

American Financial Exchange

Rulebook

ALL PRODUCTS

Effective as of May 30, 2023

American Financial Exchange, LLC

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NOTICES

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Chapter I **American Financial Exchange**

1.1 Introduction

The American Financial Exchange, LLC (“**AFX**” or the “**Exchange**”) is an organization structured to provide an efficient rules-based electronic exchange for Exchange Participants to borrow and lend on standardized terms. AFX has contracted with third party service providers, and may contract with other service providers, to perform services related to Exchange operations and the administration of Exchange Rules and, in general, to further the fair and orderly administration of AFX Markets.

1.2 Effectiveness of Rules

Unless otherwise specified by the Board, all Rules of the Exchange and amendments thereto from time to time adopted by the Exchange shall become effective on such date as may be determined by the Exchange.

It is understood and agreed by all Participants and Collateral Custodians that AFX is providing the facilities of the Exchange for use by such Participants and Collateral Custodians in connection with the submission of Orders and resulting execution of Loan transactions, and that all such transactions shall be entered into solely between the Participants, acting as principals. Subject in all respects to Section 2.5, neither AFX nor any Service Provider to AFX shall have any responsibility or liability whatsoever for any obligations of the parties to any such transactions executed through the Exchange or for compliance by such parties with any Applicable Law, or internal policies and procedures, that may be applicable to their entering into such transactions.

1.3 Governing Law

These Rules will be governed by and interpreted in accordance with the internal laws of the State of Illinois.

1.4 Definitions

“**Access Agreement**” means the agreement so designated under which, *inter alia*, a custodian agrees to act as Collateral Custodian (including in the capacity as Collateral Agent and Securities Intermediary) with respect to certain Exchange Participants.

“**AFX**” has the meaning assigned to it in the Introduction.

“**AFX ETS**” (or “**AFX System**” or “**Trading System**”) means the Exchange’s electronic trading system and interface pursuant to which Exchange Participants may access the Trading Platform and effectuate transactions in the AFX Markets.

“**AFX Markets**” means the Loan Market, the AMERIBOR[®] Market and such other additional markets as may be established by the Exchange from time to time.

“**AFX Related Persons**” has the meaning assigned to it in Rule 2.5.

“**AFX Secured Market**” means, collectively, the Secured Market and the Secured AMERIBOR[®] Market.

“**Allocated Collateral**” means, with respect to a Secured Borrower, any item or items in or credited to the Collateral Account of such Secured Borrower that are allocated to a particular Secured Allocated Collateral Loan made by a Relevant Secured Lender in the manner prescribed in this Rulebook. Allocated Collateral shall include any proceeds of any item of Allocated Collateral, including cash proceeds of any redemption or prepayment.

“**Allocated Collateral File**” means a file in “csv” format (or such other format as is required by the Exchange from time to time) containing such completed data fields as may be required by the Exchange, including without limitation trade identification information and the CUSIP or other identifying information of each item of Allocated Collateral.

“**AMERIBOR[®] Rate**” means any of the AMERIBOR[®] rates determined using the AFX proprietary methodology. They are denoted as a 360-day annualized percentage rates, following day convention rounded to the fifth decimal.

“**Applicable Law**” means any statute, law, regulation, rule or ordinance of any federal, state or local governmental entity applicable to such party.

“**Authorized Trader**” means an approved employee of an Exchange Participant who is authorized to receive privileges to access the Trading Platform in one or more approved AFX Markets.

“**Bank**” means (i) a “member bank”, as defined in Section 1 of the Federal Reserve Act (12 U.S.C. § 221) or (ii) a “depository institution”, as defined in Section 19(b)(1)(A) of the Federal Reserve Act (12 U.S.C. § 461(b)(1)(A)), in each case, as determined by AFX in its sole discretion; provided, that the term “Bank” shall not include any credit union unless such credit union is an “insured credit union”, as such term is defined in Section 101 of the Federal Credit Union Act (12 U.S.C. § 1752).

“**Benchmark**” means a standard or point of reference such as an interest rate or index, against which things may be compared or assessed.

“**Benchmark Calculation Agent**” means the entity that administers the calculation of the benchmark.

“**Bid Order**” means an Order to enter into a Loan as Borrower.

“**Board of Managers**” (or the “**Board**”) means a board comprised of individuals charged with managing the affairs of the Exchange as constituted in the Constitutive Documents.

“**Borrower**” means, with respect to a Loan, the Participant that has entered into such Loan as a “borrower” (including any Secured Borrower).

“**Business Day**” means any day other than a Saturday, Sunday or other day on which banks in Chicago, Illinois are authorized or required by law to close.

“**Cboe**” means Cboe Exchange, Inc. and/or Cboe Futures Exchange, LLC.

“**CFTC**” means the U.S. Commodity Futures Trading Commission.

“**Close of Market**” means 5:00 p.m. Central Time or such other time as notified to the Participants by the Exchange.

“**Collateral**” means, with respect to a Secured Borrower, all of such Secured Borrower’s right, title and interest in, to and under: (1) the Collateral Account of such Secured Borrower, and (2) all financial assets therein or credited thereto from time to time.

“**Collateral Account**” means, with respect to any Secured Borrower, a securities account established and maintained in the name of such Secured Borrower at the Securities Intermediary with respect thereto and designated by such Secured Borrower as its “Collateral Account” for purposes of the Secured Allocated Collateral Loans it enters into on the AFX Secured Market, and any successor or substitute accounts established and maintained in the name of such Secured Borrower at such Securities Intermediary; provided, that, for the avoidance of doubt, each Secured Borrower shall only have one Collateral Account.

“**Collateral Agent**” means the Collateral Custodian with respect to a Secured Borrower, acting in its capacity as the secured party for the benefit of the Relevant Secured Lenders of such Secured Borrower, from time to time.

“**Collateral Custodian**” means, with respect to a Secured Borrower, the custodian bank holding such Secured Borrower’s Collateral Account on its books and records; provided, that, for the avoidance of doubt, each Secured Borrower shall only have one Collateral Custodian.

“**Committee**” means the Executive Committee or a Standing Committee, as applicable.

“**Confidential Information**” has the meaning assigned to it in Rule 2.6.2.

“**Constitutive Documents**” means the certificate of formation and the Limited Liability Company Operating Agreement of AFX, each as amended or otherwise modified from time to time.

“**Correspondent Bank**” means a depository institution that consolidates funds from one or more “downstream” depository institutions on whose behalf the Correspondent Bank provides correspondent banking services and that are not direct Participants of AFX.

“**Credit Risk Manager**” means one or more individual whom the Participant has designated as being responsible for managing such Participant’s Unsecured Lending Limits, Minimum Offer Price Limits by Counterparty, and other such Participant risk parameter functions made available on the Trading System from time to time.

“**Defaulted Loan**” means, with respect to a Relevant Secured Lender, a Secured Allocated Collateral Loan by such Relevant Secured Lender to a Secured Borrower with respect to which an Event of Default has occurred and is continuing.

“**Delivered Collateral**” has, with respect to a particular Secured Delivered Collateral Loan, the meaning ascribed thereto in the Standard Pledge entered into between the Secured Borrower and Secured Lender with respect to such Secured Delivered Collateral Loan.

“**Delivered Collateral File**” means a file in “csv” format (or such other format as is required by the Exchange from time to time) containing such completed data fields as may be required by the Exchange, including without limitation trade identification information and the CUSIP or other identifying information of each item of Delivered Collateral.

“**Delivery**”, “**Delivery**” and “**Delivered**” have the meaning ascribed thereto in the Standard Pledge.

“**Deposit**” means funds placed in a bank.

“**Designated Exchange Participant**” (or “**Designated Participant**”) is an individual employee of an Exchange Participant who has access to the Exchange for purposes of transacting on the Exchange, or supporting such transacting on the Exchange, on behalf of the Participant by which he or she is employed and who, has been identified by the Exchange Participant as being subject, under laws or regulations applicable to, or internal policies of, the Exchange Participant, to additional personal trading restrictions related to exchange traded derivatives, including but not limited to futures and options on futures, that are based on the AMERIBOR[®] Rate and benchmarks of the Exchange.

“**Effective Date**” means, with respect to a Loan, the date that the underlying Trade occurred on the AFX System.

“**Eligible Collateral**” means any security (A) expressly approved by the Exchange, from time to time, or (B) satisfying the terms and conditions for “eligible collateral” determined by the Exchange, from time to time, in each case, as set forth in the most recent notice to Participants of Eligible Collateral made available by the Exchange from time to time. For the avoidance of doubt, the determination as to whether an item, including any item in a Collateral Account, is Eligible Collateral shall be made (i) at the execution of a Secured Allocated Collateral Loan with respect to which such item is transferred and allocated pursuant to Rules 6.1.3 and 6.1.10 or (ii) at the execution of a Secured Delivered Collateral Loan with respect to which any such item is pledged

to the applicable Secured Lender pursuant to the Standard Pledge with respect to such Secured Delivered Collateral Loan.

“Emergency” means any occurrence or circumstances which, in the sole discretion of the Exchange, (i) requires immediate action and (ii) threatens or may threaten such matters as the fair and orderly trading in, or the liquidation of or delivery pursuant to, any agreements, contracts or transactions on the Exchange, including without limitation and only by way of example any manipulative or attempted manipulative activity; any actual, attempted, or threatened corner, squeeze, congestion, or undue concentration of positions; any circumstances which may materially affect the performance of agreements, contracts or transactions traded on the Exchange, including failure of the settlement mechanism or the bankruptcy or insolvency of any Participant; any action taken by any governmental body, or any board of trade, market or facility which may have a direct or indirect impact on trading on the Exchange; circumstances under which the physical functions of the Exchange are, or are threatened to be, severely and adversely affected by a physical emergency including, but not limited to fire or other casualty, bomb threats, substantial inclement weather, power failures, communications or automated system breakdowns; and any other circumstances which may have or threaten to have a severe, adverse effect upon the fair and orderly functioning of the Exchange.

“Encumbrance” means any pledge, lien, mortgage, security interest or other encumbrance.

“Evergreen” means any loan or deposit that does not require the principal amount to be repaid within a specified period of time. Such evergreen loans and deposits will automatically be extended by one (1) business day subject to business day convention until such time as either party to the loan or deposit transaction notifies the other party to the loan or deposit transaction that it is terminating such loan or deposit transaction effectively immediately at which time such loan or deposit transaction will be locked into a fixed maturity as specified in the Term Sheet for such loan or deposit.

“Executive Committee” has the meaning assigned to it in Rule 2.3.1.

“Exchange” has the meaning assigned to it in the Introduction.

“Exchange Proprietary Information” means all information relating to the AFX ETS and the AFX Markets that is produced by, developed through or obtained by virtue of access to the AFX ETS, the Trading Platform or AFX Markets, including (i) information relating to the operation of the Trading System; (ii) proprietary information based on or produced by proprietary methodologies of the Exchange, including, without limitation, the AMERIBOR[®] Rate or AMERIBOR[®] Rates; and (iii) all trade data relating to Orders and Trades entered into or executed through the AFX ETS.

“Federal Funds Interest Rate or Fed Funds” means the overnight interest rate of the federal funds market consisting of domestic unsecured borrowings in U.S. dollars by depository institutions from other depository institutions and certain other entities, primarily government-sponsored enterprises, which appears at “Bloomberg EFFR Continuous Index Ticker Symbol FEDL01” (the “Price Source”) or, if such Price Source is not available, in another publication or price source identified by the Committee on Benchmark Oversight.

“Final AMERIBOR® Rate” means the final rate determined by the Exchange, using the AFX proprietary methodology, as the trade volume weighted rate of all the matched transactions that are executed during an AMERIBOR® Market. It is denoted as 360-day annualized percentage rate, following business day convention, rounded to the fifth decimal.

“Founding Participant” means an Exchange Participant that has agreed to be a “founding participant” in connection with the launch of the Exchange.

“Illinois UCC” means the Uniform Commercial Code as in effect in the State of Illinois.

“Indemnification Limitation” has the meaning assigned to it in Rule 2.5.1.

“IOSCO” refers to the International Organization of Securities Commissions which is an association of organizations that regulate the world’s securities and futures markets.

“Lender” with respect to a Loan means the Participant that has entered into such Loan as a “lender” (including any Secured Lender).

“Loan” means an Unsecured Loan, a Secured Allocated Collateral Loan or a Secured Delivered Collateral Loan.

“Loan Market” means an AFX Market in which Participants electronically commit to lending and borrowing short-term funds for commercial purposes. The Exchange’s Loan Markets initially consist of the Unsecured Market and the Secured Market.

“Loan Market Participant” means a Participant that has been approved to participate in the Loan Markets as described in Rule 0 or 3.1.2.

“Maturity Date” means the date that is such number of calendar days as corresponds to the stated term of the loan after the term commencement start date of a Trade (which, in the case of Unsecured Trades is the date of the Trade match, and in the case of Secured Trades is the Secured Loan Term Start Date); provided, that if any such date is not a Business Day, the repayment date shall be the next Business Day.

“Minimum Offer Price Limits by Counterparty” has the meaning assigned to it in Rule 4.4.5.

“Obligations” means, with respect to a Secured Allocated Collateral Loan or any Secured Delivered Collateral Loan, any and all obligations owed by the relevant Secured Borrower to the

Secured Lender relating to such Loan, including, without limitation, any obligation to repay any portion of the principal of such Secured Allocated Collateral Loan or Secured Delivered Collateral Loan, as the case may be, pay interest on such Secured Allocated Collateral Loan or Secured Allocated Collateral Loan, as the case may be, pay any late fee on such Secured Allocated Collateral Loan or Secured Allocated Collateral Loan, as the case may be, or any other payment obligation owed by such Secured Borrower to the Secured Lender relating to such Loan.

“**Offer Order**” means an Order to enter into a Loan on the AFX System as Lender.

“**Order**” means an order to buy or sell a stated amount of a product at a specified interest rate (price) or better that has been entered into the Trading System.

“**Participant**” (or “**Exchange Participant**”) means any person or entity that has been duly approved by the Exchange to engage in lending and borrowing activities in the AFX Markets by use of the Trading System.

“**Participant Application**” means the application pursuant to which a person or entity applies to become an Exchange Participant, including, without limitation, any agreements, covenants, representation or warranties provided by such person or entity therein.

“**Participation**” or (“**Exchange Participation**”) has the meaning assigned to it in Rule 2.4.3.

“**Participation Class**” has the meaning assigned to it in Rule 3.1.

“**Premium Amount**” means, with respect to any Secured Allocated Collateral Loan or a Secured Delivered Collateral Loan, the principal amount of the Secured Allocated Collateral Loan or Secured Delivered Collateral Loan multiplied by a percentage number that is made available from time to time by the Exchange.

“**Principal**” means a Participant who engages in borrowing or lending activities on their own behalf.

“**Provider of Operational Services**” means a Service Provider that shall perform market surveillance, manage information technology services and perform certain other agreed upon duties on behalf of the Exchange. Initially, the Exchange has contracted with Loan Markets, LLC to provide these services. Any action taken by a Provider of Operational Services, or its employees or authorized agents, acting on behalf of the Exchange pursuant to a services agreement shall be deemed to be an action taken by the Exchange.

“**Reference rate**” means an interest rate benchmark used to set other interest rates.

“**Relevant Secured Lender**” means, with respect to a Secured Borrower, the Secured Lender that has made a Secured Allocated Collateral Loan to such Secured Borrower that is outstanding or any Obligations under any such Secured Allocated Collateral Loan remain unpaid.

“Relevant Secured Allocated Collateral Loan” means, with respect to a Secured Borrower, a Secured Allocated Collateral Loan that is outstanding or with respect to which any Obligations remain unpaid.

“Rules of the Exchange” (or **“Exchange Rules”**, **“Rulebook”** or **“Rules”**) means the rules of the Exchange contained in this Rulebook or otherwise promulgated by the Exchange, as such rules may be amended, modified and supplemented from time to time.

“Secured Allocated Collateral Loan” means a secured loan underlying a Secured Trade that has been effectuated through the AFX ETS in the Secured Market that is subject to the security, control and intercreditor provisions of Chapter VI.

“Secured Borrower” means, with respect to a Secured Allocated Collateral Loan or Secured Delivered Collateral Loan, the Participant that has entered into such Secured Allocated Collateral Loan or Secured Delivered Collateral Loan as a “borrower”.

“Secured Delivered Collateral Loan” means a secured loan underlying a Secured Trade that has been effectuated through the AFX ETS in the Secured Market with respect to which the applicable Secured Lender and Secured Borrower have agreed to enter into a bilateral security agreement or arrangement involving the delivery or pledge of Delivered Collateral to the Secured Lender and not subject such Loan to the security, control and intercreditor provisions of Chapter V of this Rulebook.

“Secured Lender” means, with respect to a Secured Allocated Collateral Loan or Secured Delivered Collateral Loan, the Participant that has entered into such Secured Allocated Collateral Loan or Secured Delivered Collateral Loan as a “lender”.

“Secured Lending Limit” means the aggregate dollar amount that a lending Exchange Participant agrees to lend to an approved potential Borrower in respect of each Secured Market product (i.e., Product Lending Limit) or all products (i.e., Aggregate Lending Limit).

“Secured Loan Term Start Date” means the first Business Day after the date that a Secured Trade occurs on the AFX ETS.

“Secured Market” means an AFX Market in which Exchange Participants commit to secured loan transactions through the Trading Platform on the basis of AFX Standard Terms and eligible collateral is pledged by the Borrower to secure repayment to the Lender.

“Secured Obligations”, with respect to a Secured Delivered Collateral Loan, has the meaning ascribed thereto in the Standard Pledge for such Secured Delivered Collateral Loan.

“Secured Trade” means a Secured Market transaction executed on the AFX Trading Platform between two parties.

“**Securities Intermediary**” means, with respect to a Secured Borrower, the Collateral Custodian acting in its capacity as a securities intermediary with respect to the Collateral Account.

“**Senior Supervisory Officer**” means a senior officer of a Participant whom the Participant has designated as being responsible for and overseeing the activities of each such Participant’s Authorized Traders.

“**Service Provider**” means, as used with reference to the Exchange, any provider of services to the Exchange, including without limitation the Provider of Operational Services.

“**Standard Pledge**” (or “**AFX Standard Pledge**”) means the standard security pledge and delivery terms agreement governing each Secured Delivered Collateral Loan entered into as a result of a Trade effectuated in the Secured Market, in the form attached hereto as Appendix B. The Standard Pledge shall be deemed to be the agreed-upon security pledge and delivery terms between any a Secured Lender and a Secured Borrower that execute a Trade through the AFX ETS that results in a Secured Delivered Collateral Loan. The AFX Standard Pledge may be amended from time to time by the Exchange at its discretion, but any such amendment shall only effect Secured Delivered Collateral Loans entered into after such amendment.

“**Standard Terms**” (or “**AFX Standard Terms**”) means the standard lending terms agreement governing each Loan entered into as a result of a Trade effectuated through the AFX ETS, in the form attached hereto as Appendix A. The Standard Terms shall be deemed to be the agreed-upon lending and borrowing terms between any two Participants that execute a Trade through the AFX ETS in accordance with these Exchange Rules, as supplemented by the specific terms of such Trade reflected in each Trade confirmation (with respect to principal amount, rate, duration, collateral provisions (if applicable) and any other specific Trade terms). The AFX Standard Terms may be amended from time to time by the Exchange at its discretion, but any such amendment shall only effect Loans entered into after such amendment.

“**Standing Committee**” means any committee of the Board that may be composed, in part or in whole, of Exchange Participants for purposes of providing oversight of one or more particular Exchange functions. The Standing Committees may initially include (i) a Committee on Benchmark Oversight (ii) Committee on Trading and Market Operations; (iii) a Committee on Participation; and (iv) a Committee on Compliance and Dispute Resolution.

“**Trade**” means an Unsecured Trade or a Secured Trade.

“**Trading Platform**” means the Exchange’s electronic, internet-accessible system for posting and accepting bids to buy and offers to sell Loans and to establish the AMERIBOR[®] Rate or AMERIBOR[®] Rates. All AFX borrowing and lending must be effectuated through the Trading Platform in order to be recognized under Exchange Rules.

“**Unallocated Collateral**” means, with respect to a Secured Borrower, any item in or credited to the Collateral Account of such Secured Borrower that, at the relevant time, is not Allocated Collateral.

“**Unsecured Lending Limit**” means the aggregate dollar amount that a lending Exchange Participant agrees to lend to an approved potential Borrower in respect of each Unsecured Market product (i.e., Product Lending Limit) or all product (i.e., Aggregate Lending Limit).

“**Unsecured Loan**” means the unsecured loan underlying an Unsecured Trade that has been effectuated through the AFX ETS in the Unsecured Market.

“**Unsecured Market**” means an AFX Market in which Exchange Participants commit to unsecured loan transactions through the Trading Platform on the basis of AFX Standard Terms with pre-approved counterparties.

“**Unsecured Market**” means the Unsecured Market.

“**Unsecured Trade**” means an Unsecured Market transaction executed on the AFX Trading Platform between two parties, among whom the Lender has previously designated the Borrower as an acceptable counterparty.

“**User Agreement**” means the agreement so designated under which, inter alia, AFX agrees to make available the Loan Market, and the Trading Platform to an Exchange Participant together with any ancillary agreements, including, without limitation, the agreement to be bound by the terms and conditions of these Rules.

“**Value**” as of any time with respect to any Eligible Collateral means the value thereof as of such time as determined by the relevant Collateral Custodian in accordance with the valuation procedures made available from time to time by the Exchange. Collateral that is not Eligible Collateral shall have a Value of U.S.\$0.

Unless otherwise defined herein, the following terms are used herein as defined in the Illinois UCC: “financial assets”, “entitlement holder”, “securities intermediary” and “securities intermediary’s jurisdiction”, and “securities account”.

Chapter II Exchange Governance

2.1 Principal Place of Business

The Exchange shall have its principal place of business in Chicago, Illinois.

2.2 Board of Managers

The business and affairs of the Exchange shall be overseen by and under the direction of the Board of Managers, with all rights and powers generally conferred by law or otherwise provided in the Exchange's Constitutive Documents. Notwithstanding anything in Exchange Rules to the contrary, the Board of Managers shall have the power and authority to call for review, affirm, modify, suspend and/or overrule any and all decisions of its Committees and of Exchange management. Final authority with respect to interpretation of Exchange Rules, and all decisions related to the operation of the Exchange and the activities of Participants, shall be reserved to the Board of Managers or its delegate, which may include one or more Committees. Exchange Rules shall be interpreted in such a manner to effectuate the purposes and business of the Exchange and to promote the fair and orderly administration of the AFX Markets.

2.3 Exchange Governance Committees

The Board of Managers may form one or more Committees, which may be comprised, in part or in whole, of representatives of Participants of the Exchange. Any such Committee shall have composition and qualification standards as determined solely, and shall have the authority and power to exercise the functions delegated to it, by the Board of Managers.

2.3.1 Executive Committee

The Board shall have an Executive Committee ("**Executive Committee**") consisting of the Chief Executive Officer or similar officer of the Exchange, a member of the Board selected by the Chairman of the Board, and such other members as may be appointed from time to time. Such other members may include the chairpersons from each of (i) the Committee on Trading and Market Operations; (ii) the Committee on Participation; (iii) the Committee on Benchmark Oversight; and (iv) the Committee on Compliance and Dispute Resolution. The Executive Committee may, to the extent not reserved by the Board to itself, oversee the affairs of the Exchange; receive and appropriately act upon recommendations from the Standing Committees; address and resolve issues emerging from the Standing Committees; establish Committee charters that, among other things, establish the composition requirements of each Standing Committee; determine voting privileges, if any, of Exchange Participants on matters submitted to them; and establish additional Committees as may be deemed necessary from time to time.

2.4 Standing Committees

2.4.1 Responsibilities and Composition

There shall initially be four Standing Committees of the Exchange for the purpose of providing oversight of specific market functions. The four Committees are:

- Committee on Benchmark Oversight;
- Committee on Trading and Market Operations;
- Committee on Participation; and
- Committee on Compliance and Dispute Resolution

Standing Committees shall forward recommendations to the Executive Committee, which shall retain all authority, to the extent not reserved by the Board, to enact such recommendations. Additional Committees may be formed as necessary at the discretion of the Executive Committee.

Any Exchange Participant may nominate representatives to serve on a Standing Committee. Nominations shall be evaluated by the Executive Committee, which in its sole discretion may elect the members of each Standing Committee.

2.4.2 Committee on Benchmark Oversight

(a) Committee on Benchmark Oversight is responsible for providing independent oversight of the benchmarks established by the AFX and will work with the other Committees on an as needed basis. These oversight responsibilities include:

Benchmark design:

- The definition and methodology of the Benchmark;
- General issues and risks regarding the Benchmark;
- The calculation methodology of the Benchmark, and any proposed changes to the methodology.

Integrity of the Benchmark determination and control framework:

- Reliability and security of the processes and systems used to calculate the Benchmark;
- Audit findings related to the Benchmark production process;
- Any use of non-standard procedures in the production of the Benchmark, including the use of staff expert judgment or contingency data sources;
- Existing and potential conflicts of interest and related policies imposed on staff; and
- Complaints or inquiries received by the AFX and/or Calculation Agent regarding the Benchmark.

The Committee on Benchmark Oversight will meet at least twice annually and on an as needed basis to address issue(s) pertaining to the Benchmark(s).

