



## USER AGREEMENT

AGREEMENT dated \_\_\_\_\_, 201\_, by and between Boston Options Exchange Group, LLC (“BOX”), a Delaware limited liability company, and \_\_\_\_\_ (“User”), collectively referred to herein as the “parties.”

WHEREAS, BOX operates an electronic options market (the “**BOX Market**”), which is an electronic communications and trading facility of NASDAQ OMX BX. (the “Exchange”); and

WHEREAS, provided that User is an approved Participant in good standing with the Exchange and has paid the requisite fees, BOX will provide User with access to the BOX Market pursuant to these general terms and conditions.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants in this Agreement, the parties hereto agree as follows:

### 1. **TERM.**

This Agreement is for the term of one year from the date of execution and is automatically renewed on an annual basis unless cancelled by either party pursuant to the terms of this Agreement.

### 2. **BOX RULES.**

(a) **Compliance with BOX Rules.** User agrees that it will abide by the BOX Trading Rules, applicable Bylaws and Rules of the Exchange, as amended from time to time, and all circulars, notices, interpretations, directives or decisions adopted by BOX, the Exchange, and the Exchange’s subsidiary, Boston Options Exchange Regulation, LLC (“BOXR”) (collectively, the “**BOX Rules**”), all applicable federal and state laws and regulations, and the rules and regulations of any applicable self-regulatory organization. User will familiarize all Authorized Persons with all of the User’s obligations under this Agreement and the BOX Rules, and will assure that they receive appropriate training prior to any use or access to the BOX Market and System (as defined below).

(b) **Monitoring.** User acknowledges and agrees that BOX and BOXR will monitor the use of the BOX Market by User for compliance with all applicable laws and regulations, including without limitation the BOX Rules. User acknowledges its responsibility to monitor its employees, agents and customers for compliance with the BOX Rules, the rules and regulations of any self-regulatory organizations of which User is a member and all applicable federal and state laws and regulations.

(c) **Integrity of BOX Market.** User will not (i) materially alter the information or data



supplied to or received from the System in violation of the BOX Rules, (ii) materially affect the integrity of the information or data supplied to or received from the System, or (iii) supply or render information or data from the System that is illegal, inaccurate, unfair, uninformative, fictitious, misleading or discriminatory.

**(d) Non-Compliance.** User's right to access the BOX Market and System may be denied or terminated, temporarily or permanently, forthwith at any time by BOXR upon a determination that: (i) User or its Authorized Persons (as defined below) are in violation or has violated any material term of this Agreement, the BOX Rules, the rules and regulations of any self-regulatory organizations of which User is a member, any federal and state laws and regulations; (ii) the User's right to operate is terminated by its self-regulatory organization or by the United States Securities and Exchange Commission; or (iii) the User or its Authorized Persons are engaged in activities that BOXR reasonably determines to be detrimental to the BOX Market, BOX users, or the public.

### **3. RIGHTS AND OBLIGATIONS.**

**(a) BOX System.** Pursuant to the terms and conditions of this Agreement, User shall have access to certain information, data, access, capabilities, functions, features, and software, which permits User to access and participate in the BOX Market (collectively, the "System").

**(b) Restriction on Use: Security.** User may not sell, lease, furnish or otherwise permit or provide access to the System or any information or data made available therein to any other entity or to any individual that is not User's employee or agent. Notwithstanding the foregoing, User may disclose BOX market information to its customers provided that such disclosure does not violate OPRA restrictions, the BOX Rules, the rules and regulations of any self-regulatory organizations of which User is a member and all applicable federal and state laws. User will maintain and keep current a list of all employees or agents who are authorized to access the BOX System on behalf of the User (the "**Authorized Persons**"). User accepts full responsibility for its Authorized Persons use of the System, which use must comply with the BOX Rules and the User's obligations under this Agreement. User will take reasonable security precautions to prevent unauthorized use of or access to the System. User understands and agrees that User is responsible for any and all orders, trades and other messages and instructions entered, transmitted or received under identifiers, passwords and security codes of User's Authorized Persons, and for the trading and other consequences thereof.

**(c) Fees.** User agrees to make timely payment of all fees payable to BOX and third parties arising from User's access to the BOX Market.

