

## Americas Futures Execution Disclosures

**Effective: March 1, 2024** – Citigroup Inc. (“Citi”, “we” or the “Firm”) is a global financial services firm that offers banking and other financial services in jurisdictions around the globe.

Citi offers execution services in futures instruments directly through Citigroup Global Markets Inc. (CGMI) in the United States and through its affiliates located regionally in Latin America (LATAM), Asia-Pacific (APAC) and Europe, the Middle East and Africa (EMEA) (the “Services”).

CGMI operates as a Futures Commission Merchant (FCM) in futures markets. Citi is dedicated to adhering to applicable laws and regulations in our dealings with our clients in those markets.

This document is intended to clarify aspects of the trading relationship between the Citi broker dealers and FCM operating in the Americas and our clients. Clients (each, the “Client” or “you”) **are defined as CGMI clients and those clients of CGMI affiliates whose orders are entered with CGMI or CGMI’s affiliates (collectively, “Citi Clients”).**

The information being described relates to the provision of the Services, is current as of the Effective date, and is subject to change without notice and prior to the circulation of any update. It is always recommended that you contact your Citi sales representative or [efutures@citi.com](mailto:efutures@citi.com) for current or additional information.

The disclosures set forth in this document apply to the institutional futures execution business of Citi in the Americas and the Services provided to clients that fall within the regulatory definition of “Institution”; these disclosures may not be complete, and we recommend seeking clarifications you may require from your Citi representative. These disclosures are intended for institutional clients and are not intended for individuals or other retail investors. These disclosures are subject to (and, to the extent of any conflict, shall be governed by): (i) any written agreement with you; and (ii) any applicable law or regulation (including, but not limited to, any applicable requirements regarding best execution or conflicts of interest). Laws and regulations in various jurisdictions may provide rights or obligations other than those discussed in this document. To the extent of any conflict between these disclosures and any other disclosures (including published policies) we have previously provided to you, the terms of these disclosures shall govern.

You should review this document in connection with other applicable Citi agreements, terms of business and disclosures in order to fully understand your relationship with us in the context of a particular transaction.

Any statements we make to a Client should not be construed as recommendations or advice or that Citi has acted as the Client’s advisor. In addition, when we transact with our Clients, we rely upon the apparent authority of the employees, representatives, advisers, and agents who communicate with us on their behalf, and we assume no obligation to independently verify that authority.

### (1) Principal Trading

Both High Touch and Electronic (Low Touch) execution at Citi is an agency only business. The only exception is when OTC pricing for futures block trades, EFPs, and EFRPs is requested from our High Touch team, principal liquidity will be sourced internally from other desks, or externally from other sources.

### (2) Order Handling / Routing

This section of the disclosure refers explicitly to Citi’s electronic execution offering in the Americas, specifically in the U.S., Canada, Brazil and Mexico.

These disclosures aim to provide transparency and a general description to our clients regarding our order handling and routing practices. The general description may not be representative of how certain individual orders are handled.

In what countries in the Americas does Citi offer electronic trading? Is execution outsourced to another broker / FCM?

Citi provides futures execution offering in the U.S., Canada, Brazil, and Mexico. Details on CGMI futures exchange memberships, affiliates and carry brokers can be found here:

<https://www.citi.com/mss/solutions/pfss/solutions/citi-futures/cftc-regulation/>.

How is Citi charged for accessing market liquidity?

In Futures markets, taking and providing liquidity is charged the same fee (there are no rebates). Typically, the clearing broker is charged the fee and will pass this through to the client (in some cases at special rates depending on the client's membership / fee program status). In other cases Citi is charged exchange fees as the executing broker (e.g. the Chicago Futures Exchange - the CBOE subsidiary).

Does CGMI preference its own internal venues?

There are no internal venues for Americas Futures markets.

Can clients customize the venue preferences?

There are no venue preferences for Futures as the instructed symbol is a unique contract on the specified exchange.

How are platform enhancements implemented?