(b) The Committee on Benchmark Oversight has specified the following procedures for the determination of an AMERIBOR® benchmark interest rate and AMERIBOR® term rate on days when the AFX market experiences an unscheduled closure or disruption; when the AFX market is open and there are no loans on the AFX market with which to calculate an AMERIBOR® benchmark interest rate; when more than ten days of transaction data would be needed to meet a minimum threshold of transaction principal in order to calculate an AMERIBOR® Term rate; or, in the judgment of the Committee on Benchmark Oversight, AFX is for any other reason unable to publish an AMERIBOR® benchmark interest rate or an AMERIBOR® Term rate that accurately reflects the relevant market for such rate. These procedures will be reviewed periodically by the Committee on Benchmark Oversight and may be modified when deemed appropriate.

(c) Procedures:

1. Weekends and Normally Scheduled AFX Holidays: The AMERIBOR® benchmark interest rate and AMERIBOR® term rate on any weekends or normally scheduled AFX holidays shall be the rate published by AFX for the prior AFX business day.

2. Unscheduled Closure or Disruption: The AMERIBOR® benchmark interest rate and an AMERIBOR® Term rate when there is an unscheduled closure or disruption (such as due to ad hoc national holidays, natural disasters, or disruptions to systems or infrastructure) shall be the rate published by AFX for the prior AFX business day, unless the Committee on Benchmark Oversight determines that the circumstance constitutes an unforeseen exogenous event.

3. Unforeseen Exogenous Event(s): The following procedures shall apply upon the occurrence of an unforeseen exogenous event such as: when the AFX market is open and there are no loans on the AFX market with which to calculate an AMERIBOR® benchmark interest rate; when the transaction data needed to reach the minimum volume to calculate an AMERIBOR® Term rate exceeds the maximum lookback window; or, in the judgment of the Committee on Benchmark Oversight, AFX is for any other reason unable to publish an AMERIBOR® benchmark interest rate or an AMERIBOR® Term rate that accurately reflects the relevant market for such rate.

A. For the AMERIBOR® benchmark interest rate (as determined by the Committee on Benchmark Oversight), the AMERIBOR® benchmark interest rate will be determined based on the recent historical AMERIBOR® benchmark interest rate spread in relation to the Fed Funds rate. The recent historical AMERIBOR® spread

to Fed Funds rate will be determined as the average differential between the Fed Funds rate and the AMERIBOR® benchmark interest rate during the prior 90 business day period. The recent historical AMERIBOR® spread will then be added to the daily closing Fed Funds interest rate on the relevant day in order to determine the closing AMERIBOR® benchmark interest rate for that day until such time as the Committee on Benchmark Oversight determines that the unforeseen exogenous event(s) have terminated. Such determination will be communicated to all AFX Members and will be published on www.ameribor.net website.

B. For the AMERIBOR® Term rate (as determined by the Committee on Benchmark Oversight), the AMERIBOR® Term rate will be the previous day's rate. Provided however, if one of the components of an AMERIBOR® Term rate is not available on a given day, the calculating agent may use the other available data components for purposes of the calculation, provided that the specified volume threshold is met. For the AMERIBOR® Term-30, the transaction data includes all eligible transactions reported over the prior five AFX business days. If the transaction data from the prior five AFX business days does not meet the minimum volume threshold of \$25 billion, the calculation agent will add the volume from the AFX business day preceding the five-day window in order to meet the volume threshold. The calculation agent will continue to add the next preceding day's volume to the AMERIBOR® Term-30 calculation until the minimum volume threshold is achieved, up to a maximum ten-day lookback window. If a ten-day lookback window does not result in sufficient transaction volume to reach the \$25 billion minimum volume threshold, the AMERIBOR® Term-30 rate will be the previous day's rate. For the AMERIBOR® Term-90, the transaction data includes all eligible transactions reported over the prior five AFX business days. If the transaction data from the prior five AFX business days does not meet the minimum volume threshold of \$10 billion, the calculation agent will add the volume from the AFX business day preceding the five-day window in order to meet the volume threshold. The calculation agent will continue to add the next preceding day's volume to the AMERIBOR® Term-90 calculation until the minimum volume threshold is achieved, up to a maximum fifteen-day lookback. If the fifteen-day lookback window does not result in sufficient transaction volume to reach the \$10 billion minimum volume threshold, the AMERIBOR® Term-90 rate will be the previous day's rate. Such determination will be communicated to all AFX Members and will be published on www.ameribor.net website.

4. Unavailability of Fed Funds Rate: In the event of an unforeseen exogenous event and the Fed Funds rate or the Price Source is not available, either because of an unforeseen shutdown or suspension of publication of the Fed Funds rate or the Price Source, or for any other reason, as determined by the Committee on Benchmark Oversight, the

AMERIBOR® benchmark interest rate and an AMERIBOR® Term rate will be determined, in the manner set forth in this Rule 2.4.2 based on such alternative price sources, market data, information from recognized dealers in the relevant markets or other sources that the Committee on Benchmark Oversight determines to be a reasonable substitute for the Fed Funds rate. Such determination will be communicated to all AFX Members and will be published on the on www.ameribor.net website.

(d) AFX will consult with Cboe Futures Exchange, LLC in its capacity as the Designated Contract Market (“DCM”) for AMERIBOR® futures contracts regarding any determination made by the Committee on Benchmark Oversight pursuant to subparagraphs 2, 3 or 4 of paragraph (c) of this Rule 2.4.2.

(e) Derived AMERIBOR® Term rates: AMERIBOR® Term rates are derived proprietary, forward-looking benchmarks representative of funding costs for 30, 90, 180 and 360 days for all U.S. banks and financial institutions. The AMERIBOR® Term-30 rate is calculated using only real-world transaction data, combining AMERIBOR® unsecured lending data from AFX’s overnight and thirty-day markets alongside primary market wholesale, unsecured USD-denominated commercial paper and commercial deposit issuances from US-based financial institutions. Commercial paper and commercial deposit issuances are reported by the Depository Trust & Clearing Corporation (DTCC). The transaction data includes all eligible transactions reported over the prior five AFX business days. Each relevant transaction’s interest rate is weighted by volume and basis point value, and the combined sum of these weighted interest rates is the AMERIBOR® Term-30 rate. If the initial five-day window does not result in a minimum volume threshold of \$25 billion, the first AFX business day preceding the five-day window is then included as a fallback, and if the \$25 billion threshold is still not met, the next preceding AFX business day is added until the threshold is met, up to a maximum ten-day lookback window. If the ten-day lookback window does not result in sufficient transaction volume to reach the \$25 billion minimum volume threshold, the prior day’s AMERIBOR® Term-30 rate is carried over. The AMERIBOR® Term-90 rate is calculated using only real-world transaction data from primary wholesale unsecured USD-denominated commercial paper and commercial deposit issuances from US-based financial institutions. Commercial paper and commercial deposit issuances are collected into a database by the Depository Trust & Clearing Corporation (DTCC). The transaction data includes all eligible transactions reported over the prior five AFX business days. If the initial five-day window does not result in a minimum volume threshold of \$10 billion, the first AFX business day preceding the five-day window is then included as a fallback, and if the \$10 billion threshold is still not met, the next preceding AFX business day is added until the threshold is met, up to a maximum fifteen-day lookback window. If the fifteen-day lookback window does not result in sufficient transaction volume to reach the \$10 billion minimum volume threshold, the prior day’s AMERIBOR® Term-90 rate is carried over.

(f) AMERIBOR® Term Structure rates: AMERIBOR® Term Structure rates are spot interest rates that are derived from the overnight unsecured AMERIBOR® cash rate and the implied forward rates from AMERIBOR® futures prices. Initial AMERIBOR® Term Structure rates include: Overnight, 1-week, 1-month, 3-months, 6-months, 1-year and 2-years. Additional AMERIBOR® Term Structure rates will be added as the AMERIBOR® futures strip is extended. AMERIBOR® Term Structure rates represent the spot funding costs for U.S. banks and financial institutions.

(g) Procedure for publication of AMERIBOR® Term Structure rates in the event of an unscheduled closure or disruption: The procedure for publication of the AMERIBOR® Term Structure rate for when there is an unscheduled closure or disruption (such as due to ad hoc national holidays, natural disasters, or disruptions to systems or infrastructure) shall be the rate published by AFX for the prior AFX business day, unless the Committee on Benchmark Oversight determines that the circumstance constitutes an unforeseen exogenous event.

h) In the event that one of the components of the AMERIBOR® Term Structure rate is not available on a given day, the procedure for calculation will be as follows: the calculating agent will use other alternative AMERIBOR® market inputs that are available. If alternative AMERIBOR® market inputs are not available for purposes of calculation of the AMERIBOR® Term Structure rates, the calculation agent will go back a day until the relevant market inputs are obtained.

2.4.3 Committee on Participation

The Committee on Participation shall assess Exchange Rules related to participation in the exchange (“**Participation**”) (excluding Exchange Rules related to Participation fees and dues) and make recommendations that further the objectives and well-being of the Exchange; make recommendations regarding approvals and non-approvals of new Exchange Participation and Collateral Custodian applications and new classes of Participants; make recommendations regarding potential new Exchange Participants and Collateral Custodian and, as needed, make recommendations that Exchange Participation or Collateral Custodians be revoked; and make recommendations regarding any changes to the standards and criteria for Participant and Collateral Custodian eligibility.

2.4.4 Committee on Trading and Market Operations

The Committee on Trading and Market Operations shall assess market operations and make recommendations of measures to further enhance the fair and orderly operation of the AFX Markets; make recommendations regarding potential product and market enhancements, including proposed modifications to products specifications; and periodically assess the sufficiency of the AFX Standard Terms governing loans and other transaction terms.

2.4.5 Committee on Compliance and Dispute Resolution

The Committee on Compliance and Dispute Resolution shall provide advice regarding interpretation and clarification of Exchange Rules; receive and consider periodic market surveillance reports; and deliberate on and recommend the resolution of possible rule violations by Exchange Participants, including the acceptance of offers of settlement and the levying of penalties.

2.5 Exchange Liability

Except as provided under Applicable Law and Rules 2.5.1 and 3.12.2, and except in instances where there has been a finding of willful or wanton misconduct, gross negligence, bad faith or fraudulent or criminal acts, in which case the party found to have engaged in such willful or wanton misconduct, gross negligence, bad faith or fraudulent or criminal acts cannot invoke the protection of this Exchange Rule, neither the Exchange nor any of its managers, directors, officers, employees, Committee members, contractors, agents, limited liability company members, Service Providers, licensors or consultants, nor any of their respective affiliates (each, an “**AFX Related Person**”), shall have or incur any liability whatsoever to any Exchange Participant or Collateral Custodian, any persons associated therewith, or any third parties related to any Exchange Participant or Collateral Custodian or associated persons or their customers, or their respective agents, successors, assigns, or representatives, for any loss, damage, cost, claims or expense (including, but not limited to, indirect, incidental or consequential damages) that arise out of or are caused by the use of the facilities and services provided by, through or in respect to the Exchange, any orders entered or transactions executed through the Exchange, and any orders entered or transactions executed in futures contracts on AMERIBOR[®] rates traded on any other exchange, any interruption in or failure or unavailability of any such facilities or services, any transaction executed through the Exchange, any action taken or omitted to be taken by the Exchange with respect to the business of the Exchange or any Participant or Collateral Custodian, any determination made by the Exchange or any AFX Related Person, or any information or data provided or withheld by the Exchange. Such limitation of liability shall apply to all claims, whether in contract, tort, negligence, strict liability or otherwise.

The Trading System and information made available as part of the Trading System is made available “as is” and without warranty of any kind (except for those set forth in Rule 3.16). All other warranties, conditions, representations, indemnities by AFX or its agents (including the Service Providers), affiliates or licensors, whether express, implied or statutory, arising by law, custom, prior oral or written statements by AFX, its directors, officers, employees, agents (including the Service Providers), affiliates, licensors or otherwise (including, but not limited to, any warranty of satisfactory quality, accuracy, uninterrupted use, timeliness, truthfulness, sequence, completeness, merchantability, fitness for particular purposes or non-infringement and

any implied warranties arising from trade usage, course of dealing or course of performance) are hereby overridden, excluded and disclaimed.

Subject to the exceptions set forth above, no AFX Related Person shall have or incur any liability whatsoever to any Exchange Participant or Collateral Custodian, any persons associated therewith or any third parties related to any Exchange Participant or Collateral Custodian or associated persons or their customers, or their respective agents, successors, assigns, or representatives, for any loss, damage, cost or expense (including, but not limited to, indirect, incidental or consequential damages) incurred by the Exchange Participant or Collateral Custodian as a result of any failure, malfunction, fault, delay, omission, inaccuracy, interruption or termination of service in connection with the furnishing, performance, operation, maintenance or use of or inability to use all or any part of any Exchange systems. Such limitation of liability shall apply regardless of the cause of such systems' failure even if due to Exchange error, omission or negligence. Further, such limitation of liability shall apply to all claims, whether in contract, tort, negligence, strict liability or otherwise.

Additionally, subject to the exceptions set forth above, the Exchange, its managers, directors, officers, employees, agents, Service Providers, licensors and consultants shall have and incur no liability whatsoever for any errors or inaccuracies in information provided by any Exchange systems or for any losses resulting from unauthorized access or any other misuse of any system or facility of the Exchange by any person.

Subject to the exceptions set forth above, no AFX Related Persons shall be liable to any Exchange Participant or Collateral Custodian or successors, representatives of customers thereof, or any persons associated therewith, for any loss, damages, claims or expenses: (1) arising out of the use of the AFX ETS, or trading in futures contracts on AMERIBOR[®] rates traded on any other exchange, or (2) arising from or occasioned by an inaccuracy, error, or delay in, or omissions of or from the collection, calculation, compilation, maintenance, reporting or dissemination of any information derived from the AFX ETS, resulting either from any act or omission by AFX or any AFX Related Person, including but not limited to any determination made by the Exchange or any AFX Related Person with respect to orders or transactions on the Exchange or any trading in futures contracts on AMERIBOR[®] rates on any other exchange, or from any act, condition or cause beyond the reasonable control of AFX or any AFX Related Person, including, without limitation, flood, extraordinary weather conditions, earthquake or other acts of God, fire, war, terrorism, insurrection, riot, labor dispute, accident, action of government, communications or power failure, or equipment of software malfunction.

Other than the exceptions to the Exchange's limitations on liability set forth in this Rule 2.5 (or otherwise in this Rulebook), each Exchange Participant and each Collateral Custodian expressly agrees, in consideration of its access to the AFX ETS, to release and discharge AFX and all AFX Related Persons of and from all claims and damages arising from (1) the Exchange Participant's

or Collateral Custodian's acceptance and use of the system; (2) any enforcement of the AFX Rules, or (3) any penalty imposed by AFX, its board of directors, or any duly authorized agent (including any Service Provider) or committee.

2.5.1 Infringement

Except as provided in these Rules, AFX shall defend, indemnify and hold harmless each Exchange Participant or Collateral Custodian, and its officers, directors, agents and employees, from and against damages, court costs and reasonable expenses incurred by any Exchange Participant or Collateral Custodian or damages, reasonable attorneys' fees, court costs and expenses awarded against Exchange Participant or Collateral Custodian with respect to infringement of any third party intellectual property rights arising from such Exchange Participant's or Collateral Custodian's use of the Trading Platform as authorized in the User Agreement or Access Agreement, as the case may be, or this Rulebook, provided that Exchange Participant has complied with all of its obligations under the User Agreement or Access Agreement and this Rulebook; provided, further, that the indemnification amount shall in no event exceed in the case of the Collateral Custodian, \$75,000 ("**Indemnification Limitation**").

Subject in all cases to the Indemnification Limitation, AFX will select (subject to the consent of the indemnified party, such consent not to be unreasonably withheld), retain and pay for counsel who are experienced in the defense of such claims, and shall be responsible for payment of the costs and expenses of defending an Exchange Participant or Collateral Custodian and/or negotiating any settlement on behalf of such Exchange Participant. AFX may not settle a claim on behalf of an Exchange Participant or Collateral Custodian for any amount that exceeds the Indemnification Limitation unless (1) the relevant Exchange Participant or Collateral Custodian consents in writing or (2) AFX determines to pay the amount in excess of the Indemnification Limitation itself. The indemnification provided under this Rule shall be each Exchange Participant's or Collateral Custodian's sole and exclusive remedy against AFX with respect to any third-party infringement claim.

If an Exchange Participant or Collateral Custodian becomes aware of any infringement claim against it for which it intends to seek indemnification under this Rule, the Exchange Participant or Collateral Custodian will notify AFX promptly of receiving notice of such claim (and in any event within forty-eight (48) hours) and shall tender to AFX the defense of such claim; provided, however, that the failure to give notice shall not affect the obligation of AFX to provide indemnification unless such failure prejudices AFX's right or ability to defend the claim. The notice from the Exchange Participant or Collateral Custodian shall identify with reasonable specificity the alleged basis of the claim (including by identifying the intellectual property allegedly being infringed), the alleged facts giving rise to the claim, if known, and the alleged damages and other amounts being sought under the claim. In addition, Exchange Participant or

Collateral Custodian shall promptly transmit to AFX any documents referring to or setting forth the claim.

An Exchange Participant or Collateral Custodian shall, at the sole expense of AFX (subject in all cases to the Indemnification Limitation), fully cooperate and assist AFX in the defense of such claim, including, but not limited to, attending depositions, providing access to any pertinent information, documents and personnel, and otherwise cooperating as reasonably required to defend such claim. The Exchange Participant or Collateral Custodian may, in its sole discretion and at its own expense, retain other counsel. However, in such event, there shall be no reimbursement by AFX to the Exchange Participant or Collateral Custodian, as the case may be, for any attorneys' fee, costs, expenses or other charges incurred by Exchange Participant in connection with the services provided by such other counsel, and the right to control the defense and/or settlement of such claims shall remain with AFX.

2.6 Confidentiality

2.6.1 Exchange Participant and Collateral Custodian Confidentiality Obligations

No Exchange Participant or Collateral Custodian shall disclose or use for any purpose other than engaging in expressly authorized activities pursuant to these Rules any non-public Exchange Proprietary Information, all of which shall be treated as confidential information. For avoidance of doubt, this includes all information (such as all trade data and information contained in the AFX ETS) prior to the time, if any, that such information is made public by the Exchange. An Exchange Participant or Collateral Custodian will not disclose, in whole or in part, the Exchange Proprietary Information to any person, except as specifically authorized under the User Agreement or Access Agreement, as the case may be, and this Rulebook. An Exchange Participant or Collateral Custodian may not disclose any data or compilations of data made available to the Exchange Participant by AFX, including the AMERIBOR[®] Rate or AMERIBOR[®] Rates prior to it being made public from time to time by the Exchange, without the express, prior written authorization of AFX.

No individual that is affiliated with an Exchange Participant or Collateral Custodian and that serves as a member of any Committee shall use or disclose any material non-public information obtained in connection with such member's participation in such Committee for any purpose other than the performance of his or her official duties as a member of such Committee.

Notwithstanding the foregoing, Exchange Proprietary Information may be disclosed by a Participant of Collateral Custodian to the extent the information:

- (i) was rightfully known to the receiving party prior to its receipt from AFX;
- (ii) is or becomes public knowledge through no fault of receiving party;

- (iii) is disclosed to receiving party by a third party with the right to disclose the information without restriction; or is disclosed to receiving party pursuant to a contractual requirement (such as a provision of an investment management agreement); or
- (iv) is required to be disclosed by receiving party to a governmental agency or other third party under operation of law, regulation, or court order, provided that receiving party notifies AFX in writing of any such disclosure obligation promptly upon its receipt (if so permitted by applicable law, rule, regulation or court order), and in any event prior to making any disclosure pursuant thereto, and provides such assistance in seeking a protective order or other appropriate relief as AFX may reasonably request; provided, however, that the receiving party may make disclosures under this provision without giving prior notice to AFX to the extent such disclosures are commercially reasonable under the circumstances and so long as the receiving party provides AFX with notice of such disclosure as soon as reasonably practicable thereafter.

To the extent that an Exchange Participant or Collateral Custodian has possession of or is aware of any “Information” (as such term is defined in the User Agreement or Access Agreement) other than Exchange Proprietary Information either pursuant to the terms of the User Agreement or otherwise lawfully obtained, AFX hereby authorizes the disclosure of such Information to the extent that such Information is required to be disclosed by Exchange Participant or Collateral Custodian to a governmental agency or other third party under operation of law, regulation, or court order, provided that Exchange Participant or Collateral Custodian notifies AFX in writing of any such disclosure obligation promptly upon its receipt (if so permitted by applicable law, rule, regulation or court order), and in any event prior to making any disclosure pursuant thereto, and provides such assistance in seeking a protective order or other appropriate relief as AFX may request; provided, however, that the Exchange Participant or Collateral Custodian may make disclosures under this provision without giving prior notice to AFX to the extent notice of such disclosures is not practicable under the circumstances after reasonable best efforts by the Exchange Participant or Collateral Custodian to provide such notice and so long as the Exchange Participant or Collateral Custodian provides AFX with notice of such disclosure as soon as reasonably practicable thereafter.

2.6.2 AFX Confidentiality Obligations

AFX agrees that the information provided to AFX pursuant to the User Agreement or Access Agreement, as the case may be, these Rules and the Trades contemplated thereby that is specifically identifiable to such Exchange Participant or Collateral Custodian is confidential information relating to the Exchange Participant or Collateral Custodian (“**Confidential Information**”) and AFX agrees that it shall keep (and will cause its agents and Service Providers

to keep) in confidence the Confidential Information using the same standard of care it uses to keep its own Confidential Information private, but no less than a reasonable standard of care, and not use that Confidential Information for any purpose other than the performance of its obligations or the exercise of its rights under the User Agreement or Access Agreement, as the case may be, or this Rulebook, including, without limitation, to determine and calculate the AMERIBOR[®] Rate or AMERIBOR[®] Rates. Notwithstanding the foregoing, AFX may disclose the Confidential Information to the extent it is required to do so under operation of law, regulation or court order; provided, that AFX notifies the applicable Exchange Participant or Collateral Custodian in writing of such disclosure obligation promptly upon its receipt (if so permitted by applicable law, rule, regulations, or court order) and in any event prior to making any disclosure pursuant thereto (unless prohibited by applicable law, rule, regulations, or court order).

AFX acknowledges that a breach of the confidentiality provisions of these Rules will result in serious and irreparable harm to the relevant Exchange Participant or Collateral Custodian for which there is no adequate remedy at law. In the event of such a breach by AFX, the relevant Exchange Participant shall be entitled to any temporary or permanent injunctive or other equitable relief in addition to any monetary damages hereunder.

2.7 Emergencies

The Exchange may adopt an Emergency regulation or resolution that shall supersede and supplant all contrary or inconsistent Exchange Rules, resolutions or rulings. Notice of the adoption of an Emergency regulation or resolution shall be promptly communicated to all Exchange Participants. An Emergency regulation or resolution shall expire once the Exchange rescinds the Emergency regulation or resolution.

All Exchange transactions and contracts shall be subject to such emergency regulations or resolutions.

The term “**Emergency**” shall include any circumstance in which an Emergency can in good faith be declared by the Exchange.

In the event of an Emergency, either the Chief Executive Officer, the President, or in their absence a member of the Board or another officer or authorized representative of the Exchange, is authorized to take such action as may be necessary or appropriate to promote a fair and orderly market, including, but not limited to: suspending trading; temporarily extending, limiting or changing the hours of trading; or extending trading hours.

2.8 New Rules and Amendments

2.8.1 Rulebook Changes

Changes to this Rulebook may be made from time to time in the sole and exclusive discretion of the Exchange, provided that any such change shall apply only to Trades and Loans entered into after the effective date of the change; provided, further, that the Exchange may not amend any provision in Rule 2.5 or Rule 3.12 without (i) the consent of a majority of the Exchange Participants (except in the case of changes that do not adversely affect the rights or obligations of any Exchange Participant thereunder) or (ii) the consent of each Collateral Custodian (except in the case of changes that do not adversely affect the rights or obligations of any Collateral Custodian thereunder), except, in the case of each of (i) or (ii), (a) if required to do so under applicable law or regulation or (b) to correct obvious errors.

In the event that the Exchange amends this Rulebook in a manner that materially adversely affects the rights of any Collateral Custodian, that Collateral Custodian, upon one Business Day notice to the Exchange, may cease to act as Collateral Custodian for any new Secured Allocated Collateral Loans; provided, however, that, for the avoidance of doubt, Collateral Custodian will not be relieved of any rights or obligations with respect to any outstanding Secured Allocated Collateral Loans with respect to which it is acting as Collateral Custodian.

2.8.2 Notice of Rulebook Changes

At least two Business Days prior to the effective date of any addition to, or modification of, the Rules pursuant to Rule 2.8.1, the Exchange shall communicate in writing a notice to each Exchange Participant and each Collateral Custodian of such addition or modification, in a form and manner that is reasonably designed to enable each Exchange Participant and each Collateral Custodian to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to, such addition or modification, prior to the effective date thereof; provided, however, that, (i) so long as the Exchange uses reasonable best efforts to provide such prior notice, any failure of the Exchange to provide such notice shall not affect the effectiveness of the addition or modification, and, (ii) in the event of a good faith determination by the Exchange that it is necessary to maintain an orderly market or for any other exigency, then notice may be communicated in writing as soon as reasonably practicable following effectiveness of the rule change.

