

RESET PROTOCOL

Effective: 13 December 2022

RESET's CHANGE TO EXECUTING BROKER

As announced in September 2021, RESET is now part of OSTTRA, a joint venture between CME Group and S&P Global that combines post trade services from both firms. As part of this transition, certain relevant execution capabilities are now moving from CME Group to OSTTRA. It is on this basis that we will move the provision of the RESET Service for customers located in the EEA from CME Investment Firm B.V. to TriOptima AB ("**TriOptima**"), an entity incorporated in Sweden and which is part of the OSTTRA Group.

From 1 August 2022 (the "**Protocol Effective Date**"), the arranging or executing broker activities relevant to the RESET Service will be provided to EEA customers by TriOptima. For all other Participants, the arranging or executing broker activities will continue to be provided by BrokerTec Europe Limited ("**BEL**"). As a result of this transition, the RESET Protocol that was effective 31 March 2022 will be replaced by this RESET Protocol from the Protocol Effective Date. If you are an EEA Customer, you will be automatically onboarded to TriOptima to ensure that you are able to continue to participate in the RESET Service. RESET has already contacted affected customers with view to finalising any onboarding requirements. If you have any queries or have not been contacted but believe you are affected, please contact reset@reset.net.

1. Introduction

- 1.1. The RESET service is a service designed to mitigate risk by matching positions in derivatives and other financial instruments between institutions who are participants of the service and who are holding opposite risk to each other (the “RESET Service”). Transactions are identified by the RESET Service and then arranged or executed between the relevant participants as further described in the Terms and this RESET Protocol. This RESET Protocol details the procedures and requirements applicable to a Participant’s use of the RESET Service and participation in a RESET Session.
- 1.2. This RESET Protocol supplements and forms part of the Terms in place between the Participant and RESET. In the event of a conflict or inconsistency between the Terms and this RESET Protocol, this RESET Protocol will prevail.
- 1.3. Unless otherwise defined herein, all capitalised terms used in this RESET Protocol shall have the meaning given to them in the Terms.

2. Regulatory Information

- 2.1. For any RESET Sessions on and from the Protocol Effective Date, the arranging or executing broker activities relevant to the RESET Service will be provided to Participants as follows:
 - (a) for any EEA Customer, those activities will be provided by TriOptima A.B. (TriOptima), an entity incorporated in Sweden and authorised and regulated by the SFSA .
 - (b) for any Non-EEA Customer, those activities will be provided by BrokerTec Europe Limited (BEL).
 - (c) for any designated RESET Sessions that incorporate Futures Products, those activities will be provided by BrokerTec Europe Limited and the RESET CTAs.
- 2.2. If you have any questions about the RESET Service, please contact: reset@reset.net.
- 2.3. In providing the RESET Service, unless otherwise set out in this RESET Protocol (i) BEL, TriOptima and the RESET CTAs only act as arranging or executing brokers and are not counterparties to any Identified Transaction and (ii) the liability of BEL, TriOptima and the RESET CTAs is several and not joint.
- 2.4. BEL, regulated in the UK by the Financial Conduct Authority (FCA), is under certain obligations when it holds client money as detailed in the FCA’s Client Assets Sourcebook (CASS). For the avoidance of doubt, BEL does not hold client money. If the Participant transfers money to BEL (for example, by making an overpayment of fees and charges), it will not be treated as client money and in the event that BEL were to become insolvent, the Participant would have no special protection and the Participant would have to claim against its estate with any other creditors. If the Participant makes a payment to BEL for use of the platform, the Participant agrees that the terms of any overpayment the Participant makes to BEL:
 - (a) will be treated as an intention by the Participant to purchase further services, the ownership of the money will transfer fully to BEL and BEL will hold that money as security for the Participant’s payment for such further services; and
 - (b) will not be due and payable to the Participant until the Participant provides correct bank details for repayment of the overpaid amount. Once those details have been provided, BEL will repay that overpaid amount as soon as practicable.

TriOptima does not hold client money. If the Participant transfers money to TriOptima (for example, by making an overpayment of fees and charges), it will not be treated as client

money. TriOptima will take reasonable steps to arrange for the overpaid amount to be returned as soon as practicable.

