaged such Intermediary to act as a counterparty in respect of Trumid Market Center trades, and (y) such Intermediary has made an Intermediary Commitment to such User

and will act as counterparty to such User's Trumid Market Center transactions (subject to applicable Risk- Based Limits) to the earlier of the time that (A) such User provides the Company with written notice of the termination of its agreement with such Intermediary or its desire not to engage such Intermediary to act as a counterparty to trades arising from the Trumid Market Center, or (B) such Intermediary provides notice to the Company of its revocation of its Intermediary Commitment to such User or the termination of its relationship with such User, and in any case, the Company has taken, in accordance with the applicable Intermediary Agreement, the steps necessary to ensure that such User is unable to enter into transactions on the Trumid Market Center, such Intermediary shall be responsible for all broker to customer obligations to such User, including supervision of trading or investment activity in any account, suitability determinations, extensions of credit, the suitability of trading on margin, preparation of account statements, disclosure of the fees and expenses charged to such User, execution of Orders, settlement and clearance, receipt and delivery of funds and securities, including any U.S. Treasury hedges, in accordance with and pursuant to the applicable Intermediary Agreement in respect of trades arising from the Trumid Market Center to which such User is a party.

(c) An Intermediary may, upon written notice to the Company, revoke its Intermediary Commitment to a User. Such Intermediary Commitment will remain in effect for all transactions for which Orders were submitted to the Trumid Market Center prior to the Company having taken, in accordance with the applicable Intermediary Agreement, the steps necessary to ensure that the User is unable to enter into transactions on the Trumid Market Center. Upon the effectiveness of the revocation of an Intermediary Commitment given pursuant to this Rule 501(c), the right of the User to enter into transactions on the Trumid Market Center will be automatically terminated. No revocation of an Intermediary Commitment by an Intermediary to a User shall terminate or otherwise modify such User's obligations with respect to any transactions executed prior to the Company's effectuation of such revocation.

(d) In the event that an Intermediary's customer relationship with a User has terminated or the Intermediary has revoked its Intermediary Commitment to such User (as contemplated by Rule 501(c)), such User will immediately cease activities on the Trumid Market Center and will no longer be permitted to enter into transactions on the Trumid Market Center unless and until such User enters into a contractual relationship with another Intermediary in respect of transactions on the Trumid Market Center in accordance with this Rule 501. No termination of the Intermediary's customer relationship with a User, or the applicable User Agreement, shall terminate or otherwise modify such User's obligations with respect to any transactions executed prior to the Company's revocation of such User's Trading Privileges.

## CHAPTER 6 MISCELLANEOUS

### **601 Company Intellectual Property; Proprietary Data and Information; Transaction Data**

(a) Each User hereby acknowledges and agrees, on behalf of itself and each of its Affiliates, that, as between the Company and Users, the Company owns and shall retain all right, title and interest in and to the ATS, any other systems or services provided by the Company, or any services, data, equipment or facilities used to support such systems or services and all components thereof, including without limitation all related applications, all application programming interfaces, user interface designs, data, software and source code and any and all Intellectual Property Rights therein, including without limitation all Intellectual Property Rights in or to the ATS and all other related proprietary rights of the Company

and/or any of its Affiliates (collectively, 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, other than a User's Proprietary Data and Information and User Data, transmitted by means of any of the foregoing, "Company Intellectual Property"). Each User, on behalf of itself and each of its Affiliates, further acknowledges and agrees that the Company Intellectual Property is the exclusive, valuable and confidential property of the Company. Each User, on behalf of itself and each of its Affiliates, further acknowledges and agrees that the Company Intellectual Property and Company Proprietary Data and Information are not intended to create or maintain, and do not serve the purpose of the creation or maintenance of, a master file or similar database of security descriptions, reference or identification or serial numbers, or related information ("security master file") for User or any third party recipient. Each User acknowledges and agrees that it shall not, and shall not permit its Affiliates to, reverse engineer, copy, store, bug fix, correct, update, transfer, reproduce, republish, broadcast, create derivative works based on (in whole or in part), or otherwise modify (or any action similar to the foregoing), in any manner, all or any part of the ATS or the Company Intellectual Property or Company Proprietary Data and Information. Each User further agrees to, and to cause each of its Affiliates to, keep the Company Intellectual Property and Company Proprietary Data and Information confidential and not to transfer, rent, lease, loan, sell or distribute, directly or indirectly, all or any portion of the ATS or any Company Intellectual Property or Company Proprietary Data and Information. Each User acknowledges and agrees that it shall not, and shall not permit its Affiliates to, create any security master file (as described above) based on (in whole or in part) Company Intellectual Property, Company Proprietary Data and Information, or Transaction Data.

(b) Each User and the Company shall maintain the other Person's Proprietary Data and Information in strict confidence and not disclose such information to third parties (including Affiliates, except as permitted herein for the Company) or use such information for any purpose whatsoever other than for the use or provision of the ATS. Each User and the Company each agrees to advise its employees, officers, directors or agents who may receive access to Proprietary Data and Information of their obligations to keep such information confidential, and each User and the Company shall be responsible for any unauthorized disclosures by its respective employees, officers, directors or agents.

