

All DMIST Sponsor Board Members and Ambassadors agree to abide by the following policies (“Policies”). Policies may be adopted, issued, or published by DMIST from time to time and notified to Sponsor Board Members and Ambassadors accordingly. In the event of a conflict between the Terms of Participation and these Policies, the Terms of Participation shall govern.

I. CODE OF CONDUCT

DMIST is committed to maintaining high standards of ethical and professional conduct, which is essential to achieving its mission of creating open standards for the exchange-traded and cleared derivatives industry (“Mission”). As a result, Sponsor Board Members, Ambassadors, and their representatives must at all times:

- Act in an ethical and professional manner, in good faith, with diligence, responsiveness, integrity, honesty and fairness;
- Treat all Sponsor Board Members, Ambassadors, and their representatives and other participants in DMIST activities fairly and with dignity and respect;
- Contribute and engage in dialogue constructively and in a manner which respects diversity in viewpoints;
- Embrace compromise and consensus-building in the development of open standards for the exchange-traded and cleared derivatives industry, and accept and respect consensus decisions of DMIST, the Sponsor Board and any committees or working groups thereof;
- Seek, accept, and offer honest criticism of technical work, acknowledge and correct errors, and credit properly the contributions of others;
- Comply with applicable antitrust and competition laws, including, but not limited to any compliance guidelines adopted by DMIST;
- Avoid conduct that could damage the reputation of DMIST or the integrity, validity, or security of its programs;
- Avoid conflicts of interest or the appearance of conflicts of interest and fully disclose facts and circumstances that could potentially impair independence and objectivity;
- Identify and escalate disputes promptly and in accordance with DMIST processes, participate in those processes in good faith, and comply with the resolution of the dispute;
- Respect and protect the intellectual property rights and maintain the confidentiality of sensitive information of DMIST, Sponsor Board Members, Ambassadors, and other participants in DMIST activities, as set forth in the Terms of Participation.

II. MEMBERSHIP APPLICATION

All Sponsors and Ambassadors must complete a membership application, which includes agreeing to the Terms of Participation and thereby, these Policies, in order to participate in DMIST. DMIST, via its Executive Director, shall have full and complete authority to approve or disapprove a membership application.

III. SPONSOR BOARD MEMBERS

Sponsor Board Members are generally responsible for overseeing the process for developing standards. This includes contributing to proposals for developing standards, providing feedback on proposals, and approving standards.

Sponsor Board membership is open to Clearing Brokers, Executing Brokers, Introducing Brokers, Exchanges, CCPs, Clients and End-Users.

Each Sponsor Board Member shall designate one individual from their firm to serve on the Sponsor Board. It is the Sponsor Board Member's responsibility to inform DMIST when and if it needs to replace such individual, whether because of their departure from the firm, transition in job responsibilities, etc. Sponsor Board Members must attend all Sponsor Board meetings. Substitutes from the same firm are permitted where the originally designated individual is unable to attend. It is the responsibility of the Sponsor Board Member to ensure that all substitutes are sufficiently apprised of the recent developments and work of DMIST in order to adequately participate in the applicable meeting, including, as applicable, voting to: (1) publish a proposed standard for public comment; and/or (2) publish a standard.

Sponsor Board Members are required to do the following:

- Designate individuals as Ambassadors – can designate an unlimited number of individuals as Ambassadors; must designate a minimum of two (2) individuals as Ambassadors; a maximum of five (5) individuals from any one firm can serve on a specific working group or committee.
- Vote on publishing a proposed standard for public comment and on approval of Standards.¹

IV. AMBASSADORS

Ambassadors are generally responsible for investigating, refining, testing, and analyzing the technical, mechanical, logistical, and other details of a proposed standard. This includes reviewing comments received from the public on proposed standards.

Ambassador membership is open to Clearing Brokers, Executing Brokers, Introducing Brokers, Exchanges, CCPs, Clients, End-Users, Technology Vendors, Service Providers, and potentially others at the discretion of DMIST's Executive Director.

Ambassadors who are not otherwise Sponsor Board Members may designate an unlimited number of individuals from their firm to serve as Ambassadors. However, a maximum of five (5) individuals from any one firm can serve on a specific working group or committee.

Lead Ambassadors for each firm must be identified via the Membership Application Form. Lead Ambassadors are responsible for keeping their firms Ambassador list up-to-date. This includes: (1) removing from the Ambassador list individuals who have left the firm or otherwise changed job functions such that their participation is no longer relevant; and (2) identifying new individual Ambassadors from their firm who have expertise in the specific area that a proposed standard relates to.

¹ Exceptions from the requirement to vote may be granted, in the Executive Director of DMIST's discretion, where a DMIST Sponsor Board Member has a conflict of interest. No other exceptions to the requirement to vote apply. Sponsor Board Members **may not** abstain from voting.

V. COSTS AND PAYMENT TERMS

Sponsor Board Members must pay the established rate for participation in DMIST annually. The established rate for Sponsor Board Members is currently set at \$10,000 USD. Such rate is subject to change.

Ambassadors must pay the established rate for participation in DMIST annually. The established rate for Ambassadors is currently set at \$5,000 USD. Such rate is subject to change.

Payment of the established rate on an annual basis is due within thirty (30) days of Sponsor Board Member's or Ambassador's receipt of an invoice from DMIST. Invoices will be sent in May of each year, with payment covering from June 1 of that year to May 30 of the following year. If payment is not received within thirty (30) days of receipt of invoice, Sponsor Board Member's and/or Ambassador's participation in DMIST may be terminated.

VI. STANDARD SUBMISSION, REVIEW, AND APPROVAL PROCESS

The process of a proposal becoming a standard will proceed as outlined below. Sponsor Board Members and Ambassadors agree to follow, take active part in, and comply with this process.

