



CLS Bank FX Protocol PROCEDURES

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by CLS Bank International

Outlined below are the procedures to be followed by CLS Bank in managing the FX Protocol published by CLS Bank on July 14, 2008. These procedures explain the practical issues involved in signing up to the FX Protocol and should be read in conjunction with the text of the FX Protocol itself. These procedures focus on how CLS Bank intends to deal with the Letters (FX Adherence Letter, Adoption of FX Best Practice Letter or Adoption of FX Best Practice Supplemental Letter) received from Adhering Parties and how the CLS Bank website will display the information received. Terms used in these procedures and in the Frequently Asked Questions have the meaning ascribed to them in the FX Protocol.

DOCUMENTATION REQUIREMENTS

As detailed in the FX Protocol, in order for a party to adhere to the FX Protocol with respect to FX Transactions between it and any other Adhering Party, such party must submit the following documents as two separate PDF (portable document format) attachments in an email to CLS Bank in New York (protocols@cls-bank.com):

- **One signed copy** of the FX Adherence Letter; and
- **One conformed copy** of the FX Adherence Letter. A conformed copy is an exact copy of the signed letter with the name of the person signing the letter typed on the signature line. A signature should not appear on the conformed copy of the letter.

The FX Adherence Letter(s) should be on the party's letterhead. CLS Bank will **only accept email delivery** of the FX Adherence Letters as described above. It is critical that both a scanned, signed FX Adherence Letter, as well as a scanned, conformed FX Adherence Letter, are submitted to CLS Bank by email. CLS Bank will not process any party's request for adherence to the FX Protocol until both the signed and conformed FX Adherence Letters, as PDF attachments, have been received by email.

No other documents (including an original signed copy of FX Adherence Letters) are required of, nor will be accepted from, a party wishing to participate in the FX Protocol.

Please note that the above documentation requirements also apply to any Adoption of FX Best Practice or Adoption of FX Best Practice Supplemental Letter that an Adhering Party **may, but is not required to**, submit to CLS Bank under the FX Protocol.

ACCESS TO LETTERS PROVIDED

CLS Bank will publish on a publicly available website (www.cls-group.com/CLSBankProtocols) conformed PDF copies of the Letters. Parties who wish to obtain hard copies can either (i) request certified copies of the conformed Letters from CLS Bank or (ii) contact the nominated representative of the Adhering Party that is stipulated in the relevant Letter directly.

The website will also display or otherwise contain the following information:

- (i) an alphabetical list of the Adhering Parties and their respective Effective Adherence Dates;
- (ii) an indication of whether the Adhering Party has submitted (A) an Adoption of FX Best Practice Letter and (B) any Adoption of FX Best Practice Supplemental Letter(s) (and, if so, how many), and their most recent Effective Adoption Dates; and
- (iii) the dates on which each Letter was received by CLS Bank.

PROCEDURES FOR PROCESSING NOTICES RECEIVED

Following receipt of each Letter (signed and conformed copies as PDF attachments) by email, CLS Bank will, in turn, acknowledge the receipt of such Letter by email to the person designated in the Letter.

The conformed copy of the Letter will be displayed on the website along with the other Letters submitted by the Adhering Party or any other Adhering Party. CLS Bank will use commercially reasonable efforts to publish each Letter on its website on or before the Effective Adherence Date or, if applicable, Effective Adoption Date, and will notify the Adhering Party by email to the person designated in the Letter once such Letter has been so published. As indicated in the FX Protocol, such effective dates must be at least 30 calendar dates following the date of the Letter (and, in the case of an Effective Adoption Date, may not be earlier than the Adhering Party's Effective Adherence Date).

REVIEW OF LETTERS AND INQUIRIES

CLS Bank will take a minimal role in reviewing each Letter when submitted (e.g., to check that no pages are missing and the FX Adherence Letter is signed). Any qualifications that are displayed on an FX Adherence Letter will render the FX Adherence Letter invalid. It will be the responsibility of each Adhering Party to check that its FX Adherence Letter is being displayed properly on the website.

