

Notes Accompanying MIFID II RTS 27 Reports

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For the Period: 1 October 2019 to 31 December 2019 inclusive ("Q4 2019")

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A. Purpose of this document

This document ("**Notes**") provides material information on the reports on quality of execution of transactions for Q4 2019 published by CaML ("**Reports**") pursuant to Commission Delegated Regulation (EU) 2017/575 and article 27(3) of Directive 2014/65/EU, as implemented in the Conduct of Business Rules of the Financial Conduct Authority (collectively, "**MIFID II RTS 27**"). The Reports published by CaML on <https://bnymellon.com/RID> shall be read in conjunction with these Notes. **Note:** CaML has ceased trading from the close of business on 6 December 2020.

B. Scope

In Q4 2019, CaML acted as a liquidity provider to its clients only in respect of securities sales or purchases executed by CaML on a back to back basis against the inventory of CaML's affiliate ("**BNY Mellon Inventory**"). Accordingly, the Reports capture only CaML's activities under this BNY Mellon Inventory business.

As the BNY Mellon Inventory business was carried out by CaML solely on a request for quote basis in response to indicative prices made available to clients on trading platforms ("**RFQ**"), CaML has determined that there are no relevant data for tables 7 and 8 pursuant to Article 7 of MIFID II RTS 27 which applies to continuous auction order book and continuous quote driven execution venues. However, the Reports include relevant data under table 9 pursuant to Article 8 of MIFID II RTS 27 which applies to request for quote execution venues.

With respect to certain values in tables 3, 4 and 6: (i) "transaction size" and "total value executed" are expressed in the currency in which the relevant securities is denominated (being the "currency" in table 2); (ii) "volume-weighted transaction price" (table 4), "median transaction size" (table 6) and "median size of all orders or requests for quote" (table 6) are calculated based on notional value of transactions in the same currency; and (iii) "total value of transactions executed" (table 6), "transaction size" (table 3), "total value executed" (table 3) are calculated based on net amount (excluding accrued interest) of transactions in the same currency.

C. Exclusions

Due to data capture issues, the Reports for Q4 2019 include specific omissions as detailed below.

1. Missing pre-execution timestamps for table 9

21.51% of executed trades do not have pre-execution time stamps required for purposes of mean and median time elapsed calculations under table 9 pursuant to Article 8 of MIFID II RTS 27 and accordingly these trades have been omitted from the data set in table 9.

2. Missing data for unexecuted RFQs for table 6 and table 9

RFQs which did not result in executed trades were not captured. It is estimated that there were approximately 10 such RFQs missing in Q4 2019. The relevant missing data for these unexecuted RFQs would have been required in table 6 (likelihood of execution information under Article 6 MIFID II RTS 27) and table 9.

3. Transactions concluded on trading venue pursuant to the pre-trade transparency waivers

In light of Question 20 of 28 March 2019 of ESMA Questions and Answers on MiFID II and MiFIR investor protection and intermediaries topics, please note that the Reports do not include transactions concluded on trading venues pursuant to the pre-trade transparency waivers in Articles 4 and 9 of MiFIR.