For purposes of such or any other Exchange communication, it shall be sufficient (without limiting the discretion of the Exchange as to any other reasonable means of communication) if notice is posted on the Exchange's website or sent by electronic mail (including by means of a hyperlink included in an electronic mail message) to a Participant's email address on record with the Exchange.

2.9 Regulation and Other Exchange Operations

The Exchange may enter into one or more agreements with one or more other organizations to provide regulatory, operational and other services to the Exchange to assist the Exchange in operating the AFX Markets. Such services may include, among other things: membership services relating to the on-boarding of prospective Exchange Participants or Collateral Custodian (including the review of applications for completeness and applicant eligibility); operational and technology services; and legal and regulatory compliance services (including market surveillance services).

In case of matters occurring on the Exchange that may be worthy of further inquiry or investigation, the relevant Committee will be apprised of such matters and shall recommend appropriate action to the Executive Committee or the Board. Each Exchange Participant and each Collateral Custodian shall afford all necessary cooperation with respect to any inquiries, reviews or investigations undertaken by or on behalf of (i) the Exchange and its representatives, (ii) the Exchange's service provider Cboe Exchange, Inc. ("Cboe"); and (iii) the Commodity Futures Trading Commission ("CFTC"), in connection with its responsibilities under the Commodity Exchange Act for oversight of the listing and trading of AMERIBOR[®] futures and AMERIBOR[®] futures options. Without limiting the generality of the foregoing, each Exchange Participant and each Collateral Custodian shall respond to any such requests in a form and manner prescribed, and within the time frame designated, by the Exchange, Cboe, and / or the CFTC.

Any action taken by such other organization, or its employees or authorized agents, acting on behalf of the Exchange as the Provider of Operational Services shall be deemed to be an action taken by the Exchange. Any authority that may be exercised by the Exchange under Exchange Rules or otherwise may be delegated to and exercised to the same extent by the Provider of Operational Services.

2.10 Process for Disciplinary Action

All Exchange Participants are subject to this Section, including without limitation, if they are alleged to have violated, to have aided and abetted a violation, to be violating, or to have attempted to violate, any Rule of the Exchange or any provision of Applicable Law for which the Exchange possesses disciplinary jurisdiction.

2.10.1 Inquiries and Investigation

(a) The Exchange Compliance Department or its designated compliance agent ("Compliance Department") may investigate any matter within the Exchange's disciplinary jurisdiction that is brought to such Department's attention. The Compliance Department will determine the nature and scope of its inquiries and investigations within its sole discretion and will function independently of any commercial interests of the Exchange.

(b) The Compliance Department has the authority to:

- (i) initiate and conduct inquiries and investigations;
- (ii) prepare investigative reports and make recommendations concerning initiating disciplinary proceedings;
- (iii) prosecute alleged violations within the Exchange's disciplinary jurisdiction; and
- (iv) represent the Exchange on appeal from any disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.

2.10.2 Compliance and Dispute Resolution Committee

The Compliance and Dispute Resolution Committee will be comprised of three members, one of whom shall act as chairman and one of whom will serve as vice-chairman. The Committee will, pursuant to the procedures set forth in this chapter, review investigation reports submitted to it by the Compliance Department to determine (a) whether a reasonable basis exists to believe that a violation of a Rule of the Exchange has occurred and (b) whether commencing disciplinary proceedings in respect of such potential violation is warranted. The members of the Compliance and Dispute Resolution Committee will be appointed by the Board for a term of one year.

2.10.3 Review of Investigative Reports

(a) The Compliance and Dispute Resolution Committee will review promptly each completed investigation report to determine whether a reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or has been attempted.

(b) If the Compliance and Dispute Resolution Committee determines that additional investigation or evidence is needed to decide whether a reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or has been attempted, the Compliance and Dispute Resolution Committee will direct the Compliance Department to conduct further investigation.

(c) After receiving a completed investigation report, the Compliance and Dispute Resolution Committee will determine for each potential respondent whether to authorize:

- (i) the commencement of formal disciplinary proceedings because a reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or has been attempted;
- (ii) the informal disposition of the investigation (by issuing a warning letter or otherwise) because the violation reasonably believed to have occurred or have been attempted within the Exchange's jurisdiction does not rise to a level of egregiousness to warrant formal disciplinary proceedings; or
- (iii) the closing of the investigation without any action because formal or informal disciplinary proceedings are not warranted, or no reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or has been attempted.

(d) Any member of the Compliance and Dispute Resolution Committee must promptly recuse himself or herself and notify the General Counsel of the recusal if such member has a relationship with a potential respondent in an investigative report.

2.10.4 Convening Hearings of Disciplinary Proceedings

All disciplinary proceedings (except for summary impositions of fines pursuant) will be conducted at a hearing before the Compliance and Dispute Resolution Committee.

2.10.5 Conducting Hearings of Disciplinary Proceedings

(a) At a hearing conducted in connection with any disciplinary proceedings, the Compliance Department will present its case supporting the allegations and proposed sanctions in the notice of charges to the Compliance and Dispute Resolution Committee.

(b) At a hearing conducted in connection with any disciplinary proceedings, the Compliance and Dispute Resolution Committee or the Compliance Department and each respondent may:

- (i) present evidence and facts determined relevant and admissible by the chairman of the Compliance and Dispute Resolution;
- (ii) call and examine witnesses (including employees or agents of the Exchange that form part of the Compliance Department); and
- (iii) cross-examine witnesses called by other parties.

2.10.6 Decision of Compliance and Dispute Resolution

(a) As promptly as reasonable following a hearing, the Committee will issue an order rendering its decision based on the weight of the evidence contained in the record of the disciplinary proceedings. A decision by a majority of the Compliance and Dispute Resolution Committee will constitute the decision.

(b) The Exchange will serve a copy of the order of the disciplinary proceedings on the respondent and the Compliance Department. The order will include:

- (i) the notice of charges or summary of the allegations;
- (ii) the answer, if any, or a summary of the answer;
- (iii) a brief summary of the evidence introduced at the hearing;
- (iv) findings of fact and conclusions concerning each allegation, including each specific Rule of the Exchange and provision of Applicable Law that the respondent is found to have violated; and
- (v) the imposition of sanctions, if any, and the effective date of each sanction.

2.10.7 Sanctions

(a) After notice and opportunity for hearing in accordance with these Rules, the Exchange will impose sanctions if a Member is found to have violated a Rule of the Exchange or provision of Applicable Law for which the Exchange possesses disciplinary jurisdiction. The Exchange may impose one or more of the following sanctions or remedies:

- (i) censure;
- (ii) limitation on Trading Privileges, or other activities, functions or operations;
- (iii) suspension of Trading Privileges;
- (iv) fines;
- (v) expulsion or termination of a Member within the Exchange's jurisdiction; or
- (vi) any other sanction or remedy deemed to be appropriate.

2.10.8 Costs

Regardless of the outcome of any disciplinary proceeding, the Compliance and Dispute Resolution Committee may order a respondent to pay some or all of the costs associated with the disciplinary proceedings, including costs that the Compliance and Dispute Resolution believes were unnecessarily caused by the respondent.

2.10.9 Appeal from Compliance and Dispute Resolution Decision

Each respondent found by the Compliance and Dispute Resolution Committee to have violated a Rule of the Exchange or a provision of Applicable Law may appeal the decision of the Compliance and Dispute Resolution Committee within seven (7) days of receiving the order of the disciplinary proceedings by filing a notice of appeal with the Secretary. While an appeal is pending, the effect of the order of disciplinary proceedings (including any sanctions, remedies or costs imposed thereby) is suspended.

Chapter III Exchange Participation

Each Exchange Participant is responsible for the trading conduct and financial obligations arising from its representatives serving as Authorized Traders.

Each Collateral Custodian is responsible for the performance of its obligations in its capacity as Securities Intermediary and Collateral Agent with respect to Exchange Participants.

Each Participant and each Collateral Custodian, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.

3.1 Participation Classes

The two classes of Exchange Participation are (i) Bank Loan Market Participants; and (ii) Non-Bank Loan Market Participants. A Participant may qualify simultaneously for more than one Participation Class, but Participants must be separately considered and approved by the Exchange for each Participation Class.

3.1.1 Types of Market Participants

Participants may be Unsecured Market Participants or Secured Market Participants.

3.1.1.1 Unsecured Market Participants

An Unsecured Market Participant (as such) is authorized to participate solely in the Unsecured Market.

3.1.1.2 Secured Market Participants

A Secured Market Participant (as such) is authorized to participate solely in the Secured Market.
Bank Loan Market Participants

Bank Loan Market Participants consist only of eligible Banks. A Bank Loan Market Participant (as such) is a Loan Market Participant that is authorized to participate solely in the Loan Markets (the Unsecured Market, the Secured Market or both).

AFX notes that, to the extent that a Loan settles on the same date as the Trade and matures on the following Business Day, any such Loan should be consistent with the definition of a “federal funds transaction” for purposes of the “Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices” published by the Federal Financial Institutions Examination Council. However, each Bank Participant is responsible for making its own institution-specific determination with respect to the categorization of any Loan for regulatory and reporting purposes.

Each Bank Loan Market Participant makes the following representation as of the date of its authorization as a Bank Loan Market Participant by the Exchange, and such representation is deemed to be repeated upon entering into any Loan pursuant to this Rulebook:

- (i) Participant is a Bank;
- (ii) Participant is regularly engaged, in the ordinary course of its business, in the making of loans for the purpose of providing short-term operational funding to the borrowers of such loans where such loans are made in the form of, and are characterized and treated by the parties, for purposes of their books and records and any applicable regulatory requirements, as loans, and are not in the form of, and are not documented or characterized as, debt securities, notes, deposits or other types of investment transactions or instruments;
- (iii) When acting as a Lender, Participant has the capability of conducting, and does regularly conduct, due diligence, consistent with market practices of lenders, into the creditworthiness of the borrowers to which it extends loans and will conduct such due diligence with respect to the borrowers to which it extends loans through the AFX System;
- (iv) When acting as a Lender, Participant will enter into loans through the AFX System with the intention and for the purpose of holding such loans as whole loans, through the maturity of such loans;
- (v) When acting as a Lender, Participant will not in any way fractionalize, securitize or otherwise transfer or offer an interest in the loans entered into through the AFX System;
- (vi) When acting as a Borrower, Participant shall use the proceeds of any loans entered into pursuant to the AFX Rules for the purpose of obtaining short-term operational funding;
- (vii) Participant acknowledges that, except with respect to transactions in which it operates as a Correspondent Bank, acting as an agent for its Downstream Banks in accordance with Chapter IX, it is, and shall at all times be, principal to each Loan entered into by it through the AFX System and that no person, including any customer of such Participant, shall be in any privity with the relevant Borrower, nor shall the Borrower be obligated to any person other than the Participant, under any Loan entered into by the Participant as lending Participant;
- (viii) Participant acknowledges that any agreement with any person pursuant to which it acquires funds for the purposes of funding Loans through the AFX System shall be solely the responsibility of the Participant; provided, however, that no such

agreement shall purport to grant any party to the agreement other than the Participant (A) status as a Participant, (B) access to the AFX System (directly, indirectly or otherwise) or (C) interest in any loans entered into by the Participant through the AFX System; and

- (ix) Participant shall at all times be responsible for the credit risk of any Borrower on the AFX System that borrows from the Participant and the Participant shall not in any way pass through any credit risk or default costs to any person, including any customer of the Participant.

3.1.2 Non-Bank Loan Market Participants

- (a) Non-Bank Loan Market Participants consist only of certain types of entities identified in this Rule 3.1.2 and subject to the conditions herein. A Non-Bank Loan Market Participant (as such) is a Loan Market Participant that is authorized to participate solely in the Loan Markets subject to the requirements set forth in this Rules 3.1.2.
- (b) Each Non-Bank Loan Market Participant, that intends to act as a Lender, makes the following representations as of the date of its authorization as a Non-Bank Loan Market Participant by the Exchange, and such representations are deemed to be repeated upon entering into any Loan pursuant to this Rulebook:
 - (i) Participant is one of the following types of entities: (A) an insurance company subject to regulation as such under applicable laws and regulations, (B) a broker-dealer registered with the Securities and Exchange Commission as such (or an affiliate thereof); (C) a lender that is registered as such under Regulation U of the Board of Governors of the Federal Reserve System; (D) a fund that relies on Section 3(c)(1) or 3(c)(7) of the Investment Company Act for exemption from such Act that has as one of its primary purposes the making of loans; or (E) a “finance company” that is affiliated with a broker-dealer, corporation or financial institution and that is regularly engaged in the business of making loans; (F) an “investment company” within the meaning of the Investment Company Act of 1940, as amended; (G) a corporation.
 - (ii) Participant is regularly engaged, in the ordinary course of its business, in the making of loans for the purpose of providing short-term operational funding to the borrowers of such loans where such loans are made in the form of, and are characterized and treated by the parties, for purposes of their books and records and any applicable regulatory requirements, as loans, and are not in the form of, and are not documented or characterized as, debt securities, notes, deposits or other types of investment transactions or instruments;

- (iii) When acting as a Lender, Participant has the capability of conducting, and does regularly conduct, due diligence, consistent with market practices of lenders, into the creditworthiness of the borrowers to which it extends loans and will conduct such due diligence when acting as a Lender on the AFX System with respect to the Borrowers to which it extends Loans through the AFX System;
 - (iv) When acting as a Lender, Participant will enter into loans through the AFX System with the intention and for the purpose of holding such loans as whole loans, through the maturity of such loans;
 - (v) When acting as a Lender, Participant will not in any way fractionalize, securitize or otherwise transfer or offer an interest in the loans entered into through the AFX System;
 - (vi) When acting as a Lender, Participant acknowledges that it is, and shall at all times be, principal to each Loan entered into by it through the AFX System and that no person, including any customer of such Participant, shall be in any privity with the relevant Borrower, nor shall the Borrower be obligated to any person other than the Participant, under any Loan entered into by the Participant as Lender;
 - (vii) Participant acknowledges that any agreement with any person pursuant to which it acquires funds for the purposes of funding Loans through the AFX System shall be solely the responsibility of the Participant; *provided, however*, that no such agreement shall purport to grant any party to the agreement other than the Participant (A) status as a Participant, (B) access to the AFX System (directly, indirectly or otherwise) or (C) interest in any loans entered into by the Participant through the AFX System;
 - (viii) Participant shall at all times be responsible for the credit risk of any Borrower on the AFX System that borrows from the Participant and the Participant shall not in any way pass through any credit risk or default costs to any person, including any customer of the Participant; and
 - (ix) Participant shall not attempt to, nor shall it be permitted to, act as a Borrower under any Loan entered into pursuant to the AFX System, except as permitted in accordance with Rule 3.1.2(d).
- (c) Each Non-Bank Loan Market Participant, that intends to act as a Borrower, makes the following representations as of the date of its authorization as a Non-Bank Loan Market Participant by the Exchange, and such representations are deemed to be repeated upon entering into any Loan pursuant to this Rulebook:

- (i) Participant is (A) an insurance company subject to regulation as such under applicable laws and regulations, (B) a broker-dealer registered with the Securities and Exchange Commission as such; or (C) a futures commission merchant registered with the Commodity Futures Trading Commission as such; (D) a corporation.
 - (ii) When acting as a Borrower, Participant shall use the proceeds of any loans entered into pursuant to the AFX Rules for the purpose of obtaining short-term operational funding; and
 - (iii) Participant shall not attempt to, nor shall it be permitted to, act as a Lender under any Loan entered into pursuant to the AFX System, except in accordance with Rule 3.1.2(d).
- (d) To the extent that any Non-Bank Loan Market Participant does not satisfy the conditions in Rule 3.1.2(c) but does satisfy the conditions in Rule 3.1.2(b), such Non-Bank Loan Market Participant shall be authorized to act as a Lender but shall not be authorized to act as a Borrower. To the extent that any Non-Bank Loan Market Participant does not satisfy the conditions in Rule 3.1.2(b) but does satisfy the conditions in Rule 3.1.2(c), such Non-Bank Loan Market Participant shall be authorized to act as a Borrower but shall not be authorized to act as a Lender. If, and only if, a Non-Bank Loan Market Participant satisfies the conditions in both Rule 3.1.2(b) and Rule 3.1.2(c), such Non-Bank Loan Market Participant shall be authorized to act as both a Borrower and a Lender.

3.1.3 Supplementary Criteria Applicable to Exchange Participants Subject to Certain U.S. Laws

3.1.3.1 12 U.S.C. § 5390(a)(6)

Where an Exchange Participant that is a Secured Borrower is a financial company as such term is defined in 12 U.S.C. § 5381(a)(11) (or any successor provision thereto), it shall cause the conditions identified in 12 U.S.C. § 5390(a)(6) (or any successor provision thereto) relating to the execution of agreements effective against the Federal Deposit Insurance Corporation, as such conditions relate to the User Agreement and each Secured Loan or Secured Delivered Collateral Loan, to be satisfied; and it shall be deemed to have confirmed the continuing satisfaction of such conditions each time that it effects a Secured Allocated Collateral Loan or Secured Delivered Collateral Loan through the AFX System.

An Exchange Participant that is a financial company as such term is defined in 12 U.S.C. § 5381(a)(11) (or any successor provision thereto) is further required: (i) from the date of entry into the User Agreement or Access Agreement to maintain the User Agreement or Access Agreement, as the case may be, continuously as an official record (within the meaning of 12 U.S.C.

§ 5390(a)(6) (or any successor provision thereto)) of that Exchange Participant; and (B) from the date that a transaction is effected on the Exchange, maintain each agreement evidencing each such transaction continuously as an official record of that Exchange Participant.

3.1.3.2 Insured Depository Institutions

Where an Exchange Participant that is a Secured Borrower is an insured depository institution under the U.S. Federal Deposit Insurance Act, it shall cause the conditions identified in 12 U.S.C. § 1823(e) (or any successor provision thereto) relating to the execution of agreements effective against the Federal Deposit Insurance Corporation, as such conditions relate to the User Agreement and each Secured Allocated Collateral Loan or Secured Delivered Collateral Loan, to be satisfied; and it shall be deemed to have confirmed the continuing satisfaction of such conditions each time that it effects a Secured Allocated Collateral Loan or Secured Delivered Collateral Loan through the AFX System.

An Exchange Participant that is an insured depository institution under the Federal Deposit Insurance Act it is further required: (i) from the date of entry into the User Agreement or Access Agreement to maintain the User Agreement or Access Agreement, as the case may be, continuously as an official record (within the meaning of 12 U.S.C. § 1823(e) (or any successor provision thereto) of that Exchange Participant; and (B) from the date that a transaction is effected on the Exchange, maintain each agreement evidencing each such transaction continuously as an official record of that Exchange Participant.

3.1.4 Collateral Custodians

Collateral Custodians do not constitute a separate Participation Class of Exchange Participants but are permitted to access the AFX System for limited purposes. Each Collateral Custodian is subject to and shall perform its obligations as Collateral Custodian (including in its capacity as Collateral Agent or Securities Intermediary) in accordance with, the terms and conditions of this Rulebook that are applicable to Collateral Custodians. However, Collateral Custodians are not a class of Participant and shall not be subject to the terms and conditions of this Rulebook that are applicable to Participants. The application process for Custodians is set forth in Rule 6.1.12.

3.1.5 Additional Participation Classes

The Exchange may from time to time authorize additional Participation Classes consistent with the goals and objectives of the Exchange. Exchange Participants may choose to either participate or not participate in such additional Participation Classes, subject to satisfaction of the eligibility criteria for any such Participation Class.

3.2 Eligibility for Participation

Any entity that satisfies the requirements provided in this Rulebook (and as may be otherwise established by the Exchange from time to time) and is found to be suitable by the Exchange to assume the obligations and privileges of Exchange Participation shall be eligible to become an Exchange Participant; provided, that such entity meets at least the following specific standards:

1. The entity shall be duly organized, existing and in good standing under the laws of its jurisdiction of organization; and
2. The entity shall be able to make the representations and warranties applicable to its Participation Class, including those relating to the type of entity that it is.

To become eligible and to maintain eligibility for Participation, each Exchange Participant shall be responsible for preparing and maintaining financial and other reports that may be required to be filed with the Exchange from time to time, and for ensuring the availability of an individual who is knowledgeable in relevant technical and financial matters to interact with representatives of the Exchange.

3.3 Participation Application

3.3.1 General Provisions

Each eligible entity desiring to become an Exchange Participant shall file with the Exchange an application for Exchange Participation in the form prescribed by the Exchange (together with any applicable initiation fee in such amount as is specified by the Exchange from time to time), and such supporting financial documents, agreements, contracts and other information as the Exchange may require.

Notice of the Exchange's decision with respect to an application shall generally be delivered within thirty (30) Business Days of the date that the complete application has been received and all follow-up inquiries have been completed to the Exchange's satisfaction. The Exchange shall disseminate notice to other Exchange Participants of the approval of each new Exchange Participant. Upon being accepted by the Exchange as an Exchange Participant, the Exchange shall execute, and the Participant shall become bound by, the User Agreement (including the terms, obligations and conditions of this Rulebook). The User Agreement and this Rulebook shall govern the rights and obligations between the Exchange and the Exchange Participant.

3.3.2 Maintenance of Eligibility

Each Exchange Participant shall at all times meet the standards of Participation eligibility set forth in this Rulebook and in the application for Exchange Participation. Each Exchange Participant shall immediately notify the Exchange in writing about any material change in any information

contained in its application for Exchange Participation. Each Exchange Participant shall immediately notify the Exchange in writing upon becoming aware of any event that may impact its Exchange Participation eligibility or that could be the basis of denial of Participation as specified herein or in the Participation application. In addition, by signing the User Agreement, becoming an Exchange Participant and entering Orders into the AFX System, each Participant agrees that it shall submit Orders, enter into Loans and otherwise use the AFX System in accordance with any and all Applicable Law.

3.3.3 Denial of Participation

The Exchange may determine, in its sole discretion and for any reason, to deny an eligible applicant's request for Participation, or limit its Participation, on the Exchange.

3.3.4 Settlement of Loans and Other Transactions

Each Exchange Participant shall be solely responsible for ensuring that all of its obligations under any Loan and any other transaction (such as demand deposits) to which it is party are satisfied, including any obligation to fund or repay under the Loan and Other Transaction. Such obligations shall include, but not be limited to, any and all obligations set forth in Section 4.6 below. The Exchange has the authority and the right to audit the wiring instructions of Exchange Participants and is authorized to request confirmations of Fed and other bank wires that were sent and received and other supporting documentation as necessary to verify that Exchange Participants funded Loans and Other Transactions that were executed on the Exchange and that such funded Loans and Other Transactions were repaid with interest per the terms of the Loan(s) and Other Transaction(s).

3.3.5 Unsecured Market Counterparty Authorization and Limits

Each Participant in an Unsecured Market upon registration with the Exchange and from time to time thereafter, shall identify (i) the Borrowers to which the Participant agrees to lend funds in the AFX Unsecured Markets, and (ii) Unsecured Lending Limits, by product, with respect to each such Borrower.

3.4 Privileges

3.4.1 Authorized Traders

Each Exchange Participant shall be provided access, consistent with Exchange Rules set forth herein, to the AFX Trading Platform for the purpose of viewing and entering Orders into the AFX ETS.

Each Exchange Participant may authorize any of its employees to act as Authorized Traders. No Exchange Participant may employ a contracted agent to act as Authorized Trader on its account.

A Participant's appointment of an Authorized Trader must have been duly authorized and approved pursuant to that Exchange Participant's internal authorization procedures and policies with respect to such matters.

Exchange Participants shall authorize one or more qualified persons to serve as the Authorized Traders in the AFX Loan Markets on behalf of the AFX Participant. These Authorized Traders are the only Participant representatives that may enter Orders for their respective Participant entities into the AFX ETS. At least one Authorized Trader in each applicable AFX Market shall be available via telephone at all times during trading hours on a day in which the Exchange Participant is making Bid Orders and Offer Orders in the relevant markets.

With respect to each Authorized Trader, the relevant Exchange Participant shall:

- (1) guarantee and assume complete financial and all other responsibility for all activity related to the AFX Trading System that such Authorized Trader has engaged in, and with respect to any account identifier and password assigned to such Authorized Trader;
- (2) assist the Exchange in any investigation relating to an alleged violation of Applicable Law, regulations or Rules of the Exchange, which assistance shall be timely and shall include requiring such Authorized Trader to produce documents, answer questions by the Exchange or appear in connection with such investigation; and
- (3) ensure that any Authorized Trader that is a Designated Exchange Participant complies with the restrictions on trading set forth in Rule 3.5(5) and in the policies and procedures of such Participant required under such Rule.

The Exchange may at any time revoke, suspend, limit, condition, restrict or qualify the activities of the Authorized Trader of any Exchange Participant if, in the sole discretion of the Exchange, such action is in the best interest of the Exchange.

