

FrontLine SIX x-clear AG

Cash Clearing Platform: Testing of new margin methodology

1. Overview

SIX x-clear AG (SIX x-clear) plans to implement a new hybrid risk model consisting of a stress VaR component and a Monte Carlo VaR component, complemented by a “Risk currency of choice” functionality.

2. Effective date

For client testing: **9 December 2024**.

3. Impact on participants

Members will benefit from a new margin methodology with an enhanced risk modeling functionality and the ability to select appropriate risk currencies for their respective clearing portfolios. To manage their collateral more efficiently, members will be able to select the appropriate “Risk currency of their choice,” thereby avoiding cross-currency haircut measures.

Please be assured that the impact on members will be kept to a minimum. More detailed information on the new margin methodology and the impact on existing reports can be found at www.six-group.com > Login > Securities Services Private > Clearing > Project Cash Clearing Platform > Downloads.

Client testing will be available from 9 December 2024.

Nordic members connected to the SIX Clearing Platform (SCP) are not impacted by this migration.

4. Details

The new margin methodology based on the hybrid VaR (HVaR) component will be implemented in the external test environment as of 9 December 2024. The testing is not mandatory for members, but recommended by SIX x-clear if any risk reporting is currently used.

SIX x-clear can provide assistance if any specific portfolios or combination of such are required for the testing.

5. Contact

For further information relating to this FrontLine, please contact us at clearingplatform@six-group.com.

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In this context, SIX x-clear AG draws the Members' attention to **clause 7.7, chapter 14 and 15** of the Rulebook of SIX x-clear AG stipulating that the Member is responsible for compliance with the applicable laws (in particular domestic and foreign tax, foreign exchange and stock market regulations as well as with company law and articles of association) with respect to the Clearing services obtained from SIX x-clear AG.

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