

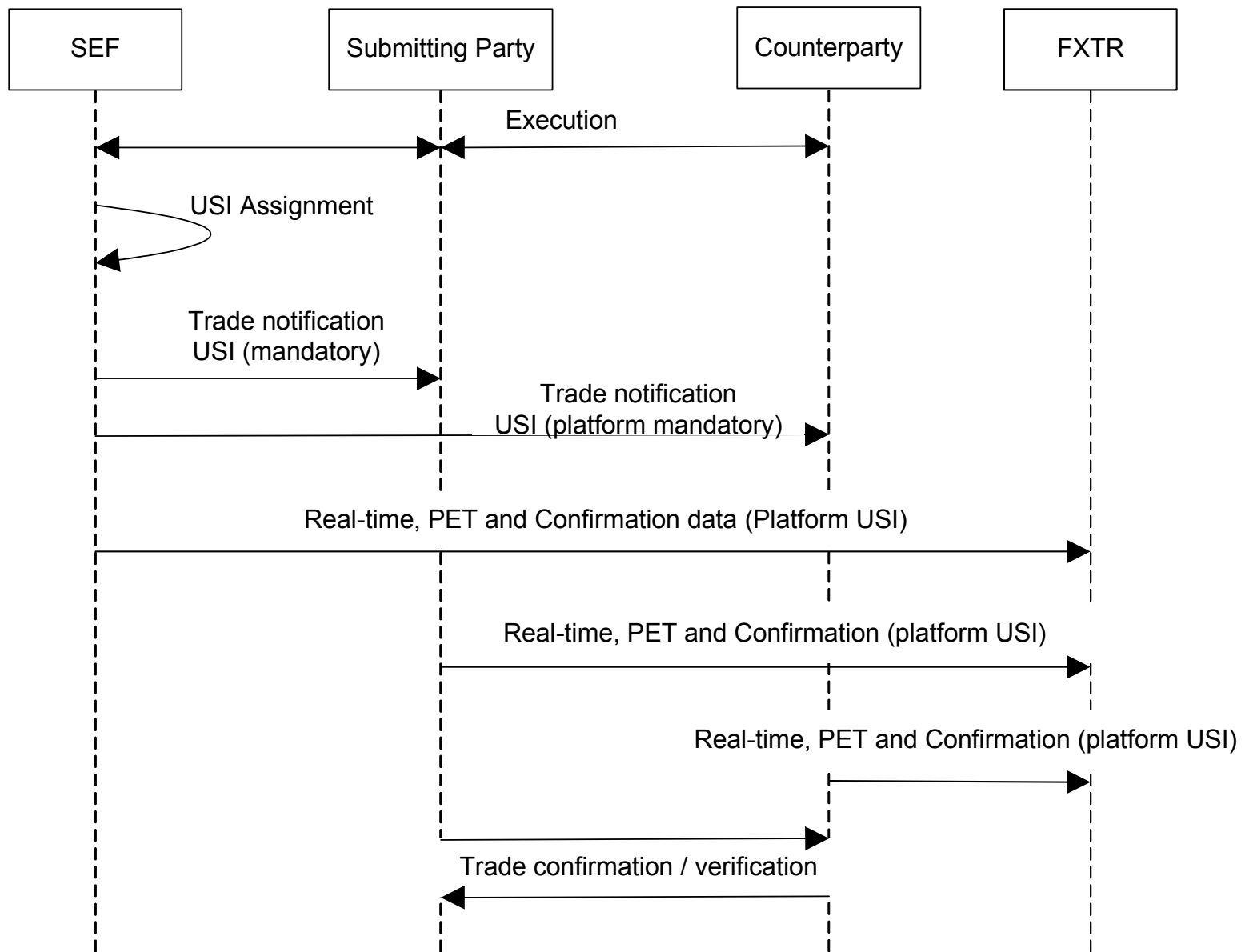
# DRAFT

Global FX Division Market Architecture Group (MAG)

