

General Terms and Conditions of Business (Swiss Law)

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1 Scope

These GTCB govern the Contractual Relationship between SIX x-clear and the SIX x-clear GCMs or SIX x-clear ICMs who execute their exchange transactions on one of the Relevant Exchanges through a Central Counterparty.

2 Definitions

Approved Settlement Systems: Securities settlement systems accepted by the respective Relevant Exchange and SIX x-clear for the settlement of the contracts concluded due to the Open Offer or the Off Order Book Trade Rules.

Automatic Close-out Event: This term is explained under Section 14.1.1. and Section 15.1. of these GTCB.

Central Counterparty: Buyer towards each seller and seller towards each buyer with regard to specific Single Contracts concluded on a Relevant Exchange.

Clearing: The interposition of a Clearing house as a Central Counterparty between the parties to a trade, either through the formation of Single Contracts directly with the Central Counterparty (Open Offer), or through the Central Counterparty's entering into trades that are not on the order book of the Relevant Exchange (Off Order Book Trades).

Clearing Terms: Part of the Rules & Regulations pursuant to Section 1 of the Contract for Clearing Services (Swiss Law).

Close-out Netting: Procedure in accordance with Section 14.3. letter c and Section 15.2. letter b of these GTCB.

Contractual Relationship: Contracts and documents in accordance with Section 2 of the Contract for Clearing Services (Swiss Law) that form a sole contract.

Default: Events as described in Section 14.1. and Section 15.1. of these GTCB.

Default Fund: Collateral to be deposited by SIX x-clear Members to secure against the consequences of non-fulfillment/default of a SIX x-clear Member on Outstanding Contracts. LSE and SIX Swiss Exchange have their own individual Default Funds.

Exchange(s): This term is used to refer to any Stock Exchange pursuant to Art. 2 letter b of the SESTA or similar institutions that are subject to a legal system other than the Swiss legal system.

Exchange Rules: All regulations governing the relationship between the respective Stock Exchange and its Trading Members.

Exchange Specific GTCB: They govern the Contractual Relationship between SIX x-clear and SIX x-clear Members that execute their Exchange transactions on one of the Relevant Exchanges via a Central Counterparty. They apply exclusively to the respective Exchange.

Force majeure: Events as described in Section 17 of these GTCB.

GCM-NCM Agreement: An agreement between a SIX x-clear GCM and a SIX x-clear NCM, in which the SIX x-clear GCM agrees to effect Clearing for the orders entered on the Relevant Exchange by the SIX x-clear NCM.

GTCB (Swiss Law): These General Terms and Conditions of Business.

Haircut: A reduction in the value of collateral corresponding to the difference between the market value of a Security and its collateral value (Value as Security).

Match/Matching: The matching of corresponding orders in the order book of the respective Relevant Exchange. The legal significance of Matching is defined by the Open Offer of the relevant Central Counterparty and/or the rules of the respective Relevant Exchange.

Non-Settlement: This term is explained under Section 13.1. letter b of these GTCB.

Outstanding Contracts: Single Contracts between SIX x-clear and the SIX x-clear Member, which are not yet due, arising from the Open Offer for the respective Relevant Exchange or contracts arising from Off Order Book Trades.

Off Order Book Trade Rules: The rules in these GTCB as well as in the Respective Exchange Specific GTCB, which govern the Clearing of trades which arise outside the order book.

Relevant Exchange: Exchange(s) on which SIX x-clear – in accordance with the Contractual Relationship between SIX x-clear and the SIX x-clear Member as defined in Section 2 of the Contract for Clearing Services (Swiss Law) – is the Central Counterparty for the SIX x-clear Member and for which the legal relationship between SIX x-clear and the SIX x-clear Member is governed exclusively by Swiss law.

Respective: The adjective "Respective" – used in conjunction with one of the contractual documents of the Contractual Relationship – refers to the provisions, applicable to the specific case, that regulate the relationship between SIX x-clear and the SIX x-clear Member specifically with regard to the corresponding Exchange.

Rules & Regulations: SIX x-clear rules in accordance with Section 1 of the Contract for Clearing Services (Swiss Law).

Securities: Standardized securities suitable for mass trading, non-certificated rights with the same function (book-entry securities) and derivatives as defined in Art. 2, letter a of the SESTA which have an ISIN number.

Settlement: Last step in the performance of a Securities transaction, when the Securities are delivered against payment.

Settlement Amount: This term is explained under Section 14.3. letter c No. 3 and Section 15.2. letter b No. 3 of these GTCB.

SESTA: Federal law of 24 March 1995 on stock exchanges and securities trading.

Single Contracts: Contracts between SIX x-clear and the SIX x-clear Member arising from the respective Open Offer or from SIX x-clear's entry into the respective Off Order Book Trades.

SIX SIS: SIX SIS Ltd, national (CSD) and international Central Securities Depository (ICSD) with domicile at Baslerstrasse 100, 4601 Olten, subsidiary of SIX Group.

Trading Member of the Relevant Exchange: Person that is eligible to trade on the Relevant Exchange as a member.

