

Q&A on DGCX Partnership with Cinnober and Transition to New Trading Platform

1. What will the partnership with Cinnober deliver?

- DGCX's partnership with Cinnober, one of the world's leading exchange technology providers, will enable the development of a new exchange infrastructure that will help significantly enhance the offerings from DGCX marketplace.
- By partnering with Cinnober, DGCX will create a new technology suite featuring the latest and most innovative technology that will support our vision to transform the region's derivatives market.

2. How will the new technology partnership support DGCX's strategic plans?

- DGCX has commenced a phase to roll out a new DGCX trading experience to the marketplace. DGCX will roll-out new services to its members over the next few quarters as part of this new experience.
- DGCX has ambitious growth plans in the coming years and it is confident that its new platform will support the expected volume growth and the launch of new and innovative products.
- DGCX's partnership will help ensure that the Exchange continues to play a leading role in the development of the regional derivatives market.
- DGCX's own internal expertise, combined with Cinnober's cutting-edge technology and skills, will raise the Exchange's competitiveness to a new level.

3. How will the new platform further improve the trading environment in DGCX?

- The new platform will enable DGCX to drive greater efficiency and liquidity in its marketplace. Utilising Cinnober's latest technology, DGCX will offer superior trade execution experience and capacity to support the increasingly sophisticated requirements of its growing Member community, especially high-frequency traders (HFTs) and others that conduct algorithmic trading.
- Superior transaction speed and a wider range of trading and clearing services will allow DGCX to offer enhanced trading flexibility to Members, while at the same time attract new business opportunities from retail, institutional and high-frequency traders.
- Furthermore, it will help DGCX reduce overall operational costs and improve efficiencies, allowing it to focus even more on delivering greater value to the customer.

4. What new functionalities will the new trading platform offer?

- The new technology will give the Exchange the ability to offer contracts in multiple currencies including UAE dirhams. When such contracts are available, users will be able to do business in multiple currencies.

- Going forward, the new platform will also allow DCCC, fully owned clearing corporation of DGCX, to provide multi-currency settlement facilities.
- With its state-of-the-art matching engine, the new platform is geared to the needs of high-frequency traders, who require low latency platforms to trade productively and profitably.
- DGCX will be capable to support 24-hour market operations on the new platform, enhancing the value it offers Members.
- DCCC will be able to roll-out value added services in the areas of clearing, settlement, collaterals and risk management to maximize the efficiency of resources that its Members possess including their ability to pledge different types of collaterals such as government securities, precious metal in GMR/Warrant format etc.

5. What is the core technology that Cinnober is providing?

- The core trading and clearing applications are built on Cinnober's TRADExpress and Real Time Clearing platform, a multi-asset solution that delivers market-leading functionality, speed and throughput capacity. Cinnober will also provide DGCX with Scila Surveillance System, a leading market surveillance system.

6. When will the new platform go live?

- The new exchange infrastructure is scheduled to go live in December 2012, following a phased implementation.

7. How does the new partnership affect DGCX's relationship with FTIL, the previous technology partner, which also owns a stake in DGCX?

- 8.** The new technology partnership with Cinnober is independent of the role that the FTIL Group plays as a shareholder in DGCX. Members will continue to have DGCX's full support for the existing technology (provided by FTIL) throughout the transition phase.

9. What key technical changes should end-users be prepared for?

- DGCX/DCCC will be engaging all constituents of its community with specific Action Plans that concerns different set of users, accordingly there will be engagement with
 - FIX interface users to **upgrade old version 4.2 to latest version 5.0. ISVs and other** market participants that current use FIX based access should be prepared for changes in their order routing software.
 - The trading terminal (TWS-GUI) will be upgraded to meet the emerging needs of users.
 - The format of market data interface will be changed for all subscribers that includes Quote Vendor feeds.
 - The back-office data file formats will be changed.

- Clearing Members will be able to control their trading members through a revised Administration Terminal (equivalent to existing MAT)
- DCCC does not expect any changes to in its PPS interface with Clearing Banks.

10. During the implementation phase, what support will DGCX provide Members and other end users to ease the transition from one platform to the other?

- DGCX has created a comprehensive master plan for helping end-users smoothly transition to the new platform. The Exchange will engage with different sets of users to provide specific information and support during the implementation phase.
- DGCX will be conducting multiple training sessions and webinars to support end-users in adapting their trading operations to the new platform.
- DGCX will issue an API document instructing end-users on changes to the FIX and market data interfaces. Subsequently, one-to-one sessions and webinars will be held to familiarize users to the changes.
- DGCX will create a test environment, where users can log in to test their modified applications before going live.
- DGCX will also conduct rounds of mock trading exercises prior to go-live for users to familiarize themselves and test how well integrated they are to the new trading environment.
- There will be NO CHANGES to network access requirements – users can connect to the new platform using their existing physical IT infrastructure.

11. Will there be any additional cost for existing customers?

- DGCX will be following international best practices for transition management and providing extensive support to ensure that the time and resources required for end users to migrate to the new platform are minimized.

12. What is the total cost of this technology?

- DGCX is a private company and does not share any other information beyond what is stated on the website.