

***Case No COMP/M.3692 -  
REUTERS / TELERATE***

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004  
MERGER PROCEDURE**

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Article 6(2) NON-OPPOSITION  
Date: 23/05/2005

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## COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 23/05/2005

SG-Greffe(2005) D/202214

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus [...]. Where possible the information omitted has been replaced by ranges of figures or a general description.

PUBLIC VERSION

MERGER PROCEDURE  
ARTICLE 6(1)(b) DECISION

To the notifying party

Dear Sir/Madam,

**Subject: Case No COMP/M.3692 – REUTERS/TELERATE**  
**Notification of 29/03/2005 pursuant to Article 4 of Council Regulation**  
**No 139/2004<sup>1</sup>**

1. On 29/03/2005, the Commission received a notification of a proposed concentration pursuant to Article 4 and following a referral pursuant to Article 4(5) of the Merger Regulation, by which the undertaking Reuters Limited (“Reuters”), United Kingdom, acquires within the meaning of Article 3(1)(b) of the Merger Regulation control of the whole of the undertaking Moneyline Telerate Holding (“Telerate”), USA, by way of purchase of shares.

### **I. THE PARTIES**

2. Reuters is a global provider of information tailored for professionals in the financial services, media and corporate sectors. The company sources, aggregates and disseminates market data content including real-time market data, and provides analytics, trading and messaging capabilities needed by financial professionals. Its largest customers are financial institutions to whom it provides tools specially designed to help them reduce trading and investments risks and distribute and manage market data. Reuters is particularly strong in providing money market, equity and equity related real-time market data on a worldwide basis. Moreover, Reuters is the best known as the world’s largest international multimedia news agency, even if more

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<sup>1</sup> OJ L 24, 29.1.2004 p. 1. Council Regulation (EC) No 139/2004 is hereinafter referred to as “the Merger Regulation”.

than 90 % of its revenue is derived from its financial services business, not from the news information activities.

3. Telerate provides financial market data and news on a global scale, with a focus on fixed income, foreign exchange and over-the-counter derivatives. The company's main focus is the distribution of real-time market data from many different sources, including brokers and banks.

### **III. CONCENTRATION**

4. Reuters will acquire the entire business of Telerate, assets and liabilities included, but excluding a small part in which Telerate acted as a distributor for SAVVIS Communications Corporation. As a result of this transaction, Reuters will exercise sole control over Telerate. It therefore constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

### **IV. COMMUNITY DIMENSION**

5. This notified operation does not have a Community dimension within the meaning of Article 1.2. The undertakings concerned have a combined aggregate world-wide turnover of less than EUR 5 billion<sup>2</sup> (€ 4,765 million for Reuters, € 198 million for Telerate).
6. The criteria set out in Article 1.3 are not met either. The undertakings concerned have a combined aggregate worldwide turnover that exceeds € 2,500 million and the combined aggregate turnover of all the undertakings concerned is more than € 100 million in each of at least three Member States as required by Article 1.3(b). However, Telerate's aggregate turnover exceeds € 25 million in only one Member State (Article 1.3(c)), and Telerate has an aggregate Community-wide turnover which is less than € 100 million (Article 1.3(d)).
7. However, since the operation was reviewable under the national merger control laws of twelve Member States, namely Austria, Estonia, Germany, Greece, Ireland, Latvia, Malta, Poland, Portugal, Slovenia, Spain, and United Kingdom the parties submitted a Reasoned Submission in pursuance of Article 4(5) of EC Regulation No 139/2004 to ask for a referral of the concentration to the Commission. The Member States were consulted and did not oppose the referral in question. On 15/03/2005, the Commission confirmed that the case was deemed to have a Community dimension and would have to be notified to the Commission.

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<sup>2</sup> Turnover calculated in accordance with Article 5(1) of the Merger Regulation and the Commission Notice on the calculation of turnover (OJ C66, 2.3.1998, p25).

## V.COMPATIBILITY WITH THE COMMON MARKET

### A. RELEVANT MARKETS

#### RELEVANT PRODUCT MARKETS

8. Reuters and Telerate are both global providers of market data products. Market data consists primarily of indicative or tradable prices for various types of financial instruments such as equities, corporate and government bonds, foreign currencies and traded commodities and energy. Financial professionals and organisations around the world involved in the trading of financial instruments use market data in their decision making process prior to executing a trade.
9. The core *subset* of market data products is real-time information. The inherent value of the core real-time component of market data derives from its immediacy, i.e. that the customer receives prices for financial instruments that reflect a current market price at the moment of receipt<sup>3</sup>. The ability to aggregate and deliver multiple sources of pricing information nearly instantaneously upon the generation of that information requires an extensive processing and distribution infrastructure.
10. The Parties' activities overlap in four different product areas, all of which relate to the sale of market data: (i) the supply of real-time market data to end-users ("RTMD")<sup>4</sup>; (ii) the supply of price and reference data to middle- and back-office functions (or enterprise information products ("EIP")<sup>5</sup>; (iii) the supply of market data platforms ("MDPs")<sup>6</sup>; and (iv) the supply of foreign exchange order management software<sup>7</sup>. [...]. Concerning RTMD, many providers also specialise in certain particular asset classes (e.g. fixed income securities, foreign exchange, commodities, etc.)<sup>8</sup>. The provision of RTMD could therefore be further subdivided by reference to the type of asset.

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3 "Current market prices" are either tradeable, meaning that the customer can buy or sell a financial instrument at that price, or indicative, meaning that the price is close to a tradeable price but is not offered for trading.

4 RTMD consists primarily of indicative or tradable prices for various types of financial instruments such as equities, corporate and government bonds, foreign currencies, and traded commodities and energy.

5 EIP is a grouping of content, analytics or community capabilities that benefits part of (or an entire) organisation, rather than a single individual. They are used to enable enterprise-wide processes such as risk management, straight-through processing, accounting and portfolio valuation and management.

6 An MDP is a technical platform which enables users to efficiently receive, process and display data-feeds from more than one vendor and/or directly from data generators (such as stock exchanges).

7 Foreign exchange order management are tools that banks purchase to enable their internal and customer foreign exchange traders to place buy and sell limit orders for foreign currencies, subject to specified market conditions being met. For example, a trader or dealer might place a limit order specifying that a given value of currency X is to be purchased if and when the X to Y exchange rate reaches an identified rate.

8 E.g., based on the investigation, Bloomberg and Telerate would be particularly focussed in fixed income, bond-related RTMD, whilst Reuters would have an edge in equity, foreign exchange and money market-related RTMD. In any event, since Bloomberg is deemed to be increasingly expanding its offering into equity-related RTMD, the merger would appear to close a gap that Reuters may have in its portfolio compared to Bloomberg.

11. As regards the provision of RTMD, analysis of the market has revealed that several respondents support the view that a distinction of RTMD according to the type of asset could be relevant, among other things because such a market definition corresponds to the organisation of their business<sup>9</sup>, as some vendors can sell specific data-feeds relating to these asset classes and because such a distinction would be logical based on the type of user. However, as the relevant RTMD is frequently purchased in a package comprising various different asset categories, and since RTMD fees are not split by asset class (nor does the individual asset class influence the way in which the overall data-feed offering is priced) there are also indications that one overall RTMD market might be more appropriate. However, for the purpose of this transaction, a further subdivision of the market can be left open, since on any alternative market definition the merger does not raise competition concerns.
12. As briefly described above, an MDP enables RTMD customers (e.g. banks, stock-broking firms, etc.) to integrate and deliver to professional end-users (i.e. traders in the dealing room) RTMD composed of different data-feeds from various data vendors. There are only two global providers of MDPs: Reuters which has its proprietary platform, called Reuters Market Data System (RMDS) and Telerate with its “Trading Room System” (TRS). Bloomberg (the most important RTMD competitor) does not offer an MDP, but has made the choice to provide its RTMD through a different technical solution (a direct terminal line solution). Other RTMD vendors lack an own MDP and their data-feeds would typically be integrated by customers through the customer’s MDP, provided that the MDP has the appropriate software interfaces. In this respect, the market investigation has confirmed that customers have been able to integrate data-feeds from various vendors into their MDP installation, be it from Reuters or Telerate.
13. Although MDPs are typically sold to customers in a bundle together with RTMD, the investigation has shown that there exists a distinct market for MDPs. Even when sold in a bundle together with RTMD, MDPs are indicated as separate billing item in the invoice. In addition, these platforms consist of server-side software which enables a customer to efficiently receive, process and distribute one or multiple data-feeds either from a single RTMD vendor or from multiple RTMD data vendors. Also, MDPs respond to a very different function compared to RTMD delivered for example via a direct terminal line solution. Customers that use a datafeed/MDP model can write application programs that run on the MDP and can provide end-users with additional functionalities. In addition to their role in the distribution of market data to end-users, MDPs are increasingly used to feed data directly into automated trading programs, in response to an evolving customer need. Finally, as mentioned earlier, the majority of RTMD vendors are not an MDP provider.
14. Both parties are also active in the supply of EIP and the supply of foreign exchange order management software. However, as these areas do not constitute affected markets under the Merger Regulation, a further elaboration would be of no consequence with respect to the final conclusion.

