

CLEARING AND SETTLEMENT STANDING INSTRUCTIONS (CSSI) NOTIFICATION FORM – GUIDANCE NOTES

Filling out the form

Please use the CSSI notification form for new instructions and any changes to your existing clearing and settlement instructions.

If you require different clearing arrangements for certain markets or products, please contact Member Services before completing the form.

Please complete the form electronically by clicking on applicable boxes and entering relevant information in the text fields.

If you have any questions on filling out the form, please contact Member Services:

London: Tel +44 (0)20 7074 4429, Fax +44 (0)20 7074 4524
 Zurich: Tel: +41 (0)58 854 24 73, Fax: +41 (0)58 854 24 76
 member.services@swx.com

Should you have any questions on the service offerings provided by the service providers, please contact:

LCH.Clearnet Ltd	x-clear AG/SegalInterSettle AG	CREST
Ian Mackenzie Tel: +44 20 7426 7265 Email: ian.mackenzie@lchclearnet.com Martin West Tel: +44 20 7426 7089 Email: martin.west@lchclearnet.com	Gianfranco Pizi Frank Hirsbrunner Katja Restivo Tel: +41 (0)44 288 45 51 Fax +41 (0)44 288 55 51 E-mail: customer.integration@sisclear.com	Crest System Control Tel: +44 20 7849 0435 Email: business_ops@euroclear.com

Section 1: Member data

Members should insert Name, Address, Member Organisation Abbreviation, Member Organisation ID, Member ID(s), Contact Details and proposed Test and Production (go live) dates.

Section 2: Clearing data

Members clearing through x-clear should complete section 2 only. Members clearing through LCH.Clearnet Ltd. should complete sections 2 and 2a.

Clearing Status

General Clearing Member

A General Clearing Member must also be a participant of SWX Europe Limited.

Non Clearing Member (NCM)

If you are an NCM you must have an agreement in place with a GCM to be able to trade on SWX Europe. If you do not have any arrangements in place and would like a list of GCMs providing clearing services, please contact your Member Services Helpdesk.

LCH.Clearnet Mnemonic of GCM

If you are an NCM, please refer to your GCM for this information.

Trading Capacity

Agency trades

A Clearing Member cannot clear its own agency trades. Such trades can only be cleared through another Clearing Member of LCH.Clearnet Ltd or x-clear. If you are an ICM or GCM and intend to trade in an agency capacity, you must appoint a GCM to clear your agency trades. If you are an NCM clearing through LCH.Clearnet Ltd you may trade in both principal and agency capacity providing you have agency arrangements in place with your GCM.

An agency transaction is one where a member acting as an intermediary does not take a principal position at any time during the transaction. Where a member transacts a sale in an agency capacity, the member sells stock on behalf of the client; the member does not buy the stock from that client, thus creating a principal contract between its client and the other counterparty in the event of the intermediary's default. Swiss members are unlikely to use this capacity since Swiss law does not have the agency concept.

Trade participant BIC

If your BIC is not connected to the Swift network, your BIC is likely to be the same in both the test and live environments.

Clearing Prevention Group

Prevention of clearing and settlement:

Suppression of both clearing and settlement for trades between the pair of member organisations in the clearing prevention group (CPG). In this case, clearing and settlement are never instructed. The assumption is that the member(s) clear and settle between themselves on their own.

Prevention of clearing only:

Suppression of clearing only for trades between member organisations in the CPG (bilateral settlement will take place). In this case, settlement is only instructed if the settlement arrangements in the derived CSSI references on the two sides of the trade differ. Otherwise, no instruction of settlement takes place.

No prevention:

All trades between trading members within the same member organisation in CCP eligible securities are forwarded for clearing and settlement and for non-CCP eligible securities for settlement only.

Clearing Prevention between trading entities within the same corporate group:

Members can declare that orders matched between trading entities within the same corporate group and sharing a consolidated balance sheet are not to be included in the clearing service. The instructions should further indicate whether such trades are to be routed for settlement automatically or settlement instructions are to be submitted separately by the members concerned.

If you wish to submit such a request for clearing prevention with another trading member within the same corporate group, you need to complete an "Application for Clearing Prevention between Trading Members within the same Corporate Group". Please contact Member Services for a copy of the form.

Clearing Prevention within own Member Organisation:

Default set up for a Member Organisation is such that trades between trading members in the same member organisation are not forwarded for clearing and settlement.

Section 3: Settlement data for CCP eligible securities

Equities

Settlement instructions must be in place for all markets traded on SWX Europe.

Copy of Trade Slip

To receive trade details through the SWX Trading System, your Settlement Agent/Custodian must be a directly connected or a network linked member of SWX Europe.

Settlement Account

CREST	EUROCLEAR	SIS
Member Account ID	Account Number	BP ID for Business Partner ABP ID for Associate Business Partner

Mandatory Power of Attorney

Both CCPs instruct settlement between members and themselves. This is achieved by mandatory Powers of Attorney for SIS and Euroclear, which must be in place before start of trading. It is the responsibility of the member, or the Settlement Agent for members using the services of a Settlement Agent, to provide the relevant PoA(s). Power of Attorney templates are available in Section 3 of the CSSI Notification Form.

3 a Crest Direct Input Process and Netting Service Options

Members are able to choose which option they wish to activate within the direct input service. This then determines how the member's account operates, how transactions are processed and enables a member's internal infrastructure requirements to be met. This option is available to members clearing through LCH.Clearnet Ltd only.

If you clear through LCH.Clearnet Ltd please indicate which Direct Input process you require by selecting the relevant option in Section 3 a. SIS x-clear will continue the "locked-in" principle by mandating the use of options 4 & 6.

Netting is determined by the member settling against the CCP. Therefore:

- The netting choice is that of the GCM where the GCM also acts as Settlement Agent;
- The netting choice is that of the NCM where the NCM settles directly against the CCP or employs a Settlement Agent other than the GCM.

Section 4: Settlement data for bilateral settlement

Settlement venue for Exchange Trades Funds

Product Name	SIS	EUROCLEAR	CREST
<u>UBS Group A</u> UBS-ETF DJ EURO STOXX 50	Yes	NO	NO
<u>UBS Group B</u> UBS-ETF DJ Industrial Average UBS-ETF DJ US (Large Cap) UBS-ETF DJ US Technology UBS-ETF DJ Japan Titans 100	Yes	Yes	NO
<u>UBS Group C</u> UBS-ETF FTSE 100	Yes	Yes	Yes
<u>iShares Group A</u> iShares DJ STOXX 50 iShares DJ Euro STOXX 50 iShares DJ Euro STOXX Mid Cap iShares DJ Euro STOXX Small Cap iShares MSCI Japan	Yes	Yes	NO
<u>iShares Group B</u> iShares FTSE 100 iShares FTSEurofirst 80 iShares FTSEurofirst 100 iShares S&P 500 iShares FTSE/Xinhua China 25	Yes	Yes	Yes
NASDAQ-100 European Tracker	Yes	Yes	Yes
SPDR Euro SPDR Europe 350	Yes	Yes	NO

Power of Attorney Euroclear

With a Power of Attorney in place settlement instructions will be sent automatically to Euroclear for trades in securities where Euroclear has been indicated as the settlement venue.

Where there is no Power of Attorney for bilateral settlement the member must send settlement instructions to Euroclear for trades in securities to be settled in Euroclear.

Power of Attorney template is available in Section 4 of the CSSI Notification Form.