Enactment of the new General Terms and Conditions (version July 2016)

1.0 Overview

On 1 July 2016, the new bilaterally agreed contracts – the Contract for Clearing Services and the Financial Collateral Agreement – will be set in force. This also entails a number of changes and adjustments in the General Terms and Conditions (GTC).

2.0 Effective date

The revised GTC (version July 2016) will also be enacted on 1 July 2016.

3.0 Impact on Members

You have been informed about the substantial changes and additions to the GTC in our letters of 12 January 2016 and 11 April 2016. In particular, the following provisions are concerned:

- Dedicated Capital Contribution of SIX x-clear Ltd (so-called “skin in the game”) before using the Default Fund Contributions of non-defaulting Members in case of a Member Default (clause 18.3);

- additional opportunity for a Member to terminate Membership (clause 4.1);

- provision and administration of Permissible Collateral (chapter 16.0);

- taxation of Permissible Collateral (chapter 17.0); and

- adjustments to the measures to be taken by SIX x-clear Ltd following a Member Default (clause 27.5).

For regulatory reasons clauses 25.2 let. f. and 27.4 stipulate that additionally the European Association of Clearing Houses shall be informed about the Default of a Member. SIX x-clear shall also publish the respective Default Notice on the website of SIX Securities Services.

All other changes either relate to terminology (several new definitions in clause 1.1) or are of a formal nature only.

4.0 Contact

For any further information or queries please contact your Relationship Manager (see: www.six-securities-services.com > Clearing > Contacts).

In this context, SIX x-clear Ltd draws the Members’ attention to clauses 7.1 lit. f. and 25.3 General Terms and Conditions of SIX x-clear Ltd stipulating that the Member bears responsibility for the tax requirements and consequences of clearing with x-clear pursuant to the Applicable Law and that SIX x-clear Ltd assumes no liability for any charges or other negative consequences arising in conjunction with clearing through SIX x-clear Ltd that are a result of tax laws or ordinances issued by tax authorities pursuant to the Applicable Law.