3. Participation in a RESET Session

- 3.1. The RESET Service is run in regular sessions depending on the product and the currency. The schedule of the RESET Sessions and any changes will be communicated directly to RESET Service customers.
- 3.2. To participate in a RESET Session, the Participant must provide Participant Data. RESET will specify the method by which the Participant may submit its Participant Data. The Participant remains solely responsible for verifying the accuracy and completeness of all Participant Data supplied in any RESET Session and it shall have no claim against RESET in respect of such Participant Data howsoever arising. RESET is under no obligation to conduct any investigation as to the completeness or accuracy of any Participant Data.
- 3.3. For any RESET Session, the Participant will be required to submit its Participant Data and confirm its participation by a specified time ("**Session Cut-Off Time**"). A Participant may only withdraw or cancel its participation in a RESET Session after the Session Cut-Off Time only with the agreement of RESET.
- 3.4. By submitting its Participant Data and participating in a RESET Session, the Participant (i) without seeking or obtaining any further authority, consent or agreement from the participant or its representatives, authorises RESET to arrange or execute, as the case may be, all Identified Transactions to which it will be counterparty; (ii) agrees to be bound by every Identified Transaction in that RESET Session; and (iii) shall be legally obliged to settle

all of its Identified Transactions in accordance with this RESET Protocol and the Terms. RESET will provide the Participant with details of its Identified Transactions following its participation in a RESET Session, enabling the Participant to settle them.

- 3.5. The prices of all Identified Transactions shall be determined based on a Curve. The Curve will be made available to Participants at the start of a RESET Session. Any amendments to the Curve will be communicated to Participants in a RESET Session before any Identified Transactions become legally binding.

4. Transactions

- 4.1. Unless otherwise required by applicable law, any Identified Transactions between Participants may be:
- 4.1.1. arranged bilaterally by RESET for execution by the counterparties to the Identified Transactions;
 - 4.1.2. executed on the EBS MTF: RESET Segment under the rules of the EBS MTF: RESET Segment;
 - 4.1.3. executed on the NEX SEF under the rules of the NEX SEF; and/or
 - 4.1.4. for any designated RESET Sessions that incorporate Futures Products, executed on the CME under the rules of the CME.
- 4.2. Subject to paragraph 4.3, prior to a Participant's participation in a RESET Session, the Participant is required to inform RESET of its preferences with respect to:

4.2.1. having its Identified Transactions:

- (a) arranged bilaterally for execution by the counterparties to the Identified Transaction;
- (b) executed on the EBS MTF: RESET Segment;
- (c) executed on the NEX SEF; and/or
- (d) with respect to Futures Products, executed and cleared on the CME; and

4.2.2. the clearing of any Identified Transactions in Swaps to which it is party.

Each Participant shall notify RESET of any changes to its preferences as soon as reasonably practicable.

- 4.3. Notwithstanding the provisions of paragraph 4.2, any Identified Transactions in Swaps involving a US Person will be executed by RESET on the NEX SEF.
- 4.4. Each Participant agrees that RESET, CABV and/or the NEX SEF may undertake credit checks on it and/or any guarantor for the purposes of arranging and/or executing Identified Transactions.

Transactions on the EBS MTF: RESET Segment

- 4.5. Where any Identified Transaction is to be executed on the EBS MTF: RESET Segment (each an "MTF Transaction"):
- 4.5.1. for any RESET Sessions:
 - (a) subject to paragraph 4.2, each Non-EEA Customer authorises BEL to provide the relevant Participant Data and any information on the relevant Identified Transactions to TriOptima to execute relevant Identified Transactions on the EBS MTF: RESET Segment on its behalf;
 - (b) subject to paragraph 4.2, each EEA Customer authorises TriOptima to execute the Identified Transactions on the EBS MTF: RESET Segment on