(c) Each User, on one hand, and the Company, on the other hand, shall refrain from disclosing the Proprietary Data and Information of the other Person, except (i) with the consent of such other Person, (ii) to the extent required pursuant to any Applicable Law, (iii) pursuant to a subpoena, court order, audit or inquiry by a Regulatory Authority, (iv) as requested or legally required by any Regulatory Authority, (v) as is necessary to defend itself against any claim or proceeding brought against such Person or its Affiliates, (vi) to the applicable Intermediary or (vii) as otherwise permitted under these Rules and the applicable User Agreement; provided, that in the case of disclosure pursuant to this rule, prior notice of such disclosure shall be provided to the non-disclosing Person (if legally permitted) as soon as practicable in order to permit the non-disclosing Person to seek a protective order or take other appropriate action to safeguard the Proprietary Data and Information (it being agreed that if the non-disclosing Person is unable to obtain or does not seek a protective order and the receiving Person is legally compelled to disclose Proprietary Data and Information, such disclosure shall not be prohibited hereunder). Notwithstanding the foregoing, the Company may disclose User Proprietary Data and Information, subject to appropriate confidentiality requirements, (x) to its Affiliates and (y) to its managing members (or equivalent), officers, attorneys, auditors, other professional advisors, agents, suppliers and independent contractors to whom the provision of such information is necessary for purposes of performance of obligations under these Rules, the applicable User Agreement, or the operation of the ATS; provided, that in each instance, the Company shall be

responsible for any unauthorized disclosures by its Affiliates, managing members (or equivalent), officers, attorneys, auditors, other professional advisors, agents, suppliers and independent contractors.

(d) The Company will not use any Proprietary Data and Information of any User other than for the purpose of fulfilling its regulatory obligations; provided, however, that the Company may use Proprietary Data and Information of a User for business or marketing purposes if the User consents to the Company's use of such Proprietary Data and Information. The Company may use and disclose to other Persons information (other than any User's identity or Proprietary Data and Information) that is displayed to all Users in the ordinary course in the operation of the ATS.

(e) Upon termination of a User's User Agreement, each of such User and its Customer Accounts (if any), on the one hand, and the Company, on the other hand, shall promptly return to the other all Proprietary Data and Information of such other party; provided, that a party may retain such Proprietary Data and Information solely for its records if such party is required to do so by Applicable Law and continues to comply with this Rule 601 with respect to such materials or documents.

(f) The Company shall have no duty to disclose to any User or Customer Account any information, matter or fact relating to the use of the ATS by any other User, other than as required by Applicable Law.

(g) Subject to each User's rights in its User Data, the Company owns all Intellectual Property Rights in Transaction Data, and all derivative works (excluding User Data) based thereon. Users and other Persons affiliated with any of the foregoing (including Customer Accounts) may not distribute, sell or retransmit Transaction Data or Proprietary Data and Information of another Person to any third party without the consent of the Company; provided that (i) each User retains such rights as it may enjoy under Applicable Law with respect to User Data solely in the form such User Data was submitted to the Company by such User and (ii) a User shall be entitled to disseminate its own User Data through the normal course of business in a manner commonly practiced by like Persons as of the effective date of these Rules.

(h) Notwithstanding any other provision of this Rule 601, each User hereby grants the Company a non-exclusive, perpetual, transferable, world-wide and royalty-free license (without warranties of any kind, express or implied) to any and all rights as such User may have in and to User Data, including, but not limited to, the right to use User Data, in any manner, media and jurisdiction, for the benefit of the Company and/or its Affiliates, and to disclose User Data, in any manner, media and jurisdiction, solely on an aggregated basis that does not directly or indirectly identify any User, Authorized Person, Customer Account or counterparty. Except as may otherwise be permitted by this Rule 601, in any written agreement between the Company and such Person, or as may be required by Applicable Law, the Company shall not otherwise disclose User Data.

(i) Company Intellectual Property and Company Proprietary Data and Information are based on and obtained from sources believed to be accurate and reliable. However, because of the possibility of human and mechanical error as well as other factors, Company Intellectual Property and Company Proprietary Data and Information shall be covered by Section 608 of these

Rules (limitation of liability; no warranties), which shall extend to the Company's licensors. For the avoidance of doubt, the Company (and its licensors) shall have no liability whatsoever to any User or any third party in respect of the Company's delivery or transmission of Company Intellectual Property and Company Proprietary Data and Information. Furthermore, the availability of Company Intellectual Property and Company Proprietary Data and Information shall not create any duty of care on the part of the Company (or its licensors).

(j) User acknowledges and agrees that provision by the Company of Company Intellectual Property and Company Proprietary Data and Information shall not (i) constitute a representation or warranty by or from the Company (or its licensors), (ii) be considered investment advice from the Company (or its licensors), and (iii) represent an offer to purchase or a solicitation of an offer to sell, nor shall it represent a recommendation or inducement to engage in, any securities or other investment transaction by the Company (or its licensors).

(k) User acknowledges and agrees that, with respect to Company Intellectual Property and Company Proprietary Data and Information, (i) they are and shall remain Proprietary Data and Information of the Company (or its licensors); (ii) they are provided to User at User's request and for User's exclusive use; (iii) no proprietary or other rights are transferred to or acquired by User; and (iv) any misappropriation or misuse by User or its personnel shall cause serious injury to the Company (or its licensors), and that in such event, money damages may not constitute sufficient compensation to the Company (or its licensors), and the Company (or its licensors) shall have the right to injunctive relief in addition to any other legal or financial remedies to which the Company (or its licensors) are entitled.

(l) User acknowledges and agrees that (i) issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) referenced in Company Intellectual Property and Company Proprietary Data and Information may have, prior to assignment of any rating, agreed to pay fees to ratings agencies for the rating opinions and services rendered by the ratings agencies, from which the Company Intellectual Property and Company Proprietary Data and Information may be derived; and (ii) affiliations (including ownership) may exist between the ratings agencies or their officers, directors, affiliates, or owners and the rated entities.

(m) User acknowledges and agrees that the Company is not acting as a financial adviser to User, and that User will (i) not view or consider the Company Intellectual Property and Company Proprietary Data and Information to be statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities; (ii) weigh the Company Intellectual Property and Company Proprietary Data and Information, at the most, as merely one factor in any investment decision made by or on behalf of User, and (iii) make its own study and evaluation of each security, and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding, or selling.

(n) User acknowledges and agrees that the Company Intellectual Property and Company Proprietary Data and Information may not reflect real-time information, that it may not reflect the most recent changes to ratings and other information, and that ratings may be revised or withdrawn after issuance. Users must refer to the official website or other data provided by specific ratings agencies for up-to-date information.