Step One: A Proposed Standard is Received

Proposed standards may be received from any member of the public (including Sponsor Board Members or Ambassadors). DMIST anticipates providing a submission form to be completed by the individual(s) or legal entity(ies) submitting the proposed standards. Moreover, submitters will be required to agree to certain Terms of Submission at the time that they submit. These Terms of Submission will address, for example, intellectual property rights and confidentiality.

Step Two: Sponsor Board Determines Whether the Initial Proposal Meets the Required Criteria

The Sponsor Board will determine whether a proposed standard meets the required criteria for consideration by DMIST. For example, the Sponsor Board will confirm that: (1) the submission form contains sufficient requisite information; (2) the proposed standard addresses a topic that it considers in scope for DMIST's consideration; and (3) the proposed standard relates to a topic that would significantly benefit the industry to standardize.

Step Three: DMIST Forms Ambassador Working Groups

DMIST will then circulate the proposed standards to all Ambassador representatives for review and consideration. DMIST will also determine, following consultation with Sponsor Board Members and Ambassadors, as needed, how many and which types of Ambassador Working Groups are needed to fully consider the proposed standard. DMIST will then notify all Ambassador representatives of the working group structure for consideration of the proposed standard and request volunteers for participation in such groups.

Lead Ambassadors will be responsible for coordinating participation for their firm. If a firm's current Ambassador representatives do not have the requisite expertise to address a proposed standard, or if someone else within the firm would be a helpful addition to such firm's list of Ambassador representatives, the Lead Ambassador will update the firm's Ambassador list accordingly.

Once Ambassador Working Groups are established, such groups will meet as frequently and for the duration deemed necessary by DMIST in order to fully vet the proposed standards and determine: (1) whether to endorse the standards to the Sponsor Board for public comment and consideration; and (2) whether modifications, clarifications, changes, or amendments to the proposed standard are advisable prior to public comment.

DMIST's Executive Director will use their discretion to determine when feedback from Ambassador Working Group(s) is ready to be presented to the Sponsor Board. If general agreement on whether to endorse the standards for public comment and consideration and/or whether modifications, clarifications, changes, or amendments are advisable cannot be reached by the Ambassador Working Group(s), specific Ambassador firms will have the opportunity to present their varying viewpoints to the Sponsor Board.

Step Four: Sponsor Board Votes to Publish Proposed Standards for Public Comment

When Step Three has been fully completed, the Sponsor Board will meet to consider the feedback of the Ambassador Working Groups. Such feedback may include: (1) endorsement of the proposed standards; (2) rejection of the proposed standards; (3) endorsement of the proposed standards, but with certain modifications, clarifications, changes, or amendments; and/or (4) dissenting or varying viewpoints from certain Ambassador firms.

Based upon the feedback from the Ambassador Working Groups, the Sponsor Board will vote on whether to release the proposed standards (including any modifications, clarifications, changes or amendments thereto from the Ambassador Working Groups) to the general public for comment.

2/3rds of Sponsor Board Members must vote to approve the decision with regards to public comment. Moreover, at least one Sponsor Board Member from each of the following categories must vote to approve the decision:

- Clearing Broker/Executing Broker/Introducing Broker
- Exchange/CCP
- Client/End-User

Step Five: The Public Comments on Proposed Standards

At the direction of the Sponsor Board, DMIST will issue proposed standards for public comment (including with any modifications, clarifications, changes or amendments, as applicable). DMIST will determine the relevant comment period for any such proposed standard taking into consideration, amongst other things: (1) the length and degree of detail associated with such standard; (2) the time of year; and (3) other competing industry demands. At the time of publication for comment, DMIST will direct commenters on the specifics of how to submit a comment. Comments will be made available to the public once filed with DMIST.

Step Six: Ambassador Working Groups Review Comments

At the end of the comment period, the Ambassador Working Groups used to vet the standard as initially proposed will be re-established to review and consider the comments. The Ambassador Working Groups will digest the comments and determine whether modifications, clarifications, changes, or amendments are prudent based upon such comments.

If necessary, the Ambassador Working Groups will revise the proposed standards prior to endorsing them to the Sponsor Board for final approval.

DMIST's Executive Director will use their discretion to determine when feedback from Ambassador Working Group(s) is ready to be presented to the Sponsor Board. If general agreement on whether to endorse the standards for final approval, and in what form, cannot be reached by the Ambassador Working Group(s), specific Ambassador firms will have the opportunity to present their varying viewpoints to the Sponsor Board.

Step Seven: Sponsor Board Votes to Approve the Standards and They Are Published

Based upon feedback from the Ambassador Working Groups, the Sponsor Board will vote on whether to approve the proposed standards, as revised by the Working Group, if applicable. 2/3rds of Sponsor Board Members must vote to approve the standards and one Sponsor Board Member from each of the following categories must vote to approve in order for such standards to be considered final and published:

- Clearing Broker/Executing Broker/Introducing Broker
- Exchange/CCP
- Client/End-User

Step Eight: DMIST Monitors Adoption and Metrics

The success of DMIST requires commitment to adopt approved standards widely across the industry. Not all standards will be applicable to every type of participant. As a result, each final, approved standard must specify requirements for implementation by Sponsor Board Members, taking into account the applicability of that specific standard to various market participants as well as any unique implementation, adoption, and/or usage challenges. Each final approved standard must also specify metrics, to be measured on an ongoing basis, related to implementation, adoption, usage, and/or effectiveness.

VII. CONCLUSION

Violations of these Policies may result in remedial action by DMIST, including, but not limited to, suspension or termination of DMIST membership. The relevant determinations will be made by DMIST's Executive Director and all decisions will be final and non-appealable.