3.5 Supervision of Employees

Each Exchange Participant shall diligently supervise all activities of its employees relating to transactions effected on the Exchange or subject to Exchange Rules. Without limiting the generality of the foregoing:

- (1) each Exchange Participant shall continue to have at all times at least one Senior Supervisory Officer who is responsible for such supervision, and shall promptly advise the Exchange of any change in the name, title, address, phone number, fax number or e-mail address of each such officer;

- (2) each Exchange Participant shall be responsible for training (or causing to be trained) its employees regarding Exchange Rules and the proper use of the Trading System;
- (3) each Exchange Participant on demand shall furnish to the Exchange a list of all Authorized Traders of such Participant, giving the name, location and trader identification (as prescribed by the Exchange); and
- (4) each Exchange Participant may designate at least one Credit Risk Manager.
- (5) each Exchange Participant shall maintain procedures and a supervisory system to ensure that no Designated Exchange Participant will transact for his or her own personal account or benefit, or for the personal account or benefit of any third party in any exchange listed derivatives that are based on the AMERIBOR[®] Rate, AMERIBOR[®] Rates, or other Exchange benchmarks including but not limited to AMERIBOR[®] futures and AMERIBOR[®] futures options.

3.6 Provision of Information to the Exchange

Each Exchange Participant shall generate and submit such additional documents, data and reports to the Exchange at such times and containing such information and in such form as the Exchange may from time to time prescribe. Each Exchange Participant shall, in a timely fashion, furnish such information as may from time to time be requested by any representatives of the Exchange, including any Service Provider, acting in the course of their duties.

3.6.1 Addresses and Contact Information

Each AFX Participant shall file with the Exchange and keep current:

- (1) an address (both for U.S. mail and for electronic messages, or email) where notices may be delivered; and,
- (2) the name and contact details of an employee with primary responsibility for liaison with the Exchange. Each Exchange Participant shall timely inform the Exchange of any change with respect to such designated employee or address.

3.6.2 Provision of Information to the Exchange Pursuant to Loan Validation Request

From time to time, at a frequency set by the Exchange, the Exchange, and, to the extent reasonably necessary to ensure compliance with applicable laws, rules and regulations, Cboe, and/or the CFTC, may request documentation from any Exchange Participant for the purpose of validating that a loan entered into on the AFX Markets was funded and/or repaid pursuant to the rules set forth herein. Exchange Participants shall be required to respond to any such requests for

information, inquiries, reviews or investigations in a form and manner prescribed, and within the time frame designated by the Exchange, Cboe, and / or the CFTC, as applicable. Any failure by an Exchange Participant to do so shall be deemed a violation of AFX Rules.

3.7 Fees and Payments

The Exchange shall have the sole authority to set the dates and amounts of any dues, assessments or fees to be levied on Exchange Participants or Collateral Custodians (if any) or activity on the Exchange, which dues, assessments or fees shall be paid to the Exchange when due. Such dues, assessments or fees may include (but are not limited to):

- Initial participation fee
- Annual dues
- Transaction fees
- Regulatory fees, in each case notified in advance to all Exchange Participants

The Exchange shall have the authority to waive any such dues, assessments or fees, or to offer discounts for any defined class of Exchange Participation or Collateral Custodian and may waive or offer discounts from any such dues, assessments or fees based on any criteria determined by the Exchange to be appropriate. The Exchange may modify the fee structure from time to time at its discretion.

If an Exchange Participant or Collateral Custodian fails to timely pay any Exchange dues, assessments, installments or fees, such Exchange Participant's Participation or Collateral Custodian's eligibility may, in the Exchange's sole discretion, be suspended, terminated or otherwise limited.

3.8 Prohibited Conduct

3.8.1 Exchange Participants

No Exchange Participant shall:

- (1) disseminate any false, misleading or inaccurate information, including reports concerning any Orders, Trades, Loans or AMERIBOR[®] Rates effectuated on or through the Exchange or market information or conditions that affect or tend to affect the price of any instrument traded on the Exchange;
- (2) (i) materially alter the information or data supplied to or received from the AFX ETS, (ii) materially affect the integrity of the information or data supplied to or received from the System, or (iii) supply or render information or data to or from the System that is illegal, inaccurate, unfair, uninformative, fictitious, misleading or discriminatory;

- (3) permit its employees or agents to interfere with or adversely affect the AFX ETS or any use thereof by any other authorized individuals or entities.
- (4) manipulate, or attempt to manipulate, the price (or rate) of any instrument traded on the Exchange;
- (5) furnish false or misleading information to, or fail to furnish information when requested by, any representative of the Exchange acting in the course of their duties;
- (6) make any materially false or misleading representation to the Exchange or in connection with its use of the AFX ETS;
- (7) violate or fail to conform to the Rules of the Exchange;
- (8) enter any bids, offers or transactions into the Exchange Trading System when such Participant knows that it is insolvent, within the meaning of any applicable bankruptcy or insolvency laws, federal or state, domestic or foreign, without the prior written approval of the Exchange;
- (9) violate, or fail to comply in a timely manner with, the terms of any agreement between the Exchange Participant and the Exchange, or of any order or decision of the Exchange;
- (10) enter bids or offers into the Trading System other than in good faith for the purpose of executing transactions, or make any bid or offer for the purpose of establishing a market price which does not reflect the true state of the market;
- (11) knowingly enter into a transaction on the Exchange that is a wash sale or any other similar transaction entered into for the purpose of manipulating the market;
- (12) knowingly engage in conduct or practices inconsistent with just and equitable principles of trade or conduct or practices detrimental to the best interests of the Exchange;
- (13) disclose confidential information obtained in the course of proceedings of an Exchange Committee, hearing or investigation, or by virtue of having access to the AFX ETS;
- (14) engage in conduct with Exchange Participants, officers, staff, vendors, Service Providers, managers or directors in any manner that is inconsistent with high standards of professional and personal decorum;
- (15) submit Orders, enter into Loans and otherwise use the AFX System other than in accordance with any and all Applicable Law; or

- (16) engage in conduct that could compromise or cause harm to the Trading System or the facilities of the Exchange;
- (17) engage in transactions outside of the AFX electronic trading platform with other AFX Exchange Participants that were introduced to the Exchange Participant as a result of the Exchange Participant's membership in the Exchange and with which the Exchange Participant did not have a pre-existing relationship.

3.8.2 Collateral Custodians

No Collateral Custodian shall:

- (1) furnish false or misleading information to, or fail to furnish information when requested by, any representative of the Exchange acting in the course of their duties;
- (2) make any materially false or misleading representation to the Exchange or in connection with its use of the AFX ETS;
- (3) violate or fail to conform to the Rules of the Exchange;
- (4) violate, or fail to comply in a timely manner with, the terms of any agreement between the Exchange Participant and the Exchange, or of any order or decision of the Exchange;
- (5) engage in conduct or practices inconsistent with just and equitable principles of trade or conduct or practices detrimental to the best interests of the Exchange;
- (6) disclose confidential information obtained in the course of proceedings of an Exchange Committee, hearing or investigation, or by virtue of having access to the AFX ETS;
- (7) engage in conduct with Exchange Participants, officers, staff, vendors, Service Providers, managers or directors in any manner that is inconsistent with high standards of professional and personal decorum; or
- (8) engage in conduct that could compromise or cause harm to the Trading System or the facilities of the Exchange.

Each Secured Borrower shall also be responsible for any act or omission of its Collateral Custodian in connection with acting as Collateral Custodian for such Secured Borrower.

3.8.3 Designated Exchange Participants

No Designated Exchange Participant shall:

- (1) transact for his or her own personal account or benefit or for the personal account or benefit of any third party in any exchange listed derivatives that are based on the AMERIBOR[®] Rate, AMERIBOR[®] Rates, or other Exchange benchmarks including but not limited to AMERIBOR[®] futures and AMERIBOR[®] futures options.

3.9 Exchange Rule Violations

Exchange Participants or Collateral Custodians or any person associated with an Exchange Participant or Collateral Custodian who is alleged to have violated, or aided and abetted a violation of, any provision of Exchange Rules or any interpretation thereof, or resolutions of the Exchange regulating the conduct of business or any other activities on or through the use of the facilities of the Exchange, shall be subject to the disciplinary jurisdiction of the Exchange and may be appropriately disciplined in accordance with Exchange Rules and any other disciplinary guidelines utilized by the Exchange from time to time.

A Participant or Collateral Custodian shall report all instances of possible violations of Exchange Rules to the Exchange. The Exchange may (but shall not be required to) in its sole discretion initiate or cause to be initiated an investigation in accordance with Exchange policies and procedures governing investigations.

After completion of any such investigation, the Exchange shall render a written decision based upon the weight of the evidence contained in the record of the proceeding and shall provide a copy to the respondent. The decision shall include a description of the disciplinary action taken. Disciplinary sanctions, if any, shall be determined and imposed in the sole discretion of the Exchange. An Exchange Participant or Collateral Custodian shall have the right to appeal any disciplinary action, including the imposition of sanctions or fines, through the dispute resolution process set forth in Rule 3.13.

3.10 Termination

The Participation of any Exchange Participant and the authorization of any Collateral Custodian may be terminated, suspended or limited at any time by the Exchange if the Exchange determines in its sole discretion that such action is in the best interests of the Exchange. Any such termination, suspension or limitation shall not affect the rights or obligations of such Exchange Participant or Collateral Custodian with respect to any outstanding Loan. Any Exchange Participant may be expelled from Participation if the Exchange shall determine that such Participant no longer meets the eligibility standards for Participation or that events have taken place that constitute causes for denial of continued Participation as determined by the Exchange. An Exchange Participant shall

have the right to appeal any termination, suspension, limitation or expulsion through the dispute resolution process set forth in Rule 3.13.

Each entity whose status as an Exchange Participant or as a Collateral Custodian has been terminated shall immediately notify the Exchange of any change in its address as most recently reported to the Exchange for a period of one year following the effective date of such termination.

The Exchange is authorized to take summary action to suspend or terminate the Participation of an Exchange Participant or the authorization of a Collateral Custodian pursuant to this rule when immediate action is necessary to protect the best interests of the Exchange.

When an Exchange Participant that has had its Participation or a Collateral Custodian has had its authority terminated, suspended or otherwise limited, the Exchange shall provide notice thereof to Participants.

Where an Exchange Participant fails or refuses to perform under the terms of a Trade or to pay or perform any of its obligations arising out of such Trade to another Exchange Participant, the defaulting Exchange Participant may be sanctioned, including with suspension for so long as the Exchange determines appropriate. Similarly, when Collateral Custodian fails or refuses to perform its obligations as Collateral Custodian, including as Securities Intermediary or Collateral Agent, under the terms of these Rules, the Collateral Custodian or the Secured Borrower for which it was to act may be sanctioned, including with suspension for so long as the Exchange determines appropriate.

If it appears to the Exchange that an Exchange Participant is insolvent, cannot demonstrate its ability to achieve compliance with Exchange Rules, or is or may be in such financial condition that it cannot continue in business with safety to its customers, its creditors, or the Exchange, the Exchange may impose any restriction upon the operations of the Exchange Participant it may deem appropriate in the circumstances.

Each Exchange Participant or Collateral Custodian failing or refusing to comply promptly with a restriction imposed by the Exchange shall be subject to sanction, which may include suspension of all privileges, or termination of Participation or authorization.

In any circumstance, the Exchange may impose any remedy or take any action that it deems reasonable to promote the interests of the Exchange and preserve a fair and orderly market.

3.11 Application of Rules and Jurisdiction

By accessing, or entering any Order into, the Trading System and without any need for any further action, undertaking or agreement, each Exchange Participant or, by assuming any obligations as and agreeing to act for a Secured Borrower, each Collateral Custodian agrees:

- (1) to be bound by, and comply with, the Rules of the Exchange; and,
- (2) to become subject to the jurisdiction of the Exchange with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of or on behalf of the Exchange Participant.

Each Exchange Participant or Collateral Custodian whose privileges are revoked or terminated shall remain bound by the Rules of the Exchange and subject to the jurisdiction of the Exchange with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of or on behalf of such Exchange Participant or Collateral Custodian prior to such revocation or termination.

3.12 Indemnification

3.12.1 Exchange Participant Indemnification

With regard to any legal proceeding brought against the Exchange (and/or any of its Service Providers) alleging its failure to prevent, detect or require certain conduct of an Exchange Participant (or its Collateral Custodian acting for it), which conduct or inaction is determined by the Exchange, in its reasonable discretion, to be in violation of any Rule of the Exchange, then such Exchange Participant shall indemnify and hold the Exchange (and/or any of its Service Providers) harmless for the full amount of any expense (including attorneys' fees), judgment or settlement paid by it in respect to such proceeding.

Each Exchange Participant will indemnify, defend and hold AFX and its directors, officers, employees, agents, Service Providers, contractors, committee members and affiliates harmless from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and attorneys' fees, arising from or as a result of Exchange Participant's (or its Collateral Custodian's) breach of its obligations under the User Agreement (or Access Agreement, as the case may be), or this Rulebook, or otherwise from its use of the facilities or services provided by, through or in respect to the Exchange.

Each Exchange Participant will indemnify, defend and hold its Collateral Custodian and such Collateral Custodian's directors, officers, employees, agents, service providers, contractors, and affiliates harmless from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and attorneys' fees, arising from or as a result of such Exchange Participant's Collateral Custodian's breach, at the direction of such Exchange Participant, of its obligations under the Access Agreement or this Rulebook, or otherwise from its use at the direction of such Exchange Participant of the facilities or services provided by, through or in respect of the Exchange. The obligations of such Exchange Participant to its Collateral Custodian under this Rule 3.12.1 shall

be in addition to and not in replacement of any other agreement between the Collateral Custodian and such Exchange Participant and, in the event of any conflicts between the provisions of this Rule 3.12.1 and any such other agreement, the provisions of such other agreement shall control.

3.12.2 AFX Indemnification

In addition to the indemnification obligation in Rule 2.5.1, AFX will indemnify, defend and hold Exchange Participant and the Collateral Custodian and its directors, officers, employees, agents, service providers, contractors, and affiliates harmless from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and attorneys' fees, arising from or as a result of: AFX's breach of its obligations under the User Agreement or Access Agreement, as the case may be, this Rulebook or the Account Operating Agreement that is a result of AFX's gross negligence or willful misconduct; provided, that AFX's liability under the foregoing indemnification obligations shall be limited to the Indemnification Limitation.

The foregoing indemnification obligations are conditioned on the Exchange Participant or the Collateral Custodian, as the case may be, providing AFX with prompt written notice of the claim of which it has notice for which indemnity is claimed, giving AFX sole control of the defense thereof and any related settlement negotiations, and reasonably cooperating and assisting (at AFX's sole expense) with AFX efforts to defend or settle the claim; provided, that AFX shall not settle any claim for an amount that is greater than the Indemnification Limitation without the consent of the relevant Exchange Participant, such consent not to be unreasonably withheld; provided, further, that, if the relevant Exchange Participant withholds such consent reasonably, such Exchange Participant shall be required to take over the defense of such claim (or any related settlement negotiations) and AFX's liability with respect to such claim or negotiations shall continue to be limited to the Indemnification Limitation.

3.13 Dispute Resolution

Notwithstanding any other provision of Exchange Rules, any dispute or controversy arising under or in connection with this Rulebook, or any other dispute concerning the operation of the Exchange, including appeals of disciplinary actions, shall, at the election of the Exchange and in the Exchange's sole discretion, be settled exclusively by arbitration, conducted before a panel of three arbitrators, sitting in a location selected by mutual agreement within the City of Chicago, Illinois in accordance with the rules for commercial arbitration of the American Arbitration Association then in effect. A determination made by arbitration pursuant to this paragraph shall be final and binding upon the parties. Notwithstanding the agreement to arbitrate such disputes and controversies, the Exchange shall be entitled to enforce, in any court of competent jurisdiction, any Participant's or Collateral Custodian's compliance with any restrictive covenant or confidentiality provision applicable to, or contained in, this Rulebook to the fullest extent permitted by law by seeking any remedy available at law or in equity, including, but not limited

to, a temporary restraining order, injunction, and specific performance, without having to arbitrate and without need to post a bond to do so.

3.14 Withdrawal by an Exchange Participant

Unless otherwise permitted by the Exchange, an Exchange Participant may terminate and withdraw from Participation on the Exchange at any time upon two (2) Business Days' notice to AFX, provided that such Participant has no Loans outstanding, as recorded in the AFX ETS, either as borrower or lender, at the time of its termination and withdrawal. A Participant that has tendered such notice to AFX may discontinue its participation in AFX Markets two (2) Business Days thereafter, however such Participant must still provide such documentation of the settlement of funding and repayment as required pursuant to Rule 4.6 and must maintain its accounts at its designated Collateral Custodian until such time such Participant has no Secured Allocated Collateral Loans outstanding as recorded in the AFX ETS, either as borrower or lender, at the time of its termination and withdrawal. Notwithstanding the termination and withdrawal, (A) the limitations on liability, indemnities and representations and warranties, the confidentiality requirements with respect to either party's Confidential Information contained in the Participant Application, User Agreement and these Rules shall survive such termination and withdrawal, (B) the provisions of the Rules and the User Agreement shall continue to apply to any Loan previously entered into by the withdrawing Exchange Participant and (C) the withdrawing Participant shall continue to be bound by its financial obligations to the Exchange relating to its activity on the Exchange prior to its termination and withdrawal, including with respect to transaction fees and any fines or other financial sanctions imposed on the withdrawing Participant (regardless of when such fine or financial sanction was actually imposed).

3.15 Withdrawal by Collateral Custodian

Unless otherwise permitted by the Exchange, an Collateral Custodian may terminate and withdraw from being a Collateral Custodian on the Exchange at any time upon forty (40) calendar days' notice to AFX; provided, that (i) each of the Secured Borrowers that has designated such Collateral Custodian as its Collateral Custodian shall have no Secured Allocated Collateral Loans outstanding, as recorded in the AFX ETS, at the effective time of such withdrawal and termination, or, (ii) at any time, there exists a conflict between the Collateral Custodian and the Secured Borrower or a court order directing such resignation, in each such case the resignation shall be effective immediately upon, but not prior to, the appointment of a successor Collateral Custodian and the successor Collateral Custodian has agreed to be bound by this Rulebook as such. Upon receipt of such notice, no Secured Borrower of such Collateral Custodian shall be permitted to enter any further Secured Allocated Collateral Loans on the AFX ETS unless and until such Secured Borrower has designated a new Collateral Custodian. Notwithstanding the foregoing a Collateral Custodian may terminate and withdraw from acting as a Collateral Custodian with respect to a Borrower if the Collateral Custodian has been directed to do so, in writing, by any

governmental agency with jurisdiction over the Collateral Custodian; provided, that the Collateral Custodian shall provide notice of any communication with any governmental agency with jurisdiction over the Collateral Custodian that could reasonably lead to an order or direction to cease to act as Collateral Custodian for any Secured Borrower. Notwithstanding the termination and withdrawal, (A) the limitations on liability, indemnities and representations and warranties, the confidentiality requirements with respect to either party's Confidential Information contained in the Collateral Custodian Application, User Agreement and these Rules shall survive such termination and withdrawal, (B) the provisions of the Rules and the User Agreement shall continue to apply to any Secured Allocated Collateral Loan previously entered into with respect to the withdrawing Collateral Custodian and (C) the withdrawing Collateral Custodian shall continue to be bound by its financial obligations to the Exchange relating to its activity on the Exchange prior to its termination and withdrawal, including with respect to any financial sanctions imposed on the withdrawing Collateral Custodian (regardless of when such fine or financial sanction was actually imposed).

A Collateral Custodian may, upon one Business Day written notice to the Exchange, cease to act as a Collateral Custodian with respect to any new Secured Allocated Collateral Loan to be entered into by any Secured Borrower for which such Collateral Custodian acts. Upon receipt of such notice, such Secured Borrower may not enter into any future Secured Allocated Collateral Loans until such time as the Secured Borrower appoints a new Collateral Custodian. For the avoidance of doubt, ceasing to act as Collateral Agent with respect to any future Secured Allocated Collateral Loans shall not limit the Collateral Custodian's rights and obligations with respect to any existing Secured Allocated Collateral Loans.

3.16 AFX Representations, Warranties and Covenants

AFX represents, warrants and covenants to each Exchange Participant and each Collateral Custodian that: (i) AFX is a licensor or owner of, or, to the best of its knowledge, otherwise has the rights to use, the AFX ETS and all intellectual property contained therein and, in any event, to the best of its knowledge, has the right to permit Exchange Participants to access and use the AFX ETS in connection with the operation of the Exchange; (ii) AFX shall make reasonable efforts to ensure access to the AFX ETS by Exchange Participants and Collateral Custodians and the orderly functioning of the AFX Markets; (iii) AFX shall make reasonable efforts to maintain the AFX ETS in accordance with industry standards for similarly situated electronic markets in all material respects; and (iv) AFX shall take reasonable steps to utilize security features and protocols that, to the best of AFX's knowledge, are designed to be consistent with industry standards in all material respects and are reasonably designed to protect against unauthorized access to the AFX ETS. Any liability for any breach of the representations, warranties and covenants in this Rule 3.16 shall be subject to the limitation on liabilities in Rule 2.5.

Chapter IV Trading and Market Operations

4.1 General Provisions

All trading activities of each Participant on the Exchange, including the submission of Orders and the execution of Trades, shall be subject to this Rulebook and the AFX Platform Users' Manual in all respects. Each Participant shall be responsible for ensuring that its activities on the Exchange conform to and comply with the requirements of this Rulebook and the AFX Platform Users' Manual. Each Collateral Custodian shall be responsible for ensuring that its activities on the Exchange conform to and comply with the requirements of this Rulebook with respect to Collateral Custodians and the AFX Platform Users' Manual. Each Participant acting as a Secured Borrower shall be responsible for the activities of its designated Collateral Custodian.

This Chapter IV shall apply to the trading and market operations of all AFX Markets unless otherwise noted. Solely in order to ensure a fair and orderly market and without prejudice to any specific Exchange Participant, the Exchange may, as necessary, take steps that are explicitly set forth, implied by, or absent from these Exchange Rules, including unwinding or modifying Trades (and, as applicable, voiding *ab initio* the Standard Terms agreement governing the Loan that would otherwise arise from such Trade) as determined in the sole discretion of the Exchange.

4.2 The AFX Markets

The Exchange may operate, at its discretion, any of the following markets: an Unsecured Market, and a Secured Market, the AFX Markets in operation shall be the Unsecured Market and the Secured Market. Additionally, the Exchange shall operate other markets at its discretion. The products listed on any or all of the AFX Markets shall be determined at the discretion of the Exchange.

The AFX ETS shall be accessible via a secure Internet connection using procedures provided by AFX. The Exchange may authorize on a limited basis view-only access to certain potential Participants for the purpose of marketing and business development.

4.3 Product Specifications

For each product listed on an AFX Market, a product specification and any additional communications the Exchange deems appropriate with respect to such product will be made available to AFX Participants via the AFX website or in any other manner deemed appropriate by the Exchange from time to time.

For each product listed on an AFX Market, standardized loan terms will be established by the Exchange in the form of the Standard Terms contained as an appendix hereto. Each Loan resulting from a Trade will be deemed to have been entered into in accordance with the terms of such AFX

Standard Terms, which terms shall be solely between the Lender and the Borrower. For avoidance of doubt, the Exchange shall not be a party to, and shall have no duties or obligations with respect to or under, any Loan effectuated through the AFX ETS.

4.4 Orders

The AFX ETS supports the entry of Orders. The Exchange shall, at its discretions, create and implement new Order types for use in AFX Markets.

4.4.1 Order Entry Procedures

Each entered Order shall be a limit order that shall remain active on the AFX ETS until cancelled, executed, or expired at the close of the trading session.

Each Order submitted in any AFX Market, with respect to each product, shall include at least the following order parameters:

- (i) Side (lending or borrowing);
- (ii) Size or amount (in trade lot increments of one million United States dollars); and
- (iii) Price or interest rate (expressed as a percent to five decimal points).

4.4.2 Partial Fills

The AFX ETS supports partial filling (execution) of orders. If there is residual quantity following a partial fill, the residual quantity remains active as an Order in the AFX ETS and retains the same price/time priority.

4.4.3 Crossed or Locked Markets

Crossed or locked markets may occur and continue indefinitely in an AFX Market under certain circumstances, including without limitation when the Lender between two Participants that have entered otherwise executable Orders into the AFX ETS has not approved the Borrower for Trades, when the applicable lending limit between such two Participants has been reached, or when the Minimum Offer Price Limit by Counterparty functionality prevents a match from occurring.

4.4.4 Unsecured Lending Limit Specifications

A Participant may designate a unique Unsecured Lending Limit amounts aggregated by individual product (i.e., Product Lending Limits) or all products (i.e., Aggregate Lending Limits), with respect to each pre-approved Borrower. A Participant's Unsecured Lending Limit functionality shall be managed by the Participant's Credit Risk Manager pursuant to procedures established by the Exchange. A Lender's Unsecured Lending Limits are configurable by Borrower and by individual product or all products. At any time, for purposes of calculating the amount of a Participant's outstanding Unsecured Loans to a given counterparty with respect to a given product

or products, the aggregate amount of the Participant's outstanding Unsecured Lending Limit with respect to the counterparty shall (i) decrease immediately upon the commitment to lend to such counterparty pursuant to an Unsecured Trade occurring on the AFX ETS, and (ii) increase (x) upon repayment of an outstanding Unsecured Loan by such counterparty, which shall be assumed by the AFX ETS to occur upon the date of scheduled repayment of the outstanding Unsecured Loan by such counterparty (even if in fact repayment is not timely made), and (y) at such time as, and in the amount that, an Unsecured Loan described in clause (i) is not successfully settled at the end of the trading day (which shall only be deemed to have happened if AFX receives notice of such failure to settlement pursuant to Rule 4.6 below) or is busted in accordance with Rule 4.5.5.3 or 4.5.7. For avoidance of doubt, the aggregate amount of a Participant's outstanding Unsecured Loans with respect to a Borrower shall not increase as a result of any borrowing of funds by such Participant from such Borrower.