In order to assist market participants in the use of the FX Protocol, CLS Bank has prepared a list of Frequently Asked Questions (FAQs), which is accessible from the website. The website will also allow for market participants to download the text of the FX Protocol, including the form of Letters. Adhering Parties and other parties who are interested in the FX Protocol will be able to use the website as a first point of reference. Further detailed questions can then be sent to CLS Bank directly by e-mail (protocols@cls-bank.com).

CHARGES

There is no charge for participating in the FX Protocol.

SAMPLE TIMELINE

This sample timeline illustrates how adherence to the FX Protocol, as well as notice of an Adhering Party's adoption of the FX Best Practice, is effected and internally dealt with by CLS Bank.

A. Adherence to FX Protocol by Bank A

- I. Bank A delivers its FX Adherence Letter by email to CLS Bank on January 15, with a specified Effective Adherence Date of February 15. Upon receipt of such email, CLS Bank will notify Bank A by email that this Letter has been received.
- II. CLS Bank will use commercially reasonable efforts to publish Bank A's FX Adherence Letter on the website on or before February 15. CLS Bank will notify Bank A by email once this Letter has been published.
- III. Bank A's FX Adherence Letter is deemed effective on February 15 with each other Adhering Party that has specified an Effective Adherence Date on or before February 15.

B. Adherence to FX Protocol and Adoption of FX Best Practice by Bank B

- I. Bank B delivers its FX Adherence Letter and Adoption of FX Best Practice Letter by email to CLS Bank on March 15, with a specified Effective Adherence Date and Effective Adoption Date of May 15, respectively. Upon receipt of such email, CLS Bank will notify Bank B by email that such Letters have been received.
- II. CLS Bank will use commercially reasonable efforts to publish Bank B's FX Adherence Letter and Adoption of FX Best Practice Letter on the website on or before May 15. CLS Bank will notify Bank B by email once such Letters have been published.
- III. Bank B's FX Adherence Letter is deemed effective on May 15 with each other Adhering Party that has specified an Effective Adherence Date on or before May 15, including Bank A. Bank B's Adoption of FX Best Practice Letter is deemed effective on May 15, regardless of the Effective Adoption Date, if any, of any other Adhering Party.

C. Adherence to FX Protocol and Adoption of FX Best Practice by Bank C

- I. Bank C delivers its FX Adherence Letter and Adoption of FX Best Practice Letter by email to CLS Bank on June 15, with a specified Effective Adherence Date of August 15 and Effective Adoption Date of October 15, respectively. Upon receipt of such email, CLS Bank will notify Bank C by email that such Letters have been received.
- II. CLS Bank will use commercially reasonable efforts to publish Bank C's FX Adherence Letter and Adoption of FX Best Practice Letter on its website on or before August 15 and October 15, respectively. CLS Bank will notify Bank C by email once each such Letter has been published.

- III. Bank C's FX Adherence Letter is deemed effective on August 15 with each other Adhering Party that has specified an Effective Adherence Date on or before August 15. Bank C's Adoption of FX Best Practice Letter is deemed effective on October 15, regardless of the Effective Adoption Date, if any, of any other Adhering Party.
- D. Additional Information/Agreement Regarding Adoption of FX Best Practice by Bank B
- I. Bank B delivers its Adoption of FX Best Practice Supplemental Letter by email to CLS Bank on November 15, with a specified Effective Adoption Date of December 15. Upon receipt of such email, CLS Bank will notify Bank B by email that such Letter has been received.
 - II. CLS Bank will use commercially reasonable efforts to publish Bank B's Adoption of FX Best Practice Supplemental Letter on its website on or before December 15. CLS Bank will notify Bank B by email once such Letter has been published.
 - III. Bank B's Adoption of FX Best Practice Supplemental Letter is deemed effective on December 15, regardless of the Effective Adoption Date, if any, of any other Adhering Party. (As indicated in the FX Protocol, such Letter *supplements*, and does not replace, the original Adoption of FX Best Practice Letter from Bank B which became effective on May 15.)