

**CBOE FX MARKETS, LLC**  
**MARKET MAKER STANDARDS**

Cboe FX Markets, LLC (f/k/a Bats Hotspot LLC) ("Cboe FX") operates an electronic foreign exchange trading venue that permits certain institutions to enter into spot foreign currency transaction (collectively, "Spot Transactions") and bullion transactions (collectively, "Bullion Transactions"), as well as foreign exchange forwards. In connection therewith, Cboe FX has established these Market Maker Standards.

These Market Maker Standards are intended to describe certain general parameters associated with the designation by Cboe FX of certain users of the Platform as Market Makers. Such designation may, in Cboe FX' sole discretion, have the effect of:

- I. Allowing a Market Maker (in the case of Non-Firm Market Makers, as defined below) to **provide non-firm liquidity** on the Platform
- II. Entitling a Market Maker to **receive certain post-trade data** from Cboe FX

Information on the procedures relating to the provision by a Market Maker of non-firm liquidity to the Platform and its receipt of certain trade data from Cboe FX is set forth in the Operating Procedures.

These Market Maker Standards are determined and implemented by Cboe FX in its sole discretion and are subject to change.

Cboe FX shall designate three types of Market Maker in accordance with these procedures, as follows:

1. A "**Non-Firm Market Maker**" shall mean a Market Maker which is permitted to provide non-firm liquidity on the Platform. A Non-Firm Market Maker may nonetheless opt to provide firm liquidity on the Platform as well.
2. A "**Firm Market Maker**" shall mean a Market Maker which is only permitted to provide firm liquidity on the Platform.
3. A "**Specialty Market Maker**" shall mean a Market Maker which is permitted to provide non-firm liquidity on the Platform in respect of specified currency pairs only. A Specialty Market Maker may nonetheless opt to provide firm liquidity on the Platform in respect of such currency pairs as well.

**Market Maker Criteria and Procedures**

Cboe FX may designate a participant that continuously meets the criteria set forth below as a Market Maker on the Platform. As of the effective date of these Market Maker Standards, a participant may be designated as a Market Maker in respect of its activity relating to Spot Transactions only, and, unless otherwise provided below, the criteria set forth in these Market Maker Standards will take into account such participant's activity in respect of Spot Transactions executed on Cboe FX's anonymous electronic communication network only. A participant that has been designated as a Market Maker by Cboe FX in accordance with these Market Maker Standards may act as a Market Maker on Cboe FX's anonymous electronic communication network, as well as when participating on Cboe FX's Full Amount Platform and its Disclosed Trading Platform - on Cboe FX Link Direct and Link Pool – each as more fully described in Cboe FX's Operating Procedures.

## I. Non-Firm Market Makers – Criteria and Procedures

### A. Criteria for a participant to apply to be considered as a Non-Firm Market Maker

A participant that wishes to be considered for designation by Cboe FX as a Non-Firm Market Maker must demonstrate that it has maintained an ADV of at least USD 200 million, when such activity is viewed collectively with the activity of all affiliate entities or accounts that are also participants on the Platform (each, an “Account”), observed over a sixty (60) calendar day period preceding such participant’s request for consideration (the “consideration period”). As used herein, “ADV” means the average daily volume of relevant Spot Transactions, determined with reference to the notional amount of the USD leg of each such Spot Transaction or, if neither leg of a relevant Spot Transaction is denominated in USD, the USD-equivalent of the currency in which one leg is denominated (the “USD Notional Amount”) converted to USD with reference to the spot foreign exchange rate determined by Cboe FX in its sole discretion.

### B. Application Process and Procedures

In the event that Cboe FX determines that a participant has fulfilled the criterion set forth in Subsection I(A), above, such participant shall be designated as a “Provisional Non-Firm Market Maker” for a period of three (3) calendar months (the “application period”), beginning with the month following the end of the consideration period. During the application period, one or more of the Accounts of the Provisional Non-Firm Market Maker, as determined by Cboe FX in its sole discretion (each, a “Provisional Non-Firm Market Maker Account”), shall be entitled to provide non-firm liquidity on the Platform in accordance with the terms of the Operating Procedures provided that it provide quotes having a minimum notional amount of 1 million units of base currency. In addition, the Provisional Non-Firm Market Maker shall be entitled to receive certain post-trade data from Cboe FX in accordance with the terms of the Operating Procedures, and shall endeavor to meet the criteria set forth below by the conclusion of the application period.

