

Exchange Specific General Terms and Conditions of Business concerning SIX Swiss Exchange Ltd

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1 Scope

These Exchange Specific General Terms and Conditions of Business concerning SIX Swiss Exchange Ltd (hereinafter "Stock Exchange Specific GTCB SIX Swiss Exchange") govern the Contractual Relationship between SIX x-clear and the SIX x-clear GCM or SIX x-clear and the SIX x-clear ICM who clear their trades on SIX Swiss Exchange Ltd (hereinafter "SIX Swiss Exchange") via SIX x-clear or LCH.Clearnet.

2 Definitions

Euroclear: The Euroclear System, operated by Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, a subsidiary of Euroclear plc.

LCH.Clearnet: LCH.Clearnet Limited, the London Clearing House, a Recognised Clearing House under the Financial Services and Markets Act 2000, registered in England and Wales whose head office is at Aldgate House, 33 Aldgate High Street, London EC3N 1EA, United Kingdom.

LCH.Clearnet GCM (General Clearing Member): An LCH.Clearnet Member who clears own-account trades and customer transactions with LCH.Clearnet, as well as trades by LCH.Clearnet NCMs, in the Blue Chip Segment of SIX Swiss Exchange in accordance with the relevant rules applicable to LCH.Clearnet Members.

LCH.Clearnet ICM (Individual Clearing Member): An LCH.Clearnet Member who clears own-account trades and customer transactions with LCH.Clearnet in the Blue Chip Segment of SIX Swiss Exchange in accordance with the relevant rules applicable to LCH.Clearnet Members.

LCH.Clearnet Member: LCH.Clearnet ICM and LCH.Clearnet GCM.

LCH.Clearnet NCM (Non Clearing Member): A Trading Member of the Exchange who is not a member of LCH.Clearnet and who participates in the Clearing system through an LCH.Clearnet GCM in accordance with the relevant rules applicable to LCH.Clearnet Members.

LCH.Clearnet Open Offer: Offer from LCH.Clearnet to act as Central Counterparty for orders matched in the Blue Chip Segment of SIX Swiss Exchange between an LCH.Clearnet Member or LCH.Clearnet NCM and a SIX x-clear Member or SIX x-clear NCM in accordance with the LCH.Clearnet General Regulations.

SIX Swiss Exchange: SIX Swiss Exchange, a Swiss Stock Exchange according to the Federal law on stock exchanges and securities trading (SESTA), registered in the commercial register of the Canton of Zurich as public limited company ("Aktiengesellschaft") whose head office is at Selnaustrasse 30, 8021 Zurich, Switzerland.

SIX Swiss Exchange Member: Member of SIX Swiss Exchange in accordance with SIX Swiss Exchange rules.

SIX Swiss Exchange Rules: All regulations governing the relationship between SIX Swiss Exchange and its Trading Members.

Co-CCP: SIX x-clear in its function as equal CCP with LCH.Clearnet Ltd in relation to a stock exchange transaction in the Blue Chip Segment of SIX Swiss Exchange for which one Trading Member is a Member or NCM of SIX x-clear and the other a Member or NCM of LCH.Clearnet.

SIX x-clear Open Offer for SIX Swiss Exchange: Offer from SIX x-clear to act as Central Counterparty for its Members for orders matched on SIX Swiss Exchange between SIX x-clear Members or SIX x-clear NCMs in accordance with Section 4 of these Exchange Specific GTCB SIX Swiss Exchange.

The terminology used in the present Exchange Specific GTCB SIX Swiss Exchange corresponds to the terminology in the GTCB (Swiss Law) as well as in these Exchange Specific GTCB SIX Swiss Exchange.

3 Securities eligible for Clearing

The Securities eligible for Clearing are described in the Respective Clearing Terms and published on the SIX x-clear website.

4 Relationship to LCH.Clearnet

The SIX x-clear Member notes and accepts that the Clearing of stock exchange transactions in the Blue Chip Segment of SIX Swiss Exchange through SIX x-clear shall not give rise to any contractual obligations or contractual rights with respect to LCH.Clearnet. Furthermore, the SIX x-clear Member acknowledges that the contracts cited in Item 2 of the Contract for Clearing Services (Swiss Law) do not confer on it any right to take legal action against LCH.Clearnet. The SIX x-clear Member confirms that

- membership of SIX x-clear creates no Contractual Relationship or contractual rights between the SIX x-clear Member and LCH.Clearnet;
- membership of SIX x-clear creates no relationship or rights whatsoever under company law between the SIX x-clear Member and LCH.Clearnet;
- the signing of the Contract for Clearing Services (Swiss Law) with SIX x-clear does not entail any kind of guarantee on the part of LCH.Clearnet to the SIX x-clear Member.

