



SIX Repo Ltd

Trading Directive for the CH Repo Market

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SIX Repo Ltd

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1.0 Purpose and principle

1. This Trading Directive contains implementing provisions for the CH Repo Market and is based on clause 2 of the Regulations for the Admission of Participants and the Use of the Trading Platform of SIX Repo AG (Rule Book). Additional implementing provisions are set out in the Product Specifications for the CH Repo Market (the "Product Specifications").
2. This Trading Directive and the Product Specifications form an integral part of the Rule Book.

2.0 General

1. Sale and repurchase agreements (hereinafter "Contracts") can be traded in the CH Repo Market.
2. SIX Repo AG (the "Platform Operator") provides the platform, but shall in no event be a party to a Contract.
3. Both parties to a Contract must have previously accepted one another as the counterparty before concluding the Contract.
4. The trades conducted on the platform shall be binding on the parties involved.

3.0 Contract types

1. Fully standardized, partially standardized or non-standardized Contract types may be traded.
2. The Platform Operator shall define the Contract types in the Product Specifications and determine the degree of standardization.

4.0 Contractual provisions

1. The parties shall conclude Contracts on the basis of the master agreements concluded by them (e.g. "Swiss Master Agreement for Repo Transactions (Multilateral Version)", TBMA/ISMA Global Master Repurchase Agreement). Any additional contractual terms agreed shall take precedence over the relevant provisions of the master agreements.
2. If the parties have concluded both the Swiss Master Agreement for Repo Transactions (Multilateral Version) and other master agreements (e.g. TBMA/ISMA Global Master Repurchase Agreement), the Swiss Master Agreement for Repo

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Transactions (Multilateral Version) shall take precedence over the other master agreements, unless the parties have agreed otherwise.

5.0 Trading

The following functions exist:

1. With a Request for Offer (RfO) , a party shall notify a selected potential counterparty in a non-binding fashion that it wishes to conclude a Contract.
2. A party shall notify a selected potential counterparty of the prices for a Contract, which are generally non-binding, using a quote. This can be a purchase and/or sales price. At the end of the trading day, or in the event of a disconnection that is detected by the Platform Operator, all quotes shall be deleted automatically.
3. An order is a binding offer for the conclusion of a Contract sent to a selected potential counterparty. This can be (i) accepted ("take"), (ii) "countered" (submission of a counter-proposal) or (iii) "rejected" by the counterparty. The counterparty may also submit a counteroffer. If an order is made on a quote, its available quantity shall be reduced accordingly (regardless of whether or not the order was accepted). An order may be given a term of validity.
4. It is possible that selected potential counterparties are given the Auto-hit attribute for certain Contract types. Under these conditions, orders on quotes shall be accepted automatically. An order using Auto-hit shall not take effect until any rejection period has expired
5. The Contract is accepted using the "Take Order" function.

6.0 Special functions

1. The Auto-hit limit function helps participants to manage their limits. Participants shall use this function under their sole responsibility. The participant shall install on its workstations the software required for the purpose of keeping limits confidential. The participant is solely responsible for configuring its workstations and setting limits. The requisite software shall be supplied free of charge by the Platform Operator.
2. A trade may be canceled before the purchase date by mutual consent by using the "Trade Cancel" function.
3. A non-terminated Contract (open repo) or a conditionally terminated Contract (terminable on demand) may be closed or modified without prior announcement.

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4. The Platform Operator shall supply relevant position data (collateral) to participants which shall ordinarily be updated four times a day.

7.0 Settlement and administration

1. The settlement organization must be stated by the parties when concluding a Contract.
2. Settlement and administration shall be carried out in accordance with clause 12 of the Rule Book and the provisions of the Contract.

8.0 Fees

1. The Platform Operator shall levy a fee for using the platform and a fee per transaction for every participant. The fee for using the platform shall cover all markets offered on the platform.
2. The applicable rates are set out in the List of Trading Charges for the CH Repo Markt.

9.0 Entry into force

This Trading Directive was adopted by the management of the Platform Operator on 20 June 2016 and shall come into force on 7 September 2017.

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