At the conclusion of the application period, a Provisional Non-Firm Market Maker shall be designated by Cboe FX as a Non-Firm Market Maker if, (a) when viewed collectively with all of its Provisional Non-Firm Market Maker Accounts, it maintains a Passive ADV of at least USD 200 million (the “Aggregate ADV Requirement”), and (b) each Provisional Non-Firm Market Maker Account maintains a Passive ADV of at least USD 50 million (the “Account-Level Passive ADV Requirement”), and (c) each Account comprising the affiliated entities of the Provisional Non-Firm Market Maker that is providing firm liquidity on the Platform (each, a “Provisional Firm Market Maker Account”) provides a minimum of 80% of its ADV on the Platform as Passive ADV (the “Account-Level Volume Requirement,” and, together with the Account-Level Passive ADV Requirement, the “Account-Level Requirements”); each during the final calendar month of the three-month application period.

As used herein, “Passive ADV” means the ADV in respect of Spot Transactions entered into based on executable prices provided to the Platform by a participant, which prices are subsequently aggressed by another participant. Cboe FX shall determine in its sole discretion whether a participant is acting in a Passive capacity in respect of any Spot FX Transaction.

Notwithstanding the foregoing, the activity of the following Accounts of a Provisional Non-Firm Market Maker shall not be required to meet the Account-Level Requirements:

- (a) One Account chosen by the participant (a "Test Market Maker Account");
- (b) All Accounts of the participant operating in Cboe FX's LD4 matching engine (each, an "LD4 Market Maker Account"); and
- (c) All Accounts of the participant which are used solely for the participant to enter into Bullion Transactions (each, a "Metals Market Maker Account," and, together with the Test Market Maker Account and the LD4 Market Maker Accounts, the "Qualified Exemption Accounts"). For the avoidance of doubt, an Account through which a participant enters into Bullion Transactions as well as Spot Transactions shall not constitute a Metals Market Maker Account.

For the avoidance of doubt, the activity of all Accounts of a Provisional Non-Firm Market Maker, including all Qualified Exemption Accounts, shall be taken into account to determine whether the Provisional Non-Firm Market Maker has satisfied the Aggregate ADV Requirement.

#### C. Ongoing Market Maker Criteria

Following the conclusion of the application period, each Non-Firm Market Maker shall be required to continue to fulfil the criteria set forth in Subsection I(B), above, in order to retain its designation as a Non-Firm Market Maker. Cboe FX shall determine whether a Non-Firm Market Maker continues to do so by observing its activity level in respect of each calendar month as of the last day of such month. If, on any such day, Cboe FX determines that a Non-Firm Market Maker fails to meet the criteria, Cboe FX shall notify such Non-Firm Market Maker of such failure and the Non-Firm Market Maker shall have a period of one calendar month to resume fulfilment of the criteria, failing which it shall lose its Non-Firm Market Maker designation. In the event that a participant loses its Non-Firm Market Maker designation in accordance with the terms of this Subsection I(C), such participant may request consideration as a Non-Firm Market Maker by following the procedures set forth in these Market Maker Standards, beginning with the procedures set forth in Subsection I(A), above.

In addition to the required criteria set forth above, a Non-Firm Market Maker, while providing non-firm liquidity to the Platform, is generally expected to have a minimum order acceptance rate ("OAR") of seventy-five percent (75%), meaning that it should accept at least 75% of the incoming orders within the maximum order review timeframe set forth in the Operating Procedures. The OAR consists of two components and is determined in respect of (i) the total number of orders sent to the Non-Firm Market Maker and (ii) the total USD Notional Amount of transactions accepted by the Non-Firm Market Maker. For avoidance of doubt, Non-Firm Market Makers are expected to satisfy the OAR with respect to both components, and are expected to do so on an aggregate basis across all Non-Firm Market Maker Accounts.

## II. Firm Market Makers – Criteria and Procedures

### A. Criteria for a participant to apply to be considered as a Firm Market Maker

A participant that wishes to be considered for designation by Cboe FX as a Firm Market Maker must demonstrate that it has maintained an ADV of at least USD 200 million, when such activity is viewed collectively with all Accounts, observed over the consideration period.

### B. Application Process and Procedures

In the event that Cboe FX determines that a participant has fulfilled the criterion set forth in Subsection II(A), above, such participant shall be designated as a “Provisional Firm Market Maker” during the application period, beginning with the month following the end of the consideration period. During the application period, the Provisional Firm Market Maker shall be entitled to receive certain post-trade data from Cboe FX in accordance with the terms of the Operating Procedures provided that it provide quotes having a minimum notional amount of 500,000 units of base currency, and shall endeavor to meet the criteria set forth below by the conclusion of the application period.

At the conclusion of the application period, a Provisional Firm Market Maker shall be designated by Cboe FX as a Firm Market Maker if, (a) when viewed collectively with all of its Accounts (each, a “Provisional Firm Market Maker Accounts”), it maintains a Passive ADV of at least USD 50 million, and (b) each Provisional Firm Market Maker Account provides a minimum of 80% of its ADV on the Platform as Passive ADV; each during the final calendar month of the three-month application period.