5 Open Offer

5.1 Principles of Open Offer

Due to the open offer, matching gives rise to Single Contracts between the Central Counterparties and their Clearing Members i.e. between SIX x-clear and a SIX x-clear Member or, respectively, between LCH.Clearnet and an LCH.Clearnet member.

As soon as a Matching is achieved in the Blue Chip Segment of SIX Swiss Exchange between a SIX x-clear Member and an LCH.Clearnet Member, LCH.Clearnet is the Central Counterparty. The SIX x-clear Open Offer is valid for the SIX x-clear Member.

The SIX x-clear NCM or LCH.Clearnet NCM acts as deputy of the SIX x-clear GCM or LCH.Clearnet GCM respectively. In this case, additional contracts between the NCM and GCM

concerned will arise (see Section 9 of the GTCB (Swiss Law) and Section 5.6 of this Stock Exchange Specific GTCB).

The technical process of Matching is governed by the SIX Swiss Exchange Rules.

5.2 SIX x-clear Open Offer for SIX Swiss Exchange

SIX x-clear offers to act as the Central Counterparty for SIX x-clear Members for orders matched on SIX Swiss Exchange, where

- both parties to the Match are either SIX x-clear Members whose SIX x-clear membership has not been suspended or they are SIX x-clear NCMs.
- the matched orders relate to Securities eligible for clearing whose listing on SIX Swiss Exchange has not been suspended or subjected to a similar measure, and
- SIX x-clear has not suspended the SIX x-clear Open Offer with respect to either of the two SIX x-clear Members.

SIX x-clear's becoming the Central Counterparty is subject to a condition subsequent. Where SIX x-clear declines to enter into the orders matched on SIX Swiss Exchange, the single Contractual Relationship based on the participation of SIX x-clear as the Central Counterparty will cease with retrospective effect.

5.3 Defining the scope of the SIX x-clear Open Offer and the LCH Open Offer

The scope of the SIX x-clear Open Offer and the respective LCH.Clearent Open Offer primarily depends on the Segment of SIX Swiss Exchange the Matching occurred.

5.3.1 Open Offer in the Small and MidCap, Bond and ETF Clearing Segments

The SIX x-clear Open Offer is always applicable to a Matching in the SIX Swiss Exchange Small and MidCap, Bond or ETF Segment as SIX x-clear is the only Central Counterparty in these Segments. The following individual combinations may thereby arise:

- a) A Match between two SIX x-clear GCMs is cleared through SIX x-clear as the Central Counterparty.
- b) A Match between two SIX x-clear ICMs is cleared through SIX x-clear as the Central Counterparty.
- c) A Match between two SIX x-clear NCMs is cleared through SIX x-clear as the Central Counterparty and through the SIX x-clear GCMs concerned.
- d) A Match between an SIX x-clear GCM or SIX x-clear ICM or SIX x-clear NCM as the first party and an SIX x-clear GCM or SIX x-clear ICM or SIX x-clear NCM as the second party is cleared through SIX x-clear as the Central Counterparty and, where necessary, through the SIX x-clear GCMs concerned.

5.3.2 Open Offer in the Blue Chip Clearing Segment

Both SIX x-clear and LCH.Clearnet are operational as Central Counterparty in the Blue Chip Segment of SIX Swiss Exchange. Either the SIX x-clear Open Offer or the LCH.Clearnet Open Offer is applicable for a Matching in this Segment, depending on which Clearing Membership the respective Trading Parties have. Both Open Offers of the Central Counterparties simultaneously exclude the other:

Clearing Membership of the SIX Swiss Exchange Member	Central Counterparty
Both LCH.Clearnet	LCH.Clearnet
Both SIX x-clear	SIX x-clear
One of each from LCH.Clearnet and SIX x-clear	LCH.Clearnet (SIX x-clear acts as Co-CCP)