- its behalf;
 - (c) each Non-EEA Customer, must agree to be classified as an FCA EC and it shall immediately inform BEL if at any time it ceases to be an FCA EC;
 - (d) each EEA Customer, must agree to be classified as an SFSA EC and it shall immediately inform TriOptima if at any time it ceases to be an SFSA EC;
- 4.5.2. each counterparty to an MTF Transaction agrees to be bound by the EBS MTF: RESET Segment Rulebook in relation to any MTF Transactions; and
- 4.5.3. for any Clearable MTF Transaction, each counterparty agrees that unless and until such Clearable MTF Transaction is accepted for clearing by the relevant clearing house, it shall be responsible for all obligations in respect of that Clearable MTF Transaction. If it is not a clearing member of the clearing house identified pursuant to paragraph 4.2, prior to entering into any Clearable MTF Transaction via the RESET Service, in accordance with the EBS MTF: RESET Segment Rulebook, it must provide to RESET a representation from a clearing member in the form required by the EBS MTF: RESET Segment Rulebook.

Transactions on the NEX SEF

- 4.6. Where any Identified Transaction is to be executed on the NEX SEF (each a “SEF Transaction”):
- 4.6.1. for any RESET Sessions:
- (c) subject to paragraph 4.2, each EEA Customer authorises TriOptima to provide the relevant Participant Data and any information on the relevant Identified Transactions to BEL to execute the relevant Identified Transactions on the NEX SEF on its behalf;
 - (d) subject to paragraph 4.2, each Non-EEA Customer authorises BEL to execute the Identified Transactions on the NEX SEF on its behalf;
 - (e) each Non-EEA Customer, must agree to be classified as an FCA EC and a CEA ECP and it shall immediately inform BEL if at any time it ceases to be either an FCA EC or CEA ECP;
 - (f) each EEA Customer, must agree to be classified as an SFSA EC and it shall immediately inform TriOptima if at any time it ceases to be an SFSA EC;
- 4.6.2. each counterparty to a SEF Transaction agrees that any SEF Transaction and all orders for such SEF Transaction will be governed by the CEA, the CFTC Regulations and the NEX SEF Rulebook;
- 4.6.3. each counterparty to a SEF Transaction (i) consents to the jurisdiction of the NEX SEF; (ii) agrees to keep the required books and records for the minimum term required by the NEX SEF Rulebook; and (iii) agrees that it shall review regularly the "Notices" section of the NEX SEF website;
- 4.6.4. each counterparty to a SEF Transaction agrees to provide RESET with all information reasonably requested by RESET from time to time, including any information required by the NEX SEF (including such as the information set out in Appendix 1 to this RESET Protocol) or any derivatives clearing organization or swap data repository, to maintain the integrity of its systems or to comply with applicable law or regulation from time to time. The Participant agrees to notify RESET of any updates to that information;
- 4.6.5. each counterparty to a SEF Transaction warrants and represents that all such

information provided to RESET in support of this RESET Protocol is accurate in all respects as of the date it is provided and is permitted by the individuals to whom it pertains to be disclosed to the NEX SEF; and

- 4.6.6. each counterparty to a SEF Transaction agrees that, for any Clearable SEF Transaction, unless and until such Clearable SEF Transaction is accepted for clearing, it shall be responsible for all obligations in respect of that Clearable SEF Transaction. Prior to entering into any Clearable SEF Transaction via the RESET Service, in accordance with the NEX SEF Rulebook, it must provide RESET with a representation or guarantee from a clearing member in the form required by the NEX SEF.
- 4.7. Where any Identified Transaction in Futures Products is to be executed through the CME's ClearPort Platform (each a "**ClearPort Transaction**"):
 - 4.7.1 for any RESET Sessions:
 - (a) each counterparty to a ClearPort Transaction authorises BEL to provide the Identified Transactions to the RESET CTAs to submit for block execution on its behalf only after determination by each RESET CTA that execution prices are fair and reasonable, in each RESET CTA's separate and sole discretion;
 - (b) each counterparty to a ClearPort Transaction authorises the RESET CTAs to not submit Identified Transactions for execution for any reason;
 - (c) each counterparty to a ClearPort Transaction authorises BEL to provide relevant data to the RESET CTAs solely as necessary for submitting Futures Products for execution;
 - (d) each counterparty to a ClearPort Transaction authorises the RESET CTAs to enter into a Give-Up Agreement with an executing broker and the counterparty's clearing member on its behalf;
 - 4.7.2 each counterparty to a ClearPort Transaction shall configure its clearing account within CME's ClearPort Platform to automatically accept Identified Transactions submitted for clearing; and
 - 4.7.3 each counterparty to a ClearPort Transaction acknowledges that the sole responsibility of the RESET CTAs is submitting Futures Products for execution in accordance with this RESET Protocol.