## **602 Use of Third Party Providers**

From time to time a User may request or send instructions to the Company authorizing the Company to deliver or transmit such User's data (including User Data) and the data of its Customer Accounts, if applicable, to certain designated third party providers of such User. In this event, such User acknowledges and agrees that the Company shall have no liability whatsoever to such User or any third party in respect of such delivery or transmission or such providers' possession, access, use, misuse or protection of such data.

## **603 Extension or Waiver of Rules**

The Company may, in its sole discretion, waive, or extend the time period for performing, any act or acts designated by the Rules, but only to the extent such waiver or extension is not inconsistent with Applicable Law.

## **604 Effect of Amendment, Repeal or New Rule**

The Company may amend or repeal any Rule and/or adopt new Rules. Any such amendment or repeal of a Rule or adoption of a new Rule, shall, upon the effective date of such amendment, repeal or adoption, as applicable, be binding on all Persons doing business with the Company and, unless otherwise required by Applicable Law, all Products transactions entered into after such effective date. The Company will provide notice to each User of any such amendment, repeal or adoption at least twenty (20) days prior to the effective date of such amendment, repeal or adoption. Notice of any such amendment, repeal or adoption may be published on the Company's website. In such case, the Company will deliver a notification by email to the Users that such a notice has been published on the Company's website. Users are responsible for keeping informed of all such additions, modifications or clarifications when and as posted and notified.

## **605 Signatures**

Rather than rely on an original signature, the Company may elect to rely on a signature that is transmitted, recorded or stored by any electronic, optical, or similar means (including but not limited to telecopy, imaging, photocopying, electronic mail, or electronic data interchange) as if it were (and the signature shall be considered and have the same effect as) a valid and binding original.

## **606 Governing Law; Legal Proceedings**

(a) The Rules, and the rights and obligations of the Company and all other Persons under the Rules shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed and performed wholly within the State of New York without regard to any provisions of New York law that would apply the substantive law of a different jurisdiction.

(b) Subject to Rule 608(j), unless otherwise agreed by the Company and a User in such User's User Agreement or if required to be arbitrated under the auspices of FINRA, any action, suit or proceeding against the Company, its officers, directors, limited liability company members,

employees, or agents, must be brought within one year from the time that a cause of action has accrued. Any such action, suit or proceeding, if not required to be arbitrated under the auspices of FINRA, shall be brought in the State or Federal courts located within the Borough of Manhattan in the City of New York. Each User expressly consents to the jurisdiction of any such court, waives any objection to venue therein, and waives any right it may have to a trial by jury. The Company and the Users agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in the Rules or in such other manner as may be permitted by Applicable Law shall be valid and sufficient service thereof.

(c) In the event that a User, Authorized Person or an Affiliate of any of the foregoing fails to prevail in a lawsuit or other legal proceeding instituted by such Person against the Company or any Affiliate of the Company or any of their respective officers, directors, equity holders, employees, agents, or any member of any committee, and related to the business of the Company, such Person shall pay to the Company or to such Affiliate all reasonable expenses, including attorneys' fees and expenses, incurred by the Company in the defense of such proceeding.

(d) Any breach by a User of its obligations under Rule 601 may cause the Company irreparable harm and damage and therefore agrees that, in addition to any other rights or remedies that may be available to the Company at law or in equity, the Company shall be entitled to seek appropriate injunctive relief, without the posting of any bond or security.

#### **607 Emergencies**

During an Emergency, the Company may implement temporary emergency procedures and rules ("**Emergency Rules**"), subject to Applicable Law. If the Chief Executive Officer or his designee determines that Emergency Rules must be implemented with respect to an Emergency, the Chief Executive Officer or his designee shall have the authority to implement Emergency Rules with respect to such Emergency as he deems necessary or appropriate to respond to such Emergency, and the Company shall post such Emergency Rules in an electronically communicated format.

#### **608 LIMITATION OF LIABILITY; NO WARRANTIES**

(a) EXCEPT AS PROVIDED BELOW OR OTHERWISE AGREED BY THE COMPANY AND A USER IN SUCH USER'S USER AGREEMENT, AND EXCEPT IN INSTANCES IN WHICH THE DISCLAIMING PARTY (DEFINED BELOW) HAS BEEN FINALLY ADJUDICATED BY A COURT OF COMPETENT JURISDICTION OR, IF APPLICABLE, FINRA ARBITRATION PANEL TO HAVE ENGAGED IN FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IN WHICH CASE THE DISCLAIMING PARTY FOUND TO HAVE ENGAGED IN SUCH CONDUCT CANNOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE 608, NEITHER THE COMPANY, NOR ANY AFFILIATE OF THE COMPANY, NOR ANY OF THEIR RESPECTIVE MANAGING MEMBERS, OFFICERS, EMPLOYEES, EQUITY HOLDERS, AGENTS, CONSULTANTS OR SERVICE PROVIDERS, NOR OTHER GOVERNING BODY OF THE COMPANY OR ANY AFFILIATE OF THE COMPANY (EACH OF THE FOREGOING, AS APPLICABLE, THE "**DISCLAIMING PARTY**"), 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, ERROR, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER EVENT, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE, OR THE UNINTENDED AND UNFORESEEN RESULTS OBTAINED BY ANY PERSON RESULTING FROM SUCH USE, ALL OR ANY PART OF ANY OF THE 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 MEANS, ELECTRONIC COMMUNICATION OF TRANSACTION DATA OR INFORMATION, WORKSTATIONS USED BY USERS OR AUTHORIZED PERSONS, 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 FAILURE OF ANY USER TO PERFORM ITS OBLIGATIONS UNDER ANY TRANSACTION; OR
- (v) ANY FAILURE TO MAINTAIN THE ATS OR TO SUPPLY ANY CORRECTIONS, UPDATES OR RELEASES IN CONNECTION THEREWITH; OR
- (vi) ANY ALTERATION, UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY OF THE COMPANY'S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM IS BASED ON BREACH OF CONTRACT, TORT, INCLUDING, WITHOUT LIMITATION, NEGLIGENCE, STRICT LIABILITY, NEGLIGENT MISREPRESENTATION, RESTITUTION, BREACH OF STATUTORY DUTY, BREACH OF WARRANTY OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD-PARTY CLAIM.