The following individual combinations may arise:

- a) A Match between two SIX x-clear GCMs is cleared through SIX x-clear as the Central Counterparty.
- b) A Match between two SIX x-clear ICMs is cleared through SIX x-clear as the Central Counterparty.
- c) A Match between two SIX x-clear NCMs is cleared through SIX x-clear as the Central Counterparty and through the SIX x-clear GCMs concerned.
- d) A Match between an SIX x-clear GCM or SIX x-clear ICM or SIX x-clear NCM as the first party and an SIX x-clear GCM or SIX x-clear ICM or SIX x-clear NCM as the second party is cleared through SIX x-clear as the Central Counterparty and, where necessary, through the SIX x-clear GCMs concerned.
- e) A Match between a SIX x-clear Member or a SIX x-clear NCM and an LCH.Clearnet Member or an LCH.Clearnet NCM is cleared through LCH.Clearnet as the Central Counterparty. In such a case, LCH.Clearnet will offer clearing services to its Members and SIX x-clear NCMs as Sub-Central Counterparty.
- f) A Match between two LCH.Clearnet GCMs is cleared through LCH.Clearnet as the Central Counterparty.
- g) A Match between two LCH.Clearnet ICMs is cleared through LCH.Clearnet as the Central Counterparty.
- h) A Match between two LCH.Clearnet NCMs is cleared through LCH.Clearnet as the Central Counterparty and through the LCH.Clearnet GCMs concerned.
- i) A Match between an LCH.Clearnet GCM or LCH.Clearnet ICM or LCH.Clearnet NCM as the first party and an LCH.Clearnet GCM or LCH.Clearnet ICM or LCH.Clearnet NCM as the second party is cleared through LCH.Clearnet as the Central Counterparty and, where necessary, through the LCH.Clearnet GCMs concerned.

5.4 Formation and content of Single Contracts between the Central Counterparty and SIX x-clear Members under a SIX x-clear Open Offer for SIX Swiss Exchange

The SIX x-clear Open Offer for SIX Swiss Exchange as defined in Section 5.2. is deemed to have been accepted when the orders are matched on SIX Swiss Exchange. At this point, two Single Contracts originate, the first being the Single Contract between the selling SIX x-clear Member and SIX x-clear, and the second the Single Contract between SIX x-clear and the buying SIX x-clear Member.

The content of the Single Contracts arising in this way is determined as follows: The Matching process determines the Securities, the price and the number of Securities. The remainder of the content of the two Single Contracts is based on the GTCB (Swiss Law) as well as on and these Stock Exchange Specific GTCB, supplemented by the Respective Rules & Regulations.

The benefits and risks associated with the Securities sold pass to the buyer at the time of Matching.

In the case of Securities that entitle the holder to receive interest, dividends, distributions, etc., these rights will also form part of the contract ("cum"), provided that the Matching process takes place before the expiry date. Where the Matching process takes place on or after the expiry date ("ex"), these rights cease to be part of the contract. Where income earned by the buyer accrues to the seller because it has not delivered the Securities when due, the seller will be obliged to transfer the income or the entitlement to enforce these rights to the buyer.

The delivery and payment obligations arising from the Outstanding Contracts are due, performable and payable three days after the conclusion of the Single Contracts (T+3).

The place of performance in contracts between SIX x-clear Members and SIX x-clear is the domicile of SIX x-clear in Zurich.

5.5 Rejection of Single Contracts concluded on the basis of a SIX x-clear Open Offer for SIX Swiss Exchange

The acceptance of the SIX x-clear Open Offer for SIX Swiss Exchange through Matching gives rise to Single Contracts between SIX x-clear and its Members which are subject to a condition subsequent. The rejection by SIX x-clear of Single Contracts arising from the Open Offer will result in their cancellation. In this case, no Single Contract has come into being between SIX x-clear and its Members.

SIX x-clear is unilaterally entitled to reject Single Contracts arising from the SIX x-clear Open Offer for SIX Swiss Exchange. The grounds for rejection are (exhaustive list):

- The Securities for which the orders have been matched have not been recognised by SIX Swiss Exchange and/or by SIX x-clear as eligible for Clearing or have been suspended or removed from trading on SIX Swiss Exchange or in respect of their eligibility for Clearing or have been subjected to any similar measure.
- The Match has been cancelled by SIX Swiss Exchange.