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<sup>9</sup> In fact, there may be various “desks” specialised according to the above asset classes and also derivatives within customers’ dealing rooms.

## RELEVANT GEOGRAPHIC MARKETS

15. The Parties are of the opinion that the relevant geographic scope of each of these markets is global or at least EEA-wide in nature. The market investigation has provided indications that this is indeed the case for both RTMD and MDPs. In particular, as regards RTMD, it appears that the main market data providers generally supply their customers around the world, and some other providers may have at least a regional focus (e.g. the EEA). Normally, market data is aggregated in data centres and can be accessed by end-users regardless of their location, or within regional areas. Many market data vendors offer products that are substantially the same across the regions, while other products are sold in regional packages. Indeed the main providers are global companies that compete and market their products across all geographic regions. The same conclusion is broadly valid – with a certain sliding scale - for RTMD customers. However, for the purpose of this transaction, a subdivision of the market can be left open, since on any alternative market definition the merger does not raise competition concerns as regards RTMD.
16. As regards MDPs, it appears that the fundamental characteristics of platform products do not vary between regions, and there is no technical reason why it should be so. A large proportion of MDP customers are financial institutions that require MDP providers to offer global or regional technical support networks. Reuters and Telerate are the two most important global MDP providers; some smaller providers may have a regional focus. However, for the purpose of this transaction, whether the MDP market is world-wide or EEA-wide can be left open, since the assessment of the effects of this transaction do not depend on the exact geographic dimension of the market.

## B. COMPETITIVE ASSESSMENT

### NO SINGLE DOMINANCE OR COLLECTIVE DOMINANCE AS REGARDS REAL-TIME MARKET DATA

17. With respect to the supply of RTMD, the market investigation provided no indication that the merger would bring about either the creation of single dominance or a scenario of collective dominance. Respondents always pointed out to the Commission that fierce competition exists between the various suppliers in the market place, regardless of the geographic scope of the market. It was not possible to establish precise market shares, but based on the parties' estimates, Reuters and Bloomberg would each have around [35-45] % in the EEA. As regards the global market, Reuters would have [25-35] % and Bloomberg [35-45] %. From the responses to the questionnaires it clearly emerged that the combination of Reuters/Telerate would not lead to single dominance, bearing in mind the relatively small share of Telerate<sup>10</sup>. The merged entity would continue to face strong competition from Bloomberg, both globally and in the EEA, as well as from other, smaller vendors of RTMD (Thomson, IDC Comstock, Telekurs, individual exchanges, etc.). In addition, no evidence suggests that parallel behaviour between the two main players (Bloomberg and Reuters) occurred in the past, or will occur as a result of the merger as regards the provision of (multi-class) RTMD. Therefore, as regards RTMD, the merger would not significantly impede effective competition in the common market, in particular through the creation or strengthening of a dominant position.

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<sup>10</sup> In this connection, it may be observed that Telerate is a relatively small supplier anyway and is a firm in financial distress. Over the past few years, Telerate's customer base has been in significant decline while users have already switched either to Reuters or to Bloomberg.

18. Moreover, the proposed merger would not create a dominant position in the supply of any *specific RTMD asset class*. The market investigation has revealed that, post-merger, there would still be sufficient alternative suppliers in the market (Bloomberg being the largest one) of such particular type of offerings. In addition, many of the larger customers currently source their data from a range of different vendors (for instance from exchanges). Moreover, customers carry out their own final composition of such data according to their individual needs. The merger would not bring about a significant change to this situation, nor would it give rise to higher or different incentives which would potentially be conducive to the emergence of possible parallel behaviour between the two main players, Bloomberg and Reuters.

#### COMPETITION CONCERNS AS REGARDS MARKET DATA PLATFORMS

19. The merging parties are the two main MDP providers world-wide. In the last two years, Reuters has had around [more than 85] % of the MDP market both worldwide and in the EEA, around [less than 5] % being accounted for by Telerate. Against this background, it appears that the merger would cause both existing MDPs to be under the control of the same company and would likely lead to the elimination of one of only two global MDPs that exist in the market today, namely Telerate's TRS platform. As was evidenced in the market investigation, those customers that have based their business operations almost exclusively on Telerate's TRS (i.e. those using Telerate's RTMD and MDP) voiced the strongest concerns against the merger. These customers fear that the TRS platform would be phased-out over time and that they would be forced to migrate to Reuters' MDP (RMDS). Moreover, although Telerate's position in the supply of MDPs has declined over time, customers have stated that Telerate still exerts a competitive constraint on Reuters. Based on the above, the Commission concludes that the merger gives rise to serious doubts as to its compatibility with the common market, since it would significantly impede effective competition as regards MDPs.

### C. COMMITMENT SUBMITTED BY THE PARTIES

20. In order to address the competition concerns identified by the Commission as regards the provision of MDPs, the parties submitted a commitment on 26 April 2005 (the "commitment"). The proposed commitment was then refined and improved on 20 May 2005, based on the outcome of the market test. The full text of the final commitment is annexed to and forms an integral part of this decision.

#### A. SUMMARY OF THE COMMITMENT

21. The parties have proposed that Telerate (hereinafter also indicated as the "Licensor") enters into a license agreement ("the License Agreement") regarding the TRS software and the Active8 Desktop software with the US-based company Hyperfeed Technologies Inc. (hereinafter "Hyperfeed" or "Licensee"). Hyperfeed is active in the supply of software technology (related to data-feeds) and in the provision of ticker plants, and it is listed on NASDAQ.
22. In summary, the proposed commitment consists of the following: Hyperfeed is granted a non-royalty bearing, perpetual, global, exclusive license to use the TRS software and modify the TRS software to create derivative works, and to manufacture, reproduce, and have reproduced such derivative works. Furthermore, based on the License Agreement, a perpetual, exclusive license is granted to distribute and sub-license the TRS software and/or the Licensee Platform (as defined in the License Agreement) as part of a software platform for the distribution of market data in a customer

deployment, managed deployment or shared deployment model that permits users and applications to either publish market data to the platform and/or subscribe to market data from the platform, for use within the licensed Territory (i.e. world-wide).

23. Pursuant to the License Agreement, Hyperfeed is also granted a perpetual, license, to use the Active8 software (the desktop software associated with the TRS) and modify the Active8 software to create derivative works, and to manufacture, reproduce, and have reproduced such derivative works. The desktop software license in question is exclusive for a period of two years. In addition, Hyperfeed is also granted a perpetual, non-exclusive license to distribute and sublicense the Licensee Desktop (as defined in the License Agreement), for use within the Territory.
24. As mentioned above, the License Agreement has global coverage, although the territorial scope of the licence is limited in some cases so as to take account of certain pre-existing exclusive distribution relationships, e.g. in the Benelux, and in certain other regions of the world. Upon expiration or termination of such agreements or such exclusive nature, the licensed Territory will include such corresponding region. In any event, when the aforementioned exclusive distribution arrangements expire, Hyperfeed may want to continue (if so wishes) the relationship with the present TRS distributor since it is allowed to sublicense the TRS software.
25. According to the terms of the License Agreement, the Licensor will provide commercially reasonable support and maintenance necessary to compile the source code and generate the appropriate version of the TRS Software executables, which may include training for a limited number of Licensee representatives. Thereafter, Licensor will provide reasonable support, to be agreed between the parties in good faith. The entire period of support will extend for [...] months after the delivery of the software.

