



### **MSRB Rule G-43 - Broker's Brokers and Required Disclosures**

ICE TMC is an electronic fixed income marketplace for qualified subscribers to trade municipal securities. Prospective subscribers undergo an ICE Bonds Securities Corporation ("ICE Bonds") credit review process, which considers creditworthiness and operational proficiency before being approved as a subscriber. ICE TMC is available only to broker-dealer subscribers and institutional subscribers. Institutional subscribers wishing to engage in transactions of municipal securities on ICE TMC must continuously meet the definition of a Sophisticated Municipal Market Professional in accordance with MSRB Rule D-15. Additionally, ICE Bonds must have a reasonable basis to believe that the subscriber is capable of evaluating investment risks and market value independently, both in general and with regard to particular transactions and investment strategies in municipal securities. All approved subscribers can trade either electronically or with the assistance of our trading support desks.

ICE TMC does not:

1. provide access to retail customers;
2. make recommendations;
3. hold customer funds or securities; or
4. trade on a proprietary basis.

With respect to the manner in which ICE TMC conducts its bids-wanted auctions, ICE TMC represents the seller throughout the auction unless both the buyer and seller agree otherwise in writing and provide such written agreement to ICE TMC prior to the beginning of the auction. ICE TMC conducts its auctions in accordance with subsection (a)(i) of MSRB Rule G-43 and primarily relies on its ATS to distribute bids-wanted to its subscribers. ICE TMC distributes bids-wanted to permissioned subscribers. ICE TMC's systems also provide targeted bids-wanted notifications for subscribers who:

1. are currently market making;
2. have historically traded the matching security with ICE TMC; or
3. have configured pre-defined criteria for alerts. ICE TMC also provides real-time scrolling bids-wanted notifications through its ATS. ICE TMC may add further support through the use of its trading support desks.

ICE TMC bids-wanted are sharp-time auctions. ICE TMC does not accept late bids (submitted/received after the bid-by-time) or give any information or color on price levels prior to the bid-by time. ICE TMC provides the seller with all bid prices. ICE TMC records all changed bids. ICE TMC does not change a bid price without the bidder's and seller's respective permission. ICE TMC will not selectively inform a bidder that its bid is the high bid in a bids-wanted auction and then accept a changed or new bid from that bidder in the same bid-wanted auction. Bids-wanted that have not been acted upon during the firm-time are treated as subject. A bidder has discretion to honor a subject bid after the firm-time if a trade request is made.

ICE TMC relies on ICE Data Services' evaluations to establish predetermined parameters. ICE TMC will systematically notify bidders if their bids do not meet predetermined parameters as granted in MSRB Rule G-43. ICE TMC will also notify sellers if a bid is below such a predetermined parameter. Subscribers posting bids more than 2% above, or more than 5% below the ICE Data Services' evaluation, will receive a warning message indicating that the bid quotation may have been submitted in error. Sellers receiving bids which are more than 3% below the ICE Data Services' evaluation will receive a notification that the bid may not be at market levels. ICE TMC will periodically review the predefined parameters to ensure

reasonable notification to clients of potential erroneous bids. ICE TMC will notify the seller if the high bid is from a customer (as defined by MSRB Rule D-9), with a ^ notation.

ICE TMC does not charge customers for the provision of broker's broker services. ICE TMC's compensation is outlined in the fee schedule on the ICE TMC website or by request.

ICE TMC does not engage in self-dealing, encourage bids that do not represent fair market value, give preferential treatment to bidders or otherwise engage in any activity that could undermine the integrity of its auctions. ICE TMC will occasionally act in a principal capacity, but only when a counterparty to an executed trade has failed to honor its obligation. ICE TMC does not otherwise maintain municipal securities in any proprietary or other accounts, other than for clearance and settlement purposes. ICE TMC will always inform the seller of the highest bid in its auctions.