5. Definitions

In this Protocol, unless otherwise defined in the Terms, all capitalised terms shall have the following meanings:

"**BEL**" means BrokerTec Europe Limited.

"**CABV**" means CME Amsterdam B.V.

"**CEA**" means the U.S. Commodity Exchange Act, as amended from time to time.

"**CEA ECP**" means an eligible contract participant within the meaning of section 1a of the CEA.

"**CFTC**" means United States Commodity Futures Trading Commission (and/or its successors).

"**CFTC Regulations**" means any rule, regulation, order, directive any interpretation thereof

promulgated by the CFTC, as amended.

“Clearable MTF Transaction” means any MTF Transaction that is listed for clearing by the EBS MTF: RESET Segment.

“Clearable SEF Transaction” means any SEF Transaction that is listed for clearing by the NEX SEF.

“ClearPort Platform” means a clearing service operated by Chicago Mercantile Exchange Inc. for privately negotiated futures contracts.

“ClearPort Transaction” has the meaning given to it in paragraph 4.7 of this RESET Protocol.

“CME” means the DCM operated by Chicago Mercantile Exchange Inc.

“Curve” means the price curve determined by RESET for use in any RESET Session.

“DCM” means a designated contract market under the CEA.

“Dodd-Frank Act” means the U.S Dodd-Frank (Wall Street Reform and Consumer Protection) Act, as amended from time to time.

“EBS MTF: RESET Segment” means the RESET Segment of the EBS multilateral trading facility operated by CABV.

“EBS MTF: RESET Segment Rulebook” means the rulebook and any appendix of the EBS MTF: RESET Segment, a copy of which can be found at <https://www.cmegroup.com/trading/market-tech-and-data-services/ebs/regdocs.html> or such successor website.

“EEA” means for the purposes of this RESET Protocol the European Economic Area excluding the United Kingdom.

“EEA Customer” means:

- (a) any Participant that has signed the Terms with TriOptima; or
- (b) where the Participant has not signed the Terms with TriOptima, the Participant (including any entity, branch or trader in the EEA) which is a user of the RESET Service,

but in the case of (a) and (b), only to the extent that the Participant is using the RESET Service from inside the EEA.

“FCA” means the Financial Conduct Authority of the United Kingdom (and/or its successors).

“FCA EC” means an eligible counterparty as defined by the FCA.

“Futures Product” means futures contracts and options on futures contracts and other products that are listed for trading on or subject to the rules of a DCM.

“Give-Up Agreement” means International Uniform Brokerage Execution Services (“Give-Up”) Agreement: Trader Version 2017.

“Identified Transaction” means any transaction in products, including transactions in Swaps and Futures Products, which are identified and arranged or executed between Participants because of their participation in a RESET Session.

“MTF Transaction” has the meaning given to it in paragraph 4.5 of this RESET Protocol. **“NEX SEF”** means the SEF operated by NEX SEF Limited.

“NEX SEF Rulebook” means the rules of the NEX SEF, a copy of which can be found at www.nexsef.com or such successor website.

“Non-EEA Customer” means:

- (a) any Participant that has signed the Terms with BEL; or
- (b) the Participant (including any entity, branch or trader outside the EEA) which is a user of the RESET Service,

but in the case of (a) and (b), only to the extent that the Participant is using the RESET Service from outside the EEA.

“Participant” means any person who participates in any RESET Session. **“Participant Data”** means the data specified by RESET, including information on the Participant’s risk positions and any risk criteria which the Participant wishes to be used in identifying any Identified Transactions to be arranged or executed, as the case may be, that is required for the Participant to participate in a RESET Session.

“Protocol Effective Date” means 13 December 2022.

“RESET” for the purposes of this RESET Protocol, means BEL or TriOptima as the context requires (as determined by this RESET Protocol) and the RESET CTAs with respect to designated RESET Sessions that incorporate Futures Products.