Unsettled Contracts: Outstanding Contracts and Single Contracts not settled by T+3.

SIX x-clear Exchange: One or more Exchanges on which SIX x-clear is the Central Counterparty for a SIX x-clear member regardless of the law applicable to the relationship between SIX x-clear and the SIX x-clear Member.

SIX x-clear GCM (General Clearing Member): An SIX x-clear Member who clears own-account trades and customer transactions with SIX x-clear, and/or trades for SIX x-clear NCMs, in accordance with the relevant rules applicable to SIX x-clear Members.

SIX x-clear ICM (Individual Clearing Member): An SIX x-clear Member who clears own-account trades and customer transactions with SIX x-clear in accordance with the relevant rules applicable to SIX x-clear Members.

SIX x-clear Member: Party contracting with SIX x-clear for Clearing purposes; encompasses the categories of SIX x-clear GCM and SIX x-clear ICM.

SIX x-clear NCM (Non Clearing Member): A Trading Member of the Relevant Exchange who is not a SIX x-clear Member and who participates in the Clearing system through a SIX x-clear GCM in accordance with the relevant rules applicable to SIX x-clear Members.

SIX x-clear Open Offer: Offer from SIX x-clear to act as Central Counterparty for its Members for orders matched on the respective Relevant Exchange between SIX x-clear Members or SIX x-clear NCMs in accordance with Section 5 of the Respective Exchange Specific GTCB.

3 Membership of SIX x-clear

3.1 Criteria

The following natural persons or legal entities who are active in securities trading or settlement for third parties on a commercial basis, who satisfy the other admission criteria as set out in Section 3.2. and have been admitted both as Trading Members of the Relevant Exchange, may be admitted as SIX x-clear Members:

1. Banks in accordance with the Swiss Law on Banks and Savings Banks of 8 November 1934 (Swiss Federal Banking Act)
2. Foreign banks which, in the opinion of SIX x-clear, are subject to an adequate degree of regulation and supervision similar to the one for banks in Switzerland
3. Securities dealers as defined by in the SESTA
4. Foreign Securities dealers who, in the opinion of SIX x-clear, are subject to an adequate degree of regulation and supervision similar to the one for Securities dealers in Switzerland.

3.2 Other membership criteria

An application to be admitted by SIX x-clear as a SIX x-clear Member must be made in writing on the "Application for SIX x-clear Membership" form, together with a confirmation by the respective Relevant Exchange of the applicant's membership as a Trading Member of the respective Relevant Exchange and confirmation by SIX SIS of its admission as a participant with respect to the Dispo Collateral Account.

Admission as a SIX x-clear Member is conditional upon signing the Contract for Clearing Services (Swiss Law) and the Pledge Agreements for Margins and for the Default Funds.

At the time of admission and during the period of membership, the SIX x-clear Member must be bound either by Swiss legislation on money laundering or by foreign legislation and supervision regarding money laundering deemed by SIX x-clear to be acceptable.

In addition to the requirements specified in Section 3.1, the SIX x-clear Member is required to confirm that the technical and operational requirements as defined in the Respective Rules & Regulations have been satisfied. The conditions contained in the specifications of the technical infrastructure (see Section 1 of the Contract for Clearing Services (Swiss Law)) must be observed at all times by the SIX x-clear Member throughout the period of membership.

3.3 Suspension of membership

SIX x-clear is entitled to suspend the membership of a SIX x-clear Member with regard to the Relevant Exchange for such period of time as is required to rectify any defects if

1. There is evidence that the SIX x-clear Member was granted membership on the basis of inaccurate information

2. There is evidence that the SIX x-clear Member no longer satisfies the membership criteria
3. There is evidence that the SIX x-clear Member has reason to submit a report as described in Section 16 but has failed to do so

and if this measure appears reasonable.

In general, Single Contracts concluded prior to the suspension will still be settled. The SIX x-clear Member must refrain from concluding new Single Contracts.

Except in urgent cases, SIX x-clear will give prior notice of suspension to the SIX x-clear Member.

SIX x-clear is under obligation to inform the Relevant Exchange of the suspension.

4 Relationship with the Relevant Exchange

The SIX x-clear Member confirms that it is bound by the Rules of the Relevant Exchange in its relationship with the Relevant Exchange.

5 Collateral

As security for its liabilities on all SIX x-clear Exchanges in respect of Outstanding Contracts, the SIX x-clear Member is required to provide collateral in the form of

- Initial Margin/Variation Margin, including responding to margin calls if the collateral is insufficient, and
- Contributions to the respective SIX x-clear Default Funds of the SIX x-clear Exchanges.

The detailed rules are laid down in the Pledge Agreement for Margins and the Pledge Agreement for the Default Funds, the Respective Exchange Specific GTCBs and the Respective Rules & Regulations.

Should the SIX x-clear GCM fail to meet its contractual obligations towards the Relevant Exchanges in accordance with the Contractual Relationship in whole or in part, SIX x-clear shall be entitled, after performing Close-out Netting, to realize the collateral of the SIX x-clear Member in accordance with the provisions of the Pledge Agreement for Margins respectively the Pledge Agreement for the Default Funds and to set off the collateral against its own claims against the SIX x-clear Member in accordance with the Contractual Relationship or to realize the collateral in the market and set off the sale proceeds against such claims.