#### B. MARKET TEST OF THE COMMITMENT

26. The Commission carried out a market test of the initial commitment proposed by the parties, among competitors and customers. Several respondents expressed concerns about the scope of the License Agreement as initially proposed by the parties. In particular several RTMD competitors (such as Bloomberg and MarketXS, a Dutch distributor of Telerate's MDP and data-feeds in the Benelux) considered that a divestiture rather than a license would be a more appropriate remedy, as from the outset it would eliminate both the overlap and any risk of possible future dependency of the Licensee on the Licensor. In particular, this would have appeared to be the result of some clauses of the proposed commitment. In addition, Hyperfeed was generally perceived by several respondents as being a software provider that lacked the standing and global focus that would enable it to compete globally vis-à-vis Reuters in the MDP space. Moreover, several customers who are operating the TRS (Telerate's) platform expressed critical views, querying whether Hyperfeed had the necessary resources and market presence in order to effectively compete in the provision of MDPs at a global level.
27. As a result of these concerns on the viability of the proposed remedy, upon request by the Commission, the merging parties submitted an improved version of the License Agreement, in which the clauses that could risk limiting the scope of activity and the strategic options of the Licensee had been removed. Furthermore, appropriate procedural safeguards have been included in order to eliminate the risk that the Licensor takes advantage of its position vis-à-vis the Licensee, especially in the course of the initial phase of the implementation of the commitment (through a monitoring Trustee) and also throughout the life of the agreement (through an appropriate arbitration mechanism). In



this context, it is worth noting that the License Agreement may now be terminated only by virtue of a judgment of an Arbitration Tribunal.

28. Finally, the commitment now provides that in case within twenty four months of the delivery date (i.e. the date upon which the TRS software is delivered to Hyperfeed), Hyperfeed does not use the license, or is not successful, or fails, a fall-back provision will apply: the merging parties will have to arrange a transfer of the licensed business to another third party, to be approved by the Commission, having heard the opinion of the Trustee.

#### C. ASSESSMENT OF THE COMMITMENT

29. While a divestiture of TRS would be an obvious solution at first sight, the implementation of such a divestiture appears to be problematic in this case. It has to be recalled that TRS has a limited MDP market share and that it is normally sold to customers in a bundle together with the Telerate data-feeds. TRS alone is merely a technical platform without content. Over the past years, Telerate's customer base has declined significantly. In addition, Telerate is a company in financial distress. In this context, although the market investigation revealed that some players may be interested in purchasing individual assets of Telerate (especially data-feeds), a potential buyer of only the MDP assets, with a relatively limited market share and stream of revenues (stemming from the TRS's installed base), would necessarily acquire the significantly high costs related to running TRS (cost for maintenance, support, etc.). [...]
30. Against the above background, the commitment to grant a license of TRS is the appropriate solution to adequately remedy the competition concerns regarding MDPs, to the extent that: i) an appropriate licensee is found and ii) an appropriate license agreement is in place.
31. As regards i) above, as stated, Hyperfeed is essentially a software technology company related to data-feed business and a provider of ticker plants<sup>11</sup>. The proposed license agreement would allow Hyperfeed to complete their already comprehensive offering by adding the TRS platform to their product portfolio. Despite criticism from several market participants, Hyperfeed appears to be very committed to further developing the TRS product and, based on the information available to the Commission, is also prepared to make significant investments to deploy a new business model for MDPs (in support of the supply of data), which may provide a more stringent competitive constraint to Reuters' RMDS, compared to Telerate's struggling TRS of the last few years. Hyperfeed is controlled by PICO Holdings Inc., an investment company (listed on NASDAQ). Based on the information available to the Commission, Hyperfeed's controlling shareholder is willing to make further resources available to HyperFeed and fully supports its business plan as regards the MDP business. [...]
32. Besides the outcome of the market investigation, after having questioned Hyperfeed and its main shareholder PICO on the various steps that they intend to take in order to turn the TRS software license into a newly created competitive force capable of offering an alternative to customers in such a fast-moving and innovation-driven marketplace

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<sup>11</sup> A ticker plant is a collection of computer processors stored in a central location which receive and process market data. Each of the main market data vendors has one or more ticker plants with the exception of Telerate.

compared to Reuters' RMDS offering, the Commission has come to the conclusion that Hyperfeed is a suitable licensee for the licensed business.

33. As regards ii) above, it is worth noting that Hyperfeed will be granted a perpetual exclusive global license to use the TRS and the associated desktop systems; the license is not royalty bearing. In addition, following the critical views expressed in the course of the market test, the parties have significantly improved provisions of the License Agreement, by eliminating all of the clauses that could conceivably have created a risk of dependency by Hyperfeed on the Licensor. Furthermore, as a further safeguard besides the License Agreement, the parties have also finally committed to appoint a monitoring Trustee, who during twenty-four months of the delivery date (i.e. the date upon which the TRS Software is delivered to Hyperfeed should oversee both the implementation of the commitment by the merging parties and the business performance of Hyperfeed. In particular, the Trustee is due to report to the Commission under any circumstances if the Licensee does not effectively use the License or turns out not to be successful in the implementation of its own MDP business model and/or in establishing itself as an effective competitor in the MDP market<sup>12</sup>. In such cases, the merging parties may have to transfer the license to another third party under the same terms and conditions as the License Agreement with Hyperfeed, if the Commission so decides. Finally the commitment provides for an Arbitration mechanism, that offers full protection in case of disputes arising from the license agreement, this being particularly relevant especially after the period (twenty-four months) in which the Trustee's mandate will have expired.

#### D. CONCLUSION ON THE COMMITMENT

34. After having reviewed the modified commitment proposal, the Commission has come to the conclusion that the License Agreement, through an appropriate legal framework, ensures the continued viability of the MDP business post-transaction and safeguards that Hyperfeed will maintain and develop the TRS licensed business as a viable and active force in the MDP market. In the light of the foregoing, it appears that the remedy proposal is sufficient to solve the competition concern identified, subject to the parties' compliance with the following:
35. Having regard to the text of the commitments which is annexed to the present decision ("the Annex"), the commitments set out in Section B of the Annex ("The Licence"), constitute conditions within the terms of the Commission's Notice on Remedies, as only by fulfilling them (subject to any change pursuant to the review clause contained in the attached commitments), the structural change on the relevant markets can be achieved. The remaining commitments, as contained in the Annex, constitute obligations, as they concern the implementing steps which are necessary to achieve the structural change that is sought. In particular, this relates to the provisions set out in Sections C ("Transfer and Termination of Licence" and D ("Monitoring Trustee") of the Annex.

## VI. CONCLUSION

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<sup>12</sup> In particular, under the commitment, two scenarios are foreseen: i) Hyperfeed has failed to effectively use the Licence; or ii) the business conducted by Hyperfeed which relates to or relies upon the Licence has proved to be unsuccessful or economically unviable.

36. For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) and Article 6(2) of the Merger Regulation.

For the Commission

(signed)  
Jacques BARROT  
Member of the Commission

## **Reuters/Telerate - Case COMP/M.3692 - Commitments to the European Commission**

Pursuant to Article 6(2) of Council Regulation (EC) No 139/2004 as amended (the “**Merger Regulation**”), Reuters Limited and Moneyline Telerate Holdings, Inc. (together, the “**Parties**”) hereby provide the following Commitments (the “**Commitments**”) in order to enable the European Commission (the “**Commission**”) to declare the acquisition by Reuters Limited and certain of its designated affiliates of the business conducted by Moneyline Telerate Holdings, Inc. and its subsidiaries (the “**Transaction**”) compatible with the common market and the EEA Agreement by its decision pursuant to Article 6(1)(b) of the Merger Regulation (the “**Decision**”).