The Exchange shall have the discretion at any time to limit the amount loaned or borrowed by any one Participant, through any individual Loan or in the aggregate, if the Exchange in its sole discretion believes such action to be necessary or advisable in the best interests of the Loan Market and Participants, provided that the Exchange shall have no obligation to take any such action, and no obligation to monitor the amount loaned or borrowed by any Participant, or to take into account the interests or circumstances of any particular Participant. Each Participant shall be solely responsible for its own decisions with respect to each transaction entered into through the Exchange and for its own compliance with Applicable Law and its internal policies and procedures, and the Exchange shall have no responsibility therefor.

4.4.5 Minimum Offer Price Limit by Counterparty Functionality

A Participant may designate a unique minimum offer price with respect to each Unsecured and Secured Market product and each pre-approved Borrower ("**Minimum Offer Price Limits by Counterparty**"). A Participant's Minimum Offer Price Limit by Counterparty functionality shall be managed by the Participant's Credit Risk Manager pursuant to procedures established by the Exchange.

With use of the Minimum Offer Price Limit by Counterparty functionality, a Lender's Offer Order will execute against a Borrower's Bid Order only if the Bid Order is priced *at or above* the Lender's minimum offer price established by the Lender with respect to that Borrower and for that specific product. If the price of the Bid Order is below the minimum offer price established by the Lender, the Orders will not execute. A Participant's Minimum Offer Price Limits by Counterparty are configurable both by Borrower and by product.

Changes to a Participant's Minimum Offer Price Limits by Counterparty may be made intra-day. By default, all Unsecured Market and Secured Market relationships will default to having no minimum offer price; until adjusted by its Credit Risk Manager, the Trading System will allow Lenders to lend to approved Borrowers without reference to a minimum offer price limit. A

Participant's Minimum Offer Price Limits by Counterparty that have been entered into the Trading System will remain static and valid until subsequently modified and will not expire or adjust according to market conditions. Participants are solely responsible for inputting and managing according to market conditions their Minimum Offer Price Limits by Counterparty.

A Participant must have designated to the Exchange a Credit Risk Manager in order to be authorized to utilize the Minimum Offer Price Limits by Counterparty functionality.

4.5 Trading

4.5.1 Daily Close Price

The Exchange in its sole discretion shall compute a daily close price for each AFX Market. The Exchange will determine the methodology in its reasonable discretion. The daily close price will be the basis for computation of daily price limits in AFX Loan Markets.

4.5.2 Daily Loan Market Price Limit

The Exchange will adopt from time to time an appropriate measure to compute a daily price limit for each product in the Loan Markets. The Exchange will determine the methodology in its reasonable discretion.

During open market trading, only Orders that are within the price limit are valid orders. Bid (offer) Orders that are sought to be entered above (below) the daily price limit will be rejected by the AFX ETS as invalid.

4.5.3 Daily Price Limit for Overnight Unsecured AMERIBOR[®] Loan Market

The daily price limit for the Overnight Unsecured AMERIBOR[®] loan market will be a percentage range above and below the transaction volume-weighted average AMERIBOR[®] rate that is calculated after the close of each trading session and the range will be effective for the following day's trading session.

The range will be established with the advice of the AFX Trading and Market Operations Committee and may be modified at any time to allow for orderly markets at the discretion of the Exchange or in the case of exogenous events such as natural disasters, extreme political events or other Acts of God. The initial daily percentage range and any other subsequent modifications will be published as an Exchange circular.

The Exchange will adjust the price limit range based on interest rate increases and / or decreases as a result of Federal Open Market Committee policy. Such resulting adjustments to the price limit range will be communicated to all Members by Exchange Circular.

4.5.4 Trading Hours

Trading hours for AFX Markets shall be specified by the Exchange from time to time and communicated to Exchange Participants. All times specified by the Exchange will be based on the time zone within which Chicago, Illinois is located. The Unsecured Market trading hours shall be from 7:00 a.m. Central Time to Close of Market.

AFX shall from time to time communicate a holiday schedule for the AFX Markets as well as adjustments to the Close of Market, as applicable.

4.5.5 Trade Execution

4.5.5.1 Order Prerequisites

With respect to a listed product, a Trade shall be executed on the AFX ETS when and to the extent:

- (i) There exists a Bid Order with a bid rate and bid quantity and an Offer Order with an offer rate and offer quantity;
- (ii) The bid rate is equal to or greater than the offer rate or the offer rate is equal to or less than the bid rate;
- (iii) The Lender has approved the Borrower as an acceptable Borrower; and
- (iv) The applicable risk parameters relating to the Offer Order and the Bid Order (such as the Lender's lending limit, Minimum Offer Limit Price by Counterparty, and any other applicable trade parameters) are not exceeded.

4.5.5.2 Price/Time Priority

Except as otherwise noted, all Orders entered with respect to any product are time stamped at the time of order entry or modification and matched for execution based on a first in/first out price and time priority basis. Orders are matched for execution on the basis that the best priced Order always has the highest priority. If multiple Orders have the same best price, then the highest priority will be given to the Order that was first entered into the AFX ETS. The best price for an offer to sell Order is the lowest price (interest rate) and the best price for a bid to buy Order is the highest price (interest rate).

Notwithstanding the foregoing, when a lending (borrowing) Participant that has entered an otherwise executable Order into the AFX ETS has not approved (has not been approved by)

Borrower (Lender), or when the applicable lending limit between such two Participants has been reached, then such otherwise executable Orders shall not be matched for execution against each other, and Orders entered into the AFX ETS with inferior price/time priority may thereafter be matched for execution.

When an executable Order is entered into the AFX ETS at a bid (offer) price that is higher (lower) than an offer (bid) Order that is resting in the book (i.e., the latter Order was previously entered into the AFX ETS and not filled or cancelled), the price of the resulting execution shall be the price of the resting Order.

An Order resting in the book (i.e., an Order that was previously entered into the AFX ETS and not filled or cancelled) that has been modified shall be considered as an Order that was cancelled and replaced by a new Order, and such modified (new) Order will therefore not retain the price/time priority of the original Order.

4.5.5.3 Trade Confirmations

Details of each executed Order will be recorded by the AFX ETS, and a Trade confirmation that reflects the material terms of the Trade will be communicated to the relevant Participants; provided, however, that any failure to deliver or receive such Trade confirmation shall not affect the validity or terms of the Trade, which shall be definitively determined as and when reflected in the AFX ETS. The terms set forth in the AFX ETS and reflected in a Trade confirmation shall be determinative and binding on each Participant, subject to AFX's right to unwind or cancel a Trade at the mutual written request of the two relevant Exchange Participants or may require the acceleration of a Trade as a means to unwind a trade in order to maintain a fair and orderly market (as determined in AFX's discretion). Failure, delay or errors contained in any such confirmation shall not invalidate the execution. If two Participants in any AFX Market who are matched to a Trade intend to declare that Trade bust (and therefore cancelled and *void ab initio*), those two Participants' mutual written request for a Trade bust must be received by AFX not later than fifteen (15) minutes after Close of Market on the date of the Trade and prior to funds being transferred. In the case of a Trade bust due to AFX system error or mutual agreement of the Participants, the Standard Terms relating to such busted Trade may be deemed *void ab initio* (provided that funds have not been transferred) or otherwise unwound (through acceleration or similar methods) by the Exchange. Participants acknowledge that AFX's ability to bust or unwind Trades or Loans is limited as a result of settlement of Loans occurring outside of the AFX System.

4.5.5.4 Effect of Execution

Upon a Bid Order and an Offer Order being matched in the AFX ETS, the Trade shall give rise to a Loan with the Participant submitting the Bid Order being the Borrower and the Participant submitting the Offer Order being the Lender. At such time, the Lender and Borrower shall be deemed to have entered into the Standard Terms with respect to such Loan, subject to the specific

terms of the Loan resulting from the Trade. The Standard Terms shall be legally binding upon such Borrower and Lender as a bilateral agreement between the two parties, and such Borrower and Lender shall be legally bound to complete a Loan transaction pursuant to the Standard Terms and on the terms recorded in the AFX System, which shall be specified in the applicable Trade confirmation.

4.5.5.5 Trades Are Between Participants Exclusively

Loan transactions between Participants resulting from executions of Orders on the Exchange shall be solely between the parties to each such transaction, acting as principals. AFX shall not be a party to any Loan, loan transaction or Order execution in any respect whatsoever, including, without limitation, in the event of a default or alleged default under or pursuant to any Standard Terms. No Participant shall act as agent for any third parties. Neither AFX nor any of its Service Providers shall have any responsibility or liability whatsoever for the performance or non-performance by the Participants (or their designated Collateral Custodians) of their obligations under or pursuant to any Loan, Trade, Order execution or other transaction executed on or through the Exchange.

In the event of a default or alleged default in the performance by any Participant that is a party to a Loan prior to the Maturity Date of the Loan as recognized in the AFX ETS, and following receipt by the Exchange of adequate notice of such default or alleged default and the facts and circumstances relating thereto, the Exchange may (but shall not be obligated to), upon consideration by the applicable Committee based solely on the facts known to such Committee at such time, elect to (x) take no action, or (y) remove from the AFX ETS the repayment instructions relating to transfer of the repayment funds on the Maturity Date (in which case notice of such removal shall be communicated to the relevant parties). AFX may also take such action unilaterally or may condition such action on its receipt of such consents, acknowledgements or conditions by or from the applicable Participants as AFX in its discretion determines. Except as may be otherwise determined by AFX and communicated to the applicable Participants due to a Trade cancellation or Trade unwind (as discussed above), any such removal of a repayment instruction from the AFX ETS shall not of itself affect the validity or enforceability of the Standard Terms agreement between the parties governing the underlying Loan, which (subject to the Standard Terms) shall remain a valid and binding contractual agreement solely between the two Participants with respect to the associated Loan. For avoidance of doubt, the Exchange in any case shall not (i) be required to undertake any investigation or inquiry into the matter raised by such notice, or make any determination of the veracity of an allegation of default, (ii) perform the calculation, nor direct the transfer, of any default interest, (iii) accelerate the repayment obligation of the underlying Loan as recognized by the AFX ETS, nor (iv) take any other action with respect to the defaulted or allegedly defaulted Loan other than as described in the immediately preceding sentence of this Rule 4.5.5.4, it being the applicable Participants' sole and exclusive obligation to determine their

own rights, duties and remedies with respect to the defaulted or allegedly defaulted Loan outside of the AFX ETS and outside of the operations of the Exchange.

4.5.6 Prohibited Trading and Trading-Related Activities

In addition to any applicable prohibitions contained elsewhere in Exchange Rules, an Exchange Participant shall not, and it shall be a violation of Exchange Rules in the event that an Exchange Participant does:

- (i) Make or report or purport to make or report any false or fictitious transaction;
- (ii) Submit any Bid Order or Offer Order with the knowledge that the transaction would result in no change in beneficial ownership thereof;
- (iii) Knowingly submit, or cause to submit, Orders into the AFX ETS other than in good faith for the purpose of executing a Trade;
- (iv) Submit an Order or mislead the market by sending signals with the intent to cancel the Order before it is executed, or modify the Order to avoid execution;
- (v) Submit any Order with the intent to overload, delay, or disrupt the AFX ETS and the orderly conduct of trading; or
- (vi) Fail to timely fund or repay any Loans (together with applicable interest thereon) or otherwise fail to provide the required acknowledgment or such funding or repayment, in each case as required pursuant to Rule 4.6.

4.5.7 Termination/Suspension and Trade Invalidation

All instances of misconduct related to trading activities on the Exchange, including the aforementioned activities, will be reported to the appropriate Committee for action. Misconduct may result in disciplinary sanctions as determined in the sole discretion of the Exchange. Such sanctions include, without limitation, the invalidation of Trades effectuated on the AFX ETS, the imposition of fines against a Participant, suspension and/or expulsion of a Participant, limiting or terminating a Participant's Participation on the Exchange, unwinding or modifying Trades, and/or making reports to regulators, law enforcement entities or other third parties.

Any two Participants' mutual written request for a Trade bust must be received by AFX not later than fifteen (15) minutes after Close of Market on the day of the Trade and prior to the transfer of funds. In the case of a Trade bust due to AFX system error or mutual agreement of the Participants, or for any other reason, and provided that funds related to such busted Trade have not been transferred, the Standard Terms relating to such busted Trade shall be deemed *void ab initio*. If funds have been transferred, AFX may direct and require the relevant Participants to unwind an Unsecured Trade through acceleration or similar methods.

4.6 Settlement Services for Unsecured Trades

Execution of Unsecured Trades on the AFX ETS will initiate the process of settlement services. Such process shall consist of the following:

- (i) The AFX ETS will record the Trades consummated on the AFX ETS and details of the product, counterparties, loaned amounts, time and date of transactions, transacted rate and other details.
- (ii) AFX will direct the Lender to transfer cash in an amount equal to the principal amount of the Unsecured Loan. Following receipt of such instruction from AFX, the relevant Lender shall (i) transfer to the relevant Borrower the principal amount of the Unsecured Loan via FedWire (or other customary and appropriate means) by not later than 5:30 p.m. Central Time; and (ii) provide such documentation as AFX may require of the relevant transfer.
- (iii) Once the relevant Borrower has received the full amount of the principal relating to an Unsecured Loan, then, by no later than 5:30 p.m. Central Time on the term commencement start date of the Unsecured Loan, relevant Borrower shall acknowledge in the AFX System with a “*Funds Received*” (or similar) message such relevant Borrower’s receipt of the Unsecured Loan principal and provide such documentation as AFX may require of receipt of the relevant transfer. Upon receipt of such message, the AFX ETS shall update the trade status of the Unsecured Loan to “*Funded*” (or similar designation).
- (iv) If the AFX ETS does not receive a “*Funds Received*” (or similar message) from the relevant Borrower as described in clause (iii) above by 5:30 p.m. Central Time on the term commencement start date of the Unsecured Loan, then the AFX ETS shall update the trade status to “*Funding Failure*” (or similar designation), and the Unsecured Loan (and associated instructions relating to the counterparty repayment on the Maturity Date) shall be suspended from the AFX ETS. In the event of a “*Funding Failure*”, AFX shall have sole authority to subsequently determine whether and which party has committed a Rule violation, and AFX’s determination shall be final and binding upon the parties. The relevant Participant counterparties to the Unsecured Loan shall each cooperate with any AFX inquiry or records request relating to such determination. On the term commencement start date of the Unsecured Loan, the relevant Participants shall communicate directly among each other as may be necessary to resolve any issues relating to the Unsecured Loan that may be delaying funding by the relevant Borrower or acknowledgement of receipt of funds by the relevant Borrower.

- (v) On the Maturity Date, the AFX ETS shall update the trade status of the relevant Unsecured Loan to “*Matured*”, unless the trade status has been updated to “*Funding Failure*”. By 5:30 p.m. Central Time on such date, the relevant Borrower shall transfer to the relevant Lender the required repayment amount (including any interest) for the Unsecured Loan via FedWire (or other customary and appropriate means) by no later than 5:30 p.m. Central Time. Upon its receipt in full repayment amount, the relevant Lender shall acknowledge receipt of the repayment in the AFX ETS by no later than 5:30 p.m. Central Time on the Maturity Date and provide such documentation as AFX may require of the receipt of the relevant transfer. Upon receipt of such repayment acknowledgement, the AFX ETS shall update the trade status of the relevant Unsecured Loan to “*Repaid*”. The AFX ETS shall communicate such acknowledgement by the relevant Lender to the relevant Borrower. If the AFX ETS does not receive a “*Repaid*” (or similar message) from the relevant Lender by 5:30 p.m. Central Time on the Maturity Date, then the AFX ETS shall update the trade status to “*Repayment Failure*” (or similar designation).
- (vi) In the event of any delay beyond the prescribed time frames in clause (v) above, no update to the displayed trade status of the relevant Unsecured Loan shall occur in the AFX ETS. The relevant Participants shall communicate directly among each other as may be necessary to resolve any issues relating to repayment of the Unsecured that may delay repayment by the relevant Borrower, or acknowledgement of receipt of repayment by the relevant Lender.

Chapter V **Secured Market Rules**

5.1 Secured Market Rules: Chapter VI and Chapter VII of this Rulebook shall govern Loans entered into on the Secured Market. Loans offered in the Secured Market shall consist of Secured Allocated Collateral Loans and Secured Delivered Collateral Loans. For the avoidance of doubt, Secured Allocated Collateral Loans and Secured Delivered Collateral Loans shall not be separate products in the Secured Market. As such, a Participant in the Secured Market will not be able to distinguish as to whether a matched Trade in the Secured Market will result in a Secured Allocated Collateral Loan or a Secured Delivered Collateral Loan prior to receiving a confirmation from the Exchange indicating the other party's identity. Accordingly, a Secured Lender that does not wish to extend a particular type of Loan to a Secured Borrower must indicate in advance that it is not willing to enter into Secured Allocated Collateral Loans or Secured Delivered Collateral Loans, as the case may be, with particular Secured Borrowers that have indicated a willingness only to enter into that type of Loan. By entering an Order into the Secured Market, each Participant acknowledges and agrees to this limitation and that its only ability to limit the possibility to enter into a particular types of Loan in the Secured Market (*i.e.*, a Secured Allocated Collateral Loan or a Secured Delivered Collateral Loan) will be its ability to identify the particular Borrowers pursuant to Rule 6.2 to which it will extend Loans in the Secured Market.

Chapter VI **Secured Allocated Collateral Loan Rules**

This Chapter shall govern the Secured Allocated Collateral Loan process. In the event of conflict between the provisions of this Chapter and the provisions of the remainder of this Rulebook, the provisions of this Chapter shall control with respect to Secured Allocated Collateral Loans (but not Secured Delivered Collateral Loans, which shall be subject to Chapter VII of this Rulebook and Rule 6.2). Collateral Custodians shall be subject to the terms, conditions and obligations of this Rulebook that are applicable to a Collateral Custodian.

A Secured Borrower and Secured Lender shall, in advance of entering into any Secured Allocated Collateral Loan on the Secured Market, agree, as between one another, to enter only into Secured Allocated Collateral Loans between such Secured Borrower and Secured Lender. Such agreement shall be notified to the Exchange and such Secured Borrower and Secured Lender, in such capacity, will only be permitted to enter into Secured Allocated Collateral Loans as between one another.

Each Collateral Custodian acknowledges and agrees that the terms and conditions of this Chapter VI create enforceable obligations between each Secured Borrower that designates such Collateral Custodian to act for it in that capacity and the Relevant Secured Lenders to such Secured Borrower, from time to time. Each Relevant Secured Lender to a Secured Borrower that has so designated a Collateral Custodian will become party to any existing arrangement under the terms set forth in this Rulebook, which will create a binding agreement on such terms among the Collateral Custodian, Secured Borrower and the other Relevant Secured Lenders to such Secured Borrower, from time to time, upon entering into a Secured Allocated Collateral Loan with such Secured Borrower pursuant to this Rulebook (to the extent such Secured Lender is not already party to such arrangement).

Each Secured Borrower acknowledges and agrees that, pursuant to the terms of this Rulebook and the Standard Terms, Secured Borrower grants a security interest in the Collateral pledged by such Secured Borrower to a Relevant Secured Lender upon entering into a Secured Allocated Collateral Loan hereunder. In addition, such Secured Borrower acknowledges and agrees that it has granted control pursuant to these Rules over any Collateral to the Collateral Agent in connection with its Secured Allocated Collateral Loans.

Each Secured Borrower and Secured Lender agree that, by entering into an Secured Allocated Collateral Loan through the AFX ETS, the terms of this Rulebook, including, without limitation, this Chapter VI, shall be binding upon each as it relates to the rights, obligations, protections, liabilities and requirements with respect to each such Secured Borrower, Secured Lender or the Secured Borrower's Collateral Custodian, including following the termination of any Secured Allocated Collateral Loan.

Each Secured Borrower and each Secured Lender has independently reviewed the terms of these Rules and has determined that it has full legal capacity and authority to enter into each Secured Allocated Collateral Loan entered into hereunder, and acknowledges and agrees that each such Secured Allocated Collateral Loan hereunder is its legally enforceable obligation and creates an enforceable security interest and enforceable rights and remedies with respect to any Collateral pursuant to the terms of these Rules and the Standard Terms with respect to each Secured Allocated Collateral Loan.

Neither the Exchange nor any Collateral Custodian makes any representation or warranty with respect to the enforceability or perfection of any security interest granted pursuant to this Chapter VI, the adequacy or sufficiency of any Collateral provided pursuant to this Chapter VI, the enforceability of any remedy granted to a Secured Lender or the Collateral Agent pursuant to this Chapter VI. Each Secured Lender and Secured Borrower acknowledges that a Collateral Custodian has a right to withdraw and resign from acting as a Collateral Custodian in certain situations, including during the term of a Secured Allocated Collateral Loan, and that there exists a risk that no Collateral Custodian, Collateral Agent or Securities Intermediary will be acting with respect to a Secured Allocated Collateral Loan upon such withdrawal and resignation. In addition, the Exchange makes no representation, warranty or assurance with respect to the performance of the Collateral Custodian and provides no assurance that the Collateral Custodian, when acting in any capacity, will follow any instructions given. In particular, each Secured Lender acknowledges and agrees that the Collateral Custodian and Secured Borrower with respect to a Secured Allocated Collateral Loan may be the same legal entity or an affiliate thereof and that, in such case, the Collateral Custodian, when acting as Securities Intermediary or Collateral Agent, is subject to an unavoidable conflict of interest with respect to any such Secured Allocated Collateral Loan.

6.1 Secured Allocated Collateral Loans

With respect to any Secured Allocated Collateral Loan, the Rules of this Chapter VI shall apply. Prior to being permitted to be matched on the Secured Market with respect to a Secured Allocated Collateral Loan, the Secured Borrower and Secured Lender must have agreed between one another in advance to enter into Secured Allocated Collateral Loans with the other party and must have established contractual and custodial arrangements, if applicable, with respect to the relevant Collateral that are acceptable to both parties. In connection with this pre-trade matching process, the Secured Borrower must disclose to such Secured Lender the identity of its Collateral Custodian and any material relationship thereto. For the avoidance of doubt, a Secured Borrower and a Secured Lender agreeing to any such arrangement in those respective capacities is separate and apart from that Secured Borrower, acting as Secured Lender, agreeing to any such arrangement with that Secured Lender, acting as Secured Borrower. The Secured Borrower and Secured Lender shall be deemed to have represented to the Exchange that the requirements of this Rule 6.1 have been satisfied as between the two in such capacities at such time as the Secured Lender notifies the Exchange that the Secured Lender will extend Secured Allocated Collateral Loans to the

Secured Borrower and sets a non-zero Secured Lending Limit for such Secured Borrower pursuant to Rule 6.2.

6.1.1 Account Pledge of Secured Borrowers

To secure the payment and the performance of a Secured Borrower's Obligations with respect to Secured Allocated Collateral Loans, and for value received, such Secured Borrower hereby pledges to the Collateral Agent, for the benefit of the Relevant Secured Lenders to that Secured Borrower from time to time, a security interest in such Secured Borrower's Collateral. For the avoidance of doubt, the Collateral Agent shall hold the security interest granted by the relevant Secured Borrower pursuant to this Rule 6.1.1 for the benefit of the Relevant Secured Lenders from time to time and not for its own benefit.

6.1.2 Relevant Secured Lenders

Prior to any Collateral Custodian acting as Collateral Agent for any Relevant Secured Lender, such Relevant Secured Lender shall have completed such regulatory compliance documentation, including documentation designed to comply with provisions of the USA PATRIOT Act of 2001, as amended from time to time, and any other applicable regulatory requirements, as may be required by the Collateral Custodian, and no Secured Allocated Collateral Loan may be executed between a Secured Borrower and such Relevant Secured Lender prior thereto. For the avoidance of doubt, the obligation to ensure the completion of any such regulatory compliance requirements shall be the obligation and responsibility of the Collateral Custodian and such Relevant Secured Lender and the Exchange disclaims any liability or responsibility for compliance with any regulatory compliance requirements or the accuracy or completeness of any information or documentation provided in connection therewith.

A Collateral Custodian may, upon one Business Day written notice to the Exchange, cease to act as a Collateral Custodian and Collateral Agent with respect to any new Secured Allocated Collateral Loan to be entered into by a Secured Lender with any Secured Borrower for which such Collateral Custodian acts. Upon receipt of such notice, such Secured Lender may not enter into any future Secured Allocated Collateral Loans with any Secured Borrower for which the Collateral Custodian acts. For the avoidance of doubt, ceasing to act as Collateral Agent with respect to any future Secured Allocated Collateral Loans shall not limit the Collateral Custodian's rights and obligations with respect to any existing Secured Allocated Collateral Loans.

6.1.3 Transfers of Eligible Collateral

After execution of a Secured Allocated Collateral Loan by a Secured Borrower, and as a condition precedent to the release of the proceeds of such Secured Allocated Collateral Loan to such Secured Borrower, the Secured Borrower shall transfer to its Collateral Account Eligible Collateral having an aggregate Value at least equal to the principal amount plus the Premium Amount of such

Secured Allocated Collateral Loan. The Secured Borrower's obligation to transfer Eligible Collateral pursuant to the preceding sentence may be satisfied either by (i) causing the Securities Intermediary to credit to the Collateral Account items of Eligible Collateral that are not then in the Collateral Account or (ii) instructing the Collateral Agent to allocate to such Secured Allocated Collateral Loan Eligible Collateral that is then in the Collateral Account but is at the relevant time Unallocated Collateral. In either case, the Secured Borrower shall specifically identify the relevant items of Eligible Collateral being so transferred and to be allocated pursuant to Rule 6.1.10.2.