6 SIX x-clear's liability

SIX x-clear is liable to SIX x-clear Members for direct loss caused by defective performance of a contract where the fault is attributable to SIX x-clear.

SIX x-clear shall assume no liability for any further claims, e.g. relating to compensation for indirect or consequential loss, lost profit or loss of earnings, unrealized savings or additional expense incurred, regardless of the legal grounds.

The SIX x-clear Member shall bear any losses arising as a result of orders that are not properly legible or as a result of forged or unauthorized orders, except in cases where SIX x-clear is at fault. Responsibility for the authenticity, accuracy and completeness of Exchange orders and data transmitted shall – except in cases where SIX x-clear is at fault – rest solely with the SIX x-clear Member, even when SIX x-clear does not receive these Exchange orders/data directly from the SIX x-clear Member, but through the Relevant Exchange and/or through another Central Counterparty.

SIX x-clear shall assume no liability for losses if, for reasons for which SIX x-clear cannot be held responsible, SIX x-clear has been prevented from performing the Contract properly or on time, for example as a result of Force majeure or measures, orders and/or decrees issued by domestic or foreign governmental authorities.

In particular, SIX x-clear shall assume no liability for actions (e.g. declarations of Default), failure to take action or any suspension or restriction of services by any element of the Value Chain, e.g. a Stock Exchange, a Central Counterparty, a third party and/or Approved Settlement Systems. Furthermore, SIX x-clear shall assume no liability for the consequences of official directives with regard to a Stock Exchange, a Central Counterparty and/or the Approved Settlement Systems.

SIX x-clear shall not be liable for the conduct of third parties that it mandates, provided it has exercised due diligence when choosing and instructing them.

If the SIX x-clear Member has as a result of fault, e.g. breach of its contractual obligations, contributed to causing and/or aggravating a loss, the extent to which SIX x-clear and the SIX x-clear Member must bear the loss shall be determined in accordance with the principles of contributory negligence (Article 44 of the Swiss Code of Obligations). The SIX x-clear Member has an obligation to prevent and reduce loss.

7 The SIX x-clear Member's liability

The SIX x-clear Member shall be liable to SIX x-clear for direct losses which it has caused through willful intent or negligence when commissioning and utilizing the services of SIX x-clear as described in the Contractual Relationship.

If SIX x-clear has as a result of fault, e.g. breach of its contractual obligations, contributed to causing and/or aggravating a loss, the extent to which SIX x-clear and the SIX x-clear Member must bear the loss shall be determined in accordance with the principles of contributory negligence (Article 44 of the Swiss Code of Obligations). SIX x-clear has an obligation to prevent and reduce loss.

The SIX x-clear Member shall indemnify and compensate SIX x-clear for any claims against SIX x-clear by the SIX x-clear Exchanges and/or Approved Settlement Systems that may arise for the SIX x-clear Exchange, and/or the Approved Settlement Systems in respect of damage, costs, fees, losses, responsibilities etc as a result of conduct by the SIX x-clear Member which contravenes the contractual provisions of the Contractual Relationship.

SIX x-clear shall notify the SIX x-clear Member immediately in writing as soon as it becomes aware of any such claims or legal action pursuant to the preceding Section and shall assign the SIX x-clear Member sole responsibility for the conduct of litigation in connection with such

claims or legal action, or the conduct of settlement negotiations, at the SIX x-clear Member's own discretion and at its own expense. SIX x-clear also declares that it agrees not to fulfill any demands, grant any concessions or reach a settlement without the SIX x-clear Member's prior consent in writing, and that it will supply the SIX x-clear Member with all information and provide the SIX x-clear Member, at the latter's expense, with such support as is reasonably required.

8 Settlement

The Settlement requirements applicable to the SIX x-clear Member are laid down in the Respective Exchange Specific GTCB and the Respective Clearing Terms.

9 GCM-NCM Agreement between the SIX x-clear GCM and the SIX x-clear NCM

A Trading Member of the Relevant Exchange is not obliged to become a SIX x-clear Member, but can instead conclude a GCM-NCM Agreement with a SIX x-clear GCM. On concluding such an Agreement, the Trading Member concerned becomes a SIX x-clear NCM. The SIX x-clear NCM will clear all of its orders through this SIX x-clear GCM exclusively.

The SIX x-clear NCM acts towards SIX x-clear as an agent in the name and for the account of the SIX x-clear GCM.

The SIX x-clear GCM is responsible for ensuring that SIX x-clear is notified of the conclusion of a GCM-NCM Agreement. Any change in the SIX x-clear GCM clearing orders for a SIX x-clear NCM must be communicated to SIX x-clear not less than ten trading days in advance.

There is no legal relationship between SIX x-clear and the SIX x-clear NCM. The SIX x-clear GCM is the sole contracting party for the SIX x-clear NCM. SIX x-clear accepts no liability in respect of the SIX x-clear NCM.