- A Match has taken place although SIX x-clear has withdrawn or suspended the SIX x-clear Open Offer in respect of a Member (cf. Section 13.2.2. and Section 14.3. letter a of the GTCB (Swiss Law)).
- A SIX x-clear Member party to the orders matched is in Default or a notice of Default has been issued by SIX Swiss Exchange or SIX x-clear in respect of such SIX x-clear Member.
- Cases in accordance with Section 10 of these Exchange Specific GTCB SIX Swiss Exchange.

Subject to the cases described in Section 10, SIX x-clear will notify SIX Swiss Exchange and the SIX x-clear Members concerned no later than at the end of the first trading day after the Matching (T + 1) of the rejection of any Single Contracts arising from the SIX x-clear Open Offer for SIX Swiss Exchange.

Where a Single Contract arising from the SIX x-clear Open Offer for SIX Swiss Exchange is rejected, all single Contractual Relationships between SIX x-clear and the SIX x-clear Member in respect of the orders concerned will be cancelled and the SIX x-clear Member acknowledges and expressly recognises the fact that no Single Contract has ever arisen between any of the parties involved (including between the SIX x-clear Member and a SIX x-clear NCM).

5.6 LCH.Clearnet Open Offer

As soon as a matching is made in the Blue Chip Segment of SIX Swiss Exchange between a SIX x-clear Member (or a SIX x-clear NCM) and an LCH.Clearnet Member (or an LCH.Clearnet NCM), LCH.Clearnet is the Central Counterparty. The LCH.Clearnet Open Offer is valid and SIX x-clear acts in its function as Co-CCP.

A contract arising between SIX x-clear and LCH.Clearnet from the LCH.Clearnet Open Offer for SIX Swiss Exchange also gives rise to contracts between SIX x-clear and the SIX x-clear Member at the same time and on the same terms as follows:

- Where SIX x-clear is the buyer vis-à-vis LCH.Clearnet, a Single Swiss law governed Contract arises between SIX x-clear and the SIX x-clear Member concerned at the same time and on the same terms, in which SIX x-clear is the seller and the SIX x-clear Member is the buyer. In the same way, where the SIX x-clear Member is acting as a SIX x-clear GCM for a SIX x-clear NCM a Swiss law governed Contract arises between the SIX x-clear GCM and the SIX x-clear NCM at the same time and on the same terms, with the SIX x-clear GCM as the seller and the SIX x-clear NCM as the buyer.
- Where SIX x-clear is the seller vis-à-vis LCH.Clearnet, a Single Swiss law governed Contract arises between SIX x-clear and the SIX x-clear Member concerned at the same time and on the same terms, in which SIX x-clear is the buyer and the SIX x-clear Member is the seller. In the same way, where the SIX x-clear Member is acting as a SIX x-clear GCM for a SIX x-clear NCM a Swiss law governed Contract arises between the SIX x-clear GCM and the SIX x-clear NCM at the same time and on the same terms, with the SIX x-clear GCM as the buyer and the SIX x-clear NCM as the seller.

The SIX x-clear Members acknowledge and recognise that LCH.Clearnet has the right:

- To terminate contracts already concluded on the basis of the LCH.Clearnet Open Offer for SIX Swiss Exchange by refusing to register them. In this case, no (Single) Contract has

arisen, be it between LCH.Clearnet and SIX x-clear, or between SIX x-clear and the SIX x-clear Member or between the SIX x-clear Member and the SIX x-clear NCM;

- To suspend or cancel the LCH.Clearnet Open Offer for SIX Swiss Exchange; or
- To terminate SIX x-clear's membership of LCH.Clearnet by serving notice to this effect.

Where LCH.Clearnet is the Central Counterparty, the SIX x-clear Members and SIX x-clear NCMs will act as agent for SIX x-clear i.e. for the account and in the name of SIX x-clear, in its relationship with LCH.Clearnet.