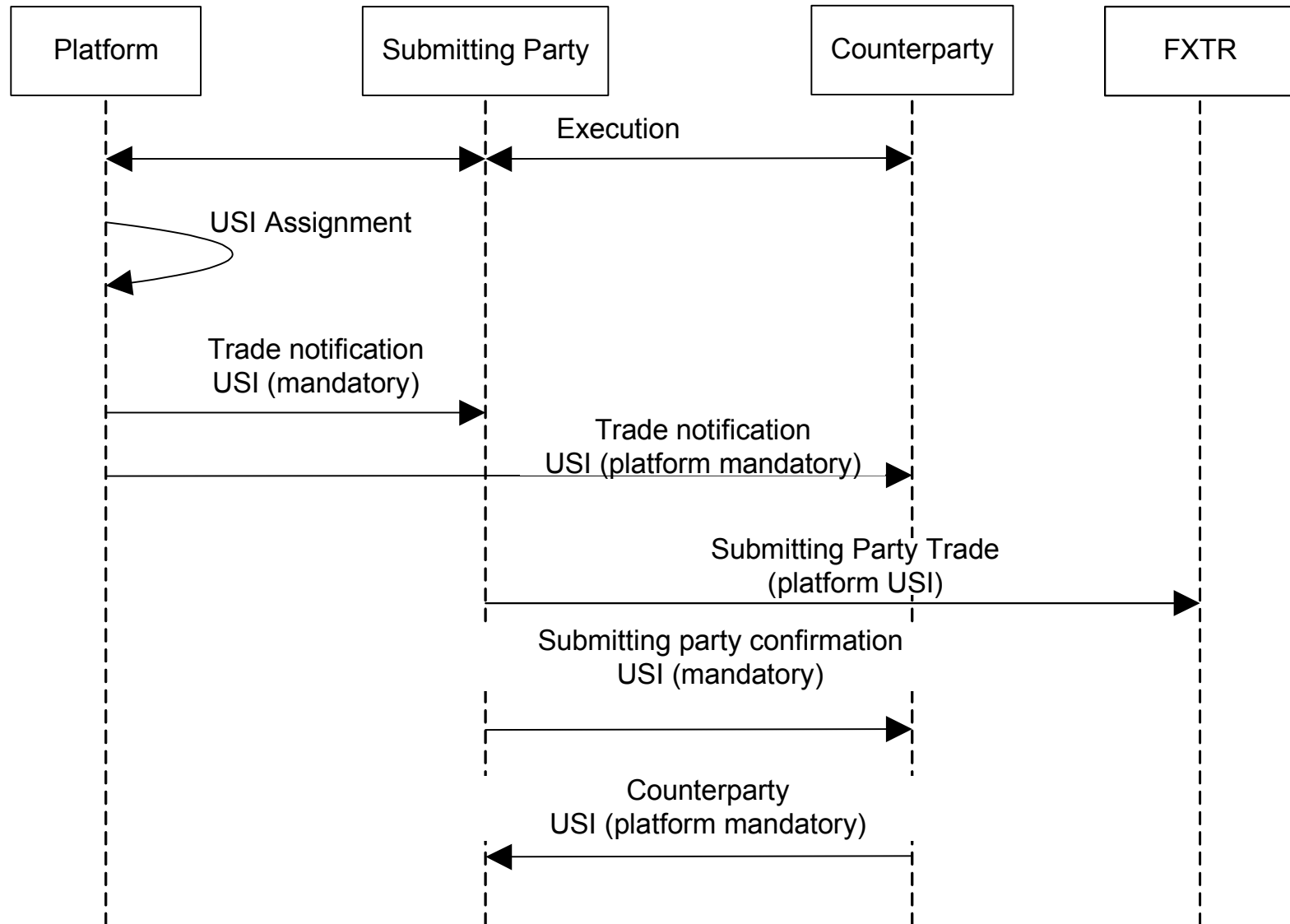
---

**FX trade flows (ECN, SEF and Clearing Broker)**

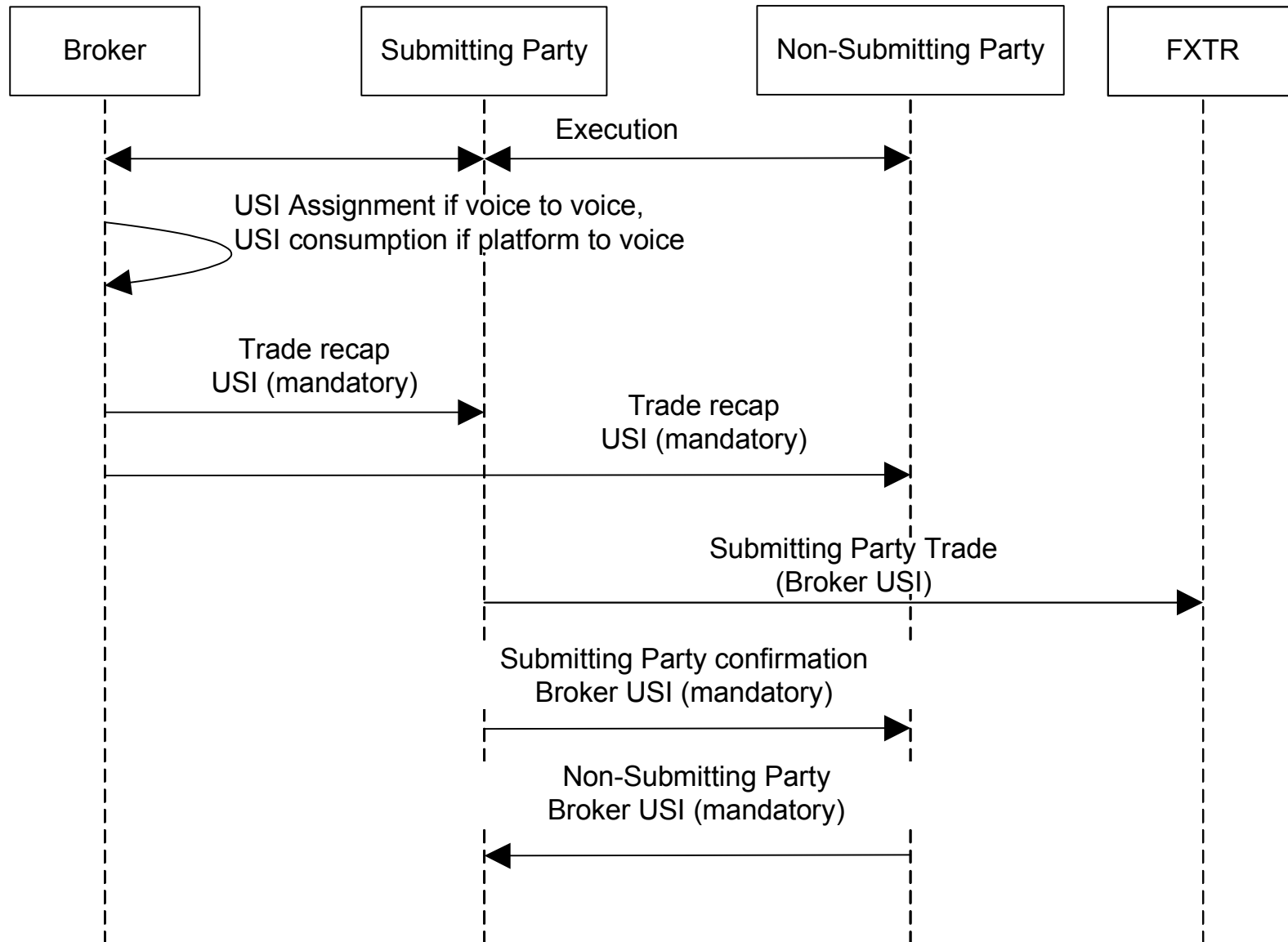
- ❑ Majority of flow will remain on ECN and Single-Dealer Platforms
  - ❑ Question if ECN will adopt SEF-like functionality
  - ❑ If so, then should follow SEF workflow, if not, then should follow SDP flow
  - ❑ Will SEF allow for dealers to act as 3<sup>rd</sup>-party?
  - ❑ Would dealers want the responsibility for SEF compliance?
  - ❑ Objective to make platform trades the same flow – SEF and ECN
- ❑ Major question on SEFs will be whether we continue to confirm or verify trades or if making SEF legal confirm means the existing confirmations process goes away