The SIX x-clear GCM undertakes to require from its SIX x-clear NCM collateral in the form of margins for the same amount as SIX x-clear requires from the SIX x-clear GCM and as stipulated in the provisions of the Contractual Relationship. In special cases, SIX x-clear may grant exceptions to this rule.

The SIX x-clear GCM undertakes to stipulate in the GCM-NCM Agreement between the SIX x-clear NCM and the SIX x-clear GCM the exclusion of any contractual relationship and any liability in the relationship between SIX x-clear and the SIX x-clear NCM.

The SIX x-clear GCM undertakes to inform SIX x-clear whenever a GCM-NCM Agreement is concluded or terminated or whenever the power of attorney granted by the SIX x-clear GCM to the SIX x-clear NCM has been revoked. The SIX x-clear GCM shall also send SIX x-clear each January a list of the SIX x-clear NCMs associated with it as at the end of the previous year.

SIX x-clear recommends that the SIX x-clear GCM include in the GCM-NCM Agreement with the SIX x-clear NCM the content specified in the Annex to these GTCB.

10 Termination

The SIX x-clear Member's membership with regard to the respective Relevant Exchange will be terminated:

1. By termination by one of the contracting parties on thirty days' notice, effective at the end of a month. Notice of termination must be served in writing by registered letter.
2. With immediate effect, where SIX x-clear is notified of the termination of a SIX x-clear Member's membership of one or more Relevant Exchange(s) or the withdrawal of the SIX x-clear Member's license by its home regulator.
3. With immediate effect, in the event of a Default as described in Section 14 of these GTCB.
4. With immediate effect, where SIX x-clear's membership of the respective Relevant Exchange is terminated or suspended.

Other exceptional grounds for termination are set forth in the Respective Exchange Specific GTCB.

Single Contracts concluded prior to the termination of membership will still be settled, except in the case of Default, in which case the rules set out in Section 14 apply. No new Single Contracts may be concluded after the membership has ended, or if Membership is terminated in accordance with Section 10 Para. 1 item 1, such Contracts may only be concluded up to the tenth trading day before the last day of membership.

11 Confidentiality/data protection

As a matter of principle the executive bodies, employees and agents of SIX x-clear are obliged to maintain the confidentiality of all Exchange orders and matters relating to the SIX x-clear Member of which SIX x-clear becomes aware in connection with the performance of the present Contract.

Information of any nature may be passed on to third parties only in accordance with the provisions of these GTCB or with the SIX x-clear Member's consent. Any special statutory provisions on the disclosure of information must be observed.

SIX x-clear is entitled to outsource data processing work to third parties nationally and internationally, in particular to SIX SIS, SIX SIS Systems Ltd and other legally associated companies of SIX Group, and the SIX x-clear Member grants its consent to such outsourcing. In the event that data processing work is outsourced to another country, SIX x-clear shall duly notify the SIX x-clear Member in advance within a reasonable period of time.

With reservation as to the preceding Section the disclosure of SIX x-clear Members' data, especially to third parties in other countries, is generally not permitted, except in dealings with the persons and entities required to enable performance of the contractual duties.

In addition, data concerning the SIX x-clear Member may be passed on to domestic and foreign bodies in connection with bankruptcy proceedings or proceedings for an arrangement with creditors, as well as to persons appointed by said bodies under these proceedings.

Subject to the pertinent legal provisions, SIX x-clear shall inform the SIX x-clear Member of any requests received from domestic and foreign authorities for information as well as of the scope of the information provided.

12 Market disorder

Market disorder is deemed to exist in the following cases:

1. An armed conflict, war, terrorist attack or pandemic is in progress, imminent or threatened and is likely to have an adverse effect on the normal Clearing process and/or the Settlement of Outstanding Contracts.
2. A government agency or institution takes steps to intervene in the Clearing process and/or the Settlement of Outstanding Contracts or announces its intention to do so.

SIX x-clear will be entitled to take appropriate action if it identifies market disorder, or if a SIX x-clear Exchange, a Central Counterparty and/or the Approved Settlement Systems take action from case to case on the basis of their own findings. SIX x-clear will observe the principle of proportionality in choosing appropriate action.

13 Procedure in case of non-performance of obligations by a SIX x-clear Member

13.1 Indication of the non-performance of obligations towards SIX x-clear

SIX x-clear may take the measures described below in Section 13.2. of these GTCB where a SIX x-clear Member is unable or likely to be unable to fulfill its obligations in respect of one or more Outstanding Contracts or its obligations towards SIX x-clear.

SIX x-clear will treat the following cases as indications that a SIX x-clear Member is or is likely to become unable to fulfill its obligations:

- a) The SIX x-clear Member contravenes a significant provision of the Contractual Relationship or does not fulfill its obligations with regard to the Contractual Relationship
- b) The SIX x-clear Member fails to fulfill a payment obligation or an obligation to provide collateral (including, but not limited to margin requirements) which are due by the time when trading begins on the trading day following the due date ("Non-fulfillment")
- c) The SIX x-clear Member is in breach of a significant rule of a Stock Exchange in an OECD country or a significant rule of a regulated Clearing house in an OECD country, or has been suspended or excluded by an Exchange or a regulated Clearing house in an OECD country.