The Commitments shall take effect upon the date of adoption of the Decision. For the avoidance of doubt, the Commitments shall cease to have effect in the event that the Parties fail to complete the Transaction.

This text shall be interpreted in the light of the Decision to the extent that the Commitments are attached as conditions and obligations, in the general framework of Community law, in particular in the light of the Merger Regulation, and by reference to the Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004.

## SECTION A. DEFINITIONS

1. For the purpose of the Commitments, the following terms shall have the following meaning:

**Active8 Software:** takes the meaning given to this term in the Licence Agreement.

**Decision Date:** the date of adoption of the Decision by the Commission.

**Delivery Date:** the date upon which the TRS Software is delivered to Hyperfeed under the Licence.

**Documentation:** takes the meaning given to this term in the Licence Agreement.

**Escrow:** the software escrow arrangement entered into by Reuters.

**Execution Period:** the period which is [...] from the Decision Date.

**Hyperfeed:** Hyperfeed Technologies, Inc., a corporation incorporated under Delaware law and having its registered office at 300 S. Wacker Drive, Suite 300, Chicago, Illinois 60606, United States of America, or any party to whom Hyperfeed transfers the Licence prior to a Third Party Licence being granted to a Third Party Licensee.

**Licence:** a licence granted to Hyperfeed to use the Software and Documentation on the same terms as those contained in the Licence Agreement.

**Licence Agreement:** the draft agreement between Moneyline Telerate (as licensor), Hyperfeed (as licensee) and Reuters set out in the Schedule hereto.

**Monitoring Trustee:** one or more natural or legal person(s), independent from the Parties, who is approved by the Commission and appointed by Reuters, and who has the duties and functions set out in these Commitments.

**Reuters:** Reuters Limited (company number 00145516), a corporation incorporated under the laws of England and having its registered office at 85 Fleet Street, London EC4P 4AJ, United Kingdom.

**Software:** the TRS Software and the Active8 Software.

**Telerate:** Moneyline Telerate Holdings, Inc., a corporation incorporated under the laws of Delaware and having its principal office at 233 Broadway, New York, New York 10279, United States of America.

**Third Party Licence:** a licence granted to the Third Party Licensee to use the Software and Documentation.

**Third Party Licensee:** a third party approved by the Commission under paragraph 13 as a licensee of the Software and Documentation.

**TRS Software:** takes the meaning given to this term in the Licence Agreement.

2. These Commitments are governed by, and shall be construed in accordance with, the laws of England and Wales.

## **SECTION B. THE LICENCE**

### **Commitment to grant Licence**

3. Reuters undertakes to enter, and Telerate undertakes to procure that its affiliate, Moneyline Telerate, shall enter into a Licence with Hyperfeed before the expiry of the Execution Period. The Licence shall be on the same terms as those contained in the Licence Agreement.
4. Nothing provided in these Commitments shall be construed as limiting any right of Reuters to use, develop, distribute, supply or sell the Software and Documentation.

## SECTION C. TRANSFER AND TERMINATION OF LICENCE

### Transfer of Licence

5. Subject to paragraph 7 below, Reuters shall grant a Third Party Licence to a Third Party Licensee on the same or equivalent terms and conditions as those contained in the Licence (including as to exclusivity, save for Hyperfeed) in accordance with the procedure set out in paragraphs 12 and 13 if, within [...] months of the Delivery Date:
  - (a) Hyperfeed has failed to effectively use the Licence (**“Effective Use Transfer Event”**); or
  - (b) the business conducted by Hyperfeed which relates to or relies upon the Licence has proved to be unsuccessful or economically unviable (**“Failed Business Transfer Event”**).
6. Each of an Effective Use Transfer Event and a Failed Business Transfer Event shall be deemed to be a **“Licence Transfer Event”**. A Licence Transfer Event may only occur after the expiry of a 6-month period commencing on the date on which all software deliverable by Reuters to Hyperfeed under the Licence has been delivered.
7. Where a Licence Transfer Event occurs and a Third Party Licence is granted to a Third Party Licensee pursuant to paragraph 5 above, Hyperfeed shall retain its rights under the Licence except that it will automatically forfeit its exclusivity rights under the Licence as well as all rights to assign the Licence or any rights thereunder, including but not limited to rights pursuant to section 15.3 of the Licence.
8. For the purposes of an Effective Use Transfer Event, failure to effectively use the Licence may be taken to mean that Hyperfeed has not made available for sale an alternative product which would be capable of competing with Reuters market data platform products at least as effectively as Telerate at the date of the Licence, and will be unable to do so within 24 months from the Delivery Date. For the purpose of a Failed Business Transfer Event, a failure of the business conducted by Hyperfeed which relates to or relies upon the Licence to be successful or economically viable may be taken in particular to mean that Hyperfeed has not been able to establish itself as an effective competitor for market data platforms and will be unable to do so within the 24 months from the Delivery Date or thereafter.
9. The Monitoring Trustee shall report to the Commission about a Licence Transfer Event within its duties as set out in Section D. In any event, if the Monitoring Trustee considers that a Licence Transfer Event has occurred or is imminent, it must submit a reasoned opinion to that effect to the Commission. Hyperfeed shall be given an opportunity to make representations to, and be consulted by, the Commission in its consideration of the Monitoring Trustee's reasoned opinion. Where appropriate, this may include the opportunity to take corrective action to avoid or rebut a Licence Transfer Event and thereby avoid the grant of the Third Party Licence pursuant to paragraph 5.
10. If, upon reviewing, and giving due consideration to, the Monitoring Trustee's reasoned opinion and any other relevant material before it (including, as appropriate, any



submission by Hyperfeed contemplated by paragraph 9), the Commission concludes that a Licence Transfer Event has occurred, it shall issue a written declaration to that effect to the Parties and Hyperfeed, with a copy to the Monitoring Trustee.

### **Termination of Licence**

11. If, within [...] months of the Delivery Date, the Licence is validly terminated, Reuters shall enter into a licence with a suitable Third Party Licensee under the same or equivalent terms and conditions (including as to exclusivity, save for Hyperfeed) to those contained in the Licence at the time of termination, in accordance with the procedure set out in paragraphs 12 and 13. The Third Party Licence shall be subject to, and take effect upon, approval by the Commission.

### **Appointment of Third Party Licensee**

12. As soon as reasonably practicable after either:
  - (a) a declaration by the Commission pursuant to paragraph 10 that a Licence Transfer Event has occurred; or
  - (b) a valid termination of the Licence,

the Monitoring Trustee shall invite submissions from any viable third party who is independent of the Parties and shows a legitimate interest in becoming a Third Party Licensee, possessing the financial resources, proven expertise and incentive necessary to exploit a Third Party Licence.

13. As soon as reasonably practicable after issuing an invitation for submissions under paragraph 12, the Monitoring Trustee shall submit to the Commission a reasoned opinion as to the suitability of those third parties who have lodged submissions with the Monitoring Trustee to become a Third Party Licensee. After reviewing and giving due consideration to the Monitoring Trustee's reasoned opinion and any other relevant material before it, the Commission shall, as soon as reasonably practicable after receiving the Monitoring Trustee's reasoned opinion, approve any suitable third party recommended by the Monitoring Trustee to be the Third Party Licensee and issue a written declaration to this effect to the Parties and Hyperfeed, with a copy to the Monitoring Trustee.

### **Terms of the Third Party Licence**

14. Reuters shall consider any requests from the Third Party Licensee for any commercially reasonable modifications for incorporation in the Third Party Licence which are necessary in order to accommodate any differences between the business models of Hyperfeed and the Third Party Licensee.
15. Within [...] business days of the Third Party Licence taking effect, Reuters shall be obliged to deliver to the Third Party Licensee from Escrow as set forth in paragraph 16 the Software that had been supplied by Reuters to Hyperfeed in accordance with the Licence.

16. Reuters shall establish and pay the expenses of Escrow, and shall be required to deposit into Escrow as soon as reasonably practicable after the date of the Licence, the Software that had been supplied by Reuters to Hyperfeed pursuant to the Licence. The Escrow will expire if no Licence Transfer Event or valid termination of the Licence occurs within [...] months of the Delivery Date, and Reuters will receive back its deposited materials.