(b) EXCEPT AS SPECIFICALLY SET FORTH HEREIN, THE COMPANY DISCLAIMS, OVERRIDES AND EXCLUDES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL WARRANTIES, CONDITIONS, GUARANTIES OR REPRESENTATIONS, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THOSE AS TO MERCHANTABILITY, SATISFACTORY QUALITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, CORRECTNESS, ACCURACY, COMPLETENESS, SECURITY, RELIABILITY, PERFORMANCE, PRICING, CONTINUED AVAILABILITY, TITLE, NON-INFRINGEMENT, TIMELINESS, TRUTHFULNESS, SEQUENCE, ANY IMPLIED WARRANTIES, CONDITIONS AND OTHER CONTRACTUAL TERMS ARISING FROM TRANSACTION USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE, ALL OTHER WARRANTIES, CONDITIONS, OTHER CONTRACTUAL TERMS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES WITH RESPECT TO THE ATS, SYSTEMS AND SERVICES PROVIDED BY THE COMPANY, SERVICES PROVIDED BY AN INTERMEDIARY, WHETHER EXPRESS, IMPLIED OR STATUTORY, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY THE COMPANY OR ANY OTHER DISCLAIMING PARTY OR OTHERWISE, OR AS TO THE PARTICIPATION IN THE ATS BY OTHER USERS. THE COMPANY SHALL HAVE NO RESPONSIBILITY FOR THE FAILURE OF ANY CONNECTION OR COMMUNICATION SERVICE TO PROVIDE OR MAINTAIN ACCESS TO THE ATS, OR FOR ANY INTERRUPTION OR DISRUPTION OF ACCESS TO THE ATS. THE COMPANY MAKES, AND EACH USER ACKNOWLEDGES AND AGREES THAT THE COMPANY MAKES, NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, THAT THE ATS WILL MEET SUCH USER'S REQUIREMENTS, BE ERROR FREE, OR OPERATE WITHOUT INTERRUPTION. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY THE COMPANY OR ITS REPRESENTATIVES OR AGENTS SHALL CREATE ANY WARRANTIES OR IN ANY WAY INCREASE THE SCOPE OF THE COMPANY'S OBLIGATIONS HEREUNDER. EACH USER ACKNOWLEDGES AND AGREES THAT (I) THE TRANSMISSION OF INFORMATION THROUGH THE INTERNET OR ANY OTHER ELECTRONIC COMMUNICATIONS NETWORK MAY NOT BE SECURE, RELIABLE OR TIMELY, AND THE LATENCY INHERENT IN INTERNET OR OTHER NETWORKS EVEN DURING NORMAL OPERATION MAY RESULT IN ORDERS BEING MATCHED AND/OR CONFIRMED TO A USER AT A TIME WHEN THE MARKET LEVELS MAY HAVE CHANGED FROM THE TIME WHEN THE ORDER WAS ORIGINALLY SUBMITTED BY A USER, AND (II) THE COMPANY MAKES NO WARRANTY REGARDING, AND SHALL NOT BE RESPONSIBLE TO ANY USER OR ANY OTHER PERSON FOR, (A) ANY LOSS, CORRUPTION, MODIFICATION, SECURITY BREACH OR TRANSMISSION OR PERFORMANCE INTERRUPTIONS OR DELAYS RELATING TO ANY INFORMATION, OR (B) ANY USER'S CONTINUED ACCESS TO AND USE OF THE ATS OR ANY PORTION THEREOF.

(c) THE COMPANY IS NOT SOLICITING ANY ACTION BASED UPON ACCESS TO OR USE OF THE ATS. EACH USER IS SOLELY RESPONSIBLE FOR CONFIRMING THE ACCURACY, QUALITY, COMPLETENESS AND ADEQUACY OF INFORMATION ON THE ATS AND THE RESULTANT OUTPUT THEREOF.

(d) NOTWITHSTANDING THE FOREGOING, THE COMPANY MAY ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT OF A DISCLAIMING

PARTY. EXCLUDING THE COMPANY'S INDEMNIFICATION OBLIGATIONS UNDER RULE 608(e), THE COMPANY'S TOTAL COMBINED AGGREGATE LIABILITIES TO ANY PERSON AND SUCH PERSON'S OWNERS, MANAGERS, DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND OTHER REPRESENTATIVES, AND THEIR RESPECTIVE AFFILIATES, SHALL NOT IN SUCH CIRCUMSTANCES EXCEED U.S. \$10,000.