- d) The competent supervisory body takes action as specified in Art 23bis, Art. 23ter, Art. 23quater, Art. 26 or Art. 28 of the Swiss Federal Banking Act or Art. 35 Para. 1 and Para. 3 of the SESTA, or a foreign authority takes similar action against a SIX x-clear Member, provided that such action by the supervisory authority is relevant to the creditworthiness, solvency and/or operational reliability of the SIX x-clear Member.

13.2 Measures in situations such as those described in Section 13.1. of these GTCB

In cases of non-performance of obligations as specified in Section 13.1. of these GTCB SIX x-clear is entitled but not obliged to take one or more of the measures it deems appropriate, with the proviso that SIX x-clear will observe the principle of proportionality when taking such measures. Except in urgent cases, SIX x-clear will give the SIX x-clear Member prior notice of any such action to be taken.

In particular, SIX x-clear may take any of the following measures:

13.2.1 Warning

In the event of minor breaches of Section 13.1. SIX x-clear will issue a warning to the SIX x-clear Member, subject to an appropriate deadline by which to rectify the situation, except in those cases detailed in Section 13.1. letter b of these GTCB.

13.2.2 Suspension of the Open Offer or non-entry into Off Order Book Trades and other measures

In the event of serious breaches of Section 13.1. letters a, c and d SIX x-clear can, and in the cases cited in Section 13.1. letter b of these GTCB will, suspend the Open Offer or refuse to enter into Off Order Book Trades for a maximum of three months. If upon expiry of this period the SIX x-clear Member has failed to satisfy its obligations, or to satisfy them in full, SIX x-clear is entitled to terminate the contract with the SIX x-clear Member with immediate effect.

If the SIX x-clear Member fails to satisfy a payment obligation from an Unsettled Contract on time, SIX x-clear may grant the SIX x-clear Member a brief extension of the payment period. If the SIX x-clear Member fails to satisfy its payment obligation within this extended period, this constitutes a case as defined in Section 13.2.4. of these GTCB.

If after expiry of the period laid down in these GTCB and in the Respective Clearing Terms, the SIX x-clear Member has not provided the collateral (including, but not limited to, margin requirements) or has only done so in part, SIX x-clear may declare the SIX x-clear Member to be in Default.

Furthermore, SIX x-clear can with immediate effect suspend the Open Offer or refuse to enter into Off Order Book Trades in the case of SIX x-clear Members which an exchange or a regulated Clearing house in an OECD country has declared to be in Default.

In general, transactions concluded prior to the suspension will still be settled. The SIX x-clear Member must refrain from concluding new Single Contracts.

SIX x-clear is obliged to notify the Relevant Exchange of the suspension of the Open Offer.

13.2.3 Late Settlement

Where the selling SIX x-clear Member is in delay for delivering the Securities, the Rules set out in the Respective Clearing Terms with regard to Late Settlement shall apply.

13.2.4 Default

In the cases specified in Section 13.2.2. para. 2 and para. 3 and Section 14.1.2. letter a of these GTCB, and in the event of serious breaches of Section 13.1, SIX x-clear can declare a SIX x-clear Member to be in Default as described in Section 14 of these GTCB.

13.2.5 Termination

SIX x-clear reserves the right to terminate the contract in all cases.

13.2.6 Non-action

Action not taken immediately or at all as described in Sections 13.2.1. to 13.2.5. of these GTCB does not mean that such action has been waived.

13.3 Non-performance of an obligation towards SIX x-clear due to technical or other defects

If a SIX x-clear Member is unable to fulfill its obligations towards SIX x-clear due to technical or other defects and this non-performance is not due to inability to pay as described in Section 14.1.2. letter a below, the SIX x-clear Member must notify SIX x-clear accordingly without delay. The SIX x-clear Member must inform SIX x-clear in writing of the reasons for this non-performance. The causes of the non-performance must be eliminated by the SIX x-clear Member without delay.

The SIX x-clear Member is obliged to compensate SIX x-clear for any loss incurred as a result of this non-performance of an obligation towards SIX x-clear.

In serious cases and where the non-performance is repeated, SIX x-clear is entitled to take action as described in Section 13.2. of these GTCB.

14 Procedure in case of Default

14.1 Default

14.1.1 Automatic Close-out Events

An SIX x-clear Member will automatically be in Default in the following cases (Automatic Close-out Event):

- a) The Swiss Federal Banking Commission opens insolvency proceedings with regard to a SIX x-clear Member (Art. 33 of the Swiss Federal Banking Act, Art. 36 of the SESTA), a SIX x-clear Member files a petition for proceedings for an arrangement with creditors, or any analogous step is ordered or requested in respect of a SIX x-clear Member in another jurisdiction;

- b) The competent supervisory authority revokes the authorization of the SIX x-clear Member as a bank (Art. 23quiquies and Art. 26 para. 1 letter g of the Swiss Federal Banking Act) or as a Securities dealer (Art. 36 SESTA) or will take any other measure as described in Art. 26 of the Swiss Federal Banking Act or Art. 35 para. 3 and Art. 36 of the SESTA or a supervisory authority in another jurisdiction takes similar action against a SIX x-clear Member.