# Platform Flow



# Brokered Trades

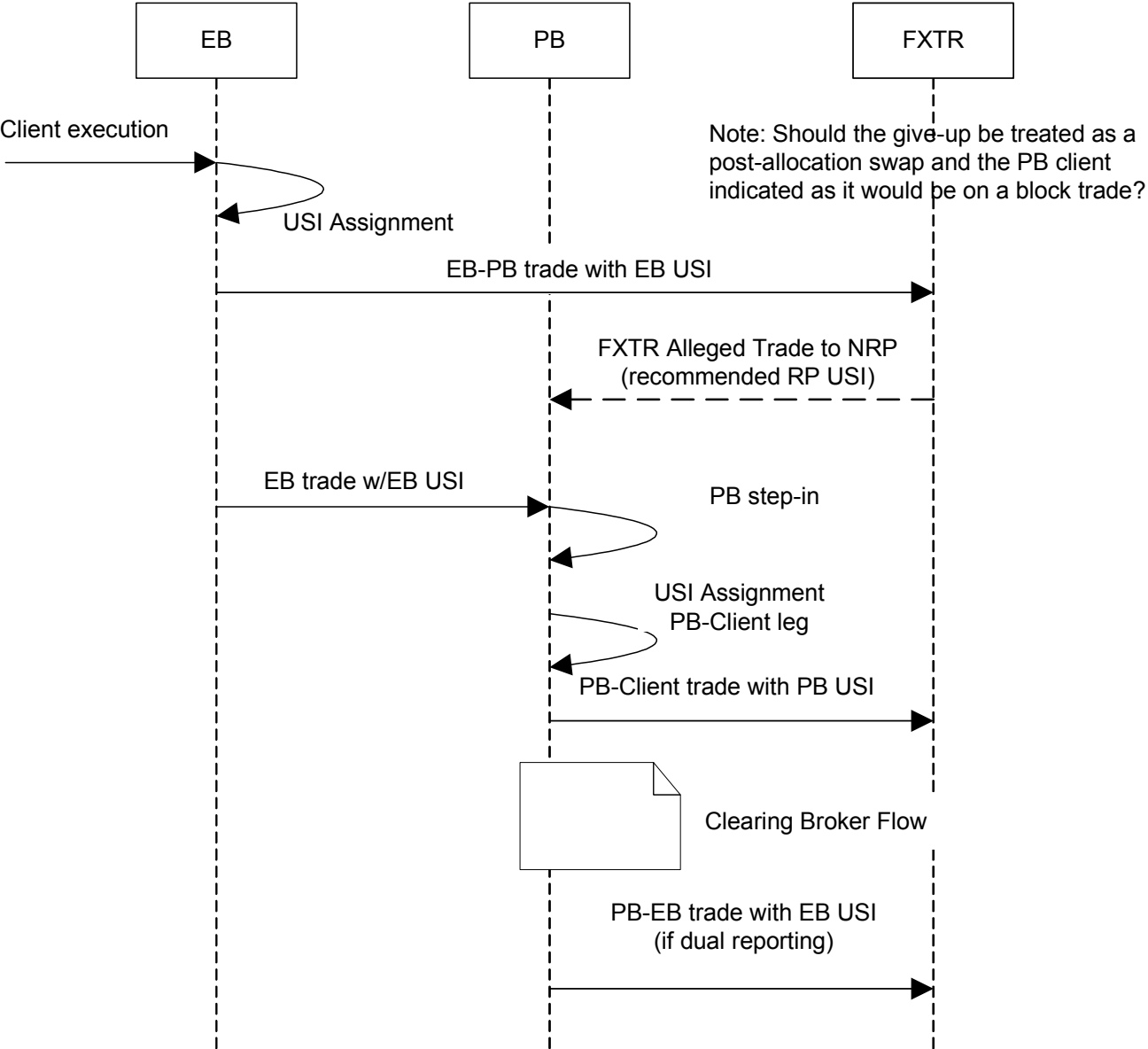


## Prime Broker and Clearing Broker Flow

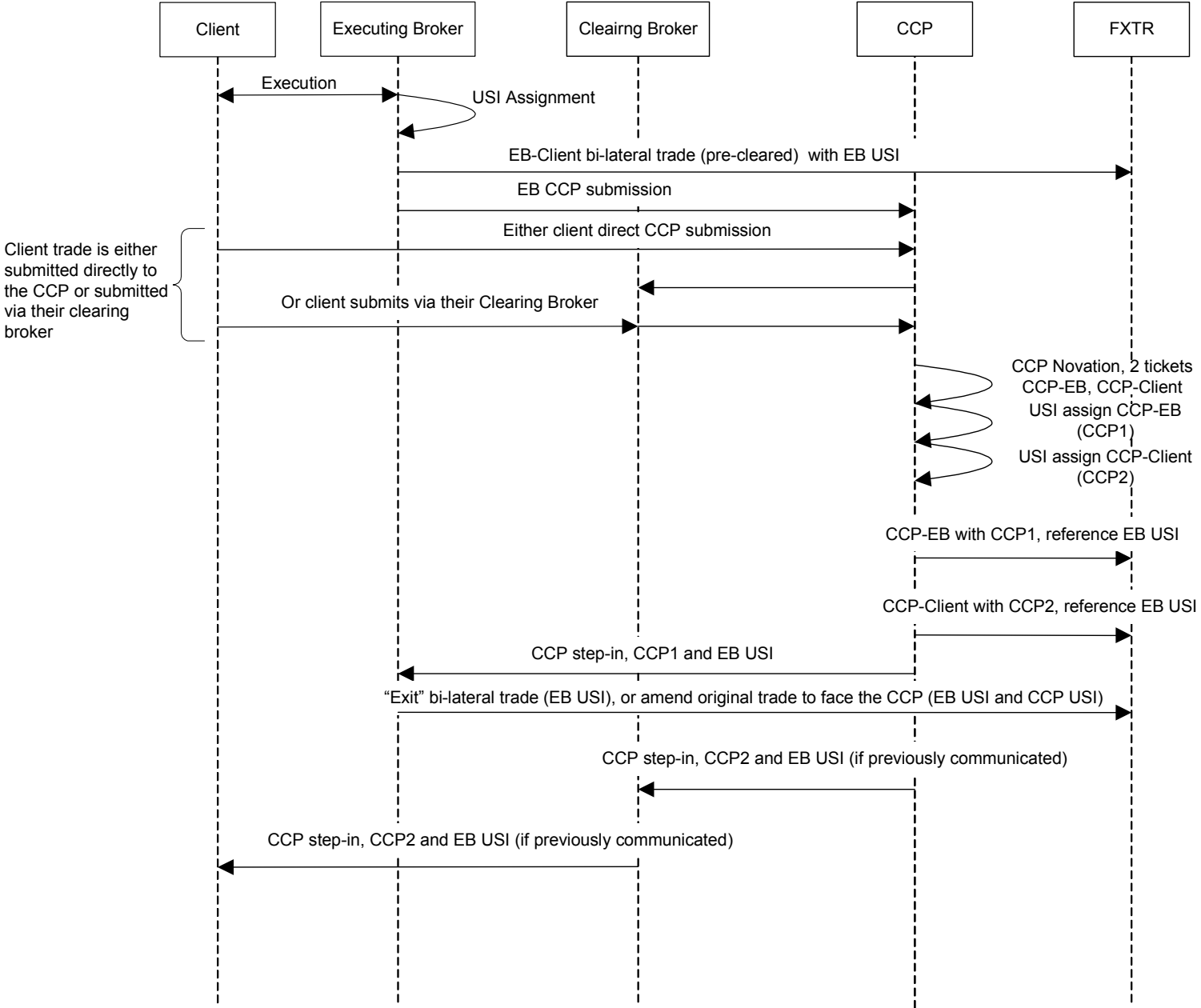
---

- ❑ Prime Broker flow, the PB steps-in to the trade to credit intermediate
- ❑ Clearing flow assumes agency FCM
- ❑ Variability in agency flow comes from when CB is notified of trade and if the EB USI is included – workflow allows for either.
- ❑ Workflow does not include direct novation notification to client via CCP, but this may convey CCP2 USI

