



Final Customer Call – November 5, 2015

U.S. Matching Engine Migration to the NY5 Data Center

Hotspot Update

- Today's Agenda
 - NY5 Migration: Timeline & Testing Opportunities
 - NY5: Connectivity & Certification
 - Q&A Session for Customers
- Today's Speakers
 - Chris Isaacson, EVP, Global Chief Information Officer
 - Paul Reidy, Head of FX Technology

NY5: Launch Timeline & Testing Opportunities

- **Final Weekend Test Opportunity** – This Saturday, November 7th
 - Test Hours: 7:00 a.m. – 11:00 a.m. ET / 12:00 noon – 4:00 p.m. GMT
 - All pairs will be available in the Production environment for this Saturday's test
- **1st Day of Live Trading at NY5** – Monday, November 9th
 - We will start NY5 matching at 5 p.m. ET/ 10 p.m. GMT on Sunday, November 8th
- **Daily Testing Opportunities**
 - Cert/UAT: All currency pairs available for testing
 - Production: Synthetic pairs available for testing – USD/XXX and USD/YYY



NY5 Matching Engine: Connectivity & Certification

- Connectivity
 - **Hotspot will no longer accept connections to its current matching engine in Jersey City after trading closes tomorrow (Friday, November 6th)**
 - It is not possible to access Hotspot using existing connectivity into the BATS equities markets
 - Like BATS equities markets in NY5, all connections will be latency-equalized between and within NY4 and NY5
- Certification
 - **Existing participants connecting to the New Jersey matching engine are not required to re-certify as part of the NY5 migration**
 - Participants planning to use existing connectivity to access the NY5 matching engine can only test connectivity during this weekend's test on Saturday, November 7th

NY5 Matching Engine: Additional Items to Note

- **Bilateral Credit**
 - Bilateral Credit will be shared dynamically between Participating Financial Institutions (PFIs) for the New York and London matching engines
 - Credit document is available on the Hotspot website (www.hotspotfx.com)
- **LD4 to NY5 connectivity**
 - Post migration of the NY matching engine to Equinix NY5, Hotspot will offer access to the NY5 matching engine from LD4 and vice-versa via a Hotspot provided trans-Atlantic wide area network.
 - Hotspot plans to offer all access protocols for market data, order entry & drop copy. This connectivity will be available from January 1, 2016.
 - Further details, including pricing will be published after the NY matching engine migration to NY5.
- **Information Portal: www.hotspotfx.com/ny5**
 - Includes all materials related to the launch including technical documentation, account documentation and notices

Hotspot Pricing Initiatives

- **“Hot List” Pricing**

- No transaction fees for liquidity removal in more than 30 currency pairs

- **Free Gold Promotion**

- Free trading for spot gold and silver pairs

- **Free Trading on Hotspot London**

- Free trading for all transactions on the London matching engine until the end of the year
- Hotspot London off to a strong start since launching September 14th
 - Past 10 days ADV: ~\$500 million
 - October ADV: +\$375 million
 - Record day: nearly \$700 (October 28)

Pricing initiatives designed to drive deep liquidity and bring long overdue price competition to the global FX market

Summary

- **Hotspot remains on schedule to migrate its current U.S. matching engine** to the Equinix NY5 data center on **Monday, November 9th**
 - Trading will begin November 8th at 5:00 p.m. ET, to match our existing trading schedule
- **The final weekend testing opportunity** for the NY5 matching engine is this **Saturday, November 7th**
- Existing participants connecting to the existing New Jersey matching engine **are not required to re-certify as part of the migration to NY5**
- **Hotspot will no longer accept connections to its current matching engine in Jersey City after trading closes tomorrow (Friday, November 6th)**
- If you have questions or need help **establishing connectivity** to either platform, please reach out to our Production Support and/or Sales teams as soon as possible

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