### C. Ongoing Market Maker Criteria

Following the conclusion of the application period, each Firm Market Maker shall be required to continue to fulfil the criteria set forth in Subsection II(B), above, in order to retain its designation as a Firm Market Maker. Cboe FX shall determine whether a Firm Market Maker continues to do so by observing its activity level in respect of each calendar month as of the last day of such month. If, on any such day, Cboe FX determines that a Firm Market Maker fails to meet the criteria, Cboe FX shall notify such Firm Market Maker of such failure and the Firm Market Maker shall have a period of one calendar month to resume fulfilment of the criteria, failing which it shall lose its Firm Market Maker designation. In the event that a participant loses its Firm Market Maker designation in accordance with the terms of this Subsection II(C), such participant may request consideration as a Firm Market Maker by following the procedures set forth in these Market Maker Standards, beginning with the procedures set forth in Subsection II(A), above.

## III. Specialty Market Makers – Criteria and Procedures

### A. Criteria for a participant to apply to be considered as a Specialty Market Maker

A participant that wishes to be considered for designation by Cboe FX as a Specialty Market Maker must demonstrate that it has maintained an ADV of at least USD 100

million, when such activity is viewed collectively with all Accounts, observed over the consideration period.

#### B. Application Process and Procedures

In the event that Cboe FX determines that a participant has fulfilled the criterion set forth in Subsection III(A), above, such participant shall be designated as a "Provisional Specialty Market Maker" during the application period, beginning with the month following the end of the consideration period. During the application period, one or more of the Accounts of the Provisional Specialty Market Maker, as determined by Cboe FX in its sole discretion (each, a "Provisional Specialty Market Maker Account"), shall be entitled to provide non-firm liquidity on the Platform in accordance with the terms of the Operating Procedures provided that it provide quotes having a minimum notional amount of 1 million units of base currency or firm liquidity. In addition, the Provisional Specialty Market Maker shall be entitled to receive certain post-trade data from Cboe FX in accordance with the terms of the Operating Procedures, and shall endeavor to meet the criteria set forth below by the conclusion of the application period.

At the conclusion of the application period, a Provisional Specialty Market Maker shall be designated by Cboe FX as a Specialty Market Maker in respect of a given currency pair (a "Designated Currency Pair") if, (a) the Provisional Specialty Market Maker maintains a Passive ADV, in aggregate across all Provisional Specialty Market Maker Accounts, that places such Provisional Specialty Market Maker among the top three Market Makers on the Platform in terms of Passive ADV in respect of such Designated Currency Pair (the "Specialty Market Maker Aggregate ADV Requirement"), and (b) each Account comprising the affiliated entities of the Provisional Specialty Market Maker that is providing firm liquidity on the Platform provides a minimum of 80% of its ADV on the Platform as Passive ADV (the "Specialty Market Maker Account-Level Volume Requirement," and, together with the Specialty Market Maker Aggregate ADV Requirement, the "Specialty Market Maker Account-Level Requirements"); each during the final calendar month of the three-month application period.

Notwithstanding the foregoing, the activity of the Metals Market Maker Accounts of a Provisional Specialty Market Maker shall not be required to meet the Specialty Market Maker Account-Level Requirements.

#### C. Ongoing Market Maker Criteria

Following the conclusion of the application period, each Specialty Market Maker shall be required to continue to fulfil the criteria set forth in Subsection III(B), above, in order to retain its designation as a Specialty Market Maker. Cboe FX shall determine whether a Specialty Market Maker continues to do so by observing its activity level in respect of each calendar month as of the last day of such month. If, on any such day, Cboe FX determines that a Specialty Market Maker fails to meet the criteria, Cboe FX shall notify such Specialty Market Maker of such failure and the Specialty Market Maker shall have a period of one calendar month to resume fulfilment of the criteria, failing which it shall lose its Specialty Market Maker designation. In the event that a participant loses its Specialty Market Maker designation in accordance with the terms of this Subsection III(C), such participant may request consideration as a

Specialty Market Maker by following the procedures set forth in these Market Maker Standards, beginning with the procedures set forth in Subsection III(A), above.

In addition to the required criteria set forth above, a Specialty Market Maker, while providing non-firm liquidity to the Platform, is generally expected to have a minimum OAR of seventy-five percent (75%) within the maximum order review timeframe set forth in the Operating Procedures across all Specialty Market Maker Accounts.

#### **IV. Market Maker Fees**

A participant that has been designated by Cboe FX as a Market Maker in accordance with these Market Maker Standards shall be subject to the fees set forth in the document entitled "Market Maker Fees" as posted to Cboe FX's website at [https://fx.cboe.com/pdfs/press/CboeFX\\_MarketMakerPricing.pdf](https://fx.cboe.com/pdfs/press/CboeFX_MarketMakerPricing.pdf), as may be amended from time to time.