At any time, Citi may implement enhancements to its Electronic Trading platform, which includes Citi's algorithms and core infrastructure components, and we will endeavour to communicate material changes to you on a best-efforts basis. As part of the release of an enhancement(s), the roll-outs may be performed across the platform as a whole or in parts to all trading desks, traders and clients or a subset of trading desks, traders and clients. For some enhancements, a group made up of internal traders and in some circumstances clients who have specifically opted in, may be given access to the functionality or venues access that is not available to all clients described herein. Once the enhancements have been verified, Citi may make the enhancements available to all clients.

Does Citi accept GTD and GTC Orders?

Citi provides the following order handling procedure and protocols as it relates to the duration of futures orders in the Americas. In the interests of increasing transparency, the following disclosure is to inform Citi Clients of Citi's order handling procedures and protocols related to good-til-date ("GTD") and good-til-cancelled ("GTC") orders in futures instruments.

*Duration of orders*

Client orders are considered to be Day Orders, unless otherwise specified. A Day Order is an order that is only valid on and for the day it is entered. Day Orders and unfilled portions of partially executed Day Orders will expire either at the end of the current session or the regular trading day on the day that the order was received (typically 5:00 p.m. Eastern Time). The Firm also accepts GTD and GTC orders – these are valid for all trading hours, and will remain open on the Firm's books until executed, cancelled by the client that placed the order or cancelled by the Firm, or in case of GTD until the order expires at its designated time-in-force date.

*Reserved rights as it relates to GTD/GTC orders*

The Firm reserves the right, at its sole discretion but subject to applicable laws and rules, to modify, suspend, or cancel any of its order handling protocols as it relates to GTD/ GTC orders entered by Citi Clients. While the Firm makes reasonable efforts to ensure the GTD/ GTC offering operates as expected, there may be a risk associated with the system failure, interruption, or delay in messaging (i.e., cancellations) that could expose a client to

substantial damage, expense or loss. In the case of a system failure or other delay or outage, Citi will use commercially reasonable efforts to provide you with current information and communicate any order updates, modifications, cancellations, etc. in timely manner. Below is the list of the Firm's expectations from its clients, when GTD/ GTC orders are entered by Citi Clients:

- Citi reserves the right to cancel GTC/GTD orders for any reason, including systems issues/unavailability, contract or symbol changes, instrument restrictions, and risk checks at any point in the lifetime of the GTC/GTD order.
- It is the responsibility of each Citi Client to check and monitor the status of their GTC/GTD orders whether these orders are live, cancelled or modified as intended, and have not been cancelled by Citi for any reason at all times, including during U.S. market hours.
- Each Citi Client must provide multiple means of contact (e.g., back up traders, phone numbers, IMs, emails) for 24 hours per day in the event orders require intervention/action/confirmation.

To the extent permitted by applicable law, the Firm reserves the right and will have no responsibility or liability for any potential damage, expense or loss incurred due to the failure to adhere to the above expectations.

### **(3) Futures Execution Services**

The High Touch futures execution team will follow client instructions as closely as possible, or where instructed with discretion, execute the client orders to the best of their ability and in the best interests of the client. For high touch or low touch orders destined to a Citi provided algorithm, such algorithm is designed to similarly optimize execution for a benchmark objective, or other instruction provided by the client, to the best of our abilities.

For most algorithmically executed orders, but not all, CGMI can provide clients with Futures Transaction Cost Analysis (TCA) reports, on a best efforts basis, to aid understanding of execution performance.

### **(4) Market Commentary**

When we provide market commentary, we are not acting as your adviser and we do so with the expectation that you are a sophisticated investor capable of making your own investment decisions without reliance on suggestions or information we may provide.

### **(5) Trading Limits**

To the extent we communicate or otherwise impose lot, initial margin or notional limits and/or any other limits or control settings, any such limits/controls are for the benefit of Citi and have the goal of fulfilling Citi's risk management and obligations to the futures exchanges.

You may not rely on any such limits for your risk management purposes.