(e) NOTWITHSTANDING ANY OTHER PROVISION OF THESE RULES, THE COMPANY SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS USER AND ITS AFFILIATES AND ANY OF ITS OR THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES (EACH, A "**USER INDEMNITEE**") AGAINST ANY AND ALL LOSSES, DAMAGES, LIABILITIES, COSTS, AND EXPENSES, INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS FEES AND EXPENSES AND COURT COSTS (COLLECTIVELY, "**LOSSES**") TO THE EXTENT SUCH LOSSES ARISE DIRECTLY FROM ANY CLAIM, PROCEEDING, OR CAUSE OF ACTION INITIATED BY A THIRD PARTY OTHER THAN AN AFFILIATE OF SUCH USER INDEMNITEE (EACH, A "**THIRD-PARTY CLAIM**") ALLEGING THAT ANY COMPANY INTELLECTUAL PROPERTY INFRINGES OR OTHERWISE VIOLATES ANY PATENTS, COPYRIGHTS, TRADE SECRETS OR OTHER INTELLECTUAL PROPERTY RIGHTS OF ANY PERSON; PROVIDED THAT THE COMPANY SHALL NOT HAVE ANY OBLIGATION UNDER THIS SENTENCE TO THE EXTENT THE ALLEGED VIOLATION RESULTS FROM (I) ANY MODIFICATION OF ANY COMPANY INTELLECTUAL PROPERTY BY OR ON BEHALF OF USER INDEMNITEE NOT APPROVED IN WRITING BY AN AUTHORIZED OFFICER OF THE COMPANY, (II) ANY COMBINATION OF ANY COMPANY INTELLECTUAL PROPERTY WITH ANY DATA, INFORMATION OR MATERIALS NOT PROVIDED BY OR ON BEHALF OF THE COMPANY, OR (III) ANY MISUSE OR UNAUTHORIZED USE OF ANY COMPANY INTELLECTUAL PROPERTY OR OTHER VIOLATION OF THESE RULES OR THE USER AGREEMENT BETWEEN A USER AND THE COMPANY. EACH USER INDEMNITEE SHALL GRANT TO THE COMPANY THE SOLE CONTROL OF THE DEFENSE AND SETTLEMENT OR OTHER COMPROMISE OF THE THIRD-PARTY CLAIM AND NOTIFY THE COMPANY IN WRITING OF ANY SUCH THIRD-PARTY CLAIM WITHIN THIRTY DAYS FOLLOWING SUCH USER INDEMNITEE BECOMING AWARE OF SUCH THIRD-PARTY CLAIM. THE COMPANY SHALL NOT NEGOTIATE A COMPROMISE OR SETTLEMENT OF ANY THIRD-PARTY CLAIM WITH RESPECT TO A USER INDEMNITEE WITHOUT THE PRIOR WRITTEN CONSENT OF SUCH USER INDEMNITEE (SUCH CONSENT NOT TO BE UNREASONABLY DELAYED OR WITHHELD) UNLESS SUCH COMPROMISE OR SETTLEMENT INCLUDES AN UNCONDITIONAL RELEASE OF SUCH USER INDEMNITEE FROM ALL LIABILITY ARISING OUT OF SUCH THIRD-PARTY CLAIM AND DOES NOT CONTAIN AN ADMISSION OF WRONGDOING OR LIABILITY ON BEHALF OF SUCH USER INDEMNITEE.

(f) SOLELY WITH RESPECT TO A USER TRADING ON ITS OWN BEHALF (AND NOT ON BEHALF OF A CUSTOMER ACCOUNT), NOTWITHSTANDING ANY OTHER PROVISION OF THESE RULES, SUCH USER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE COMPANY AND ITS AFFILIATES, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS (EACH, A "**COMPANY INDEMNITEE**"), FROM AND AGAINST ALL LOSSES BASED UPON,

ARISING OUT OF, OR RELATING TO ANY THIRD-PARTY CLAIM, DEMAND, ACTION, SUIT OR PROCEEDING OF ANY NATURE (A “**PROCEEDING**”) AGAINST A COMPANY INDEMNITEE, THAT ARISES OUT OF OR RELATES TO, (I) ANY ACCESS, USE, UNAUTHORIZED USE, INACTION OR MISUSE OF THE ATS BY SUCH USER, OR BY ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AUTHORIZED PERSONS, INCLUDING ANY BREACHES OF THE SECURITY OF THE ATS OR ANY ACCESS OR ENTRY INTO ANY OF THE COMPANY’S OR ITS AFFILIATES’ OTHER SYSTEMS; (II) SUCH USER’S BREACH OF OR FAILURE TO COMPLY WITH THE TERMS OF ANY TRANSACTION, INCLUDING THE SUBMISSION OF ANY DK TO AN INTERMEDIARY WITHOUT THE COMPANY’S PERMISSION; (III) SUCH USER’S BREACH OF ANY RULE OR SUCH USER’S USER AGREEMENT, INCLUDING ANY BREACH OF THE REPRESENTATIONS AND WARRANTIES OF SUCH USER CONTAINED HEREIN AND THEREIN; (IV) ANY VIOLATION OF OR NONCOMPLIANCE WITH APPLICABLE LAW BY SUCH USER OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AUTHORIZED PERSONS; OR (V) ANY OTHER ACTS OR OMISSIONS OF SUCH USER OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AUTHORIZED PERSONS; PROVIDED, IN EACH CASE, THAT SUCH LOSSES DO NOT RESULT FROM THE COMPANY INDEMNITEE’S FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(g) SOLELY WITH RESPECT TO A USER TRADING ON BEHALF OF A CUSTOMER ACCOUNT, NOTWITHSTANDING ANY OTHER PROVISION OF THESE RULES, (I) SUCH USER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS EACH COMPANY INDEMNITEE, FROM AND AGAINST ALL LOSSES BASED UPON, ARISING OUT OF, OR RELATING TO ANY PROCEEDING AGAINST A COMPANY INDEMNITEE, THAT ARISES OUT OF OR RELATES TO ANY OF THE FOLLOWING SUBCLAUSES, AND (II) A CUSTOMER ACCOUNT REFERRED TO IN ANY OF THE FOLLOWING SUBCLAUSES SHALL, JOINTLY TOGETHER WITH SUCH USER AND SEVERALLY, DEFEND, INDEMNIFY AND HOLD HARMLESS EACH COMPANY INDEMNITEE FROM AND AGAINST ALL SUCH LOSSES WHEN SUCH LOSSES RELATE TO SUCH CUSTOMER ACCOUNT: (A) ANY ACCESS, USE, UNAUTHORIZED USE, INACTION OR MISUSE OF THE ATS BY SUCH USER OR SUCH USER’S DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AUTHORIZED PERSONS, INCLUDING WHEN ACTING ON BEHALF OF SUCH CUSTOMER ACCOUNT, AND INCLUDING ANY BREACHES OF THE SECURITY OF THE ATS OR ANY ACCESS OR ENTRY INTO ANY OF THE COMPANY’S OR ITS AFFILIATES’ OTHER SYSTEMS; (B) SUCH CUSTOMER ACCOUNT’S BREACH OF OR FAILURE TO COMPLY WITH THE TERMS OF ANY TRANSACTION, INCLUDING THE SUBMISSION OF ANY DK TO AN INTERMEDIARY WITHOUT THE COMPANY’S PERMISSION; (C) SUCH USER’S BREACH OF ANY RULE OR SUCH USER’S USER AGREEMENT, INCLUDING ANY BREACH OF THE REPRESENTATIONS AND WARRANTIES OF SUCH USER OR SUCH CUSTOMER CONTAINED HEREIN AND THEREIN AND ANY BREACH OF ANY RULE OR SUCH USER’S USER AGREEMENT BY SUCH USER WHEN ACTING ON BEHALF OF SUCH CUSTOMER; (D) ANY VIOLATION OF OR NONCOMPLIANCE WITH APPLICABLE LAW BY SUCH USER OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AUTHORIZED PERSONS, INCLUDING WHEN ACTING ON BEHALF OF SUCH CUSTOMER ACCOUNT; OR (E) ANY OTHER ACTS OR OMISSIONS OF SUCH USER, SUCH CUSTOMER ACCOUNT, ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS, OR ANY AUTHORIZED PERSON; PROVIDED, IN EACH