### **4. CHANGE OF BOX MARKET.**

User acknowledges and agrees that nothing in this Agreement constitutes an understanding by BOX to continue the BOX Market and System or any aspect of its current form. BOX may from time to time make additions, deletions or modifications to the BOX Market or System. User acknowledges and agrees that BOXR may temporarily or permanently, unilaterally condition, modify or terminate the right of any individuals or entities to access, receive or use the BOX Market and System in accordance with the BOX Rules.



## 5. PROPRIETARY RIGHTS.

User acknowledges and agrees that all proprietary rights in the BOX Market and System are and shall remain the property of BOX and its third party licensors. User agrees that BOX will own all right, title and interest in the quotations and other transaction data and information of the BOX Market.

## 6. INFORMATION.

**(a) Confidentiality.** Both parties acknowledge that (i) the BOX Market and the information and data made available therein, incorporate confidential and proprietary information developed, acquired by or licensed to BOX, including confidential information of BOX or other entities, and (ii) each party may receive or have access to other proprietary or confidential information disclosed and marked as confidential by the disclosing party (collectively, the "**Information**"). The receiving party will use the disclosing party's Information solely to perform its obligations under this Agreement. The receiving party will take all precautions necessary to safeguard the confidentiality of the disclosing party's Information, including without limitation, (i) those taken by the receiving party to protect its own confidential information and (ii) those which the disclosing party may reasonably request from time to time.

**(b) Disclosure.** The receiving party will not disclose, in whole or in part, the disclosing party's Information to any person, except as specifically authorized under this Agreement. User may not disclose any data or compilations of data made available to User by BOX without the express, prior written authorization of BOX. User acknowledges that any and all information provided to the BOX Market by the User will be disclosed to BOX for use in accordance with the BOX Rules. User hereby consents to such disclosure. The receiving party may also disclose Information in accordance with its regulatory obligations.

**(c) Unauthorized Use or Disclosure.** The parties acknowledge that any unauthorized use or disclosure of the disclosing party's Information may cause irreparable damage to the disclosing party. If an unauthorized use or disclosure occurs, the receiving party will immediately notify the disclosing party and take at its expense all steps necessary to recover the disclosing party's Information and to prevent its subsequent unauthorized use or dissemination, including availing itself of actions for seizure and injunctive relief. If the receiving party fails to take these steps in a timely and adequate manner, the disclosing party may take them at the receiving party's expense, and the receiving party will provide the disclosing party with its reasonable cooperation in such actions that the disclosing party may request.

**(d) Limitation.** The receiving party will have no confidentiality obligation with respect to any portion of the disclosing party's Information that (i) the receiving party independently developed before receiving the Information from the disclosing party, (ii) the receiving party lawfully obtained from a third party under no obligation of confidentiality, (iii) is or becomes available to the public other than as a result of an act or omission of the receiving party or any of its employees or (iv) the receiving party is compelled to disclose pursuant to legal process provided by a court of competent jurisdiction or other governmental entity to whose jurisdiction the receiving party is subject.



## **7. DISCLAIMER OF WARRANTY.**

THE BOX MARKET AND SYSTEM ARE MADE AVAILABLE "AS IS" AND WITHOUT WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF TIMELINESS, TRUTHFULNESS, SEQUENCE, COMPLETENESS, ACCURACY, FREEDOM FROM ERRORS OR INTERRUPTION OR DEFECT, MERCHANTABILITY, FITNESS FOR PARTICULAR USE OR PURPOSE, OR NON-INFRINGEMENT AND ANY IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE).

## **8. LIMITATION OF LIABILITY.**

USER UNDERSTANDS AND AGREES THAT: (i) BOX IS NOT DIRECTLY OR INDIRECTLY A PARTY TO OR PARTICIPANT IN ANY TRADE OR TRANSACTION ENTERED INTO OR OTHERWISE CONDUCTED THROUGH THE BOX MARKET, AND (ii) BOX IS NOT LIABLE IN ANY MANNER TO ANY PERSON (INCLUDING WITHOUT LIMITATION THE USER AND ANY PERSON FOR WHOM THE USER IS AUTHORIZED TO TRADE OR ACT) FOR THE FAILURE OF ANY PERSON ENTERING INTO A TRADE OR TRANSACTION BY MEANS OF THE BOX MARKET TO PERFORM SUCH PERSON'S SETTLEMENT OR OTHER OBLIGATIONS UNDER SUCH TRADE OR TRANSACTION. IF THIS PROVISION SHALL BE DEEMED TO CONFLICT WITH ANY OTHER PROVISION OF THIS AGREEMENT, THEN THIS PROVISION SHALL SUPERSEDE SUCH OTHER PROVISION.