## **SECTION D. MONITORING TRUSTEE**

### **Appointment Procedure**

17. Reuters shall appoint a Monitoring Trustee to carry out the functions specified in the Commitments for the Monitoring Trustee.
18. The Monitoring Trustee shall be independent of Reuters, Telerate and Hyperfeed, possess the necessary qualifications to carry out its mandate, for example as an investment bank or consultant or auditor, and shall neither have nor become exposed to a conflict of interest. The Monitoring Trustee shall be remunerated by the Parties in a way that does not impede the independent and effective fulfilment of its mandate.

### **Proposal by Reuters**

19. No later than [...] after the Decision Date, Reuters shall submit a list of one or more persons whom Reuters proposes to appoint as the Monitoring Trustee to the Commission for approval. The proposal shall contain sufficient information for the Commission to verify that the proposed Monitoring Trustee fulfils the requirements set out in paragraph 18 and shall include the full terms of the proposed mandate, which shall include all provisions necessary to enable the Monitoring Trustee to fulfil its duties under these Commitments.

### **Approval or rejection by the Commission**

20. The Commission shall have the discretion to approve or reject the proposed Monitoring Trustee and to approve the proposed mandate subject to any modifications it deems necessary for the Monitoring Trustee to fulfil its obligations. If only one name is approved, Reuters shall appoint or cause to be appointed, the individual or institution concerned as Monitoring Trustee, in accordance with the mandate approved by the Commission. If more than one name is approved, Reuters shall be free to choose the Monitoring Trustee to be appointed from among the names approved. The Monitoring Trustee shall be appointed within [...] of the Commission's approval.

### **New proposal by Reuters**

21. If all the proposed Monitoring Trustees are rejected, Reuters shall submit the names of at least two more individuals or institutions within one week of being informed of the rejection, in accordance with the requirements set out in paragraphs 17 to 19.

### **Monitoring Trustee nominated by the Commission**

22. If all further proposed Monitoring Trustees are rejected by the Commission, the Commission shall nominate a Monitoring Trustee, whom Reuters shall appoint, or cause to be appointed, in accordance with a trustee mandate approved by the Commission.

### **Functions of the Monitoring Trustee**

23. The Monitoring Trustee shall assume its specified duties in order to ensure compliance with the Commitments. The Commission may, on its own initiative or at the request of the Monitoring Trustee or Reuters, give any orders or instructions to the Monitoring

Trustee in order to ensure compliance with the conditions and obligations attached to the Decision.

### **Duties and obligations of the Monitoring Trustee**

24. The Monitoring Trustee shall:

- (a) monitor the operation of the Licence;
- (b) provide to the Commission, sending Reuters and Hyperfeed a non-confidential copy at the same time, a written report within a reasonable period after the end of every completed [...] month period after the Delivery Date, which report shall cover the operation of the Licence (including the initiation and outcome of any arbitration proceedings) and the state of play of any Licence Transfer Event;
- (c) submit to the Commission, sending Reuters and Hyperfeed a non-confidential copy at the same time, a reasoned opinion on an ad hoc basis as and when the Monitoring Trustee considers that a Licence Transfer Event has occurred or is imminent;
- (d) after a Licence Transfer Event or a valid termination of the Licence, invite submissions from any viable third party who is independent of the Parties and shows a legitimate interest in becoming a Third Party Licensee, possessing the financial resources, proven expertise and incentive necessary to exploit a third Party Licence, and submit a reasoned opinion to the Commission, sending Reuters a non-confidential copy at the same time, as to the suitability of any prospective Third Party Licensees; and
- (e) assume any other functions assigned to the Monitoring Trustee under the conditions and obligations attached to the Decision.

### **Duties and obligations of the Parties**

- 25. Reuters shall provide and shall cause its advisors to provide the Monitoring Trustee with all such cooperation, assistance and information as the Monitoring Trustee may reasonably require in order to fulfil its duties under the Commitments.
- 26. For the purpose of enabling the Monitoring Trustee to fulfil its duties under the Commitments, the Monitoring Trustee shall be expected to seek and obtain access to the books, records and documents kept by Hyperfeed, the management or other personnel of Hyperfeed, and any facilities, sites, technical information of Hyperfeed, and upon request Hyperfeed shall provide the Monitoring Trustee with copies of any document.
- 27. Reuters shall indemnify the Monitoring Trustee and its employees and agents (each an “**Indemnified Party**”) and hold each Indemnified Party harmless against, and hereby agrees that an Indemnified Party shall have no liability to Reuters for any liabilities arising out of the performance of the Monitoring Trustee’s duties under the Commitments, except to the extent that such liabilities result from the wilful default, recklessness, gross negligence or bad faith of the Monitoring Trustee, its employees, agents or advisors.

28. At the expense of Reuters, the Monitoring Trustee may appoint advisors (in particular for corporate finance or legal advice), subject to Reuters approval (this approval not to be unreasonably withheld or delayed) if the Monitoring Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the mandate, provided that any fees and other expenses incurred by the Monitoring Trustee are reasonable. Should Reuters refuse to approve the advisors proposed by the Monitoring Trustee, the Commission may approve the appointment of such advisors instead, after having heard Reuters. Only the Monitoring Trustee shall be entitled to issue instructions to the advisors.

### **Replacement, discharge and reappointment of the Monitoring Trustee**

29. If the Monitoring Trustee ceases to perform its functions under the Commitments or for any other good cause, including the exposure of the Monitoring Trustee to a conflict of interest:
- (a) the Commission may, after hearing the Monitoring Trustee, require Reuters to replace the Monitoring Trustee; or
  - (b) Reuters, with the prior approval of the Commission, may replace the Monitoring Trustee.
30. If the Monitoring Trustee is removed according to paragraph 29, the Monitoring Trustee may be required to continue in its function until a new Monitoring Trustee is in place to whom the Monitoring Trustee has effected a full hand over of all relevant information. The new Monitoring Trustee shall be appointed in accordance with the procedure referred to in paragraphs 17 to 21.
31. Besides the removal pursuant to paragraph 29, the Monitoring Trustee shall cease to act as Monitoring Trustee and the Commitments shall cease to have effect on the earliest of the following events:
- (a) the expiry of a [...] period after the Delivery Date (or such reasonably longer period as may be required to arrange and execute a Third Party Licence pursuant to paragraphs 5 or 11 or for the issuance of the Monitoring Trustee's final report pursuant to paragraph 24(b));
  - (b) the granting of a Third Party Licence to a Third Party Licensee; or
  - (c) the Commission discharging the Monitoring Trustee from its duties after all the Commitments with which the Monitoring Trustee has been entrusted have been implemented.

## **SECTION E. REVIEW CLAUSE**

32. The Commission may, where appropriate, in response to a request from Reuters showing good cause:
  - (a) grant an extension of the time periods foreseen in the Commitments, or
  - (b) waive, modify or substitute, in exceptional circumstances, one or more of the undertakings in these Commitments in which case such request shall be accompanied by a report from the Monitoring Trustee.
33. Where Reuters seeks an extension of a time period, it shall submit a request to the Commission no later than [...] before the expiry of that period, showing good cause. Only in exceptional circumstances shall Reuters be entitled to request an extension within the last month of any period.

**HYPERFEED TECHNOLOGIES, INC.,  
MONEYLINE TELERATE, and  
REUTERS LIMITED**

**TRADING ROOM SYSTEM SOFTWARE AND DESKTOP LICENSE AGREEMENT**

ACCEPTED:

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

ACCEPTED:

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

ACCEPTED:

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

THIS TRADING ROOM SYSTEM SOFTWARE LICENSE AGREEMENT (this “**Agreement**”) is entered into on May [Date], 2005, by and between Moneyline Telerate, a Delaware corporation (“**Licensor**”), Reuters Limited, a corporation organized under the laws of England and Wales (“**Reuters**”) and HyperFeed Technologies, Inc., a Delaware corporation (“**Licensee**”).

WHEREAS, Licensor wishes to grant a license pursuant to the terms set forth below and Licensee wishes to obtain that license;

NOW, THEREFORE, the Parties (as defined below) agree as follows:

## 1. DEFINITIONS

“**Acquisition Agreement**” shall have the meaning set forth in Section 15.8.