6.1.4 Representations and Warranties of the Secured Borrower

Each Secured Borrower hereby represents and warrants, as of each date on which such Secured Borrower transfers any Eligible Collateral to its Collateral Account, that:

- (a) the Secured Borrower is the sole entitlement holder and beneficial owner of such Collateral Account;
- (b) it has the power to grant a security interest in and lien on any Eligible Collateral transferred to the Collateral Account and has taken all necessary action to authorize the granting of the security interest pursuant to Rule 6.1.1;
- (c) it is the sole owner of or otherwise has the right to transfer to the Collateral Account all Eligible Collateral purported to be transferred thereto, in each case free and clear of any Encumbrance (other than the security interest granted pursuant to Rule 6.1.1);
- (d) upon the transfer of any Eligible Collateral to the Collateral Account, the Collateral Agent will have a valid and perfected first priority security interest therein; and
- (e) its grant of the security interest pursuant to Rule 6.1.1 does not violate or conflict with any law applicable to it, any provision of its constitutional documents, or any contractual restriction binding on it or affecting its assets.

6.1.5 Covenants of the Secured Borrower

- (a) Each Secured Borrower agrees that, so long as any Secured Allocated Collateral Loan with respect to such Secured Borrower remains outstanding or any of its Obligations with respect to such a Secured Allocated Collateral Loan remain unpaid:
 - (i) the Collateral Agent is authorized to have electronic monitoring access of such Secured Borrower's Collateral Account and it will execute any additional documents that may reasonably be required to effectuate such authorization;
 - (ii) it will promptly furnish the Collateral Agent and the Exchange with any information or documents which such Collateral Agent and the Exchange, as

applicable, may reasonably request concerning such Secured Borrower's Collateral Account or Collateral;

- (iii) it will promptly notify the Collateral Agent and the Exchange if, due to a change in fact or circumstance, any representation or warranty made or deemed made by such Secured Borrower under the Rulebook is no longer true and correct;
 - (iv) it will promptly notify the Collateral Agent and the Exchange of any claim, action, or proceeding affecting title to such Secured Borrower's Collateral or Collateral Account, or any part thereof, or the security interest granted therein pursuant to Rule 6.1.1;
 - (v) it will pay to the Collateral Agent or the Exchange, as applicable, the amount of any out-of-pocket costs or expenses (including reasonable attorney's fees) incurred by the Collateral Agent or the Exchange in connection with an Event of Default (as defined under the Standard Terms) by such Secured Borrower, or the exercise of any remedies with respect to such Secured Borrower or such Secured Borrower's Collateral, under the Rulebook; and
 - (vi) it will promptly execute and deliver to the Collateral Agent and the Exchange (at such Secured Borrower's expense) all such other documents or instruments (including financing statements), and do all other acts or things, as may be reasonably requested by the Collateral Agent or the Exchange in order to more fully evidence and perfect the security interest intended to be created pursuant to Rule 6.1.1. Without limiting the generality of the foregoing, such Secured Borrower authorizes each of the Collateral Agent or its counsel and the Exchange to file any financing statement(s) it reasonably deems advisable in order to perfect or further perfect the security interest intended to be created pursuant to Rule 6.1.1.
- (b) Each Secured Borrower further covenants and agrees that, without the prior written consent of each Relevant Secured Lender to such Secured Borrower at such time and without posting notice through the AFX System, the Secured Borrower shall not:
- (i) create or permit to exist, other than as provided for under Rule 6.1.1 or any offset rights or banker's liens inuring to the benefit of the Securities Intermediary (but only to the extent such offset rights or banker's liens are specifically permitted pursuant to the terms of the Rules related to control of the Collateral Account pursuant to Rule 6.1.7 below) any Encumbrance in or on any Collateral; or
 - (ii) request, make or allow to be made any withdrawals or transfers from the Collateral Account, except in accordance with Rule 6.1.7 below.

6.1.6 Acknowledgment of Rights of Lender Participants

With respect to any Collateral, the Collateral Agent acknowledges and agrees that it shall hold its security interest in such Collateral solely for the benefit of the Relevant Secured Lenders to the applicable Secured Borrower from time to time. For the avoidance of doubt, no Relevant Secured Lender (nor the Collateral Agent acting on its behalf) has any security interest in any Collateral to secure obligations under any Secured Allocated Collateral Loan.

6.1.7 Control of Collateral Accounts

With respect to each Collateral Account, the applicable Secured Borrower, Collateral Agent and Securities Intermediary agree that all property in, or credited to, such Collateral Account (including any Eligible Collateral) shall be “financial assets,” within the meaning of Section 8-102 of the Illinois UCC. The applicable Secured Borrower, Collateral Agent and Securities Intermediary further agree that, at all times unless and until (1) the Securities Intermediary is otherwise instructed in writing (including through the AFX System) by each Relevant Secured Lender and (2) the Securities Intermediary receives written notice of such instruction through the AFX System, with such notice to the Collateral Agent to be in writing, the Collateral Agent shall have the exclusive right to give entitlement orders and other instructions to the Securities Intermediary with respect to such Collateral Account, as directed by a Relevant Secured Lender in accordance with these Rules, and all financial assets therein or credited thereto, in each case without any further consent from the Secured Borrower (and the Secured Borrower hereby irrevocably authorizes and instructs the Securities Intermediary to execute any such entitlement orders or other instructions from the Collateral Agent, including those instructed on behalf of the Secured Lender). If and upon the Securities Intermediary otherwise being instructed by each Relevant Secured Lender and the receipt by the Securities Intermediary of notice through the AFX System that the Collateral Agent no longer has the exclusive right to give entitlement orders to the Securities Intermediary with respect to the Collateral Account, no further Secured Allocated Collateral Loans may be made to such Secured Borrower.

With respect to a Collateral Account, the Secured Borrower may submit to the Collateral Agent requests to withdraw specified financial assets from such Collateral Account. The Collateral Agent shall instruct the Securities Intermediary to execute such request only as and if in accordance with Rule 6.1.10.2(c). The Securities Intermediary agrees that it shall not honor any request of the Secured Borrower for the withdrawal, transfer or other disposition of any such financial asset without such an instruction from the Collateral Agent.

The Securities Intermediary has not entered into and will not enter into any agreement or understanding with any other person relating to the Collateral Account, unless the Securities Intermediary has received prior express written consent from each Relevant Secured Lender and has posted notice of such agreement or understanding through the AFX System.

Except as provided elsewhere herein, each Secured Borrower shall be solely responsible for any and all fees and costs charged in connection with its Collateral Account (including, without limitation, fees and expenses of the Collateral Agent and the Securities Intermediary).

The Securities Intermediary hereby waives and, except as permitted under Rule 6.1.5, agrees that it shall not obtain, whether by agreement, operation of law or otherwise, a security interest or other Encumbrance in any of the Collateral of a Secured Borrower. To the extent any such security interest arises by operation of law and cannot be waived, the Securities Intermediary hereby subordinates such security interest to the security interest of the Collateral Agent.

6.1.8 Power of Attorney

Each Secured Borrower hereby designates and appoints the Collateral Agent (and each of its designees or agents as attorneys-in-fact of such Collateral Agent), for the benefit of the Relevant Secured Lenders to that Secured Borrower, from time to time, for such time as such Relevant Secured Lender has a Relevant Secured Allocated Collateral Loan outstanding or any Obligations with respect to any such Secured Allocated Collateral Loan remain unpaid, irrevocably and with power of substitution, with authority to take any or all of the following actions, upon the written direction and indemnity of the Secured Lender and upon the occurrence and during the continuation of an Event of Default, as defined in the Standard Terms:

- (a) to demand, collect, settle, compromise, adjust and give discharges and releases concerning any Collateral or the Collateral Account of such Secured Borrower (based upon the written instructions of the Relevant Secured Lender);
- (b) to commence and prosecute any actions at any court for the purposes of collecting on any Collateral and enforcing any other right in respect thereof;
- (c) to defend, settle, adjust or compromise any action, suit or proceeding brought with respect to the Collateral and, in connection therewith, give such discharge or release (based upon the written instructions of the Relevant Secured Lender);
- (d) to pay or discharge taxes, liens, security interests, or other encumbrances levied or placed in or on or threatened against the Collateral;
- (e) to direct any parties liable for any payment under any Collateral to make payment of any and all monies due and to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct;
- (f) to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Collateral of such Secured Borrower;

- (g) to sign and endorse any drafts, assignments, proxies, verifications, notices and other documents relating to any Collateral of such Secured Borrower;
- (h) to execute and deliver and/or file all assignments, conveyances, statements, financing statements, continuation statements, pledge agreements, affidavits, notices and other agreements, instruments and documents that counsel of the Collateral Agent or Secured Lender may determine necessary in order to perfect and maintain the security interests and liens granted pursuant to Rule 6.1.1 and in order to fully consummate all of the transactions contemplated in this Rulebook; and
- (i) to do and perform all such other acts and things as the Collateral Agent may be reasonably directed in writing (and indemnified for) by the Relevant Secured Lender to be necessary or proper in connection with any Collateral of such Secured Borrower.

The power of attorney contemplated in this Rule 6.1.8 is a power coupled with an interest and shall be irrevocable until such time as there are no Secured Allocated Collateral Loans outstanding (or any unpaid Obligations remaining thereunder) with respect to such Secured Borrower. The Collateral Agent shall be under no duty to exercise or withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to the Collateral Agent pursuant to this Rule 6.1.8, and shall not be liable for any failure to do so or any delay in doing so. The Collateral Agent shall not be liable for any act or omission or for any error of judgment or any mistake of fact or law in its individual capacity or its capacity as attorney-in-fact except acts or omissions resulting from its gross negligence or willful misconduct. This power of attorney is conferred on the Collateral Agent solely to perfect, protect, preserve and realize upon its security interest in the Collateral Account.

6.1.9 Remedies

6.1.9.1 General Remedies

If at any time an Event of Default with respect to a Secured Borrower has occurred and is continuing:

- (a) the Collateral Agent may, subject to the limitations set forth in these Rules, including, without limitation, Rule 6.1.10.3(a), exercise one or more of the following rights and remedies with respect to such Secured Borrower's Collateral at the instruction and upon receipt of an indemnity reasonably satisfactory to the Collateral Agent of the Relevant Secured Lender:
 - (i) all rights and remedies available to a secured party under the Illinois UCC or other applicable law; and

- (ii) the right to liquidate such Collateral through one or more public or private sales or other dispositions with such notice, if any, as may be required under applicable law, free from any claim or right of any nature whatsoever of such Secured Borrower, including any equity or right of redemption by such Secured Borrower (with the Collateral Agent or any Relevant Secured Lender having the right to purchase any or all of such Collateral to be sold) and to apply the proceeds (or the cash equivalent thereof) to the secured obligations in such order as may be provided for in the Rulebook;
- (b) such Secured Borrower, the Relevant Secured Lenders and the Collateral Agent acknowledge and agree that Collateral in the form of securities may decline speedily in value and is of a type customarily sold on a recognized market, and, accordingly, the relevant Secured Borrower is not entitled to prior notice of any sale of that Collateral by the Collateral Agent, except any notice that is required under applicable law and which cannot be waived.

Each Secured Borrower agrees that it shall pay to the Collateral Agent and to each Relevant Secured Lender an amount equal to any costs and expenses incurred by the Collateral Agent or such Relevant Secured Lender, as applicable (including, but not limited to, reasonable attorneys' fees and expenses and such extraordinary fees of the Collateral Agent) in connection with the exercise by the Collateral Agent of its remedies under this Rule 6.1.9.1, and that such payment obligation shall be secured by the Collateral.

Any delay or failure by a Collateral Agent to exercise any right or remedy under this Chapter VI, or by a Relevant Secured Lender to instruct such exercise, shall not operate as a waiver of any such right or remedy.

6.1.9.2 Application of Proceeds

After the exercise of remedies by the Collateral Agent in respect to a Defaulted Loan, any proceeds of any sale or other disposition of any Collateral, when received by the Relevant Secured Lender with respect to such Defaulted Loan in cash or its equivalent pursuant to the requirements of Rule 6.1.9.1, will be applied as directed in writing by the Secured Lender in reduction of any Obligations owed by such Secured Borrower to the Relevant Secured Lender with respect to any Defaulted Loan between the two, subject to the allocation and application requirements in Rule 6.1.10 below, and each Secured Borrower irrevocably waives the right to direct the application of such payments and proceeds and acknowledges and agrees that the Relevant Secured Lender shall have the continuing and exclusive right to apply and reapply any and all such proceeds, notwithstanding any entry to the contrary upon any of such Secured Borrower's books and records.

6.1.9.3 Deficiency

Each Secured Borrower and each Relevant Secured Lender thereto acknowledges that the recovery, if any, of a Relevant Secured Lender pursuant to any exercise of remedies with respect to any Collateral would be limited to the net proceeds of such Relevant Secured Lender's Allocated Collateral. Accordingly, each Secured Borrower agrees, for the benefit of each Relevant Secured Lender, that if the net proceeds received by such Relevant Secured Lender from any disposition of Allocated Collateral pursuant hereto are insufficient to pay all amounts to which such Relevant Secured Lender is legally entitled with respect to any Defaulted Loan of the Secured Lender, the Secured Borrower shall be liable to such Relevant Secured Lender for the deficiency (a "**Deficiency**") and any applicable interest thereon (together with any reasonable expenses incurred by such Relevant Secured Lender in connection with collection of such deficiency). Any surplus remaining after the full payment and satisfaction of the Obligations under any of the Secured Lender's Defaulted Loans shall be returned to the Secured Borrower or to whomsoever else a court of competent jurisdiction shall determine to be entitled thereto.

6.1.10 Collateral Agent, Allocation of Eligible Collateral and Intercreditor Arrangements

6.1.10.1 Collateral Agent

Each Relevant Secured Lender with respect to a Secured Borrower shall be deemed to have appointed the relevant Collateral Custodian to act as the Collateral Agent with respect to such Secured Borrower's Collateral pursuant to this Chapter VI, and such Collateral Custodian shall be deemed to have accepted such appointment as Collateral Agent; provided, that no such Relevant Secured Lender may be deemed to have appointed the Collateral Custodian as Collateral Agent until such time as the Relevant Secured Lender has completed any such regulatory compliance documentation, including documentation designed to comply with provisions of the USA PATRIOT Act of 2001, as amended from time to time, and any other applicable regulatory requirements, as may be required by the Collateral Custodian.

None of the Collateral Agent, Collateral Custodian, Securities Intermediary or any person acting for the Collateral Agent shall be liable to a Secured Borrower or a Relevant Secured Lender for any acts or omissions or for any error of judgment or mistake of fact or law, other than to the extent such act, omission, error or mistake constitutes gross negligence or willful misconduct.

The Collateral Custodian may consult with legal counsel, at the sole cost of the applicable Secured Borrower, in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in accordance with the written opinion and instructions of such counsel.

6.1.10.2 Allocation of Required Collateral Amounts

- (a) With respect to any Secured Allocated Collateral Loan, upon a Secured Borrower's transfer of an item of Eligible Collateral to the Collateral Account pursuant to Rule 6.1.3, such item shall be allocated by the Collateral Agent (in accordance with the instructions of the Secured Borrower) to such Secured Allocated Collateral Loan for the benefit of the Relevant Secured Lender. Such allocation shall be made by the Secured Borrower providing notice of such allocation in writing to the Collateral Agent through the AFX System and such record on the AFX System shall be deemed to be evidence of such allocation on the Collateral Agent's books and records. The Secured Borrower shall provide written notice to its Collateral Agent, the Relevant Secured Lender and the Exchange via the AFX System that such item has been allocated to the Relevant Secured Lender (with such notice specifying the relevant items, including the name of the applicable issuer, the price, the principal amount and CUSIP of Eligible Collateral to be so allocated, each in a format prescribed by the Exchange). Such item(s) shall continue to be allocated to the applicable Secured Allocated Collateral Loan until otherwise notified by the applicable Relevant Secured Lender (and upon such notice shall become Unallocated Collateral). The applicable Relevant Secured Lender shall deliver a notice to the Collateral Agent pursuant to this Rule 6.1.10.2(a) to designate Allocated Collateral as Unallocated Collateral upon receipt of repayment on the applicable Relevant Secured Allocated Collateral Loan.
- (b) Notwithstanding anything else to the contrary herein or in the Standard Terms, the Relevant Secured Lender shall have no obligation to transfer to the Secured Borrower the principal of any Secured Allocated Collateral Loan until such time as the Secured Borrower has transferred Eligible Collateral relating thereto in the manner and in the amount contemplated by Rule 6.1.3 and the Secured Borrower has notified Collateral Agent, the Exchange and the Relevant Secured Lender (via the AFX System) that the relevant item or items of Eligible Collateral have been allocated to such Secured Allocated Collateral Loan in accordance herewith; provided, however, that neither the Exchange nor the applicable Collateral Agent shall be liable for any damages incurred by any party should the Relevant Secured Lender fund the principal of the Relevant Secured Allocated Collateral Loan prior to receiving any notice required pursuant to this Rule 6.1.10.2(b); provided, further, that if the Secured Borrower has not transferred sufficient items of Eligible Collateral with respect to a proposed Secured Allocated Collateral Loan in accordance with Rule 6.1.3 by one-half hour prior to Close of Market on the Business Day after date of the execution of the Secured Allocated Collateral Loan, the Secured Borrower shall be in default and subject to an Event of Default with respect to such Secured Allocated Collateral Loan. The Collateral Custodian shall have no obligation to enforce, and shall not be liable for failing to enforce, the obligation of the Secured Borrower under this Rule 6.1.10.2(b) to provide Eligible Collateral with respect to any Secured Allocated Collateral Loan. In the event of a failure

of the Secured Borrower to provide such Eligible Collateral, it shall be the sole obligation of the Relevant Secured Lender to declare or otherwise indicate an Event of Default with respect to the applicable Secured Allocated Collateral Loan.

- (c) The Secured Borrower will have no right to withdraw any Allocated Collateral from its Collateral Account, except as set forth herein. Upon one Business Day notice to all Relevant Secured Lenders via the AFX System, a Secured Borrower may request that the Collateral Agent release any Allocated Collateral consisting of a coupon or interest payment on Allocated Collateral, and, unless the Collateral Agent has been notified by the Exchange or a Relevant Secured Lender of such Secured Borrower (A) that such coupon or interest payment should not be released or (B) that an Event of Default is continuing with respect to such Secured Borrower, the Collateral Agent shall transfer such coupon or interest payment to the Secured Borrower. Any request to the Collateral Agent to release Allocated Collateral from the Collateral Account shall be notified by the Secured Borrower in writing via the AFX System.

A Secured Borrower may request that the Collateral Agent release any item or items of Unallocated Collateral specified by such Secured Borrower, and, unless the Collateral Agent determines that the item or items is Allocated Collateral (as shown on the Collateral Agent's books and records), the Collateral Agent shall transfer such item or items of Unallocated Collateral to the Secured Borrower.

- (d) None of the Exchange, the Collateral Agent or the Securities Intermediary makes any representation with respect to the attachment, perfection or priority of any security interest or other Encumbrance, or with respect to the value of any Eligible Collateral. Each Relevant Secured Lender acknowledges and agrees that it exclusively bears the risk that the Allocated Collateral provided in connection with a Relevant Secured Allocated Collateral Loan may, during the term of the Secured Allocated Collateral Loan, decline in value and may no longer not fully secure the Secured Borrower's repayment obligation. None of the Collateral Agent, Securities Intermediary and Collateral Custodian shall have any discretionary duties under these Rules and shall only act at the direction of either a Relevant Secured Lender or the applicable Secured Borrower, as the case may be.

6.1.10.3 Exercise of Rights upon an Event Default

- (a) Upon receipt of notice from the applicable Relevant Secured Lender of an Event of Default (as defined in the Standard Terms) by a Secured Borrower under a Secured Allocated Collateral Loan and during the continuation thereof, the Relevant Secured Lender to such Borrower's Defaulted Loan may (subject to the penultimate sentence of this paragraph) direct in writing the Collateral Agent and at the cost of the Secured Lender to exercise specific rights and remedies under Rule 6.1.9 with respect to Allocated Collateral; provided, that the Collateral Agent shall not be required to exercise any such right or

remedy unless the Relevant Secured Lender has given to the Collateral Agent specific written instructions regarding such exercise (including any steps or processes with respect thereto) along with an indemnity reasonably satisfactory to the Collateral Agent. For the avoidance of doubt, such Relevant Secured Lender shall not be required to request or obtain the consent of any other Secured Lender to such Secured Borrower prior to giving any such instruction, and no Secured Lender may provide written instructions to the Collateral Agent with respect to Collateral that has not been allocated to it. Notwithstanding the foregoing, each Relevant Secured Lender and the Collateral Agent acknowledge and agree, solely for the benefit of one another, that the Collateral Agent shall only be required to take action in accordance with a Relevant Secured Lender's written instruction upon receipt of a written notice from the Relevant Secured Lender that an Event of Default has occurred with respect to the applicable Secured Borrower. Such Relevant Secured Lender covenants and agrees that it shall fully indemnify the Collateral Agent for the Collateral Agent taking any such action or forbearing action in accordance with any written instruction from such Relevant Secured Lender pursuant to this Rule 6.1.10.3. The Relevant Secured Lender shall indemnify the Collateral Agent for any such actions so directed by such Relevant Secured Lender.

- (b) Any proceeds obtained pursuant to the exercise of remedies with respect to Allocated Collateral pursuant to Rule 6.1.9 shall be applied in the following manner:
- (i) first, to fees, costs and expenses incurred by the Collateral Agent in its exercise of remedies related to the relevant Allocated Collateral;
 - (ii) second, to the Obligations under the Secured Allocated Collateral Loan for which such Allocated Collateral is allocated;
 - (iii) third, to the Obligations under any other Defaulted Loan between the defaulting Secured Borrower to Secured Lender to which the Allocated Collateral is allocated, in such respective capacities; and
 - (iv) fourth, returned to the Secured Borrower or delivered to whomever else a court of competent jurisdiction with respect to the Secured Borrower so directs the remaining amount to be sent.

6.1.10.4 Agency of Collateral Agent

With respect to any Allocated Collateral designated with respect to a particular Secured Allocated Collateral Loan, when all of the Obligations related to any such Secured Allocated Collateral Loan have been satisfied, the Relevant Secured Lender will confirm to the Secured Borrower and the Collateral Agent via the AFX System the receipt of the funds related to such Secured Allocated Collateral Loan upon the settlement of such repayment by the Secured Borrower to such Relevant

Secured Lender. Upon receipt of such notice, the Collateral Agent shall remove any designation of any such item or items that constituted Allocated Collateral on the books and records of such Collateral Agent, which shall be deemed to have occurred upon the Relevant Secured Lender providing notice via the AFX System.

6.1.11 Eligibility of Collateral Custodians

The Exchange, in its sole discretion, shall determine if entities are eligible to act as Collateral Custodians in the capacities and performing the obligations described in this Rulebook. Each Collateral Custodian understands and agrees that the Exchange may change the eligibility standards related to Collateral Custodians at any time, provided that the Exchange will provide timely notice to the Collateral Custodians of any change to such standards and that any such changed standards shall apply to each Collateral Custodian, including those that have previously been approved.

An entity shall only be eligible to be a Collateral Custodian under these Rules if it satisfies the following eligibility standards:

- (a) The entity shall be duly organized, existing and in good standing under the laws of its jurisdiction of organization;
- (b) The entity must be a Bank and be acting as a “securities intermediary” (as such term is used in the Illinois UCC) with respect to each Collateral Account carried by it;
- (c) For purposes of AFX Secured Markets, a custodian must be authorized to and actually provide custodial services as part of a regular business in order to serve as a qualified custodian;
- (d) The entity must be incorporated and formed under the laws of the United States of America, any State thereof or the District of Columbia;
- (e) The entity must have at least \$5 Billion in assets in its most recent annual financial reports; and
- (f) The entity must have at least \$10 Billion held in custodial accounts, based on its most recent annual financial reports.

To become eligible and to maintain eligibility as a Collateral Custodian, each Collateral Custodian shall be responsible for preparing and maintaining financial and other reports that may be required to be filed with the Exchange from time to time, and for ensuring the availability of an individual who is knowledgeable in relevant technical and financial matters to interact with representatives of the Exchange.

6.1.12 Custodian Application

6.1.12.1 General Provisions

Each eligible entity desiring to become a Collateral Custodian shall file with the Exchange an application in the form prescribed by the Exchange, and such supporting financial documents, agreements, contracts and other information as the Exchange may require.

Notice of the Exchange's decision with respect to an application shall generally be delivered within thirty (30) Business Days of the date that the complete application has been received and all follow-up inquiries have been completed to the Exchange's satisfaction. The Exchange shall disseminate notice to the Secured Borrowers for which the Collateral Custodian will act and all other Exchange Participants of the approval of each new Exchange Participant. Upon being accepted by the Exchange as a Collateral Custodian, the Exchange and Collateral Custodian shall execute, and the Participant shall become bound by, an Access Agreement (including the terms, obligations and conditions of this Rulebook). Such Access Agreement and this Rulebook shall govern the rights and obligations of the Exchange and the Collateral Custodian.