NEITHER BOX, NOR ANY OF ITS AFFILIATES, NOR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS OR EMPLOYEES SHALL BE LIABLE TO USER, ANY CUSTOMER OR ACCOUNT OF USER, OR ANY OTHER INDIVIDUAL OR ENTITY FOR ANY LOSS, INCLUDING LOSS OF PROFIT, LOSS OF BUSINESS OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR RELATED TO: (i) THE USE OF THE BOX MARKET OR SYSTEM; OR (ii) THIS AGREEMENT.

## **9. INDEMNIFICATION.**

USER AGREES TO INDEMNIFY, DEFEND AND HOLD BOX, ITS AFFILIATES, THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS OR EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LOSSES, COSTS, EXPENSES, OBLIGATIONS, LIABILITIES, DAMAGES, RECOVERIES, AND DEFICIENCIES, INCLUDING INTEREST, PENALTIES, AND ATTORNEY'S FEES, ARISING FROM OR AS A RESULT OF USER'S BREACH OF ITS OBLIGATIONS UNDER THIS AGREEMENT OR OTHERWISE FROM ITS USE OF THE BOX MARKET OR SYSTEM UNLESS SUCH CLAIMS, DEMANDS, LOSSES, COSTS, EXPENSES, OBLIGATIONS, LIABILITIES, DAMAGES, RECOVERIES, AND DEFICIENCIES ARE THE RESULT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE BOX MARKET.

## **10. TERMINATION.**

Notwithstanding any other provision of this Agreement to the contrary: (i) BOX may terminate this Agreement if the User breaches any material term of this Agreement and fails to cure



such breach within ten (10) days after written notice thereof from BOX; and (ii) BOX may suspend User's access to the System immediately, on written notice to the User, if BOX reasonably believes that such breach or activity poses substantial risk to the BOX Market or its users. The User may terminate this Agreement upon providing BOX thirty days notice in writing. Upon termination of this Agreement for any reason, all rights granted to User hereunder will cease. In no event will termination of this Agreement relieve User of any obligations incurred through its use of the BOX Market. The provisions of Sections 5, 6, 8, and 9 will survive the termination or expiration of this Agreement for any reason.

#### **11. ASSIGNMENT.**

User shall not assign, delegate or otherwise transfer this Agreement or any of its rights or obligations hereunder without BOX's prior approval. BOX may assign or transfer this Agreement or any of its rights or obligations hereunder to a related or unrelated party upon notice to User.

#### **12. MISCELLANEOUS.**

All notices or approvals required or permitted under this Agreement must be given in writing to the address specified above. Any waiver or modification of this Agreement will not be effective unless executed in writing and signed by the other party. The substantive laws of the Commonwealth of Massachusetts shall govern this Agreement. All disputes, claims or controversies between the parties related to User's use of the BOX Market shall be resolved in accordance with the applicable BOX Rules, all applicable federal and state laws and regulations, and the rules and regulations of any applicable securities self-regulatory organization. All non-regulatory disputes, claims or controversies between the parties related to the interpretation of this Agreement shall be submitted to arbitration pursuant to the rules of the American Arbitration Association; provided, however, that nothing herein will prevent BOX from seeking interim injunctive relief in any court of competent jurisdiction. If any provision of this Agreement is to be held unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Agreement. This Agreement, together with the applicable BOX Rules, constitutes the complete and entire statement of all conditions and representations of the agreement between BOX and User with respect to its subject matter and supersedes all prior writings or understandings.



101 Arch Street  
Suite 610  
Boston, MA USA 02110  
(617) 235-2291

Agreed to as of this \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

User

Boston Options Exchange Group LLC

\_\_\_\_\_  
(Company Name)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name and Title)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City, State & Zip Code)