CASE THAT SUCH LOSSES DO NOT RESULT FROM THE COMPANY INDEMNITEE'S FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(h) Under no circumstances shall the Company, any other Disclaiming Party or a User be liable 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, trading losses, 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, cost of substitute products or cost of capital, loss of opportunity or loss of use however suffered or incurred, regardless of whether the Company, such Disclaiming Party or such User has been advised of the possibility of such damages or whether such damages otherwise could have been foreseen or prevented.

(i) Under no circumstances shall the Company be liable to a User or any of its Customer Accounts in connection with the failure by any counterparty or Intermediary to a transaction entered into by such User to perform such transaction or the failure of any User to comply with the Rules or its agreements with the Company regarding access to or use of the ATS. Each User shall, and shall ensure that each of its Customer Accounts, proceed solely against the applicable counterparty or Intermediary, and not against the Company, to collect or recover any amounts or assets owing to it or to enforce any of its rights in connection with any transaction executed on the ATS.

(j) Except as otherwise required by Applicable Law, the Company shall be under no obligation to ensure that Products are successfully settled and shall have no liability with respect to a Product that fails to settle for any reason.

(k) 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, without limitation, the ATS, in which one or more Disclaiming Parties is a party shall be arbitrated under the auspices of FINRA Dispute Resolution, and references to a "User" shall, to the extent relevant, be deemed for such purpose to mean and include the Disclaiming Parties. Unless otherwise agreed by the Company and a User in a User Agreement, 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 (k) shall in no way be construed to create a cause of action and shall not authorize an action that would otherwise be prohibited by the 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 606.

## **609 Communications To and From the Company**

Communications from the Company to Users may be transmitted by electronic mail or posted on the Company's website; provided that the Company will provide electronic mail notification to the Users to the extent it posts any communications on its website. Communications made to a User shall also be deemed to have been made to its Authorized

Persons and other employees and agents, and each User and Authorized Person shall be responsible for conveying such communications to such Persons as appropriate.

## **610 Force Majeure**

Notwithstanding any other provision of the Rules, the Company shall not be liable for any failure or delay in the performance of any of its obligations under the Rules or any agreement with a User, or to compensate any Person for Losses occasioned by any delay or failure of performance, to the extent due to causes beyond its reasonable control (as determined by the Company in its sole discretion), including but not limited to industrial disputes of any nature, work stoppages, civil disobedience, riots, rebellions, accidents, explosions, acts of God, bomb threats, war, acts of a public enemy, embargo or other action of a Regulatory Authority, interruptions or imperfections of telecommunications, electrical failures, sabotage, terrorism, pestilence, lightning or electromagnetic disturbances, brown-outs or black-outs, earthquakes, storms, floods, fires or other casualty, or the imposition of any new Applicable Law or the change of any Applicable Law (including the manner in which such laws are applied) making performance of any material obligation under this Agreement illegal or otherwise impossible (each, a "**Force Majeure Event**"). In the event of a Force Majeure Event, the Company shall give notice to the Users and Authorized Traders, and the Company shall take commercially reasonable measures in order to mitigate the impact of such Force Majeure Event.

Notwithstanding the foregoing, nothing in this Rule 610 shall affect a User's, Authorized Person's or Customer Account's obligations under the Rules or the applicable User Agreement.

## **611 Use of CUSIPs**

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

(b) Subject User agrees that Subject User shall not publish or distribute in any medium the CUSIP Database or any information contained therein or summaries or subsets thereof to any person or entity except in connection with the normal clearing and settlement of security transactions. Subject User further agrees that the use of CUSIP numbers and descriptions is not intended to create or maintain, and does not serve the purpose of the creation or maintenance of, a master file or database of CUSIP descriptions or numbers for itself or any third party recipient of such service and is not intended to create and does not serve in any way as a substitute for the CUSIP MASTER TAPE, PRINT, DB, INTERNET, ELECTRONIC, CD-ROM Services and/or any other future services developed by the CGS.

(c) NEITHER CGS, ABA NOR ANY OF THEIR AFFILIATES MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO THE ACCURACY, ADEQUACY OR

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

(d) Subject User agrees that the foregoing terms and conditions shall survive any termination of its right of access to the materials identified in this Section 611.