“RESET CTAs” means Dunn Capital Management, LLC and Financial Consortium International, LLC, each a commodity trading advisor registered with the CFTC and National Futures Association.

“RESET Protocol” means this document as amended from time to time.

“RESET Service” has the meaning given to it in paragraph 1.1 of this RESET Protocol. **“RESET Session”** means any cycle, run or session of the RESET Service.

“Session Cut-Off Time” has the meaning given to it in paragraph 4.6 of this RESET Protocol.

“SEF” means a swap execution facility as defined under the Dodd-Frank Act.

“SEF Transaction” has the meaning given to it in paragraph 4.6 of this RESET Protocol.

“SFSa” means the Swedish Financial Services Authority.

“SFSa EC” means an eligible counterparty as defined in the Swedish Securities Market Law (Sw: *Lagen om värdepappersmarknaden*).

“Swap” shall have the same meaning as in the CEA and CFTC Regulations. **“Terms”** means the RESET General Terms of Service.

“TriOptima” means TriOptima AB

“UK” means the United Kingdom of Great Britain and Northern Ireland.

“US Person” has the meaning given to it under the Dodd-Frank Act and the rules of the CFTC, including the Interpretative Guidance and Policy statement Regarding Compliance with Certain Swap Regulations dated July 26, 2013.

RESET PROTOCOL

PRODUCT SPECIFIC TERMS

Submission requirements, position matching and hedge pricing information

All Identified Transactions will follow the market standard holiday convention as defined by the International Swaps and Derivatives Association (“ISDA”).

Non-Deliverable Forwards (NDF)

The RESET Service will only match long and short positions submitted to it. The total nominal amount of long and short positions generated using a bilateral matching option will be equal.

Forward Rate Agreements and Single Period Swaps (FRA/SPS)

The RESET Service will only match long and short positions submitted to it. The total nominal amount of long and short positions generated using a bilateral matching option will be equal. For hedging currencies, it may be necessary to buy or sell an unequal amount to effectively manage any net delta created when matching notional amounts over varied day counts in the hedging process.

Credit limit notionals are expressed as six-month equivalents and will be multiplied by the relevant factors when converted to calculate alternate tenor exposures.

Basis Swaps

The RESET Service will only match long and short positions submitted to it. The total nominal amount of long and short positions generated using a bilateral matching option will be duration neutral at the durations declared.

In principle, all calculations are based on the longer floating index duration interest rate swap. The duration factors are calculated using standard market practices but because of varying calculation methods within institutions, these may not exactly match a Participant’s internal calculations.

Credit limits are expressed as a Trade/No Trade within 3 terms: up to 10y, up to 20y, 20y and longer.

Fees will be applied to a single Identified Transaction according to a standard methodology in a Participant’s brokerage agreement with BEL or TriOptima, as the case may be.

Inflation Swaps (INF)

Positions must be submitted in the form of overnight orders. The RESET Service will only match long and short positions submitted to it. The total nominal amount of long and short positions generated using a bilateral matching option will be duration neutral at the durations declared.

Credit limit notionals are expressed as two-year equivalents and will be multiplied by the relevant factors when converted to calculate alternate tenor exposures.

Options

The RESET Service will match long and short strike risk in puts or calls. The RESET Service will match puts with puts or calls with calls unless indicated on a given strike that puts can be matched with calls.

The RESET Service attempts to return a gamma and/or vega neutral package with a delta hedge within a Participant's portfolio of Identified Transactions.

The spot price for the delta hedge is set at the same time as the Curve. The RESET Service does not eliminate a Participant's risk completely but aims to reduce it to within acceptable parameters. As a result, any potential profit and loss impact from any spot moves is significantly reduced. The delta hedge Identified Transaction is shown separately within a Participant's results (such hedge service is provided free of charge and no brokerage will be charged on this Identified Transaction).

Deliverable Foreign Exchange (FXF)

The RESET Service will only match long and short positions submitted to it. The total nominal amount of long and short positions generated using a bilateral matching option will be equal and then subject to a net present value scaling. These scaling factors may be provided or published during a RESET Session.