6 Off Order Book Trades

Subject to the conditions set out below, SIX x-clear will also act as the Central Counterparty in SIX Swiss Exchange Off Order Book Trades. The following rules apply:

- a) An Off Order Book Trade between two SIX Swiss Exchange Members will give rise to a bilateral agreement between the two SIX Swiss Exchange Members in accordance with the SIX Swiss Exchange Rules.
- b) Where both parties to an Off Order Book Trade are either SIX x-clear Members or SIX x-clear NCMs and the LCH.Clearnet Open Offer is not applicable, SIX x-clear will enter into the Off Order Book Trade as the Central Counterparty, if the Off Order Book Trade can be accepted into Clearing under the SIX Swiss Exchange Rules and the Respective Rules & Regulations of SIX x-clear and if the bilateral agreement referred to in letter a is cancelled.
- c) Subject to cases defined in Section 10, SIX x-clear has the right to reject and cancel the Off Order Book Trade until the end of the first trading day after Matching (T + 1). If the Off Order Book Trade is cancelled, the bilateral agreement between the two SIX x-clear Members will remain in force.
- d) The interposition of SIX x-clear as the Central Counterparty will give rise to two Single Contracts, the first between the selling SIX x-clear Member and SIX x-clear and the second between SIX x-clear and the buying SIX x-clear Member. These Single Contracts will not arise retrospectively but at the time of SIX x-clear's interposition. The type of Security, the price and the number of Securities will be identical to the Off Order Book Trade and the remaining terms of these contracts will be subject to the GTCB (Swiss Law) and these Exchange Specific GTCB SIX Swiss Exchange. Section 5.4. of these Stock Exchange Specific GTCB will apply *mutatis mutandis* to the transfer of benefits and risks, time of performance, place of performance and pre-emptive rights, dividends and distributions.

7 Collateral

7.1 Obligation to provide collateral

The SIX x-clear Members are obliged to provide collateral for:

- Initial Margin/Variation Margin, incl. margin calls
- contributions to SIX x-clear's Default Fund(s)

7.2 Basis of collateral provided in the form of margins

On each trading day, every SIX x-clear Member must maintain with SIX x-clear collateral in the amount specified by SIX x-clear in cash or Securities accepted by SIX x-clear as collateral for all of its liabilities towards SIX x-clear.

Collateral in the form of margin is calculated in accordance with the following margin requirements:

- Initial Margin: A percentage of the net value of all reciprocal claims and liabilities between SIX x-clear Members and SIX x-clear arising from the Outstanding Contracts concluded on the SIX x-clear Exchanges for each Security, as laid down in the Respective Clearing Terms. The value of claims and liabilities is recalculated upon each change in Outstanding Contracts concluded on all SIX x-clear Exchanges.

The Initial Margin is multiplied by a risk coefficient, which depends on the SIX x-clear member's external long-term counterparty rating. The SIX x-clear Member's long-term external rating is based on the rating of a recognised rating agency in accordance with the Respective Clearing Terms. Where several ratings are available from recognised rating agencies, the second best rating from a recognised rating agency will be taken as the SIX x-clear Member's external long-term rating. If no long-term rating is available, SIX x-clear will determine an internal rating by means of a benchmarking process. The risk coefficient to be applied is stipulated in the Respective Rules & Regulations.

- The Variation Margin is marked to market several times daily based on the net exposure in respect of all Outstanding Contracts for each Security. The amount of Variation Margin required to be provided is stipulated in the Respective Clearing Terms.

Margin requirements are continually marked to market by SIX x-clear. Collateral is re-evaluated on a daily basis. As soon as a SIX x-clear Member's account is undermargined – due to a decrease in the collateral value or an increase in the liabilities arising from Outstanding Contracts with SIX x-clear – the SIX x-clear Member is obliged to provide additional collateral.

Margin calls must be fulfilled within 60 minutes after notification. SIX x-clear may, in principle, make margin calls at any time.

7.3 Nature of the collateral provided in the form of margins

Collateral in the form of margin can generally be provided in the form of cash transfers or in the form of Securities. Collateral is to be deposited in the SIX SIS account or SIX SIS custody account designated by SIX x-clear.

SIX x-clear stipulates the collateral accepted and its collateral value (Haircuts or collateral deductions) in the Respective Clearing Terms. SIX x-clear will continuously review the Securities accepted as collateral and their collateral values and is entitled to change the collateral values at any time with immediate effect for Outstanding Contracts outstanding at the time the amendment is announced and for Single Contracts concluded after this announcement as described in Section 5.4. and Section 6 of these Exchange Specific GTCB. SIX x-clear is also entitled at any time to require the SIX x-clear Member to exchange individual items of collateral and replace them with other items of collateral. If a particular Security is no longer accepted as collateral, SIX x-clear will grant the Member a period of two trading days to provide a substitute.