“**Active8 Software**” means the source code of version 2.11 of the Telerate Active8 software excluding any remote update facility and modified to work only with the TRS Software and to remove all references to the term “Active8” or any other Licensor trademark or any term similarly confusing thereto.

“**Additional Services**” shall have the meaning set forth in section 6.4.

“**Agreement**” shall have the meaning set forth in the preamble to this agreement.

“**Client API**” means any sub-component of the TRS Software which has been made generally available by Licensor to customers of the system for the purpose of building applications which can indirectly communicate with the infrastructure components without the direct use of protocols and semantics which are proprietary to the TRS Software.

“**Customer Deployment**” means a Licensee Platform that is physically located in a location owned or leased by Licensee’s customer.

“**Damages**” means any losses, damages, fees, costs (including reasonable attorney’s fees) or liabilities as further set forth herein.

“**Delivery Date**” means the date on which the TRS Software has been delivered to the Site, such date not to occur before the Effective Date.

“**Derivative Works**” shall have the meaning set forth in 17 USC Section 101.

“**Documentation**” means, as the context requires, the pre-existing user, and system documentation for the Software including any copies of any of the above.

“**Effective Date**” has the meaning set forth in Section 15.10.

“**Fee**” shall have the meaning set forth in Section 5.1.

“**Feedhandler**” means an application sub-component of the Licensee Platform external to the infrastructure components that indirectly publishes data into the infrastructure via the

Client API. Each file within a Feedhandler must contain at least one string with the reference “Hyperfeed” in it and any executable file of each Feedhandler must include a “command line” switch option to obtain the version information which states that “Hyperfeed” is the licensor.

“**Licensee Desktop**” means the object or executable code form of the Active8 Software and any Derivative Works Licensee creates pursuant to Section 4.3 of this Agreement

“**Licensee Platform**” means the object or executable code form of the TRS Software and any Derivative Works Licensee creates pursuant to this Agreement.

“**Managed Deployment**” means a Licensee Platform that is hosted and/or managed by Licensee for Licensee’s customer on a one to one basis..

“**Reference Platform**” means Sun Microsystems SPARC hardware running the Solaris 2.6 operating system.

“**Schedule**” means any schedule attached to this Agreement.

“**Shared Deployment**” means a Licensee Platform that is hosted and/or managed by Licensee for multiple Licensee customers.

“**Site**” means the site, set out in Schedule A, where Licensor shall deliver the Software.

“**Software**” means the TRS Software, Active8 Software and the Licensee Desktop as of the date of delivery to Licensee

“**Sublicensee**” means any third party who receives a limited non-transferable license to the Licensee Platform or Licensee Desktop.

“Telerate Active8” means the object code of the Telerate Active8 software.

“**Territory**” shall have the meaning set forth in Section 4.6.

“**Transaction**” means the transaction contemplated by the Acquisition Agreement.

“**TRS Employees**” shall have the meaning set forth in Section 14.1.

“**TRS Software**” means the source and object code forms of the computer programs set out in Schedule A.



## **2. TERM**

2.1. All licenses granted by Licensor under this Agreement shall be for the term stated, subject to earlier termination in accordance with the terms and conditions as set forth herein.

## **3. DELIVERY**

3.1. Licensor shall deliver the TRS Software to the Site on the Delivery Date.

3.2. Licensee agrees to prepare, at Licensee's expense, a suitable area at the Site for the TRS Software in accordance with reasonable instructions to be furnished by Licensor to Licensee a reasonable time prior to the Delivery Date.

3.3. Licensee shall acknowledge in writing within five days after the Software or the relevant part has been delivered to the Site. If Licensee does not furnish such acknowledgement within five days, the Software or relevant part shall be deemed to have been delivered.

3.4. Licensor shall certify in writing to Licensee when delivery of the Software has been completed.

## **4. LICENSES**

4.1. Licensor hereby grants to Licensee a perpetual, exclusive (except as set forth in Sections 4.6 and 4.11) license in the Territory, effective as of the Effective Date, to use the TRS Software and Documentation and modify the TRS Software, in source code form, to create Derivative Works, and to manufacture, reproduce, and have reproduced such Derivative Works.

4.2. Licensor hereby grants to Licensee a perpetual, exclusive (except as set forth in Sections 4.6 and 4.11) license effective as of the Effective Date, to distribute and sublicense the TRS Software and/or Licensee Platform, together with Documentation related thereto, as part of a software platform for the distribution of market data in a Customer Deployment, Managed Deployment or Shared Deployment model that permits users and applications to either publish market data to the platform and/or subscribe to market data from the platform, for use within the Territory.

4.3. Licensor hereby grants to Licensee a perpetual license in the Territory to use the Active8 Software and modify the Active8 Software to create Derivative Works, and to manufacture, reproduce, and have reproduced such Derivative Works. The license granted in this Section 4.3 shall be exclusive (except as set forth in Sections 4.6 and 4.11) to Licensee for a period of two years from the Effective Date, except that Licensor shall have the rights to grant similar licenses with respect to the Active8 Software in connection with sales of all or any portion of its or its Affiliates' business.

4.4. Licensor hereby grants to Licensee a perpetual, non-exclusive license, effective as of the Effective Date, to distribute and sublicense the Licensee Desktop together with any Documentation related thereto, for use within the Territory. Each sublicense to the Licensee Desktop may only

be granted in connection with a license to the Licensee Platform and only for use to connect to the Licensee Platform.

4.5. Licensee shall require each Sublicensee to enter an agreement that protects Licensor's rights in substantially the same manner set forth in this Agreement.

4.6. The "Territory" shall be global, excluding each region listed in Schedule B for so long as the exclusive nature of the corresponding agreement specified therein remains in effect as to TRS Software or Telerate Active8; provided that upon expiration or termination of such agreement or such exclusive nature, the "Territory" shall include such corresponding region. [...]

4.7. Licensee may license Feedhandlers to existing customers of Licensor for use with the TRS Software in object code form supplied to those customers by Licensor. Where Licensor makes an update to the Client API generally available, it will make that update available to Licensee. Other than Feedhandlers, Licensee shall not sell or license any individual components of the Licensee Platform to existing customers of Licensor for use with software supplied to those customers by Licensor, unless Licensee, by contracting directly with that customer, assumes full responsibility for supporting the TRS Software in object code form provided to that customer by Licensor.

4.8. Nothing in this Agreement shall be construed as preventing either party from providing source code of the TRS Software to an escrow agent pursuant to a standard source code escrow agreement.

4.9. Licensee shall be responsible for obtaining third party licenses, to the degree any are necessary to use the Software, Licensee Desktop or Licensee Platform. Upon request by Licensee, Licensor shall provide reasonable assistance in facilitating Licensee's procurement of such third party licenses. Attached hereto as Schedule C is a true and correct list of all third party licenses that are required to use the Software on the Delivery Date.

4.10. No trademark license is conferred under this Agreement. Licensee shall, however, have the right to disclose to third parties that Licensee Platform and Licensee Desktop are based on TRS or Telerate's Active8 technology, as appropriate, provided that, in each instance, there is a statement made in close proximity and of equal size and font that the Licensee Platform and Licensee Desktop are not Reuters products and are not supported by Reuters.

4.11. Nothing in this Agreement shall be construed as preventing Licensor from making, using, selling or otherwise exploiting the Software or Documentation for its own benefit, however, Licensor agrees that it shall not grant rights similar to those granted in Section 4.1 in a general public license.

## **5. FEES**

5.1. Licensee agrees to pay to Licensor a fee for the licenses set forth herein and support and maintenance (the "Fee") as set forth on Schedule D.

5.2 Licensee agrees to pay Licensor one-half of the cost reasonably incurred by Licensor in making the modifications set forth in the definition of the Active8 Software and otherwise preparing the Active8 Software for Licensee. Licensee's share of this cost shall not exceed \$[...]. Licensor shall provide Licensee with necessary documentation to evidence the costs incurred in such actions.

5.3. [...]

5.4. [...]

5.5. [...]

5.6. [...]