### **(6) Confidentiality / Privacy and Data Management**

We are bound by contractual and regulatory obligations relating to confidential information and have adopted policies and procedures to assist us in meeting these obligations. Additionally, we follow a Global Markets and Securities Services Policy on Sharing Client or Citi Confidential Information, which sets out requirements that apply in connection with the sharing of Client and Citi Confidential Information. This policy provides that, with limited exception (including as described below), Confidential Information may not be shared externally and, within Citi, may be shared only on a "need to know" basis.

Also see Citi's global Privacy Notice here: <https://www.citigroup.com/citi/privacy.html>. For more information, please contact your CGMI representative.

What follows is a non-exhaustive discussion of how we may use and share certain order and execution data, including cancellations/modifications (together, "Trade Data")

#### Citi may use Trade Data for bona-fide business purposes

These business purposes include, without limitation, performing transaction cost analysis, evaluating order routing practices, advertising aggregated low-touch and high-touch trading volumes externally, and improving trading decisions (e.g., by understanding of market dynamics, to determine its trading strategy). Additionally, we analyze information regarding executed and unexecuted transactions on an individual and aggregate basis for a variety of additional purposes, including credit and market risk management, sales coverage, client relationship management, and revenue tracking and management. In addition, Trade Data will also be analyzed internally by Citi personnel who support the execution channel (including, but not limited to, Operations, IT/application support team, Compliance, electronic execution analysts and quantitative analysts) in order to optimize the execution offering.

As part of our obligations as a regulated entity, we share Trade Data with our global regulators as required.

#### Aggregated Anonymized Data

We may analyze, comment on, and disclose the anonymized and aggregated Trade Data of all clients regarding executed transactions, together with other relevant market information, internally and to third parties, as market color.

We also use such anonymized and/or aggregated information in products, services or data that we offer as part of our business - clients may request that their Trade Data not be included in this data set.

#### Client Coverage

Single Point of Contact – For certain Americas Futures clients, upon notice and consent, or request, sales coverage will be streamlined by having a single point of contact (and assigned back-up coverage) for all of their High-Touch and Electronic Execution orders. The assigned coverage will have visibility into all of that client's orders in Futures instruments. Clients who do not consent to this streamlined coverage model will follow the default coverage model described here.

High Touch – By default, high-touch orders remain visible to the desk(s) to which the orders are routed for execution. Additionally, if an order is sent to an algorithm or directly to the exchange for execution, the Electronic Execution (EE) desk and Execution Advisory Services (EAS) teams will have visibility into your order for support with execution globally.

Electronic Execution – When orders are routed directly to the EE desk, other desks cannot see the instrument entered or traded, and therefore cannot see side, quantity, etc. The EE desk globally has its own entitlements which are designed to maintain the confidentiality of your order flow. For some accounts, Cash Equities Low Touch coverage and Futures Low Touch coverage may cover an account in either asset class, sharing in the coverage responsibilities. Please contact your sales representative for information on how you may be covered.

FIX – With respect to FIX orders (sent either via high-touch or low-touch channels), CGMI's Connectivity team can view orders.

### **(7) Conflicts of Interest**

Please see our Institutional Futures and Swap Clearing Account Disclosure Documents for important information related to Futures.

## **(8) Quantitative Analysts**

CGMI maintains a record of all orders received (including orders received but not executed), and all orders executed, as required by regulation. These records are generally available to Technology, Compliance, and control function personnel in order to surveil trading and monitor operational status. Additionally, certain front-office personnel employ quantitative techniques to analyze these records for various business purposes (e.g., to manage credit and market risk, to enable client relationship management, to improve trading decisions, to improve both CR and EE offerings, to produce market commentary, to monitor trading, etc.). These personnel may be organized into teams that have reporting structures separate from the Equities Division (e.g., MQA) and whose supervision and compensation are directed independently from the Equities Division, or they may be embedded within a particular business within the Equities Division (e.g., Execution Advisory Services or “EAS” within the EE business) and have their supervision and compensation directed by the management of their particular business.