7.4 Re-use of collateral provided in the form of margins

Subject to paragraph 2 of this Section 7.4., SIX x-clear will use the collateral provided by a SIX x-clear Member solely as security for the liabilities of the SIX x-clear Member concerned.

SIX x-clear is authorised to use the collateral provided by SIX x-clear Members for the SIX x-clear Exchanges in compliance with the margin requirements as security in relation to LCH.Clearnet. SIX x-clear's entitlement to use the collateral provided in compliance with the margin requirements is based on the SIX x-clear Pledge Agreement for Margins.

The SIX x-clear Member is not subject to a margin call solely due to the fact that LCH.Clearnet realises the collateral provided by SIX x-clear. The duty of SIX x-clear Members to provide collateral is determined solely by the SIX x-clear margin requirements.

7.5 SIX x-clear Default Fund for the Relevant Exchanges

In addition to the collateral in the form of margin, each SIX x-clear Member is obliged to make a percentage contribution to the SIX x-clear Default Fund for respective Relevant Exchanges to compensate the financial effects of its non-performance/Default or the non-performance/Default of other SIX x-clear Members. The amount of the contribution to be paid per SIX x-clear Member will be determined by SIX x-clear for each SIX x-clear Member in accordance with the function of that SIX x-clear Member (SIX x-clear ICM or SIX x-clear GCM) and the average gross open position over the previous three months of the SIX x-clear Member on the respective Relevant Exchange.

This contribution to the SIX x-clear Default Fund(s) is not to be paid to SIX x-clear but collateralised by cash or Securities. A Default Fund collateral account in the Member's name will be opened at SIX SIS for the collateral provided by each SIX x-clear Member for the Default Fund. This account will be pledged to SIX x-clear as security for the contribution to be made to the Default Fund (regular pledge). The details are contained in the Pledge Agreement for the Default Funds, the Pledgeholder Agreement and in the Respective Clearing Terms.

If at any time cover is found to be insufficient to meet the amount requested by SIX x-clear because the value of the collateral has declined or because the contribution liability has increased, the SIX x-clear Member is obliged to provide additional collateral. In the event of a change in the value of the collateral, additional collateral must be provided within 60 minutes. Details are contained in the Respective Clearing Terms.

The contribution to the SIX x-clear Default Fund(s) must be paid promptly at SIX x-clear's first request in the event of non-performance/Default by the SIX x-clear Member or other SIX x-clear Members.

SIX x-clear is entitled to realise the collateral booked to the SIX x-clear Members' Default Fund Collateral Accounts to pay the SIX x-clear Member's contribution and also to use the proceeds of realisation to pay any court or out-of-court costs incurred in connection with any such realisation of the collateral. The collateral provided by the other SIX x-clear Members in favour of the SIX x-clear Default Fund for the Relevant Exchanges will be realised pro-rata to their share of the total of the contributions made by all SIX x-clear Members up to the occurrence of the Default.

A drawdown on one or both the SIX x-clear Default Funds for the Relevant Exchanges gives rise to an obligation on each SIX x-clear Member to provide additional collateral (i.e. to restore the amount utilised) in favour of the SIX x-clear Default Fund in an amount not exceeding that SIX x-clear Member's contribution liability. In the event of a full drawdown on the SIX x-clear Default Fund for the Relevant Exchanges (full draw down), the SIX x-clear Member shall be required to provide additional collateral only once. In the event of only a partial drawdown on the Default Fund for the Relevant Exchanges, a SIX x-clear Member is obliged to provide additional collateral only to the extent needed to restore the amount utilised. If the SIX x-clear Default Fund for the Relevant Exchanges is further utilised, SIX x-clear Members have to make additional contributions until the aggregated amounts (instalments) are equal to the member's contribution liability.

The SIX x-clear Members will be obliged to restore the original amount within five trading days after their collateral is used in favour of the SIX x-clear Default Fund for the Relevant Exchanges.