## 6. SUPPORT AND MAINTENANCE

6.1. Licensor will provide commercially reasonable support and maintenance necessary to compile the source code and generate version 4.6 of the TRS Software executables (other than the TRS Optional Components, but including Observer/Observer+) to be run on the Reference Platform, which may include training for a limited number of Licensee representatives. Thereafter, Licensor will provide commercially reasonable, limited support, to be agreed between the parties in good faith. The entire period of support will extend from the Delivery Date until the end of the [...] month after the Delivery Date. Each party will provide a single point of contact for all services provided under this Agreement.

6.2. [...]

6.3 Licensee will not be entitled to any further software, developments, improvements or other alterations made after the Delivery Date.

6.4 For a period of two years after Licensor's support obligation under Section 6.1 has expired, Licensee may wish to purchase additional services from Licensor (each, an "Additional Service"). In that instance, Licensee shall provide reasonably detailed written notice setting forth the proposed Additional Service. Within ten (10) Business Days of receipt of such notice, Licensor will notify the requesting party whether it agrees to provide the proposed Additional Service and if so, any requirements necessary in order to provide the proposed Additional Service. If the parties agree, they shall create a schedule for each Additional Service setting forth a description of such Additional Service, the time period during which such Additional Service will be provided, the reasonable charge, if any, for such Additional Service and any other terms applicable thereto. Licensor's decision whether to provide any Additional Service under this Section 6.4 shall be made in its sole discretion; nothing in this Agreement shall be construed to obligate Licensor to provide any Additional Service under this Section 6.4.

6.5. Under no circumstances is Licensor responsible for support of any Derivative Works created from the Software.

6.6 Nothing in this Agreement shall be construed to obligate Licensor to create any addition or supplement to the Documentation.

6.7 As soon as reasonably practicable following the Effective Date, but not later than one week after the Effective Date, Licensor shall deliver to Licensee a copy of the TRS Software. As soon as reasonably practicable following the Effective Date, but not later than one month after the Effective Date, Licensor shall deliver to Licensee a copy of the Licensee Desktop; provided that Licensor shall endeavor to provide Licensee with a version of the Licensee Desktop to be used for demonstration purposes only, and not for dissemination to third parties, by June 15, 2005. As soon as reasonably practicable following the Effective Date, but not later than three months after the Effective Date, Licensor shall deliver to Licensee a copy of the Active8 Software.

## 7. PROPRIETARY RIGHTS, TITLE AND DERIVATIVE WORKS

7.1. Licensee acknowledges and agrees that the copyright, patent, trade secret, trademark and all other intellectual property rights of whatever nature in the Software, and Documentation are and will remain the property of Licensor, and nothing in this Agreement should be construed as transferring any aspects of such rights to Licensee or any third party, other than specifically set forth herein.

7.2. Title in the Software and Documentation will remain with Licensor at all times. Licensee will not allow the Software or Documentation to become the subject of any lien, encumbrance or mortgage.

7.3 Notwithstanding anything to the foregoing, Licensee shall retain all rights in and to the material it contributes to any Derivative Works created pursuant to this Agreement, and Licensor shall have no rights thereto.

## 8. WARRANTY

8.1. Licensor warrants to Licensee that: (a) Licensor has the right to perform its obligations set forth under this Agreement and in particular to grant the licenses hereunder; (b) Licensor is the sole and exclusive owner of all right, title and interest in and to, or has valid and continuing rights to use, sell, license or transfer, as the case may be, the Software free and clear of all encumbrances or obligations to others; and (c) the use, practice or other commercial exploitation of the Software does not infringe or violate any patent, copyright or trade secret.

8.2 Licensor represents and warrants that Tables 1 and 2 of Schedule A is a complete list of the components of the standard software platform marketed by Licensor as the Telerate Trading Room System as it is provided to customers by Telerate as of the Effective Date.

8.3. THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE LIMITED WARRANTIES AND ARE THE ONLY WARRANTIES MADE BY LICENSOR. LICENSOR EXPRESSLY EXCLUDES ALL OTHER WARRANTIES EXPRESS OR IMPLIED INCLUDING

WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. LICENSOR DOES NOT WARRANT THAT THE SYSTEM WILL MEET LICENSEE'S REQUIREMENTS OR THAT THE OPERATION OF THE SYSTEM WILL BE UNINTERRUPTED OR ERROR FREE, OR THAT ALL ERRORS OR DEFECTS IN THE SYSTEM CAN BE CORRECTED. THE SYSTEM IS PROVIDED "AS IS" AND "WITH ALL FAULTS."

## **9. LICENSEE'S RESPONSIBILITIES**

9.1. [...]

9.2. [...]

## **10. INDEMNITY**

10.1 Licensee hereby indemnifies and agrees to defend and hold harmless Licensor and its affiliates, officers, employees and directors, or any third party provider of equipment, software, information or services for Licensor from and against any and all Damages, demands, claims, actions, proceedings, liabilities, losses, fees, costs or expenses (including without limitation reasonable attorneys' fees and the costs of any investigation) directly or indirectly arising from (a) use of or reliance on the Software, Documentation or any Derivative Works supplied by or created by Licensee under this Agreement, (b) any breach of or default under the terms or conditions of this Agreement by Licensee, (c) the use or possession, by Licensee or any third parties via Licensee of any part of the Software, Documentation or any Derivative Works supplied by or created by Licensee under this Agreement, (d) any negligence, gross negligence or willful misconduct by or on behalf of Licensee or its employees or agents

10.2 Licensee agrees that any Sublicensee will be required to enter into an agreement with Licensee containing indemnification language to the benefit of Licensor substantially similar to that set forth in Section 10.1.

10.3 [...]

## **12. LIMITATION OF LIABILITY**

12.1. TO THE EXTENT PERMITTED BY LAW, UNDER NO CIRCUMSTANCES WILL LICENSOR'S LIABILITY UNDER THIS AGREEMENT EXCEED THE FEE.

12.2. LICENSOR AND LICENSEE WILL HAVE NO LIABILITY WITH RESPECT TO THEIR RESPECTIVE OBLIGATIONS UNDER THIS AGREEMENT OR OTHERWISE FOR CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OR DAMAGE TO DATA, LOSS OF BUSINESS OR LOST PROFITS.

## **13. TERMINATION**

13.1. The licenses hereunder will remain in effect for the Term unless terminated in accordance with Section 13.2 or 13.3.

13.2. Licensor may terminate this Agreement upon written notice to Licensee only if an Arbitration Tribunal (constituted pursuant to Section 15.4) holds or declares that the Licensee has: (a) committed a material breach of this Agreement which is incapable of remedy,; or (b) committed any other material breach of this Agreement which is capable of remedy, which breach remained uncured for at least 30 days after notice was given of the breach.

13.3. Upon termination of this Agreement, Licensee shall cease using the Software and promptly (and in any event within one month) return or destroy at Licensor's direction all copies of the Software and Documentation, and return sufficient evidence of such to Licensor. Licensee shall delete all copies of Software residing in memory on any computer. Licensee shall, within one month from the effective date of the termination, certify in writing by an officer or director that all copies of the Software and Documentation have been returned, deleted or destroyed as directed by Licensor. If Licensee fails to do so Licensor shall be entitled to repossess and remove any Software and Documentation from Licensee and any Sublicensee.

## **14. EMPLOYEES**

14.1. If prior to six months after the Effective Date, Licensee takes any of the actions specified under "Loss of Support" on Schedule E, Licensee will notify Licensor thereof and Licensor's obligations under 6.1 will immediately terminate. If, prior to 12 months after the Effective Date, Licensee takes any of the actions specified under "Support Obligations" on Schedule E, Licensee will notify Licensor thereof and thereafter Licensor will have the right to request on one month's notice, and Licensee shall be required to provide, reasonable support for the TRS Software to Licensor at commercially reasonable rates and terms for up to 7 months after Licensee's having taken any such actions.

## **15. GENERAL**

15.1. This Agreement sets out the entire understanding between the parties relating to Licensee's purchase and use of the license to the Software and replaces all prior proposals, understandings and other agreements, oral and written between the parties relating to the subject matter of this Agreement.