14.1.2 Default declaration by SIX x-clear

SIX x-clear can declare a SIX x-clear Member to be in Default in the following cases:

- a) Where a SIX x-clear Member is overindebted (e.g. Arts. 725, 817 or 903 of the Swiss Code of Obligations) or any similar matter of fact in another jurisdiction, in which the SIX x-clear Member is incorporated.
- b) In the cases referred to in Section 13.2.4. of these GTCB.

Where SIX x-clear declares a SIX x-clear Member to be in Default, SIX x-clear shall issue a Default notice to all SIX x-clear Members and send said notice without delay to the SIX x-clear Member, the respective Relevant Exchange(s) and the respective Approved Settlement Systems. The consequences of said Default notice take effect immediately upon issuance of the Default notice.

14.2 Defaulting SIX x-clear Member

An SIX x-clear Member in Default or declared to be in Default by SIX x-clear is referred to hereinafter as a Defaulting SIX x-clear Member.

14.3 Measures after the Default of a SIX x-clear Member

In the event of the Default of a SIX x-clear Member, the following will apply to the SIX x-clear Member:

- a) With effect from this date SIX x-clear shall in respect of the Defaulting SIX x-clear Member (i) cancel the Open Offer for all Relevant Exchanges and (ii) decline to enter into Off Order Book Trades contracts.
- b) Neither SIX x-clear nor the Defaulting SIX x-clear Member may make payments or deliveries or fulfill any obligation under any Unsettled Contract, regardless of which Relevant Exchange this Single Contract was concluded for, and all other payments or deliveries will be effected through payment of the Settlement Amount (as defined in letter c/3. below).
- c) The parties agree on the following procedure (Close-out Netting):
 1. As regards each Unsettled Contract:
 - i. SIX x-clear will establish the replacement value of the Securities which were required to be delivered to or by the Defaulting SIX x-clear Member. The replacement value of the Securities is determined by the closing price on the respective Relevant Exchange on the day the Default occurred or the Default notice was issued. If the respective Securities are not traded on the respective Relevant Exchange on this day, the last available closing price for these Securities on an Exchange in the issuer's country will apply. The replacement value is calculated in

the currency in which the Securities were traded on the Exchange whose closing price is applicable.

- ii. SIX x-clear will establish the total value of all the payments which were required to be made to or by the Defaulting SIX x-clear Member.
 2. SIX x-clear will establish all other amounts (commissions, etc.) which were required to be paid to or by the Defaulting SIX x-clear Member under the Contract for Clearing Services (Swiss Law), the Pledge Agreements for Margins and for the Default Funds, the Pledgeholder Agreements, these GTCB, the Respective Exchange Specific GTCB, the Respective Rules & Regulations and other contracts with SIX x-clear.
 3. SIX x-clear will add up all the amounts thus determined which have to be paid to or by the Defaulting SIX x-clear Member (Section 14.3, c/1. and c/2.) and convert these amounts at its own discretion into one of the trading currencies of the respective Relevant Exchange. SIX x-clear will then net the outstanding amounts so as to produce a single, positive or negative net amount to be paid to or by the Defaulting SIX x-clear Member ("**Settlement Amount**").
 4. SIX x-clear will inform the Defaulting SIX x-clear Member immediately of this Settlement Amount, stating which party is to pay said amount.
- d) The Settlement Amount must be paid by the Defaulting SIX x-clear Member or by SIX x-clear within a period of two trading days. If the party liable to pay fails to pay within this period, interest on arrears will be charged at the LIBOR rate for the Swiss Franc money market (three months) plus a margin of 1%.

SIX x-clear will obtain payment of the Settlement Amount from the Defaulting SIX x-clear Member by realizing the collateral provided by the Defaulting SIX x-clear Member.

14.4 Compensation and costs

SIX x-clear is entitled to charge the Defaulting SIX x-clear Member compensation for other loss and for all the costs it has incurred in connection with the measures referred to in Section 14.3, e.g. costs incurred in connection with the realization of collateral, and court and out-of-court costs. SIX x-clear will obtain payment of this amount through realization of the collateral which the Defaulting SIX x-clear member has provided.

15 Procedure in case of Default by SIX x-clear

15.1 Default cases

SIX x-clear will automatically be in Default in the following cases ("**Automatic Close-out Event**"):

- a) The Swiss Federal Banking Commission opens insolvency proceedings with regard to SIX x-clear (Art. 33 Swiss Federal Banking Act);
- b) The competent supervisory authority revokes the authorization of SIX x-clear as a bank (Art. 23ter ff. and Art. 26 para. 1 letter g of the Swiss Federal Banking Act) or takes any other measure in accordance with Art. 26 of the Swiss Federal Banking Act.