Where a non-performing/defaulting SIX x-clear Member furnishes the payments due after the contributions of the other SIX x-clear Members have been realised, SIX x-clear will compensate the other SIX x-clear Members from this payment pro-rata to their share in the total of the contributions made by all SIX x-clear Members up to the time when the SIX x-clear Default Fund for the Relevant Exchanges was used, but up to a maximum of the amount realised.

7.6 Account structure

The accounts and custody accounts for the collateral are operated at SIX SIS. Details are contained in the Respective Clearing Terms.

7.6.1 Account structure for margins

The SIX x-clear Collateral Accounts at SIX SIS are in the name of SIX x-clear. The value of collateral required by SIX x-clear in accordance with the consolidated, i.e. net margin requirements for the SIX x-clear Exchanges (including margin calls) must be available at all times in the SIX x-clear Collateral Accounts. The collateral for the SIX x-clear Collateral Accounts must be provided by means of the irregular pledge as defined in the SIX x-clear Pledge Agreement for Margins.

In addition, a Dispo Collateral Account will be opened at SIX SIS in the name of the SIX x-clear Member. The SIX x-clear Member will deposit and withdraw collateral through the SIX x-clear Collateral Accounts. In addition to the collateral to be transferred to the SIX x-clear Collateral Accounts, the

SIX x-clear Member is obliged at begin of day to keep in the Dispo Collateral Account not less than the value of collateral that will allow SIX x-clear to cover the anticipated margin requirements of the SIX x-clear Member for the next trading day.

At begin of day SIX x-clear will transfer the collateral in the SIX x-clear Member's Dispo Collateral Account to the SIX x-clear Collateral Accounts. The SIX x-clear Member herewith instructs and authorizes SIX x-clear to effect this transfer daily and instructs SIX x-clear to notify accordingly SIX SIS of this authorization.

At end of day SIX x-clear will transfer any collateral not required back to the SIX x-clear Member's Dispo Collateral Account. SIX x-clear herewith undertakes to effect this transfer daily.

The value of collateral required by SIX x-clear in accordance with margin requirements must be available at all times in the SIX x-clear Collateral Accounts, both intraday and overnight.

The method of the booking is laid down in the Respective Clearing Terms.

7.6.2 Account structure for the SIX x-clear Default Fund

To guarantee contributions to the SIX x-clear Default Fund(s), a Default Fund Collateral Account for the Relevant Exchanges and for all other SIX x-clear Exchanges is operated for each SIX x-clear Member at SIX SIS as pledgeholder in the name of the SIX x-clear Member. Its holdings are pledged to SIX x-clear (regular pledge). The collateral remains in the SIX x-clear Member's respective Default Fund Collateral Account at SIX SIS. An appropriate pledge must be annotated on this Default Fund Collateral Account, and the corresponding pledge entitlement must be annotated for SIX x-clear.

7.7 Order of realization of collaterals

In the event of a compensation claim owing to the non-performance/Default of a SIX x-clear Member, SIX x-clear will realize collateral after Close-out Netting in the order shown below:

1. Collateral provided by the SIX x-clear member concerned in the form of margins for the SIX x-clear Exchanges; If the Default occurs only on one of the SIX x-clear Exchanges, the available net margin will be split pro-rata to the gross margin (per SIX x-clear Exchange) across the SIX x-clear Exchanges. The part of the SIX x-clear Exchange where the Default occurred will be realized first.
2. Collateral provided by the SIX x-clear member concerned in the form of a SIX x-clear Default Fund contribution for the Relevant Exchanges
3. Collateral provided by all other SIX x-clear Members in the form of a SIX x-clear Default Fund contribution to the Relevant Exchanges.

Further details are contained in the Respective Clearing Terms.

8 Settlement

8.1 Time of the Settlement

The Settlement of trades concluded via the Open Offer must take place on the third trading day after conclusion of the Single Contracts (T + 3) (cf. Section 5.4. of these Stock Exchange Specific GTCB).

On the day of Settlement the SIX x-clear Member is obliged to have an adequate holding of Securities or cash on hand. The consequences of having insufficient holdings of Securities or cash are set out in the provisions of the GTCB (Swiss Law) governing the procedure in case of a SIX x-clear Member's non-performance of obligations and the procedure in case of Default as well as in the Respective Clearing Terms.

8.2 Participation in Settlement and payment systems

SIX x-clear Members must settle Outstanding Contracts in one of the SIX Swiss Exchange Approved Settlement Systems.

