



SIX Repo Ltd

Trading Directive for the Repo Market for Regional Banks

Dated 5 June 2018

Entry into force: 11 Juni 2018





SIX Repo Ltd

Trading Directive for the Repo Market for Regional Banks

Table of contents

1.0	Purpose and principle	3
2.0	General	3
3.0	Contract types	3
4.0	Contractual provisions	4
5.0	Trading	4
6.0	Special functions	4
7.0	Settlement and administration	4
8.0	Fees	5
9.0	Entry into force	5

SIX Repo Ltd

Trading Directive for the Repo Market for Regional Banks

1.0 Purpose and principle

1. This Trading Directive contains implementing provisions for the Repo Market for Regional Banks 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 Repo Market for Regional Banks (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 Repo Market for Regional Banks.
2. SIX Repo Ltd (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.
5. Entris Banking Ltd, and its customers which cannot have an own and direct access to the Giro-System of the Swiss National Bank may be admitted as participants to the Repo Market for Regional Banks.
6. Traders which have successfully passed the trader examination required for access to the CH Repo Market and OTC Spot Market are admitted to the Repo Market for Regional Banks. Traders which require access only to the Repo Market for Regional Banks can complete a specifically for the Repo Market for Regional Banks designed trader examination.

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.

SIX Repo Ltd

Trading Directive for the Repo Market for Regional Banks

4.0 Contractual provisions

The parties shall conclude Contracts on the basis of the „Master Agreement for Repo Transactions for the Repo Market for Regional Banks“. Any additional contractual terms agreed shall take precedence over the relevant provisions of the Master Agreement for Repo Transactions for the Repo Market for Regional Banks.

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. The Contract is accepted using the "Take Order" function.

6.0 Special functions

1. A trade may be canceled before the purchase date by mutual consent by using the "Trade Cancel" function.
2. A non-terminated Contract (open repo) or a conditionally terminated Contract (terminable on demand) may be closed or modified without prior announcement.
3. 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.

SIX Repo Ltd

Trading Directive for the Repo Market for Regional Banks

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

The Platform Operator shall levy a flat fee per year from Entris Banking Ltd for the use of the platform by the participants. The Platform Operator may not charge other fees from the participants, in particular no fee per transaction. Entris Banking Ltd can levy a fee per transaction for every participant subject to the principle of equal treatment.

9.0 Entry into force

Resolution of the Participants & Surveillance Committee of the Regulatory Board of 5 June 2018; in effect since 11 June 2018.

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