15.2 Consequences of Default

In cases in which SIX x-clear is the Central Counterparty and if SIX x-clear is in Default, the following provisions will apply:

- a) Neither SIX x-clear nor any SIX x-clear Member may make payments or deliveries or fulfill any obligation under an Unsettled Contract, and any other payment or delivery will be effected through payment of the Settlement Amount (as defined in letter b below).
- b) The parties agree on the following procedure ("Close-out Netting"):
 1. As regards each Unsettled Contract
 - i. The SIX x-clear Members will establish the replacement value of the Securities which were required to be delivered to SIX x-clear or by SIX x-clear. The replacement value of the Securities is determined by the closing price on the respective Relevant Exchange on the day on which SIX x-clear was found to be in Default. If the respective Securities are not traded on the respective Relevant Exchange on this day, the last available closing price for these Securities on an Exchange in the issuer's country will apply. The replacement value is calculated in the currency in which the Securities were traded on the Exchange whose closing price is applicable;
 - ii. The SIX x-clear Members will establish the amount of all the payments required to be made to SIX x-clear or by SIX x-clear.
 2. The SIX x-clear Members will establish all other amounts which were required to be paid by SIX x-clear or to SIX x-clear under the Contract for Clearing Services (Swiss Law), the Pledge Agreements for Margins and for the Default Funds, the Pledgeholder Agreements, these GTCB, the Respective Exchange Specific GTCB and the Respective Rules & Regulations.
 3. All the amounts thus determined which have to be paid to SIX x-clear or by SIX x-clear will be added up and converted into one of the trading currencies of the Respective Exchange. The outstanding amounts will be netted so as to produce a single, positive or negative net amount to be paid by the SIX x-clear Member to SIX x-clear or by SIX x-clear to the SIX x-clear Member ("Settlement Amount").
 4. The SIX x-clear Members will notify SIX x-clear immediately of this Settlement Amount and establish which party is required to pay said amount.
- c) The Settlement Amount must be paid by SIX x-clear or the SIX x-clear Member within a period of two trading days. If the party liable to pay fails to pay within this period, interest on arrears will be charged at the LIBOR rate for the Swiss Franc money market (three months) plus a margin of 1%.

16 Reporting requirements for SIX x-clear members

SIX x-clear Members must notify SIX x-clear in writing without delay, where:

1. They change their Approved Settlement System for some or all of their orders. Notice must be given at least ten trading days before the change;
2. A change in status vis-à-vis the supervisory authority is intended or ordered. Notice must be given no later than on the enactment of a precautionary measure or on the issuance of a relevant order respectively ruling (including rulings as referred to in Section 13.1. letter d of these GTCB) by the supervisory authority;
3. Reasons become known that give rise to the expectation of substantial changes in the stability, creditworthiness or operational reliability of the SIX x-clear Member. A submission must be made as soon as such reasons appear. Examples of these reasons include:
 - i. changes in the shareholdings in the SIX x-clear Member, as soon as the current situation changes by 10% or more of the voting rights
 - ii. a reduction by more than 10% in share capital
 - iii. interventions by the Relevant Exchange or the Approved Settlement System;
 - iv. commencement of proceedings or interventions against the SIX x-clear Member by a supervisory authority owing to serious breaches of the law by the SIX x-clear Member, the threat of withdrawal of the SIX x-clear Member's license or jeopardization of the SIX x-clear Member's creditworthiness, stability or operational reliability
 - v. the SIX x-clear Member files for bankruptcy, for an arrangement to be reached with creditors or a moratorium with the competent authority or takes corresponding measures in accordance with the law applicable to the SIX x-clear Member;
4. It is no longer possible to conform to the technical and operational specifications (Section 3.2. of these GTCB).

SIX x-clear Members must notify SIX x-clear without delay by telephone, e-mail or verbally if they are unable to fulfill a significant obligation arising from the Contract for Clearing Services (Swiss Law), the Pledge Agreements for Margins and for the Default Funds, the Pledgeholder Agreements, these GTCB, the Respective Exchange Specific GTCB and/or the Respective Rules & Regulations, with particular regard to the provision of collateral. SIX x-clear's contact address is given in the Clearing Terms.

17 Force Majeure

Where SIX x-clear or a SIX x-clear Member is prevented from discharging its obligations by force majeure, e.g. natural disasters, pandemics, civil unrest, terrorist attacks, armed conflicts and war, or as a result of other events outside the control of SIX x-clear or the SIX x-clear Member such as strikes, power failure, lock-outs, traffic and transport problems and the partial or complete unusability of third-party technical systems (e.g. IT, energy, telecommunications,

Exchanges, Securities Settlement and payment systems), SIX x-clear or the SIX x-clear Member must notify the other party immediately of this impediment ("**Force Majeure**").

SIX x-clear may nevertheless require the Single Contracts to be settled according to SIX x-clear's instructions, but SIX x-clear can also order other appropriate action. Prior to ordering such action, SIX x-clear will – where feasible – consult the SIX x-clear Members.

18 Assurances and Warranty

18.1 Warranty for collateral provided

The SIX x-clear Member warrants to SIX x-clear and confirms that any Securities provided as collateral do not belong to its customers but are its sole property, that they are free from any third-party rights of ownership or usufruct and that the use of these Securities as collateral is not in breach of any of the SIX x-clear Member's contractual obligations towards third parties, including the SIX x-clear NCM, or any statutory regulations.