15.2. If any part of this Agreement that is not fundamental is found to be illegal or unenforceable, this shall not affect the validity or enforceability of the remainder of this Agreement.

15.3. This Agreement shall be binding upon the parties and their permitted successors and assigns. Licensee may assign all of the rights and obligations hereunder in their entirety, in connection with a transfer of the business using the Licenses granted hereunder. Any attempted assignment in violation of this Section 15.3 is void.

15.4. This Agreement shall be deemed to have been executed in the State of New York and shall be governed by and construed in accordance with the laws of the State of New York. Any dispute arising out of or in connection with this Agreement shall be finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce (the "ICC"). The arbitrator or arbitrators ("Arbitration Tribunal") shall be chosen in accordance with the ICC rules. The arbitration proceedings shall take place in New York City, Borough of Manhattan. The language of all arbitration proceedings shall be English. The findings of the arbitrator(s) shall be final and binding on the parties. Judgment on the award of the arbitrator(s) may be entered in any court of competent jurisdiction.

#### 15.5. Notices

- (a) Any notice to be given under this Agreement may be delivered by hand delivery, registered mail (or the equivalent in the country where the notice is delivered) or facsimile to the following:

For Licensor:

With a copy to:

For Licensee: [...]

With a copy to: [...]

For Reuters: [...]

- (b) Notices given by hand delivery shall be addressed to the person at the address or by facsimile shall be addressed to the person at the number set out in paragraph A, above.

- (c) Either party may change the person, address and facsimile number notices are to be delivered to, by giving notice to the other party in accordance with this Section 15.5.

- (d) Notices shall be deemed to have been received: (i) if hand delivered, on the day delivered; (ii) if sent by registered mail, on the third business day after being sent; or (iii) if sent by facsimile, on the day sent provided the transmitting facsimile machine produces a report verifying successful completion of the transmission.

15.6 Licensor shall, upon prior written notice, be entitled to, at its expense, have a third party of its choice to conduct a financial and technical audit of Licensee's records software, facilities and/or personnel to the extent reasonably necessary to ensure that Licensor is being paid all amounts properly due to Licensor by Licensee under this Agreement, and specifically, to determine the number of Licensee Desktops being licensed or otherwise in use. Such audits shall be conducted no more than once every six months and will be conducted so as not to disrupt the business of Licensee. Notwithstanding the foregoing, Licensee shall have no obligation to provide Licensor any information that could reasonably identify Licensee's customers.

15.7. Sections 5, 7, 8.1(a), 8.2, 10, 11, 12, 13.3, 14, 15.6 and 15.9 shall survive the termination of this Agreement for

any reason. Section 8.1(b) and (c) shall survive for two (2) years from the Effective Date.

15.8. This Agreement may only be amended by the parties in writing, signed by duly authorized representatives of the parties and, prior to the Effective Date, Reuters Limited.

15.9 The parties will treat and hold as confidential any information concerning the businesses and affairs of the other parties that is not already generally available to the public (including the terms of this Agreement) ("Confidential Information"), refrain from using any of the Confidential Information except in connection with this Agreement, and deliver promptly to the appropriate party such information or destroy, at the request and option of the appropriate party, all tangible embodiments (and all copies) of the Confidential Information which are in his, her, or its possession. In the event that any of the parties is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, such party will notify the party to whom the information relates promptly of the request or requirement so that such party may seek an appropriate protective order or waive compliance with this provision. If, in the absence of a protective order or the receipt of a waiver hereunder, any of the parties is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such party may disclose the Confidential Information to the tribunal; provided, however, that such party shall use his, her, or its reasonable best efforts to obtain, at the reasonable request of party to whom the information relates, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as such party shall designate. If either party wishes to make a press release or otherwise disclose the relationship between Licensor and Licensee as it relates to this Agreement, the party wishing to make the disclosure shall not do so without the written consent of the other party, such consent not to be unreasonably withheld. Prior to the Effective Date or such earlier date as may be agreed in writing by Licensor and Reuters, Licensee may not market, or otherwise contact, have discussions with or enter into agreements with potential customers with respect to, the Licensee Platform or the Licensee Desktop.

15.10 The obligations of the parties under this Agreement shall become effective only upon the date (the "**Effective Date**") of the Closing under and as defined in the Stock and Asset Purchase Agreement dated as of December 20, 2004 by and among Reuters Limited, Reuters S.A., Moneyline Telerate Holdings, Inc., and the subsidiaries thereof party thereto, as the same may be amended or otherwise modified from time to time (the "**Acquisition Agreement**") (other than Sections 14.1 and 15.9, which shall be effective immediately). In the event the Acquisition Agreement is terminated prior to the Effective Date, this Agreement shall terminate simultaneously therewith.

15.11 Notwithstanding anything in this Agreement to the contrary, Licensee agrees to be bound by, be subject to, comply with, and take all necessary action required under the terms of the Commitments Letter dated 20 May 2005 from Reuters and Moneyline Telerate Holdings, Inc. to the European Commission

or any requirements of the European Commission under such Commitments Letter. Licensee agrees that it shall not assert any claim or liability against the Monitoring Trustee under and as defined in such Commitments Letter or any of its employees or agents. This Section 15.11 shall survive termination of this Agreement.

## SCHEDULE A

### TELERATE TRADING ROOM SYSTEM SOFTWARE

[..]

#### Site

<b>Street</b>	
<b>City</b>	
<b>State/Region/County</b>	
<b>ZIP/Post Code</b>	
<b>Country</b>	

## **SCHEDULE B**

### **LIMITATIONS ON PERMITTED SUBLICENSES (BY JURISDICTION)**

**Greece, Cyprus, Spain and Portugal, in accordance with the Distribution Agreement, dated [..], between Moneyline Telerate and [..].**

**Sub-Saharan Africa, in accordance with the Distribution Agreement, dated [..], between Moneyline Telerate and [..].**

**Belgium, Luxembourg and the Netherlands, in accordance with the Distribution Agreement, dated [..], between Moneyline Telerate (UK) Ltd. and [..].**

**With respect to Italy (including Vatican City and San Marino Republic, “Italy”), any distribution and sublicensing of the Licensee Platform and Licensee Desktop are subject to the following restrictions in accordance with the Distribution Agreement, dated [..], between Moneyline Telerate International and [..]**

**Indonesia, in accordance with the Distribution Agreement, dated as of [..], between Telerate International Inc. and [..].**

**Korea, in accordance with the Distribution Agreement, dated [..], between Bridge Information Systems (International) Inc. and [..].**

**India, Sri Lanka, Bhutan, Bangladesh and Nepal, in accordance with the Distribution Agreement, dated [..], between Moneyline Telerate International and [..].**

**Colombia, in accordance with the Supply and Technical Support Agreement, dated [..], between Telerate International, Inc. and [..].**

**Japan, in accordance with the Exclusive Distributor Agreement, dated [..], by and between Moneyline Telerate International, [..].**

## SCHEDULE C

### REQUIRED THIRD PARTY LICENSES

<b>3<sup>rd</sup> Party Software</b>
Xmeter GUI
Perl
Gtar
Gnumake
Rcs
FreeType library
GD library
PNG library
Apache Xerces library
Java JRE from SUN
Firebird Database
Application Server Tomcat
RFunc library
XSQL Servlet
JRA/JDBC Driver
VBA Run-Time package from Microsoft



## **SCHEDULE D**

### **FEEES**

[..]

## **SCHEDULE E**

### **LOSS OF SUPPORT:**

Licensee (together with its affiliates) hires:

- ☐ any of the employees listed in section (1) below and marked with an asterisk, or
- ☐ more than 50% of the employees listed in either section (1) or (2) below

### **SUPPORT OBLIGATIONS:**

Licensee (together with its affiliates) hires:

- ☐ more than 2/3 of the employees listed in any of sections (1), (2), (3) or (4), or
- ☐ more than 1/3 of the employees listed in any such section in any three-month period

The foregoing does not apply to, and all calculations will exclude, any employees terminated by Licensor prior to such employees being solicited or hired by Licensee.

## **TRS EMPLOYEES**

[..]