6.1.12.2 Maintenance of Eligibility

Each Collateral Custodian shall at all times meet the standards of eligibility set forth in this Rulebook and in the application. In the event that the Collateral Custodian fails to continue to satisfy the eligibility criteria set forth in this Rule 6.1.12.2, such Collateral Custodian shall notify the Exchange within five (5) Business Days of such failure. The Exchange shall determine (based on notifying and discussion by the appropriate Standing Committee) any actions to be taken with respect to such Collateral Custodian, including, but not limited to, (i) requiring each Secured Borrower that has a Collateral Account at such Collateral Custodian to appoint a new Collateral Custodian authorized under this Chapter VI of the Rulebook, (ii) prohibiting any Secured Borrower that has a Collateral Account at such Secured Borrower from executing any new Secured Allocated Collateral Loans, (iii) suspending or otherwise limiting such Collateral Custodian's access to the System or (iv) any other such action which the Exchange, in consultation with the Standing Committees, determines to be appropriate in its reasonable discretion.

6.1.12.3 Collateral Custodian Users

Each Collateral Custodian shall be provided access, consistent with Exchange Rules set forth herein, to the AFX Trading Platform for the purpose of facilitating Secured Allocated Collateral Loans entered into by a Secured Borrower for which the Collateral Custodian acts.

Each Collateral Custodian may authorize any of its employees to act as Collateral Custodian Users. A Collateral Custodian's appointment of a Collateral Custodian user must have been duly authorized and approved pursuant to that Exchange Participant's internal authorization procedures and policies with respect to such matters.

Collateral Custodians shall authorize one or more qualified persons to serve as the Collateral Custodian Users on behalf of the Collateral Custodian. These Collateral Custodian Users are the only representatives of the Collateral Custodian that may access the AFX ETS to effectuate Secured Allocated Collateral Loans. At least one Collateral Custodian User shall be available via telephone at all times during trading hours (as prescribed pursuant to Rule 0) on a day in which a Secured Borrower for which the Collateral Custodian acts is making Bid Orders and Offer Orders in the AFX Secured Market.

With respect to each Collateral Custodian User, the relevant Collateral Custodian shall:

- (a) guarantee and assume complete financial and all other responsibility for all activity related to the AFX Trading System that such Collateral Custodian User has engaged in, and with respect to any account identifier and password assigned to such Collateral Custodian User; and
- (b) assist the Exchange in any investigation relating to an alleged violation of Applicable Law, regulations or Rules of the Exchange, which assistance shall be timely and shall include requiring such Collateral Custodian User to produce documents, answer questions by the Exchange or appear in connection with such investigation.

The Exchange may at any time revoke, suspend, limit, condition, restrict or qualify the activities of the Collateral Custodian User if, in the sole discretion of the Exchange, such action is in the best interest of the Exchange.

6.1.12.4 Conditions on Secured Borrowers Acting as Collateral Custodians

A Secured Borrower may act as its own Collateral Custodian with respect to Secured Allocated Collateral Loans for which it enters into as Secured Borrower on the Secured Market subject to the following conditions, which such Secured Borrower will be deemed to represent to the Exchange and the Relevant Secured Lender each time it enters into a Secured Allocated Collateral Loan as Secured Borrower:

- (a) The group functioning as the Collateral Custodian is a separately operating division apart from the division or line of business that is acting as the Secured Borrower with separate and distinct lines of reporting and separate ethical walls and divisions (or the equivalent) mitigating conflicts of interest between the two divisions or lines of business.
- (b) The relationship between the Collateral Custodian and the Secured Borrower has been disclosed by the Secured Borrower to each Secured Lender prior to entering into any Secured Allocated Collateral Loan therewith.

- (c) For the avoidance of doubt, in transferring Eligible Collateral to the Collateral Account, the Collateral Custodian will transfer such Eligible Collateral into its customer beneficial account at the relevant securities custodian (e.g., The Depository Trust Company or the relevant Federal Reserve Bank).
- (d) In acting as Securities Intermediary and Collateral Agent, the Collateral Custodian will be acting in a separate capacity that is distinct from its capacity as Secured Borrower and will hold any Collateral and the Collateral Account as Collateral Agent for its Relevant Secured Lenders.
- (e) Each Collateral Custodian User shall be a distinct individual from each Authorized Trader of the Secured Borrower with separate reporting lines.
- (f) The Collateral Custodian will satisfy all other requirements applicable to Collateral Custodians under this Rulebook.

6.1.13 Supervision of Employees

Each Collateral Custodian shall diligently supervise all activities of its employees relating to all activities in connection with acting as a Collateral Custodian under these Rules. Without limiting the generality of the foregoing:

- (a) each Collateral Custodian shall continue to have at all times at least one Senior Supervisory Officer who is responsible for such supervision, and shall promptly advise the Exchange of any change in the name, title, address, phone number, fax number or e-mail address of each such officer;
- (b) each Collateral Custodian shall be responsible for training (or causing to be trained) its employees regarding Exchange Rules and the proper use of the AFX ETS; and
- (c) each Collateral Custodian on demand shall furnish to the Exchange a list of all Collateral Custodian Users of such Collateral Custodian, giving the name, location and trader identification (as prescribed by the Exchange).

6.1.14 Provision of Information to the Exchange

Each Collateral Custodian shall provide such additional documents, data and reports to the Exchange at such times and containing such information and in such form as the Exchange may from time to time prescribe. Each Collateral Custodian shall, in a timely fashion, furnish such information as may from time to time be requested by any representatives of the Exchange, including any Service Provider, acting in the course of their duties.

6.1.14.1 Addresses and Contact Information

Each Collateral Custodian shall file with the Exchange and keep current:

- (a) an address (both for U.S. mail and for electronic messages, or email) where notices may be delivered; and,
- (b) the name and contact details of an employee with primary responsibility for liaison with the Exchange and

shall timely inform the Exchange of any change with respect to such designated employee or address.

6.1.15 Transfer of Collateral Custodian Obligations

- (a) If for any reason a Collateral Custodian shall become unable or unwilling to act as a Collateral Custodian (including due to such Collateral Custodian failing to meet the eligibility standards of Collateral Custodians described in Rule 6.1.11 and as promulgated by the Exchange, being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder), the applicable Secured Borrower shall forthwith appoint a successor escrow agent; failing such appointment by the Secured Borrower, the retiring Collateral Custodian, acting alone, may apply, at the expense of the Secured Borrower, to any court in the United States on such notice as such court may direct, for the appointment of a successor collateral custodian; but any successor collateral custodian so appointed by such court shall be subject to the eligibility standards of Collateral Custodians described in Rule 6.1.11 and as promulgated by the Exchange, and to the approval of the Exchange. On any such appointment, the successor collateral custodian shall be vested with the same powers, rights, duties and responsibilities as the applicable retiring Collateral Custodian and shall assent to becoming a party to the applicable provisions of this Rulebook pursuant to Rule 6.1.12. At the request of the applicable Secured Borrower or the successor collateral custodian, the retiring Collateral Custodian, upon payment of the amounts, if any, due to it pursuant to this Rulebook related to Secured Allocated Collateral Loans, shall duly assign, transfer and deliver to the successor collateral custodian all property held, and all records kept, by the retiring Collateral Custodian hereunder or in connection herewith.
- (b) If for any reason a Collateral Custodian shall become unable or unwilling to act as Collateral Custodian with respect to any Secured Borrower, the Collateral Custodian shall notify the Exchange. Upon receipt of such notification, such Secured Borrower shall no longer be permitted to execute any Secured Allocated Collateral Loans unless and until the Secured Borrower appoints a new Collateral Custodian in accordance with these Rules. The Collateral Custodian shall continue to act as Collateral Custodian for such Secured Borrower until such time as the Secured Borrower no longer has any outstanding obligations with respect to Secured Allocated Collateral Loans for which the Collateral

Custodian had been appointed. At such time, the Collateral Custodian and the applicable Secured Borrower may agree to terminate the relevant custody agreement between those two parties.

6.1.16 No Duty of the Exchange

Notwithstanding any right to issue any instruction or take any action under this Chapter VI of the Rulebook, the Securities Intermediary, the Collateral Agent, each Secured Borrower and each Secured Lender acknowledges, understands and agrees (a) that the Exchange may take or not take any action or may or may not issue any instruction authorized under this Chapter VI of the Rulebook in its sole discretion and (b) that the Exchange will only act pursuant to notices and instructions provided to it by each Secured Borrower and Secured Lender. Each of the Exchange and the Collateral Agent disclaims any and all responsibility and liability for, and is under no obligation to verify or confirm, the accuracy or genuineness of such notices or instructions from Participants. With respect to any instruction or any action, each of the Exchange and Collateral Agent shall not be liable for any act or omission or for any error of judgment or any mistake of fact or law except acts or omissions resulting from its gross negligence or willful misconduct.

6.2 Secured Lending Limit Specifications

Each Participant in a Secured Market shall identify in the AFX ETS (i) the Borrowers to which the Participant agrees to lend funds in the AFX Secured Markets, and (ii) Secured Lending Limits, by product, with respect to each such Borrower.

A Participant may designate a unique Secured Lending Limit amount, by product, with respect to each pre-approved Borrower. A Participant's Secured Lending Limit functionality shall be managed by the Participant's Credit Risk Manager pursuant to procedures established by the Exchange. A Lender's Secured Lending Limits are configurable by Borrower and by product. At any time, for purposes of calculating the amount of a Participant's outstanding Secured Allocated Collateral Loans or Secured Delivered Collateral Loans to a given counterparty with respect to a given product, the aggregate amount of the Participant's outstanding Secured Lending Limit with respect to the counterparty shall (i) decrease immediately upon the commitment to lend to such counterparty pursuant to a Secured Trade occurring on the AFX ETS, and (ii) increase (x) upon repayment of an outstanding Secured Allocated Collateral Loan or Secured Delivered Collateral Loan by such counterparty, which shall be assumed by the AFX ETS to occur upon the date of scheduled repayment of the outstanding Secured Allocated Collateral Loan or Secured Delivered Collateral Loan by such counterparty (even if in fact repayment is not timely made), and (y) at such time as, and in the amount that, a Secured Allocated Collateral Loan or Secured Delivered Collateral Loan described in clause (i) is not successfully settled by the end of the Secured Allocated Collateral Loan Term Start Date pursuant to the settlement process for Secured Allocated Collateral Loans or Secured Delivered Collateral Loans set forth herein. For avoidance of doubt, the aggregate amount of a Participant's outstanding Secured Allocated Collateral Loans

or Secured Delivered Collateral Loans with respect to a Borrower shall not increase as a result of any borrowing of funds by such Participant from such Borrower.

The Exchange shall have the discretion at any time to limit the amount loaned or borrowed by any one Participant, through any individual Loan or in the aggregate, if the Exchange in its sole discretion believes such action to be necessary or advisable in the best interests of the Market and Participants, provided that the Exchange shall have no obligation to take any such action, and no obligation to monitor the amount loaned or borrowed by any Participant, or to take into account the interests or circumstances of any particular Participant. Each Participant shall be solely responsible for its own decisions with respect to each transaction entered into through the Exchange and for its own compliance with Applicable Law and its internal policies and procedures, and the Exchange shall have no responsibility therefor.

6.3 Secured Market Transactions

With respect to each Trade matched for execution in the Secured Market, the following provisions shall apply to the Secured Borrower, the Relevant Secured Lender and the applicable Collateral Custodian.

6.3.1 Secured Allocated Collateral Loan Matches

The AFX ETS will accept, manage and match Orders in the Secured Markets as set forth in the applicable provisions of Rulebook Chapters IV, V, VI and VII. Trade confirmations (as described in Rule 4.5.5.3, together with such additional information as may be relevant to the Secured Trade) will be delivered by the AFX ETS to the Secured Borrower, the Relevant Secured Lender and (with certain modifications) the applicable Collateral Custodian on the date that such Secured Trade match occurs on the AFX ETS (the Business Day prior to the Secured Loan Term Start Date).

6.3.2 Secured Loan Term Start Date

Notwithstanding that the Effective Date for each Secured Allocated Collateral Loan is the date that the underlying Trade occurred on the AFX System, the term of a Secured Allocated Collateral Loan shall commence on the Secured Loan Term Start Date. For purposes of clarity, interest on a Secured Allocated Collateral Loan shall not begin to accrue until the Secured Loan Term Start Date, even if funding of such Loan occurs prior thereto. For the avoidance of doubt, the Secured Lender and Secured Borrower shall have entered into a legally binding loan upon the matching of the Orders.

6.3.3 Secured Trade Settlement and Funding

6.3.3.1 Upload of Allocated Collateral File

On the Secured Loan Term Start Date, the Collateral Custodian shall allocate for the benefit of the Relevant Secured Lender, at the direction of and in accordance with the instructions of the Secured Borrower, Eligible Collateral to the Secured Borrower's Collateral Account in such dollar amount as is referenced in the Trade confirmation and otherwise required by this Rulebook. By not later than 12:00 p.m. on the Secured Loan Term Start Date, the Collateral Custodian shall evidence such allocation by uploading into the AFX ETS, in a format prescribed by the Exchange, an Allocated Collateral File. The Secured Borrower and Relevant Secured Lender, as well as the Collateral Custodian, to the extent necessary, shall communicate directly with each other as may be necessary to resolve any issues relating to Eligible Collateral, including the sufficiency or allocation thereof, or the Collateral File to ensure that the deadlines in this Chapter VI are satisfied.

6.3.3.2 Delay or Failure to Upload the Allocated Collateral File

Failure of the Allocated Collateral File to be uploaded by 12:00 p.m. on the Secured Loan Term Start Date shall constitute a Rule violation by the Secured Borrower. Failure of the Allocated Collateral File to be uploaded by one-half hour prior to Close of Market on the Secured Loan Term Start Date shall constitute an additional Rule violation by the Secured Borrower, and shall result in the trade status of the Secured Trade updating to "Funding Failure" (or similar designation) in the AFX ETS; in addition, the Secured Trade (and associated instructions relating to the counterparty repayment on the Maturity Date) shall be suspended from the AFX ETS.

6.3.3.3 AFX Notice of Allocated Collateral

After an Allocated Collateral File has been successfully uploaded into the AFX ETS, the AFX ETS will send confirmation of such upload to the relevant Participants and the Collateral Custodian. The AFX ETS will make the content of such Allocated Collateral File available to the Relevant Secured Lender. For avoidance of doubt, AFX shall have no obligation to examine or evaluate the sufficiency of the Allocated Collateral as referenced in the Allocated Collateral File, which shall remain the sole responsibility of the relevant Participants.

In addition, after a successful upload of the Allocated Collateral File, the AFX ETS shall update the status of the Secured Trade as displayed in the AFX ETS to "Collateral Pledged" or similar designation. Notwithstanding anything to the contrary contained herein, the trade status as displayed on the AFX ETS shall serve as the definitive means by which a Relevant Secured Lender becomes informed of the trade status of the Secured Allocated Collateral Loan (and of the Relevant Secured Lender's obligation to fund), and AFX shall not be responsible for any failure of the AFX ETS to send, or for a party to receive, such upload confirmation to any party due to technical, human or other error.

6.3.3.4 Lender Acknowledgement and Funding

Following the update of the status of a Secured Trade as displayed in the AFX ETS to “Collateral Pledged”, and by not later than one-half hour prior to Close of Market on the Secured Loan Term Start Date, the Relevant Secured Lender shall (i) send a “Collateral Accepted/Funding Initiated” acknowledgement through the AFX ETS that shall serve to confirm that the Relevant Secured Lender has accepted the Allocated Collateral and wired (or commenced wiring) the Secured Allocated Collateral Loan funds, and (ii) send to the Secured Borrower the principal amount of the Secured Allocated Collateral Loan via FedWire (or other customary and appropriate means outside of the AFX ETS). Upon receipt of such “Collateral Accepted/Funding Initiated” message, the AFX ETS shall update the trade status of the Secured Allocated Collateral Loan to “Collateral Accepted” (or similar designation). The Secured Lender shall be obligated to send a “Collateral Accepted/Funding Initiated” acknowledgement and initiate the funding pursuant to the previous sentence except to the extent that the Allocated Collateral set forth in the Allocated Collateral File does not satisfy the requirements of Rule 6.1.3.

6.3.3.5 Borrower Acknowledgement of Receipt of Funds

Once the Secured Borrower has received the full amount of the principal relating to a Secured Trade, then, by not later than 5:30 p.m. Central Time on the Secured Loan Term Start Date, the Secured Borrower shall acknowledge in the AFX System with a “Funds Received” (or similar) message such Secured Borrower’s receipt of the Collateral Loan principal. Upon receipt of such message, the AFX ETS shall update the trade status of the Secured Allocated Collateral Loan to “Funded” (or similar designation).

6.3.3.6 Delay or Failure to Acknowledge or Fund

If the AFX ETS does not receive a “Funds Received” (or similar message) from the Secured Borrower as described in Rule 6.3.3.5 by 5:30 p.m. Central Time on the Secured Loan Term Start Date, then the AFX ETS shall update the trade status to “Funding Failure” (or similar designation), and the Secured Trade (and associated instructions relating to the counterparty repayment on the Maturity Date) shall be suspended from the AFX ETS. In the event of a “Funding Failure”, AFX shall have sole authority to subsequently determine whether a Rule violation has occurred, and which party is responsible for such Rule violation, and AFX’s determination shall be final and binding upon the parties. The Secured Borrower, the Relevant Secured Lender, and the Collateral Custodian shall each cooperate with any AFX inquiry or records request relating to such determination. On the Secured Loan Term Start Date, the relevant Participants and Collateral Custodian shall communicate directly among each other as may be necessary to resolve any issues relating to the Secured Trade that may be delaying funding or acknowledgement of acceptance of Collateral by the Relevant Secured Lender or acknowledgement of receipt of funds by the Secured Borrower.

6.3.3.7 Funding Failures and Loan Defaults

For avoidance of doubt, a Secured Allocated Collateral Loan's displayed designation as "Funding Failure" (or any other designation that results in suspension of a Trade from the AFX ETS) shall not affect the validity or enforceability of the Standard Terms agreement between the parties governing the Secured Allocated Collateral Loan. Unless a Secured Allocated Collateral Loan is busted *ab initio* in accordance with this Rulebook (including Rules 4.5.5.3 and 4.5.7), the Standard Terms shall remain a valid and binding contractual agreement solely between the two Participants with respect to the Secured Allocated Collateral Loan (and with respect to any failure by the Secured Borrower to allocate sufficient Eligible Collateral or make full repayment, or by the Relevant Secured Lender to fund such Loan, or by either party to fully perform with respect to the Standard Terms). Under such circumstances, the Exchange shall have no further obligation, nor be obligated to undertake any further action, with respect to such insufficiently collateralized, unfunded, un-repaid or Defaulted Loan. Any subsequent actions by the Participants with respect to such matters (including, without limitation, enforcement or modification of the terms of the Standard Terms governing such Loan) shall be the exclusive responsibility of the Participants involved, and shall not involve the AFX ETS or the Exchange except to the extent it constitutes a violation of Exchange Rules. Notwithstanding the foregoing, each of the Secured Borrower and the Relevant Secured Lender shall copy AFX on any notices of default with respect to a Secured Allocated Collateral Loan. In all cases, AFX shall have sole authority to determine whether and which party has committed a Rule violation, and AFX's determination shall be final and binding upon the parties. The Secured Borrower, the Relevant Secured Lender, and the Collateral Custodian shall each cooperate with any AFX inquiry or records request relating to such determination.

6.3.4 Repayment

6.3.4.1 Day Prior to Maturity Date

One Business Day prior to the Maturity Date of a Secured Allocated Collateral Loan, the AFX ETS shall notify the relevant parties that the relevant Secured Allocated Collateral Loan is due for repayment on the next Business Day.

6.3.4.2 Maturity Date

On the Maturity Date, the AFX ETS shall update the trade status of the relevant Secured Trade to "Matured". By 1:00 p.m. Central Time on such date, the Secured Borrower shall send to the Relevant Secured Lender the required repayment amount of the Secured Allocated Collateral Loan via FedWire (or other customary and appropriate means outside of the AFX ETS). Upon its receipt in full of the repaid funds, then the Relevant Secured Lender shall acknowledge receipt of the repayment in the AFX ETS by not later than 5:30 p.m. Central Time on the Maturity Date. Upon receipt of such repayment acknowledgement, the AFX ETS shall update the trade status of the relevant Secured Trade to "Repaid". The AFX ETS shall communicate such acknowledgement by the Relevant Secured Lender to the Collateral Custodian and Secured Borrower, which

communication shall be deemed to constitute instructions to the Collateral Custodian to release the Allocated Collateral.

6.3.4.3 Delay or Failure in Acknowledgment or Repayment

In the event of any delay beyond the prescribed time frames in Rule 6.3.4.2, then the displayed trade status of the relevant Secured Trade shall be updated to “Repayment Failure” (or similar designation) in the AFX ETS. The relevant Participants and Collateral Custodian shall communicate directly among each other as may be necessary to resolve any issues relating to repayment of the Secured Trade that may delay repayment by the Secured Borrower, or acknowledgement of receipt of repayment by the Relevant Secured Lender. In the event of a “Repayment Failure”, AFX shall have sole authority to subsequently determine whether and which party has committed a Rule violation, and AFX’s determination shall be final and binding upon the parties. The Secured Borrower and the Secured Lender shall each cooperate with any AFX inquiry or records request relating to such determination.

Chapter VII

Secured Delivered Collateral Loans

This Chapter shall govern the Secured Delivered Collateral Loan process. In the event of conflict between the provisions of this Chapter and the provisions of the remainder of this Rulebook, the provisions of this Chapter shall control with respect to Secured Delivered Collateral Loans (but not Secured Allocated Collateral Loans, which shall be subject to Chapter VI of this Rulebook).

A Secured Borrower and Secured Lender shall, in advance of entering into any Secured Delivered Collateral Loan in the Secured Market, agree, as between one another, to enter only into Secured Delivered Collateral Loans between such Secured Borrower and Secured Lender. Such agreement shall be notified to the Exchange and such Secured Borrower and Secured Lender, in such capacity, will only be permitted to enter into Secured Delivered Collateral Loans as between one another.

A Secured Delivered Collateral Loan shall be executed on the Secured Market but shall not be subject to the security, control and intercreditor arrangements set forth in Chapter VI of this Rulebook nor will it be subject to the funding and settlement process set forth in Rule 6.3. Instead, each Secured Delivered Collateral Loan shall be subject to the funding and settlement process set forth in this Chapter VII and shall be subject to the bilateral Standard Pledge to be entered into by and between the Secured Borrower and Secured Lender in connection with each Secured Delivered Collateral Loan. Notwithstanding any of the foregoing, Secured Delivered Collateral Loans will be subject to Rule 6.2.

The Exchange makes no representation or warranty with respect to, and the Exchange shall have no responsibility or liability regarding, the enforceability or perfection of any security interest granted pursuant to the Standard Pledge, the adequacy or sufficiency of any Eligible Collateral or Delivered provided pursuant to a Secured Delivered Collateral Loan, the terms or sufficiency of any agreements or other documents related to such Secured Delivered Collateral Loan (including the Standard Pledge) or the enforceability of any remedy granted to a Secured Lender pursuant to the Standard Pledge relating to a Secured Delivered Collateral Loan. Each Secured Borrower and Secured Lender that enters into a Secured Delivered Collateral Loan represents and warrants that it has reviewed the Standard Pledge and has determined the legal sufficiency of the Standard Pledge for purposes of securing Secured Obligations of the Secured Borrower (as set forth in the Standard Pledge for the applicable Secured Delivered Collateral Loan).

7.1 General Provisions for Secured Delivered Collateral Loans

With respect to any Secured Delivered Collateral Loan, the Rules of this Chapter VII will apply.

7.1.1 Secured Delivered Collateral Loan Settlement Arrangements

Prior to executing any Transaction on the AFX System that will be a Secured Delivered Collateral Loan, the applicable Secured Borrower and Secured Lender must determine the settlement arrangements for Delivered Collateral to be Delivered in accordance with the Standard Pledge with respect to any Secured Delivered Collateral Loan. The Secured Borrower and Secured Lender shall notify the Exchange that such arrangement has been agreed upon among the parties. Such arrangement shall ensure that the Secured Lender maintains a perfected first priority security interest in any Delivered Collateral that is Delivered to the Secured Lender by the Secured Borrower pursuant to the Standard Pledge in connection with a particular Secured Delivered Collateral Loan and, by entering into any Secured Delivered Collateral Loan through the AFX ETS, the Secured Lender and Secured Borrower each represents and warrants to the Exchange that such arrangement maintains such perfected security interest in the Delivered Collateral. For the avoidance of doubt, a Secured Borrower and a Secured Lender agreeing to a settlement arrangement in those respective capacities is separate and apart from that Secured Borrower, acting as Secured Lender, agreeing to a settlement arrangement with that Secured Lender, acting as Secured Borrower. The Secured Borrower and Secured Lender shall be deemed to have represented to the Exchange that the requirements of this Rule 7.1.1 have been satisfied as between the two parties in such capacities at such time as the Secured Lender notifies the Exchange that the Secured Lender will extend Secured Delivered Collateral Loans to the Secured Borrower and sets a non-zero Secured Lending Limit for such Secured Borrower pursuant to Rule 6.2.