SIX x-clear warrants to the SIX x-clear Member and confirms that any Securities used as collateral and returned to the SIX x-clear Member do not belong to third parties but are its sole property, that they are free from any third-party rights of ownership or usufruct and that the return of these Securities to the SIX x-clear Member is not in breach of any contractual obligations towards third parties or any statutory regulations.

18.2 Assurance concerning intellectual property rights

Where SIX x-clear grants licenses to the SIX x-clear Member, SIX x-clear warrants that it has either developed the licensed software itself and it holds the relevant commercial property rights, in particular the copyright, or that it has obtained from the holder of the rights the relevant rights to distribute the licensed material and that it is not aware of any prior third-party rights in Switzerland at the time of signing this contract. Details are provided in the separate license agreements between the parties.

19 Charges and schedule of fees

19.1 Service charges and setting of charges

SIX x-clear Members must pay a charge for the services provided by SIX x-clear. SIX x-clear will set out its service charges and membership fee in the latest SIX x-clear schedule of fees in accordance with the Respective Rules & Regulations. SIX x-clear is entitled to vary the amount of the fees from time to time. SIX x-clear will notify Members of changes in the manner described in Section 4. ff. of the Contract for Clearing Services (Swiss Law).

Suspension of membership does not release Members from the requirement to pay the membership fee.

19.2 Statement and payment of charges

SIX x-clear Members will receive from SIX x-clear a monthly statement of the charges accrued.

20 Direct procedure

20.1 Charges

The charges are paid in accordance with SIX Telekurs Ltd's debit procedure or via direct debit. The SIX x-clear Member undertakes to provide the relevant debit authorizations.

20.2 Direct debit for margins and the Default Fund(s)

The SIX x-clear Member undertakes to authorize SIX x-clear to collect all monies owed by the SIX x-clear Member, incl. margins and contributions to the Default Fund(s) for the SIX x-clear Exchanges, from the SIX x-clear Member's account with SIX SIS or a third bank or via SIC by direct debit. Collection will be effected by SIX SIS as an agent of SIX x-clear. The SIX x-clear Member further undertakes to instruct SIX SIS to honor the direct debits received from SIX x-clear to collect all sums owed by the SIX x-clear Member from the SIX x-clear Member's accounts with SIX SIS and transfer the appropriate amount to SIX x-clear's SIX SIS account. The SIX x-clear Member may revoke the debit instruction within 30 days of dispatch of the corresponding invoice. Margins and other collateral such as contributions to the Default Fund(s) are excluded from this right of revocation.

21 Disclosure of data to the SIX x-clear Exchanges

SIX x-clear Members recognize and consent to the fact that where a SIX x-clear Member

- i. is no longer in a position to fulfill its contractual obligations arising from Outstanding Contracts,
- ii. commits a severe or very severe violation of contractual obligations towards SIX x-clear,
- iii. relinquishes its SIX x-clear membership or the latter is cancelled or suspended by SIX x-clear,

SIX x-clear will notify the SIX x-clear Exchanges of the events described in i - iii forthwith.

22 Validity

In cases of dispute the German version shall prevail.

Annex to these GTCB (Swiss Law): Checklist for the content of the GCM-NCM Agreement

1. Legislation applicable to the relationship between the SIX x-clear GCM and the SIX x-clear NCM, with the SIX x-clear NCM as agent of the SIX x-clear GCM.
2. If SIX x-clear is the Central Counterparty, all orders entered by a SIX x-clear NCM in the Exchange's order book are entered on behalf of the SIX x-clear GCM. If a Exchange order entered by the SIX x-clear NCM is matched with another Exchange order, a Single Contract between the SIX x-clear GCM and SIX x-clear and a corresponding Single Contract between the SIX x-clear NCM and the SIX x-clear GCM are generated.
3. If the SIX x-clear NCM is trading on SIX Swiss Exchange: If LCH.Clearnet is the Central Counterparty, all SIX x-clear NCM entries in the SIX Swiss Exchange order book are directly effective in favor of or to the debit of SIX x-clear. If an order entered by the SIX x-clear NCM is matched with another order, a transaction between SIX x-clear and LCH.Clearnet is generated. Simultaneously, corresponding Single Contracts on identical terms are generated between the SIX x-clear GCM and SIX x-clear and between the SIX x-clear GCM and the SIX x-clear NCM.
4. Exclusion of any contractual relationship and any liability in the relationship between SIX x-clear and the SIX x-clear NCM.
5. The SIX x-clear GCM's margin requirements of its SIX x-clear NCM.
6. Authorization (where applicable) of the SIX x-clear NCM by the SIX x-clear GCM to assume responsibility for Settlement directly vis-à-vis SIX x-clear in the name and for the account of the SIX x-clear GCM.
7. Non-performance/Default by the SIX x-clear NCM.
8. Period of validity.
9. Separability clause.
10. Applicable law.
11. Place of jurisdiction; place of performance.