

Clearing Notice No 6

Zurich, 24 October 2007

Dear x-clear member

In the current risk management model, the Value at Risk (VAR) per security is determined based on historical prices over the past two years (approx. 500 days). On the whole, this model has proved useful in the past two years. However, it has shown a lack of flexibility where short-term changes in equity market volatility are concerned.

SIS x-clear strives to meet the high requirements of the market and the regulatory authorities and to ensure a confidence interval of 99%. Therefore, we have decided to enhance the procedure for determining the initial margin as follows: In addition to the currently applied VAR, we will also be determining a short-term VAR based on prices over the past three months. If the VAR values deviate, the higher of the two will be applied. The new procedure will be introduced on 5 November 2007. The process of communicating the total margin requirements, the management of collateral and all other business processes will not be affected by this enhancement.

SIS x-clear will include this new margin calculation method in the rules and regulations and provide you with the amended Clearing Terms for virt-x and SWX by separate mail.