## **612 Use of Ratings Data**

From time to time, the Company may make available to User certain data, including ratings information on particular bonds (the "derived rating," and any related information, such as the information on which the inputs and outputs of the ratings tool are based and derived, the "related information"). By accessing the ATS, User acknowledges and agrees to the following on behalf of itself and each other person that it is authorized to permit to use the derived rating:

- (a) the derived rating and related information are based on and obtained from sources believed to be accurate and reliable. However, because of the possibility of human and mechanical error as well as other factors, the derived rating and related information shall be covered by Section 608 of these Rules (limitation of liability; no warranties), which shall extend to the Company's licensors. For the avoidance of doubt, the Company (and its licensors) shall have no liability whatsoever to any User or any third party in respect of the Company's delivery or transmission of the derived rating or related information. Furthermore, neither the availability of the derived rating nor the related information shall create any duty of care on the part of the Company (or its licensors).
- (b) with respect to the derived rating and related information (i) it is and shall remain Proprietary Data and Information of the Company (or its licensors); (ii) it is provided to User at User's request and for User's exclusive use; (iii) no proprietary or other rights are transferred to or acquired by User; (iv) absent the consent of the Company (or its licensors), User is prohibited from copying, reproducing, reverse engineering, altering, transmitting, or storing such information (or any action similar to the foregoing) or creating any work or product (derived in whole or in part) from such information; and (v) any misappropriation or misuse by User or its personnel shall cause serious injury to the Company (or its licensors), and that in such event, money damages may not constitute sufficient compensation to the Company (or its licensors), and the Company (or its

licensors) shall have the right to injunctive relief in addition to any other legal or financial remedies to which the Company (or its licensors) are entitled.

- (c) that provision by the Company of the derived rating and related information shall not (i) constitute a representation or warranty by or from the Company (or its licensors), (ii) be considered investment advice from the Company (or its licensors), and (iii) represent an offer to purchase or a solicitation of an offer to sell, nor shall it represent a recommendation or inducement to engage in, any securities or other investment transaction by the Company (or its licensors).
- (d) that (i) issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) referenced in the derived rating may have, prior to assignment of any rating, agreed to pay fees to ratings agencies for the rating opinions and services rendered by the ratings agencies, from which the derived rating is derived; and (ii) affiliations (including ownership) may exist between the ratings agencies or their officers, directors, affiliates, or owners and the rated entities.
- (e) that the Company (and its licensors) are not acting as a financial adviser to User, and that User will (i) view and consider the derived rating and related information to be statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities; (ii) weigh the derived rating and related information, at the most, as merely one factor in any investment decision made by or on behalf of User, and (iii) make its own study and evaluation of each security, and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding, or selling.
- (f) that the derived rating is not a real-time service, that it and the related information may not reflect the most recent changes to ratings and other information, and that ratings may be revised or withdrawn after issuance. Users must refer to the official website or other data provided by specific ratings agencies for up-to-date information.

## **CHAPTER 7 DEFINITIONS**

### **701 Definitions**

Unless otherwise specifically provided in the Rules or the context otherwise requires, the terms defined in this Chapter 7 have the meanings specified herein for all purposes of the Rules.

**“Access Code”** means the unique password or other identifier that is assigned by the Company to each Authorized Person.

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

**“Applicable Law”** means, with respect to any Person, any statute, law, regulation, rule or ordinance of any Regulatory Authority applicable to such Person, including the SEA, SEC Regulations and guidance thereunder, the FINRA Rules, and, to the extent applicable to such

Person, similar foreign laws or regulations.

“**ATS**” means the entirety of the alternative trading system of the Company on which the Trading Platforms are operated.

“**Authorized Jurisdiction**” means the United States and such other jurisdictions in which the Company may be authorized by Applicable Law to provide services from time to time.”

“**Authorized Person**” means, with respect to each User, each (i) Authorized Trader of such User and (ii) Operational/Risk Agent of such User.

“**Authorized Trader**” means an individual who is an employee or agent of a User who has been authorized by such User to access one or more Trading Platforms on the ATS in accordance with its User Agreement and such fair and reasonable criteria established by the Company, in order to place Orders and execute transactions on one or more Trading Platforms on behalf of such User.

“**Business Day**” means any day on which the ATS is open for trading.

“**Chief Executive Officer**” means the Company’s chief executive officer.

“**Company**” means Trumid Financial LLC, any and all Affiliates, or any successor thereto.

“**Company Requirements**” means (i) the Rules, (ii) other requirements implemented by the Company under the Rules and (iii) the User documentation and other contractual obligations between a User (including its Authorized Persons) and the Company.

“**Control**” means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting equity share capital of a specific Person or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or general partnership or managing member interests, by contract or otherwise. “Controlling”, “Controls” and “Controlled” shall have correlative meanings. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person of which it owns, directly or indirectly, a majority of the ownership or voting interests.

“**Corporate Bond**” means any bond, in whatever form (including fixed rate bonds, floating rate notes, zero-coupon bonds, high-yield bonds, convertible bonds and exchangeable bonds) issued by a corporation or other entity (as opposed to a Regulatory Authority) incorporated or organized anywhere in the world.

“**Customer Account**” means a Person who has granted investment discretion or trading authority to a User to trade on its behalf and is party to a User Agreement.

“**Emergency**” means any occurrence or circumstance which threatens or may threaten such matters as the fair and orderly trading in, or the liquidation of or delivery pursuant to, any Product, or the timely collection and payment of funds in connection with clearing and settlement of a transaction, and which, in the opinion of the Chief Executive Officer or his designee, requires

immediate action, including: any manipulative or attempted manipulative activity; any circumstances that may materially affect the performance of Products traded pursuant to the Rules, including failure of the payment system or the bankruptcy or insolvency of any User or any other Person; and any other circumstance which may have a severe, adverse effect upon the functioning of the Company or an Intermediary.

**“Error Trade Policy”** means such error trade policy applicable to a Product as may be adopted by the Company from time to time.

**“FINRA”** means the Financial Industry Regulatory Authority, Inc.

**“FINRA Rules”** means the rules adopted by FINRA or its predecessor, the National Association of Securities Dealers, Inc., and approved by the SEC, as in effect at any given time.

