

Appendix F to Tradition SEF Rulebook
SBSEF Equity Product Listing

Tradition SEF, LLC

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I. Products offered for trading:

(1) Single-stock Total Return Swaps (TRS) and Price Return Swaps (PRS):

A Single-stock Total Return Swap (SS TRS) is a product which allows the ability to gain exposure to the returns of an equity ("equity leg") in exchange for payment or receipt of regular fixed or floating payments ("floating leg"), based on an agreed interest rate plus a differential. The calculation of the value of the equity leg is the number of shares x the price of the stock plus or minus the appreciation/depreciation of the underlying equity leg plus any dividends due from equity leg, minus the interest payment based on the notional amount of the swap.

Single-stock Price Return Swap (SS PRS) – is a product which allows the ability to gain exposure to the returns of an equity ("equity leg") in exchange for payment or receipt of regular fixed or floating payments ("floating leg"), based on an agreed interest rate plus a differential. The calculation of the value of the equity leg is the number of shares x the price of the stock plus or minus the appreciation/depreciation of the underlying equity leg minus the interest payment based on the notional amount of the swap. Dividends are excluded from a SS PRS return calculation.

Product Specifications:

Swap Type - Single-stock Total Return and Price Return Swaps:

Underlying Stock - Single issuer shares listed on recognized stock exchanges in the U.S., such as NYSE and NASDAQ, including listed individual equities, ETFs, and ADRs

Notional - number of shares x the closing price on the primary exchange

Settlement Dates - Monthly or quarterly or as otherwise agreed by the counterparties

Final Settlement Date - as agreed by the counterparties

Equity Valuation Dates - as agreed by the counterparties

Interest Rate Leg: Interest rate benchmark such as Daily USD US Federal Funds Effective Rate or SOFR or as agreed by the counterparties. Interest Accrues from Payment Date to Payment Date

Resets: Monthly / Quarterly or as agreed by the counterparties

Termination Rights: Monthly Breaks or as agreed by the counterparties. **Tenors** – As agreed by the counterparties

Payments Exchange – Total Return Swaps:

Swap Seller - (receiver of interest rate benchmark / payer of stock return) agrees to pay appreciation and dividends / receive depreciation of the underlying stock, if any and receive an interest payment on the notional amount of the swap at the agreed interest rate benchmark. (100% of the dividend should be paid by Swap Seller to Swap Buyer).

Swap Buyer - (payer of interest rate benchmark / receiver of stock return) agrees to receive appreciation and dividends / pay depreciation of the underlying stock, if any, and pay an interest payment on the notional amount of the swap at the agreed interest rate benchmark.

Payment Exchange – Price Return Swaps:

Swap Seller - (receiver of interest rate benchmark / payer of stock return) agrees to pay appreciation / receive depreciation of the underlying stock, if any and receive an interest payment on the notional amount of the swap at the agreed interest rate benchmark.

Swap Buyer - (payer of interest rate benchmark / receiver of stock return) agrees to receive appreciation / pay depreciation of the underlying stock, if any and pay an interest payment on the notional amount of the swap at the agreed interest rate benchmark. Note: Interest Leg - Interest will accrue at the agreed Interest Rate benchmark + spread.

Calculation Method - Averaging Interest Look Back Period: 2 Days

Clearing house: None - Bilateral Settlement / Uncleared

Trade Start Types:

Immediate – The calculation period of the swap begins on trade date

Forward – The calculation period of the swap begins on an agreed-upon date in the future

Quote Conventions: Interest rate benchmark plus or minus a differential

Trading Hours: Tradition SEF Equity Asset Class trading hours

Settlement Payments: Payment Date: T+1 or as agreed by counterparties (adjustments according to Following Business Days Conventions)

Minimum Price or Incremental Price: There is no minimum price or minimum incremental price

Minimum size: 1 share

Business Day Convention: The “Target Following” business day convention will apply (if any date is a non-business day, the date is moved forward to the next business day). Modified Following (moved to previous business day if following day moves into new month) or, previous business day conventions

Market Disruption Events: As defined in ISDA or similar execution agreements that have been negotiated, agreed and exchanged by the counterparties.

Transaction Documentation: ISDA or similar execution agreements that have been negotiated, agreed and exchanged by the counterparties. Terms will be defined as per prevailing ISDA Equity definitions unless otherwise agreed between the counterparties

(2.) Custom Basket Swaps

A Custom Basket Swap is a product which allows the ability to gain exposure to the returns

of a non-standard, custom portfolio, or “basket” of equities ("equity leg") in exchange for payment or receipt of regular fixed or floating payments ("floating leg"), based on an agreed interest rate plus a differential. The calculation of the value of the equity leg is the number of shares x the prices of the stocks in the basket plus or minus the appreciation/depreciation of the components of the basket plus any dividends due from components of the basket, minus the interest payment based on the notional amount of the swap.

Product Specifications:

Underlying Stocks: Single issuer shares listed on recognized stock exchanges in the U.S., such as NYSE and NASDAQ, including listed individual equities, ETFs, and ADRs

Swap Type: TOTAL RETURN SWAP - Basket

Total Shares: Equals the sum of the number of shares of each underlying security in the basket

Total Notional: Equals the sum of the notional value of each stock in the basket: Total number of Underlying Stocks x Shares Price = Total Notional

Stock Reference Price: The reference price will be the closing price of the primary exchange on the observation date for all underlyings unless otherwise agreed

Quote Conventions: Interest rate benchmark plus or minus a differential

Trading Hours: Tradition SEF Equity Asset Class trading hours

Trade Date: Date transaction is entered into

Settlement Dates: Trade, Reset and Final Settlement Dates as applicable +1

Resets: Monthly / Quarterly or as agreed by the counterparties

Equity Valuation Dates: Monthly / Quarterly or as agreed by the counterparties

Final Settlement Date: As agreed by the counterparties

Tenors: As agreed by the counterparties

Interest Rate Leg: Interest rate benchmark such as Daily USD US Federal Funds Effective Rate or SOFR or as agreed by the counterparties. Interest Accrues from Payment Date to Payment Date

Termination Rights: Monthly Breaks or as agreed by the counterparties

Payments Exchange: Interest Rate Receiver (Swap Seller) agrees to pay appreciation and dividends / receive depreciation of if any and receive Daily Interest Rate plus agreed differential. (100% of dividend should be paid by Swap Seller to Swap Buyer).

Payments Exchange: Interest Rate Payer (Swap Buyer) agrees to receive appreciation and dividends / pay depreciation if any and pay Daily Interest Rate plus agreed differential.

Interest Leg: Interest will accrue at Interest Rate + agreed spread

Calculation Method: Averaging Interest Look Back Period: 2 Days

Trading Hours: Tradition SEF Equity Asset Class trading hours

Minimum size: 1 share per basket component

Business Day Convention: The “Target Following” business day convention will apply (if any date is a non-business day, the date is moved forward to the next business day).

Modified Following (moved to previous business day if following day moves into new month) or, previous business day conventions

Rights of Substitution: Yes. As Agreed by the counterparties. Applicable on Equity Valuation

Date Interest Leg: Interest will accrue at the daily agreed Interest Rate + spread. Calculation Method: Averaging Interest Look Back Period: 2 Days

Clearing house: None - Bilateral Settlement / Uncleared

Transaction Documentation: ISDA or similar execution agreements that have been negotiated, agreed and exchanged by the counterparties. Terms will be defined as per prevailing ISDA Equity Swap definitions unless otherwise agreed between the counterparties