# Give-up and Principal Model Flows



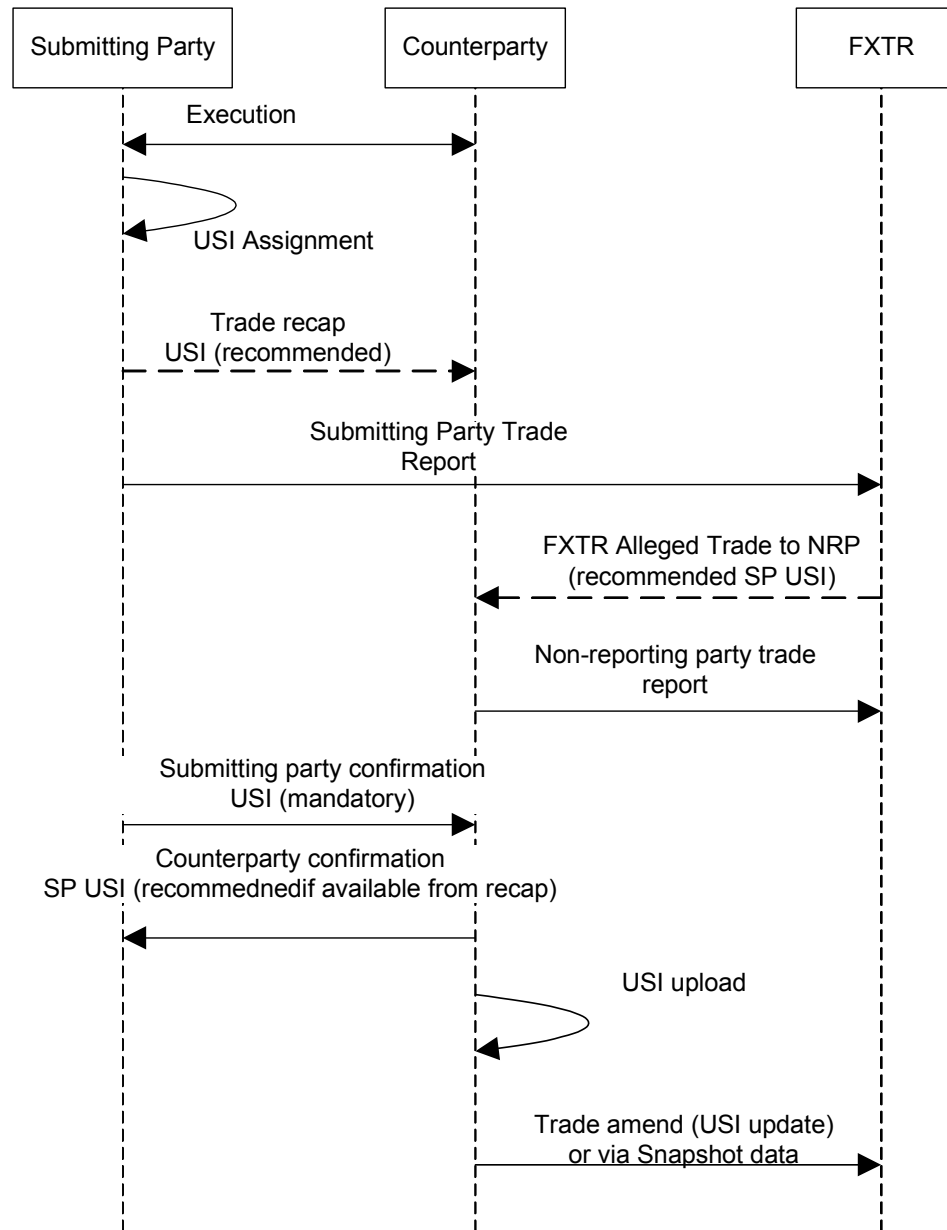
# Clearing Broker Flow



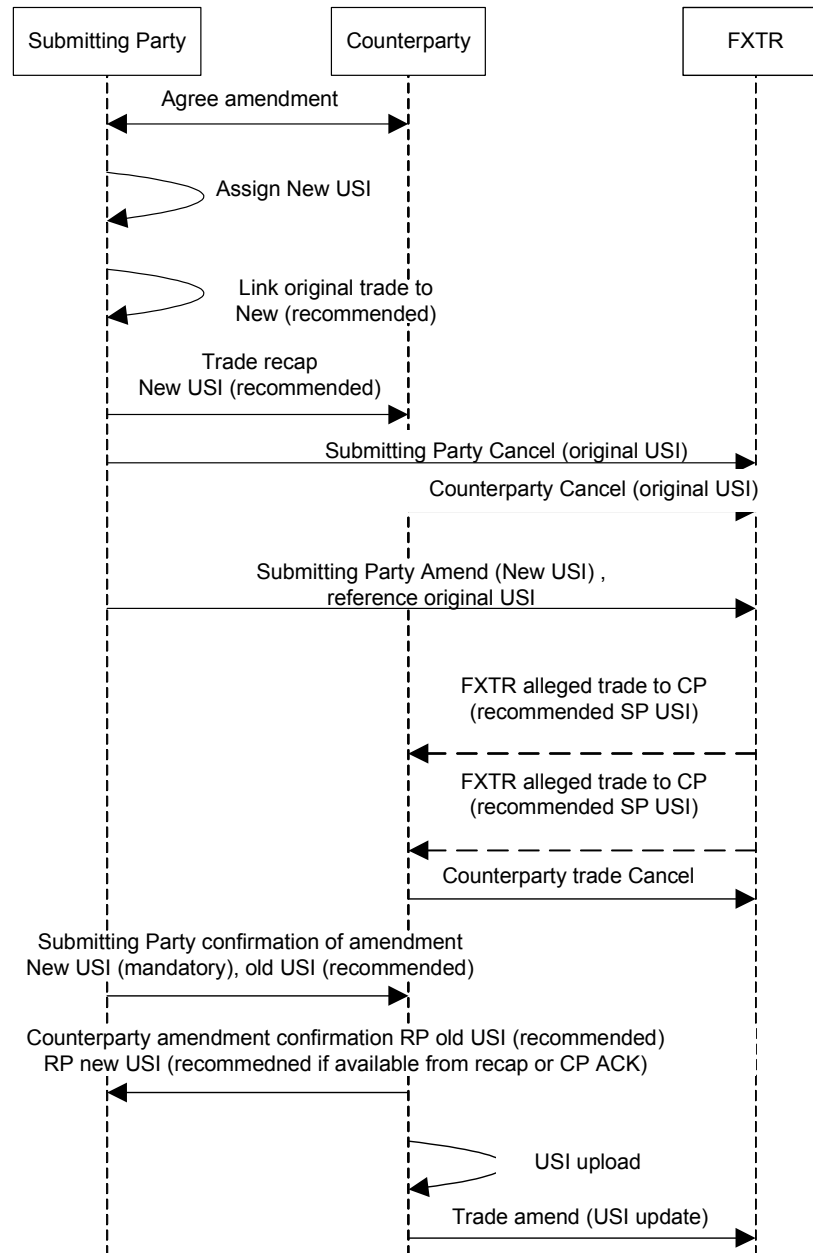


- ❑ Language of model changed “submitting party” and “counterparty”
  - ❑ Allows for discussion on USI using Dodd-Frank Rules and an International ID using separate set of rules in bilateral flow
  - ❑ If the case, parties would act in both role of submitting party and as counterparty
- ❑ Amend – now support two use cases
  - ❑ Original case (cancel / new ) documented as an exceptions case
  - ❑ Single message “modify” does not cause a USI change and thus is not documented
  - ❑ For the case where the submitting party performs a cancel & new and their counterparty has not, the counterparty will need to scrape the USI from the confirm of the new and apply to their amendment record

# Bi-lateral Execution



# Trade Amendment (Exception Case)



*Currently under review*