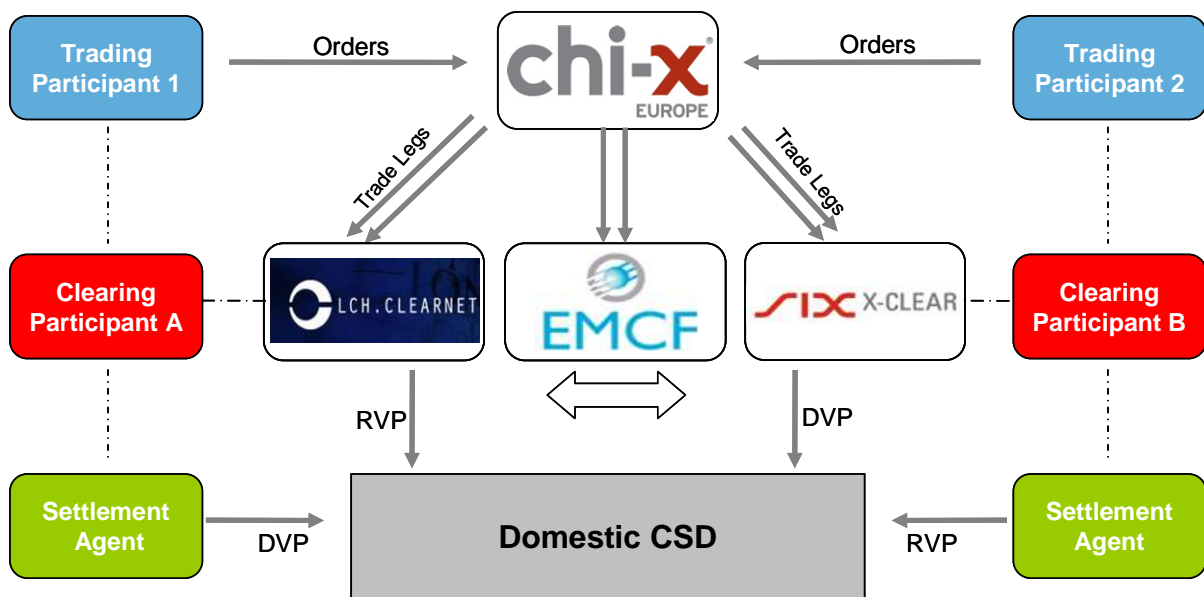


Chi-X Europe Ltd (Chi-X) is changing its post trade market model to introduce additional Central Counterparties (CCPs) to sit alongside its existing CCP, European Multilateral Clearing Facility N.V. (EMCF). LCH.Clearnet Ltd (LCH.C) and SIX x-clear (x-clear) are being added as providers of CCP services.

Market Model

Through the introduction of the additional CCPs, Chi-X will adopt the following market model:



Chi-X trading participants are required to have valid clearing arrangements in place with a member of one of the above CCPs. Choice of CCP per market segment will be determined by clearing participants through static data supplied to the CCPs and Chi-X.

Participant Impact

Chi-X participants who are Direct Clearing Participants (DCPs) of EMCF and do not wish to change their CCP arrangements will not be required to make any changes.

Chi-X participants who are Direct Clearing Participants (DCPs) of EMCF and wish to change their CCP arrangements should contact Chi-X Post Trade (post.trade@chi-x.com) or Compliance (compliance@chi-x.com) and the relevant CCPs to discuss any impacts and changes required, such as their Execution Trade Report (ETR), End of Day file from Chi-X or CCP reports.

Chi-X participants who use a General Clearing Participant (GCP) to clear their trades through EMCF should contact their GCP to discuss any impact.

Participant Benefits

By providing a choice of CCPs, Chi-X participants have the opportunity to benefit from some or all of the following:

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- More efficient use of capital through off-set of margin relating to positions traded on different platforms
- Fee discounts through increased volume with one CCP
- Per market choice of CCP
- Increased choice of clearing participants

Chi-X Trade Feed Router

- Clearing participants will advise Chi-X through their CCP of their clearing arrangements per market segment
- Chi-X will reconcile product and participant static data with each CCP every day prior to market open.
- Chi-X will update its participant static data as follows:
 - Trading Participant / Clearing Participant / CCP / Market Segment
- Chi-X will route trade legs to the relevant CCP based on the static data held. Participant and product static data will be reconciled on a daily basis with all CCPs, prior to market open
- Each CCP will bilaterally settle netted positions with each other, along with undertaking daily operational processes

Participant CCP Interoperability Testing

Test environment

- Participants are not required to make any technical changes to their existing test session connections

Dates

- SIX x-clear and LCH.Clearnet testing is now available
- Participants should contact Chi-X Operations (operations@chi-x.com, +44 207 131 3300) to advise the date they would like to commence testing. Chi-X Operations will then make the necessary changes to direct the participants trades to the new CCP

FIX Tags

- Participants that use FIX tag 1 to communicate ad-hoc / free format information to their clearing participant should contact Chi-X Operations to discuss
- The participant's use of FIX tag 47 (Agency/Principal) should be set to mirror CCP set-up

Documentation

- Participants should complete the necessary documentation at each CCP to allow for the correct set-up of test accounts.

Contacts

Post Trade

post.trade@chi-x.com or +44 (0)207 131 3347

Compliance

compliance@chi-x.com or +44 (0)207 131 3399

Operations

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