8.2.1 SIX SIS

At least one custody account for Securities is required at SIX SIS. A SIX SIS account or an SIC account at the Swiss National Bank is required to handle money Settlement in CHF, as well as a SIX SIS account in the appropriate foreign currency (e.g. EUR, USD, GBP) to handle money Settlement in foreign currencies.

8.2.2 Euroclear Bank

At least one custody account for Securities is required at Euroclear Bank. At least one account in the relevant currency at Euroclear Bank is required to handle money settlement.

8.2.3 Extraordinary fees, cost and interest charged by Approved Settlement Systems

SIX x-clear will be authorised to collect from the SIX x-clear Members all extraordinary fees, costs and interest etc that a Central Settlement System requests from SIX x-clear because the Single Contracts do not correspond to the provisions of the Central Settlement System.

8.3 SIX x-clear NCM as agent for SIX x-clear GCM in Settlement with SIX x-clear

SIX x-clear will accept that a SIX x-clear NCM is fulfilling a SIX x-clear GCM's obligation towards SIX x-clear by acting as its agent, i.e. acting for and on behalf of the SIX x-clear GCM, provided that the GCM NCM Agreement between the SIX x-clear NCM and the SIX x-clear GCM contains a power of attorney to that effect, and SIX x-clear has been notified of this power of attorney in writing.

Both SIX x-clear NCMs and SIX x-clear GCMs have the option of appointing settlement agents, where this is supported by the relevant Approved Settlement System.

8.4 Settlement netting

Some of the Approved Settlement Systems offer Settlement netting functionalities. These are defined in more detail in the Respective Clearing Terms and in the rules of the Approved Settlement Systems.

SIX x-clear is willing to settle Outstanding Contracts for the SIX x-clear Member on a net basis, provided that this has been agreed in writing between SIX x-clear and the SIX x-clear Member, that the SIX x-clear Member expressly selects this option by informing the corresponding Approved Settlement System accordingly in writing and that the SIX x-clear Member and SIX x-clear alike are bound by the rules of the corresponding Approved Settlement System.

9 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.

If the SIX x-clear member fails to satisfy its payment obligation, this constitutes a case as defined in Section 13.1. letter b of the GTCB (Swiss Law).

10 Market Disorder, Bad Deliveries etc.

10.1 Measures of SIX Swiss Exchange

The SIX x-clear Member is aware that SIX Swiss Exchange, in accordance with SIX Swiss Exchange Rules, can order measures to cancel Single Contracts (reversal of transactions) or suspend (suspension) or halt trading in specific Securities (trading halt). A trading halt can affect individual Securities or the entire system. These measures are binding on SIX x-clear and SIX x-clear Members.

Furthermore, SIX Swiss Exchange can declare a matched transaction void if the respective Participant has given incorrect instructions for clearing and settlement.

10.2 LCH.Clearnet measures

The SIX x-clear Member acknowledges that, in accordance with LCH.Clearnet General Regulations, LCH.Clearnet can order measures to cancel concluded Single Contracts (market disorder, impossibility of performance, trade emergency) or suspend or cancel the LCH.Clearnet Open Offer. In the case of stock exchange orders in which LCH.Clearnet is acting as Central Counterparty these measures are binding on SIX x-clear. The SIX x-clear Member acknowledges that the effect of these measures on the relationship between SIX x-clear and LCH.Clearnet will be reflected at the same time and with the same content in the relationship governed by Swiss law between SIX x-clear and the SIX x-clear Member.

10.3 Measures of an Approved Settlement System

The SIX x-clear Member acknowledges that similar measures as described under Section 10.1 and 10.2 may be applied to the Approved Settlement Systems, which may lead to a cancellation of the Single Contracts. In such events, SIX x-clear is released from the fulfilment of its contractual obligations and may cancel the Single Contracts resulting from the Open Offer for SIX Swiss Exchange or the Off Order Book Trades respectively. The last paragraph of Section 5.5. shall apply *mutatis mutandis*.

11 Trading days

The days on which SIX x-clear provides the services in accordance with the Contract for Clearing Services (Swiss Law), the GTCB (Swiss Law) as well as these Exchange Specific GTCB will be determined by SIX Swiss Exchange

12 Validity

In cases of dispute the German version shall prevail.