



FIX PROTOCOL LTD. and OMG STATEMENT OF UNDERSTANDING

The global financial services industry and its principal customers, through global initiatives such as straight through processing (STP) is demanding greater efficiency in the securities transaction life cycle. In response to these demands, FIX Protocol Ltd. (FPL) and the Object Management Group (OMG) have agreed to join efforts and work together strategically to further promote the use of standards to enhance STP and improve integration for the securities industry.

The mission of FPL is to improve the global trading process by defining, managing, and promoting an open protocol for real-time, electronic communication between industry participants, while complementing industry standards. The mission of the OMG's Finance DTF (Domain Task Force) is to promote the use of Financial Services and Accounting software that incorporate OMG standards; to provide an internationally recognized forum for industry focus on Financial Services and Accounting Facilities; to identify relevant standards, business architectures, research and technologies in this area of computing; and to assist and advise the OMG regarding its relationship with related Standards Organizations and Consortia.

This document outlines the steps and conditions that both FPL and the OMG agree are necessary to achieve our mutual goals.

Background

FPL is a non-profit organisation that owns the intellectual property rights of the Financial Information eXchange Protocol (FIX), which is available free of charge from the FPL website, subject to FPL's copyright and acceptable use policy. FIX is a globally-recognised messaging standard enabling the electronic communication of pre-trade and trade messages between financial institutions, primarily investment managers, broker-dealers, ECNs and exchanges. For more information, see www.fixprotocol.org.

OMG™ is an international, open membership, not-for-profit computer industry consortium. OMG Task Forces develop enterprise integration standards for a wide range of technologies, and an even wider range of industries. OMG's modeling standards enable powerful visual design, execution and maintenance of software and other processes. OMG's middleware standards and profiles are based on the Common Object Request Broker Architecture (CORBA®) and support a wide variety of industries. All specifications may be downloaded without charge from the OMG website. For more information, see www.omg.org.

Points of Understanding

- FPL as an entity will receive an OMG Liaison membership and OMG as an entity will receive a FPL Industry Relationship membership. Each organization will appoint representatives where appropriate.
- The Object Management Group (OMG) has a financial services area entitled OMG Finance Domain Task Force (FDTF) that has established a leadership position in terms of UML modeling (the way computer applications are represented schematically).

- There is currently a conversion maps effort underway that will address many of the challenges that FPL and other organizations with existing message formats face.
- A proof-of-concept involving FPL, and potentially other standards bodies, would allow OMG to further validate the specification they are working on and drive the adoption of the standard in the financial services industry. FPL will appoint a representative(s) to this initiative.
- OMG is also a key participant in the WG4 initiative of TC68 (the parent body of the ISO 20022 standard). OMG members are developing standards for message conversions which are critical in FPL's ISO 20022 interoperability and compliance initiatives. Any collaboration on this front can be extremely helpful.

The above Statement of Understanding was developed on the basis of discussions involving various industry leaders, including representatives of FPL and OMG. The undersigned officials of these respective organizations represent that they are authorized to approve the points of understanding set forth hereinabove and that they hereby commit each of their respective organizations to the mutual implementation of such points of understanding in a manner consistent with fostering the integrity of the financial markets:

By:
Jim Northey
FPL Americas Co-Chair
FIX Protocol Ltd.

By:
Fred Waskiewicz
Director of Standards and Liaisons
OMG

By:
Courtney Doyle
FPL Operations Director
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