7.1.2 Settlement Process for Secured Delivered Collateral Loan

Upon execution of a Secured Delivered Collateral Loan between that Secured Borrower and that Secured Lender, the Secured Borrower and Secured Lender shall follow the funding and settlement process set forth in Rule 7.2.

7.1.3 Execution of a Secured Delivered Collateral Loan

Upon a Bid Order and an Offer Order being matched in the Secured Market where the relevant Participants have agreed pursuant to this Chapter VII, the Trade shall give rise to a Secured Delivered Collateral Loan with the Participant submitting the Bid Order being the Secured Borrower and the Participant submitting the Offer Order being the Secured Lender. At such time, in addition to and not in lieu of the process in Rule 4.5.5.4, the Secured Lender and Secured Borrower shall be deemed to have entered into the security and pledge agreement set forth the Standard Pledge with respect to that Secured Delivered Collateral Loan. The Standard Pledge shall be legally binding upon such Secured Borrower and Secured Lender as a bilateral agreement between the two, and such Secured Borrower and Secured Lender shall have the rights set forth in and be subject to the obligations under the Standard Pledge with respect to the Secured Delivered Collateral Loan.

7.1.4 Transfer of Eligible Collateral with respect to a Secured Delivered Collateral Loan

After execution of a Secured Delivered Collateral Loan by a Secured Borrower, and as a condition precedent to the release of the proceeds of such Secured Delivered Collateral Loan to such Secured Borrower, the Secured Borrower shall Deliver to the Secured Lender pursuant to the Standard Pledge that was executed between such Secured Borrower and Secured Lender pursuant to Rule 7.1.3, and in accordance with the terms therein and the settlement arrangements agreed to pursuant to Rule 7.1.1, Eligible Collateral having an aggregate Value at least equal to the principal amount plus the Premium Amount of such Secured Delivered Collateral Loan.

7.2 Secured Delivered Collateral Loan Transactions

With respect to each Trade matched for execution in the Secured Market that is to be a Secured Delivered Collateral Loan, the following provisions shall apply to the applicable Secured Borrower and Secured Lender.

7.2.1 Secured Delivered Collateral Loan Matches

The AFX ETS will accept, manage and match Orders in the Secured Markets as set forth in the applicable provisions of Rulebook Chapters IV, V, VI and VII. With respect to a Trade that is to be a Secured Delivered Collateral Loan, Trade confirmations (as described in Rule 4.5.5.3, together with such additional information as may be relevant to the Secured Trade) will be delivered by the AFX ETS to the Secured Borrower and the Secured Lender on the date that such Secured Trade match occurs on the AFX ETS (the Business Day prior to the Secured Loan Term Start Date).

7.2.2 Secured Loan Term Start Date

Notwithstanding that the Effective Date for each Secured Delivered Collateral Loan is the date that the underlying Trade occurred on the AFX System, the term of a Secured Delivered Collateral Loan shall commence on the Secured Loan Term Start Date. For the avoidance of doubt, the Secured Lender and Secured Borrower shall have entered into a legally binding loan upon the matching of the Orders and interest on a Secured Delivered Collateral Loan shall not begin to accrue until the Secured Loan Term Start Date, even if funding of such Loan occurs prior thereto.

7.2.3 Secured Trade Settlement and Funding

7.2.3.1 Upload of Delivered Collateral File

On the Secured Loan Term Start Date, the Secured Borrower shall Deliver Eligible Collateral to the Secured Lender pursuant to the Standard Pledge in such dollar amount as is referenced in the Trade confirmation and otherwise required by this Rulebook and the Standard Pledge. Upon

Delivery, such Eligible Collateral shall be Delivered Collateral. By not later than 12:00 p.m. on the Secured Loan Term Start Date, the Secured Borrower shall evidence such Delivery by uploading into the AFX ETS, in a format prescribed by the Exchange, a Delivered Collateral File. The Secured Borrower and Secured Lender shall communicate directly with each other as may be necessary to resolve any issues relating to Eligible Collateral, including the sufficiency or delivery thereof, or the Collateral File to ensure that the deadlines in this Chapter VII are satisfied.

7.2.3.2 Delay or Failure to Upload the Delivered Collateral File

Failure to upload the Collateral File by 12:00 p.m. on the Secured Loan Term Start Date shall constitute a Rule violation by the Secured Borrower. Failure of the Delivered Collateral File to be uploaded by one-half hour prior to Close of Market on the Secured Loan Term Start Date shall constitute an additional Rule violation by the Secured Borrower, and shall result in the trade status of the Secured Trade updating to “Funding Failure” (or similar designation) in the AFX ETS; in addition, the relevant Secured Trade (and associated instructions relating to the counterparty repayment on the Maturity Date) shall be suspended from the AFX ETS.

7.2.3.3 AFX Notice of Delivered Collateral

After a Delivered Collateral File has been successfully uploaded into the AFX ETS, the AFX ETS will send confirmation of such upload to the Secured Borrower and the Secured Lender to such Secured Delivered Collateral Loan. The AFX ETS will make the content of such Delivered Collateral File available to such Secured Lender. For avoidance of doubt, AFX shall have no obligation to examine or evaluate the sufficiency of the Delivered Collateral as referenced in the Delivered Collateral File, which shall remain the sole responsibility of the relevant Participants.

In addition, after a successful upload of the Collateral File, the AFX ETS shall update the status of the Secured Delivered Collateral Loan as displayed in the AFX ETS to “Collateral Pledged” or similar designation. Notwithstanding anything to the contrary contained herein, the trade status as displayed on the AFX ETS shall serve as the definitive means by which the Secured Lender becomes informed of the trade status of the Secured Delivered Collateral Loan (and of the Secured Lender’s obligation to fund), and AFX shall not be responsible for any failure of the AFX ETS to send, or for a party to receive, such upload confirmation to any party due to technical, human or other error.

7.2.3.4 Lender Acknowledgement and Funding

Following the update of the status of a Secured Delivered Collateral Loan as displayed in the AFX ETS to “Collateral Pledged”, and by not later than one-half hour prior to Close of Market on the Secured Loan Term Start Date, the Secured Lender to the Secured Delivered Collateral Loan shall (i) send a “Collateral Accepted/Funding Initiated” acknowledgement through the AFX ETS that shall serve to confirm that the Secured Lender has accepted the Delivered Collateral and wired (or

commenced wiring) the Secured Loan funds, and (ii) send to the Secured Borrower the principal amount of the Secured Delivered Collateral Loan via FedWire (or other customary and appropriate means outside of the AFX ETS). The Secured Lender shall be obligated to send a “Collateral Accepted/Funding Initiated” acknowledgement and initiate the funding pursuant to the previous sentence except to the extent that the Delivered Collateral set forth in the Delivered Collateral File does not satisfy the requirements of Rule 7.1.4.

7.2.3.5 Borrower Acknowledgement of Receipt of Funds

Once the Secured Borrower has received the full amount of the principal relating to a Secured Delivered Collateral Loan, then, by not later than 5:30 p.m. Central Time on the Secured Loan Term Start Date, the Secured Borrower shall acknowledge in the AFX System with a “Funds Received” (or similar) message such Secured Borrower’s receipt of the Collateral Loan principal. Upon receipt of such message, the AFX ETS shall update the trade status of the Secured Delivered Collateral Loan to “Funded” (or similar designation).

7.2.3.6 Delay or Failure to Acknowledge or Fund

If the AFX ETS does not receive a “Funds Received” (or similar message) from the Secured Borrower as described in Rule 7.2.3.5 by 5:30 p.m. Central Time on the Secured Loan Term Start Date, then the AFX ETS shall update the trade status to “Funding Failure” (or similar designation), and the Secured Delivered Collateral Loan (and associated instructions relating to the counterparty repayment on the Maturity Date) shall be suspended from the AFX ETS. In the event of a “Funding Failure”, AFX shall have sole authority to subsequently determine whether and which party has committed a Rule violation, and AFX’s determination shall be final and binding upon the parties. The Secured Borrower and the Secured Lender shall each cooperate with any AFX inquiry or records request relating to such determination. On the Secured Loan Term Start Date, the Secured Lender and Secured Borrower shall communicate directly among each other as may be necessary to resolve any issues relating to the Secured Delivered Collateral Loan that may be delaying funding or acknowledgement of acceptance of Delivered Collateral by the particular Secured Lender or acknowledgement of receipt of funds by the Secured Borrower.

7.2.3.7 Funding Failures and Loan Defaults

For avoidance of doubt, a Secured Delivered Collateral Loan’s displayed designation as “Funding Failure” (or any other designation that results in suspension of a Trade from the AFX ETS) shall not affect the validity or enforceability of the Standard Terms agreement between the parties governing the Secured Delivered Collateral Loan. Unless a Secured Delivered Collateral Loan is busted *ab initio* in accordance with this Rulebook (including Rules 4.5.5.3 and 4.5.7), the Standard Terms and the Standard Pledge shall remain a valid and binding contractual agreement solely between the two Participants with respect to the Secured Delivered Collateral Loan (and with respect to any failure by the Secured Borrower to Deliver sufficient Eligible Collateral pursuant to

the Standard Pledge or make full repayment of the principal and payment of any interest, or by the Secured Lender to fund such Secured Delivered Collateral Loan, or by either party to fully perform with respect to the Standard Terms or the Standard Pledge). Under such circumstances, the Exchange shall have no further obligation, nor be obligated to undertake any further action, with respect to such insufficiently collateralized, unfunded, un-repaid or defaulted Loan. Any subsequent actions by the Participants with respect to such matters (including, without limitation, enforcement or modification of the terms of the Standard Terms governing such Secured Delivered Collateral Loan) shall be the exclusive responsibility of the Participants involved and shall not involve the AFX ETS or the Exchange except to the extent it constitutes a violation of Exchange Rules. Notwithstanding the foregoing, each of the Secured Borrower and the Secured Lender shall copy AFX on any notices of default with respect to a Secured Loan. In all cases, AFX shall have sole authority to determine whether a party, and which party, has committed a Rule violation, and AFX's determination shall be final and binding upon the parties. The Secured Borrower and the Secured Lender shall each cooperate with any AFX inquiry or records request relating to such determination, including, without limitation, providing any relevant account records relating to Delivered Collateral.

7.2.4 Repayment

7.2.4.1 Day Prior to Maturity Date

One Business Day prior to the Maturity Date of a Secured Delivered Collateral Loan, the AFX ETS shall notify the relevant parties that the relevant Secured Delivered Collateral Loan is due for repayment on the next Business Day.

7.2.4.2 Maturity Date

On the Maturity Date, the AFX ETS shall update the trade status of the relevant Secured Delivered Collateral Loan to "Matured". By 1:00 p.m. Central Time on such date, the Secured Borrower shall send to the Secured Lender the required repayment amount of the Secured Delivered Collateral Loan via FedWire (or other customary and appropriate means outside of the AFX ETS). Upon its receipt in full of the repaid funds, the Secured Lender shall acknowledge receipt of the repayment in the AFX ETS by not later than 5:30 p.m. Central Time on the Maturity Date. Upon receipt of such repayment acknowledgement, the AFX ETS shall update the trade status of the relevant Secured Trade to "Repaid". The AFX ETS shall communicate such acknowledgement by the Secured Borrower to the Secured Lender. Upon receipt of such acknowledgment, the Secured Lender shall take such steps as are necessary or appropriate to Deliver any remaining Delivered Collateral with respect to such Secured Delivered Collateral Loan to the Secured Borrower. Upon completion of such steps, the Secured Borrower shall submit an acknowledgment of the release of Delivered Collateral to the AFX ETS.

7.2.4.3 Delay or Failure in Acknowledgment or Repayment

In the event of any delay beyond the prescribed time frames in Rule 7.2.4.2, then the displayed trade status of the relevant Secured Trade shall be updated to “Repayment Failure” (or similar message) in the AFX ETS. The relevant Participants shall communicate directly between one another as may be necessary to resolve any issues relating to repayment of the Secured Delivered Collateral Loan that may delay repayment by the Secured Borrower, or acknowledgement of receipt of repayment by the Secured Lender. In the event of a “Repayment Failure”, AFX shall have sole authority to subsequently determine whether and which party has committed a Rule violation, and AFX’s determination shall be final and binding upon the parties. The Secured Borrower and the Secured Lender shall each cooperate with any AFX inquiry or records request relating to such determination.

Chapter VIII **AMERIBOR® Deposits**

This Chapter shall govern the AMERIBOR® Deposits Market. In the event of conflict between the provisions of this Chapter and the provisions of the remainder of this Rulebook, the provisions of this Chapter shall control with respect to AMERIBOR® Deposits.

8.1 Responsibilities and Obligations of AMERIBOR® Deposits Participants

8.1.1 Pursuant to this Chapter American Financial Exchange, LLC (“AFX”) hereby confirms its agreement and understanding among the Futures Commission Merchant (“FCM”) and Bank (collectively, the “Banks”) pursuant to which deposits may be placed by FCM through AFX with any of the Banks. These transactions will be referred to as “Deposits” on the electronic trading platform of AFX used to provide this service. The electronic trading platform to be provided by AFX with respect to the Brokered Deposits shall be separate and apart from any trading platform AFX offers with respect to loans. Also, as a new relationship, all transactions between the parties are required to be conducted on the AFX electronic trading platform.

8.1.2 Each of AFX, FCM and the Banks acknowledge and agree that the Brokered Deposits will not be booked or treated as loans in any respect and shall not be governed by the Rulebook of AFX (as currently in effect, the “Rules”), and that none of the FCM or the Banks shall be acting as Participants (as defined in the Rules) when offering, bidding, executing or settling transactions in Brokered Deposits. Instead, all such actions with respect to Brokered Deposits shall be governed solely by the documentation entered into between the FCM and each Bank, except that (i) the FCM and the Banks agree that such activities in Brokered Deposits shall be subject solely to the terms and conditions of the User Agreement and Rule 2.5, 2.6, 2.7, 3.3.1, 3.3.2, 3.3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.12 and 3.13 of the Rules, which Rules and User Agreement shall be applicable to any activities conducted by the FCM or any Bank through any electronic platform provided by AFX as if such activities were activities in connection with Loans (as defined in the Rules) and the FCM and any Bank were a Participant (as defined in the Rules), notwithstanding the fact that such transactions are and will be treated solely as Deposits; (ii) the Exchange will establish requirements from time to time that FCMs and Banks must satisfy in order to transact Deposits and (iii) at such time as the Rules have been amended to govern transactions in Deposits, the Rules will be applicable to such Deposits in all respects.

8.1.3 In addition, AFX is not providing any assurances with respect to compliance by any other parties with applicable law. Each party hereto, including each Bank and the FCM, is solely responsible for ensuring that any and all of its activities conducted with respect to Brokered Deposits shall follow any law and regulation applicable to such party.

8.2 Responsibilities and Obligations of AMERIBOR® Deposit Participants that Accept Funds Segregated pursuant to the Commodity Exchange Act

8.2.1 Banks that accept funds from FCMs that are required to be segregated by the Commodity Exchange Act (“CEA”) and regulations of the Commodity Futures Trading Commission (“CFTC”) promulgated thereunder (collectively (“Segregated Funds”)) shall agree to accept and hold such funds pursuant to all CEA and CFTC requirements.

8.2.2 Banks that accept Segregated Funds shall furnish the FCM depositing Segregated Funds with an acknowledgement letter in the form required by CFTC Regulation 1.20(d) prior to accepting such Segregated Funds.

8.2.3 Banks that accept Segregated Funds shall agree to provide the CFTC and such FCM’s self-regulatory organization (“SRO”) with read-only access to transactions and account balances of Segregated Funds accounts.

8.2.4 Banks that accept Segregated Funds shall provide copies of executed acknowledgement letters to the CFTC and such FCM’s SRO within three (3) days of opening of a Segregated Funds account or within three (3) days of executing a new written acknowledgement letter for an existing Segregated Funds account.

8.2.5 Banks that accept Segregated Funds shall agree that the CFTC or such FCM’s SRO may examine the Segregated Funds account held by the bank at any reasonable time.

8.2.6 Banks that accept Segregated Funds shall promptly reply to any request from the CFTC or such FCM’s SRO regarding the Segregated Funds account balance or any other information regarding or related to such Segregated Funds account.

8.2.7 Banks that accept Segregated Funds deposits shall limit the use of such deposits to instruments authorized by the depositing FCM and permitted by CFTC Regulation 1.25.

8.2.8 Banks that accept Segregated Funds shall not hold such Segregated Funds at depositories outside of the United States.

8.2.9 FCMs that deposit Segregated Funds with banks through AFX are solely responsible for ensuring that a depository complies with the requirements above.

Chapter IX

General Provisions of AFX Correspondent Participants

This Chapter shall govern AFX Correspondent Participants. In the event of conflict between the provisions of this Chapter and the provisions of the remainder of this Rulebook, the provisions of this Chapter shall control with respect to AFX Correspondent Participants.

9.1 AFX Correspondent Participants are AFX Participant depository institutions that wish to consolidate loan offers, process necessary documentation and conduct trades on AFX on behalf of “downstream” depository institutions (“Downstream Banks”) on whose behalf the Correspondent Participant provides correspondent banking services and that are not direct participants of AFX.

9.2 AFX Correspondent Participants can access the AFX Market for the sole purpose of offering loans on AFX.

9.3 Correspondent Participants are solely responsible for all transactions conducted on the AFX trading platform and enforcement of AFX rules with their respective Downstream Banks.

9.4 Correspondent Participants shall use the AFX Market screen only for purposes of the Downstream Banks it represents and not for its own trading purposes. Correspondent Participants are required to maintain separate usernames and logins to access the AFX Market screen for purposes of conducting trades on AFX on behalf of “downstream” depository institutions (“Downstream Banks”) on whose behalf the Correspondent Participant provides correspondent banking services and that are not direct participants of AFX.

9.5 The terms of the business and legal relationships between Correspondent Participants and Downstream Banks are left to the sole discretion of those parties. Without limitation, Correspondent Participants shall be solely responsible (as between AFX and the Correspondent Participants) for compliance with all applicable laws and regulations in connection with their actions on behalf of Downstream Banks, and loans made by Downstream Banks through the AFX ETS.

9.6 Depository institutions that meet the qualifications provided in Section 3.1.2 of the AFX Rulebook can be accepted as Correspondent Banks and any AFX Participant depository institution may act as a Correspondent Participant by completing and submitting the AFX Aggregator Application.

9.7 Correspondent Participants are responsible for reviewing and approving eligible counterparties and establishing credit limits with such counterparties.

9.8 Trades executed by the Correspondent Participants offering Loans funded with Funding Sources shall be subject to all Exchange Rules established under Chapter IV of the AFX Rulebook.

9.9 For the avoidance of doubt, AFX shall have no responsibility whatsoever for any acts or omissions of any Correspondent Bank or any transactions between the Correspondent Participant

and Downstream Banks, all of which shall be the sole responsibility of the Correspondent Participant and Downstream Banks. The Correspondent Participant indemnifies AFX and holds AFX harmless against any and all losses caused by any acts or omissions of any Correspondent Participant and or Downstream Bank.

Chapter X

Benchmarks

This Chapter shall govern the Benchmarks that the Exchange designs and publishes. In the event of conflict between the provisions of this Chapter and the provisions of the remainder of this Rulebook, the provisions of this Chapter shall control with respect to the Exchange Benchmarks.

10.1 Exchange Benchmarks: Exchange Benchmarks are reference statistics, such as interest rates or indices that are calculated based on transactions on the Exchange's electronic trading platform. Such Benchmarks may be daily, monthly, quarterly or of other timeframes. The calculation of such Benchmarks shall be determined by the Exchange with input and recommendations provided by third parties such as Participants and other interested third parties. The Exchange may issue a statement of compliance with the IOSCO Principles for certain financial Benchmarks.

10.2 Exchange Benchmark Calculation Methodology: The methodology used to calculate AFX Benchmarks and other related information will be posted on the Exchange Benchmark public website www.ameribor.net.

10.3 Any modifications to and issues pertaining to the Benchmarks will be posted on the Exchange public website www.ameribor.net.

10.4 The Exchange may act as the Calculation Agent for one or more Benchmarks or may assign Benchmark Calculation Agent responsibilities to a third party.

10.5 The Exchange maintains the following email address for reporting of any concerns or issues pertaining specifically to AMERIBOR[®] interest rate Benchmarks: ameriborrateproduction@theafex.com.

10.6 The Exchange maintains the following email address for whistleblowers for reporting any concerns or issues pertaining to any Benchmark: ameriborrateproduction@theafex.com.

Rulebook Amendment History

effective date

<u>(Yr./Mo./Day)</u>	<u>Version</u>	<u>Rule(s) Substantively Changed</u>
2015/12/11	1.25	Original Rulebook
2016/01/04	1.26	1.1, 4.5.3
2016/01/15	1.27	3.13.2, 3.16
2016/02/12	1.28	2.6.1, 3.13.1, 3.15
2016/03/17	1.29	2.6.1
2016/05/16	1.30	1.1, 3.6, 4.4.4, 4.4.5
2016/08/02	1.31	Provisions re Non-Bank Loan Market Participants
2016/09/28	1.32	5.1, 5.2, 5.3
2016/10/31	1.33	4.4.4
2016/12/05	1.34	Provisions re Direct Settlement
2017/1/3	1.35	Definitional Changes
2017/02/16	2.0	Provisions re Secured Loans; Non-Bank Loan Market Participants and Collateral Custodians
2017/03/15	2.1	Secured Delivered Collateral Loan provisions; Standard Pledge
2017/03/16	2.2	Chapter VII
2017/05/15	2.3	Weekly AMERIBOR® Auction

2017/05/26	2.4	Modification of Market Hours
2017/07/05	2.5	Modification of definition of “Bank” and 3.1.2
2017/09/08	2.6	Addition of Deposit and Evergreen Definitions and Chapter IX AMERIBOR® Deposits
2017/09/21	2.7	Modifications to Chapter IX AMERIBOR® Deposits
2017/10/02	2.8	Repayment Time for Unsecured and Secured Loans Markets
2018/05/01	2.9	Addition of definition of “Correspondent Bank”, Modification to Prohibited Conduct, Modifications to Chapter IX AMERIBOR® Deposits, and Addition of Provisions re Correspondent Market
2108/11/13	3.0	Added definitions for “Benchmark”, “Benchmark Calculation Agent”, “IOSCO”, “Principal” and “Reference Rate”; Replaced “Committee on AMERIBOR® Benchmark Rate” with “Committee on Benchmark Oversight” and expanded oversight responsibilities; Chapter III Section 3.3.4 Loans and Other Transactions: Added Exchange authority and right to audit Participant Fed and other bank wires and request wire confirmations for AFX Loans and Other Transactions; Added 4.5.3 Daily Price Limit for Overnight Unsecured AMERIBOR® Loan Market; Added new Chapter XI “Benchmarks”
2019/04/12	3.1	Added definition for “Designated Exchange Participant”; modified Section 2.9 Regulation and Other Exchange Operation; added Section 2.10 “Process for Disciplinary Action”; expanded Section 3.8 Prohibited Conduct; modifications to Chapter X General Provisions of AFX Correspondent Participants; Deleted Chapter V AMERIBOR® Market Rules and AMERIBOR® Benchmark Market Auction Products and Definitions and references associated with this deleted Chapter V.
2019/05/14	3.3	Added definition for “Federal Funds Interest Rate or Fed Funds”; modified Section 2.4.2 Committee on Benchmark Oversight and its procedures for the determination of an AMERIBOR® benchmark interest rate on days when the AFX market is not open; when the AFX market is open and there are no loans on the AFX market with which to calculate an AMERIBOR® benchmark interest rate; or, in the judgment of the Committee on Benchmark Oversight,

AFX is for any other reason unable to publish an AMERIBOR[®] benchmark interest rate that accurately reflects the relevant market for such rate.

2019/06/05	3.4	Replaced “Close of Market” with “5:30 p.m. Central Time” in Section 4.6 and added “Central Time” in Sections 6.3 and 7.2.
2019/07/15	3.5	Added “Committee members” to the definition of “AFX Related Person” and incorporated transactions in futures based on AMERIBOR [®] rates on any other exchange in Section 2.5 Exchange Liability.
2020/02/28	3.6	Added “investment company” and “corporation” to Section 3.1.2(b)(i) and “corporation” to Section 3.1.2(c)(i). Another minor cleanup.
2021/03/30	3.7	Added new sections “Derived AMERIBOR Term Rates” to Section 2.4.2 (e) and (f).
2021/04/07	3.8	Added new section sub-paragraph (g) to Section 2.4.2.
2021/05/24	3.9	Added new sections “AMERIBOR Spot rates” to Section 2.4.2 (h), (i), and (j).
2021/06/15	4.0	Updated Section 2.4.2 paragraph (g).
2021/06/28	4.1	Updated Section 2.4.2 paragraphs (b) through (i)
2021/08/19	4.2	Updated Section 2.4.2 paragraphs (c) and (e) for Derived AMERIBOR Term Rates and paragraphs (f), (g), and (h) for AMERIBOR Term Structure Rates
2021/09/20	4.3	Update Section 2.4.2 paragraphs (c) and (e) for Derived AMERIBOR Term Rates
23/05/30	4.5	No changes to this AFX Rulebook; the name was changed from “AFX Rulebook” to “AFX Rulebook - All Products” to distinguish it from the “AFX Rulebook – Unsecured Products Only”.