**“Intellectual Property Rights”** means all title, interests and other proprietary rights in and to: (i) trademarks, service marks, brand names, certification marks, trade dress, trade names and other indications of origin, and the goodwill associated with the foregoing; (ii) inventions, discoveries and ideas, whether or not capable of protection by patent or registration; (iii) patents and all reissues, divisions, continuations-in-part, renewals and extensions thereof; (iv) trade secrets; (v) writings and other works, whether or not protectable by copyright or other law; (vi) copyrights, data or database rights, or mask works; (vii) know-how, research and development data, manufacturing methods, commercial information, technical information, design rights, processes, practices and systems, whether or not protectable by patent, copyright, trade secret or other law; (viii) moral rights and (ix) any other intellectual property or similar proprietary rights or interests which may exist in any jurisdiction, in each case, including all registrations thereof, applications therefor and renewals, modifications, translations and extensions thereof, in any jurisdiction, and any claims or causes of action arising out of or related to any infringement or misappropriation of any of the foregoing.

**“Intermediary”** means the Company, or a Person designated by the Company to act as an intermediary in respect of transactions with Users and which serves as the principal to all such transactions, to access the ATS for purposes of administrative and credit control functionalities and be able to provide notice to the Company and such Users of any Risk-Based Limits for such Users and the revocation of its Intermediary Commitment to a User, in each case as set forth in the Intermediary Agreement entered into by and between such Person and the Company.

**“Intermediary Agreement”** means the definitive agreement entered into by and between an Intermediary and the Company, as amended from time to time.

**“Intermediary Commitment”** means, with respect to an Intermediary and a User, a commitment by such Intermediary to act as a counterparty to such User in respect of a transaction on the ATS.

**“Municipal Bond”** means any bond, in whatever form (including fixed rate bonds, floating rate notes, zero-coupon bonds, high-yield bonds, convertible bonds and exchangeable bonds) issued by a state, city, county or other governmental entity to fund day-to-day obligations and to finance capital projects.

**“Operational/Risk Agent”** means an operational or risk employee, contractor or agent of

a User to whom the Company has provided an Access Code solely to access to the ATS on a read-only basis.

**“Order”** means any bid or offer to buy or sell a Product pursuant to the Rules and the applicable User Manual, and includes any modification to such a bid of offer.

**“Person”** means any individual, partnership, corporation, association, trust, limited liability company, joint venture, unincorporated organization or other entity, including for the avoidance of doubt, any Customer Account.

**“Product”** means (i) any Corporate Bond or other financial instrument permitted by the Company to be traded on a Trading Platform on the ATS and (ii) any U.S. Treasury bond for which the Company effects Orders submitted on the ATS solely for the purpose of allowing Authorized Traders to spot or cross such U.S. Treasury bond in respect of a spread-based Corporate Bond traded on the Corporate Bond Trading Platform of the ATS.

**“Proprietary Data and Information”** means, as to any Person, proprietary data or personal information that separately discloses business transactions, market positions or trade secrets of such Person, but does not include Transaction Data and shall, with respect to the Company, include all information regarding or provided through the ATS (including any information or data the Company makes available to Users, whether such information is the Company’s or its licensors).

**“Regulatory Authority”** means any domestic or foreign government (or political subdivision), governmental or regulatory authority, agency, court, commission or other governmental or regulatory entity (including any self-regulatory authority or Self-Regulatory Organization) with authority or jurisdiction over the trading of, or Persons engaged in the trading of securities or other financial instruments.

**“Risk-Based Limits”** means, as applicable, limits that may be established by an Intermediary or the Company with respect to Products, based on credit, position or Order size, margin requirements or similar factors.

**“Rule”** means any Rule adopted or amended, from time to time, by the Company related to or in respect of transactions in Products or the operation of or business conducted on the ATS or otherwise pursuant to these Rules.

**“SEA”** means the Securities Exchange Act of 1934, as amended.

**“SEC”** means the Securities and Exchange Commission.

**“SEC Regulations”** means the rules, regulations and orders promulgated by the SEC and in effect at any given time.

**“Self-Regulatory Organization”** has the meaning given that term in Section 3(a)(26) of the SEA.

**“Trading Platform”** means a separate electronic trading platform administered by or on behalf of the Company for the trading of specified Products on the ATS pursuant to a specific User Manual for such platform.

**“Trading Privileges”** means the right granted to a User and its Authorized Traders to access one or more Trading Platforms on the ATS pursuant to the Rules.

**“Trading Swarm”** means the time period specified from time to time by the Company during which Users may enter Orders for, and trade, Products on the ATS.

**“Transaction Data”** means pending or executed Orders, bids, offers and other information (excluding Proprietary Data and Information) concerning Products executed pursuant to the Rules, including information and content contained in, displayed on, generated by or derived from the ATS.

**“Trumid Market Center”** means the portion of the ATS application designed to efficiently facilitate trades across a network of sell side and buy side market participants anonymously and indiscriminately.

**“User”** means a Person (other than an individual) that has been authorized by the Company to have access to one or more Trading Platforms on the ATS and to permit its Authorized Persons to have access to such Trading Platform(s) on the ATS. For the avoidance of doubt, “User” may include without limitation, an investment advisor, bank, savings and loan association, insurance company, registered investment company, broker, or dealer or other Person acting on its own behalf or as agent for another Person, including a Customer Account.

**“User Agreement”** means the agreement entered into by and between a User and the Company relating to such User’s access to and use of the ATS.

**“User Data”** means any and all Transaction Data submitted or otherwise reported by the Company with respect to a User regarding any and all transactions entered into by such User.

**“User Manual”** means the terms from time to time in force upon which a User may access a specific Trading Platform, including any supplemental written guidelines provided by the Company to the User, as amended from time to time. The User Manuals shall be posted on the Company’s website. In the event of any inconsistency between the provisions of any User Manual and the Rules, the terms of the Rules shall prevail.

**“Viruses”** means computer viruses, worms, bombs, Trojan horses, trap/back doors, stop codes, protect codes, morphic code, time releasing, tunneling or other harmful, malicious or destructive codes.