

Market Making Agreement – COSI

(the «**Agreement**»)

between

[**MARKET MAKER**]

[•]

(the «**Market Maker**»)

and

SIX Swiss Exchange AG

Hardturmstrasse 201

8005 Zurich

(«**SIX Swiss Exchange**»)

[The Issuer of the COSI shall also sign this Market Making Agreement; see last page of this Agreement]

WHEREAS

The Market Maker is prepared to enter into the present market making agreement in order to make a market in the Collateral Secured Instruments as specified hereinafter.

NOW, THEREFORE THE PARTIES AGREE AS FOLLOWS:

1) Scope of Agreement

This Agreement applies to all Collateral Secured Instruments («COSI») which are subject to the Framework Agreement for Collateral Secured Instruments between SIX Swiss Exchange AG, SIX SIS AG, [Issuer] and [Collateral Provider] dated [Date].

2) Market Making obligations under Normal Market Circumstances

- a) The Market Maker undertakes to post «bid» prices for each COSI with a transaction value of at least CHF 50'000 (in words: fifty thousand Swiss francs) or an equivalent value in another eligible trading currency during 90% of the official trading hours on each trading day.
- b) «Normal Market Circumstances» exist as long as none of the situations mentioned in Clause 3(a) occurred.

3) Exceptional Market Circumstances

- a) The Market Maker reserves the right to cease the posting of bids and offers upon the occurrence of and for the duration of any exceptional market circumstances (whether or not reasonably foreseeable) (the «**Exceptional Market Circumstances**») that are beyond the Market Maker's reasonable control, including but not limited to
 - the outbreak or escalation of hostilities or other international calamity or terror crisis having a material adverse effect on the COSI;
 - the implementation of any measures by the government, an administrative, legislative, or judicial authority of Switzerland or of the country in which the issuer of the COSI is domiciled with regard to its monetary or fiscal affairs or stock exchanges and which have a material adverse effect on the financial markets related to the COSI;
 - a market disruption event, which has a material adverse effect on the COSI.
- b) Upon the occurrence of any of the Exceptional Market Circumstances as described in Clause 3(a), and whether or not at the request of the Market Maker, SIX Swiss Exchange may – at its own discretion – take any measures it deems necessary to maintain fair and orderly trading. In addition to any measure defined in the Rule Book or any other rules of SIX Swiss Exchange, SIX Swiss Exchange may suspend trading in the COSI on SIX Swiss Exchange for the duration of the Exceptional Market Circumstances.

It is herewith agreed that the Market Maker shall inform SIX Swiss Exchange first by telephone and subsequently by fax or e-mail (Exchange Operations: phone: +41 (0)58 399 24 75, fax: +41 (0)58 399 24 33, e-mail: helpdesk.exc@six-group.com):

- (i) as soon as reasonably possible after becoming aware of any Exceptional Market Circumstances (including the details pertaining to such Exceptional Market Circumstances);
- (ii) as soon as such Exceptional Market Circumstances cease to exist;
- (iii) immediately prior to the Market Maker's resumption of its activities pursuant to Clause 2(a).

4) Publicity

SIX Swiss Exchange has the right to publish on its website the fact that the Market Maker has agreed to perform the market making function under this Agreement.

5) Sanctions

The Market Maker herewith acknowledges that, should the Market Maker be in breach of any clause of this Agreement, SIX Swiss Exchange shall have the right to impose any sanction as set out in the Rule Book of SIX Swiss Exchange. The sanctions under the Framework Agreement for Collateral Secured Instruments referred to in Clause 1 remain reserved.

6) Effectiveness

The obligations set out in this Agreement become effective for each COSI on its first trading day.

7) Termination

- a) This Agreement shall remain in full force until terminated by the parties hereto. Each party may terminate this Agreement upon two months prior written notice to the other party. The Market Maker may be replaced with a successor market maker, which is acceptable to SIX Swiss Exchange and the Issuer, at any time by written notice to SIX Swiss Exchange.
- b) In the event that any party hereto is in material breach of this Agreement, the other party may terminate the Agreement at any time with immediate effect.
- c) This Agreement shall terminate with immediate effect if all COSI under the Framework Agreement referred to in Clause 1 cease to be traded on SIX Swiss Exchange.

8) Liability

No party hereto shall be liable to the other party except for gross negligence or wilful misconduct. Under no circumstances shall a party be held liable for consequential damage including, but not limited to, foregone profits or non-realised savings, loss of business opportunities or higher replacement costs.

9) Amendments

All changes and amendments to this Agreement must be agreed upon in writing by both parties hereto.

10) Applicable law and arbitration

- a) This Agreement shall be governed by substantive Swiss law with the exclusion of the conflict of laws principles.
- b) Any disputes arising from this Agreement shall be settled exclusively and without right of appeal by a court of arbitration with its seat in Zurich. Where appropriate, the internal remedies available at SIX Swiss Exchange (Sanctions Commission, Appeals Board) shall be exhausted before redress can be sought at the court of arbitration. The court of arbitration shall consist of a chairman and two arbitrators, with both parties nominating one arbitrator each, on a case-by-case basis. The chairman and his deputy shall be appointed by the president of the Swiss Federal Supreme Court for a period of four years. The chairman may conduct an oral procedure for reconciliation. The third part of the Swiss Federal Code of Civil Procedure (Schweizerische Zivilprozessordnung [ZPO], SR 272) is applicable to the arbitration proceedings. In any case a possible arbitration code passed by the Regulatory Board supercedes the Swiss Federal Code of Civil Procedure and Chapter 12 of the Federal Statute on Private International Law (Bundesgesetz über das internationale Privatrecht [IPRG], SR 291) is expressly excluded. The arbitration proceedings shall be conducted in English.

[Market Maker]

SIX Swiss Exchange AG

By: _____

By: _____

By: _____

By: _____

Date: _____

Date: _____

The Issuer of the COSI [**Name/Address of Issuer**] hereby fully approves the above Market Making Agreement entered into by Market Maker and SIX Swiss Exchange AG.

[Issuer]

By: _____

By: _____

Date: _____