



Securities Services

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Charter of advisory Risk Committee to SIX x-clear Ltd.'s Board of Directors

1. Basis and purpose

A Swiss Central Counterparty is required to have an advisory Risk Committee (the "Risk Committee") which is established and composed in accordance with article 22 para. 3 National Bank Ordinance (NBO). In the absence of more specific regulatory provisions of Swiss law the respective rules of EU Directive 648/2012 ("EMIR"), especially its article 28, shall provide guidance.

This Charter forms the basis of the Risk Committee's contribution to SIX x-clear Ltd.'s risk management by setting the mandate and the fields of activity. It also defines the composition and procedural rules of the Risk Committee.

2. Mandate

2.1. General

The Risk Committee shall advise the Board of Directors on any matters and arrangements having an impact or being directly related to the risk management of SIX x-clear Ltd. It shall not provide advice on issues of minor significance and/or regarding daily operations.

The Risk Committee may be consulted in emergency situations at the Board of Directors' discretion.

2.2. Fields of activity

The Risk Committee shall be consulted in the following matters:

- significant changes in the risk model,
- the default procedures,
- the criteria for accepting clearing members, or
- the clearing of new classes of instruments.

3. Composition and personal requirements

The Risk Committee shall consist of at least 4 members. Each of the following groups of stakeholders shall be represented in the Risk Committee by at least one person:

- SIX x-clear's Members,
- clients of SIX x-clear's Members (i.e. the Non-Clearing Members),
- independent members of the Board of Directors.

The members of the Risk Committee as well as its chair and its vice-chair shall be appointed by the Board of Directors for a period of 2 years.

All members must have solid competences and experience in financial and/or operative risk management and have signed the SIX Confidentiality Declaration.

4. Competences

The Risk Committee reports directly to the Board of Directors and has an advisory function. Its advice shall be independent of any direct influence by representatives of SIX x-clear Ltd. and/or SIX Securities Services Ltd. and/or SIX Group Ltd.

Its advice is not binding for SIX x-clear Ltd. and/or SIX Securities Services Ltd. and/or SIX Group Ltd. However, the advice given by the Risk Committee shall be duly considered by the Board of Directors of SIX x-clear Ltd.

5. Procedural rules

The Risk Committee shall have 2 regular meetings per year. If required by the Board of Directors of SIX x-clear Ltd. additional meetings can be convened. Each member of the Risk Committee may ask for an item to be included on the agenda no later than 10 working days before the date of the meeting.

Where appropriate, the Risk Committee may invite employees of SIX, external independent experts and representatives of regulatory bodies to attend its meetings in a non-voting capacity or provide their opinion in writing to the Risk Committee.

The chair of the Risk Committee shall ensure that the members of the Board of Directors are duly informed of the activities and advisory decisions of the Risk Committee. Minutes of the Risk Committee's meetings shall be taken. The minutes and any other document specified by the Risk Committee shall be submitted to the Board of Directors. Any advice and related documentation shall be brought to the attention of the members of the Board of Directors at least 5 working days ahead of their scheduled meetings.

A designated employee of SIX shall serve as secretary for the Risk Committee and keep minutes of its meetings.

The chair (or the vice-chair in case of the chair) of the Risk Committee shall determine whether a member has an actual or potential conflict of interest on a particular matter. That member shall not be allowed to participate in the discussion or vote in this particular matter or may even be excluded from the respective discussion.

6. Information and documentation to Risk Committee

The members of the Risk Committee shall be adequately informed and documented by SIX x-clear Ltd. to enable them to fulfil their function in the best interest of SIX x-clear Ltd.

Such information and documentation shall be given in a form which does not breach secrecy requirements of SIX.

7. Confidentiality and disclosure to third parties

The members of the Risk Committee shall be bound by secrecy requirements as set forth in the SIX Confidentiality Declaration. They shall not communicate any of the Risk Committee's discussions and advisory decisions to any third parties unless explicitly agreed with the Board of Directors of SIX x-clear Ltd.

This Charter shall be published on the website of SIX Securities Services.