



Chi-X Europe to Offer Participants Three-Way CCP Interoperability

LONDON – 20 May 2009 – Chi-X[®] Europe Limited, operator of the largest pan-European equity multilateral trading facility (MTF), today announced a further extension of its “user choice” clearing model following the Memorandum of Understanding (MOU) signed today by European Multilateral Clearing Facility N.V. (EMCF) and LCH.Clearnet Group Limited to interoperate in the UK and Swiss market segments. In addition to the MOU signed in February between EMCF and SIX x-clear AG, this will allow Chi-X Europe to offer its participants user choice through three-way central counterparty (CCP) interoperability.

This development will allow clearing participants to choose a single CCP for activity relating to any given market segment for a variety of different trading venues, reducing the need to fund cross margin arrangements across different CCPs. This should lower participants’ overall trading costs and enable them to manage risk more effectively.

Commenting on the announcement, Hirander Misra, COO of Chi-X Europe, said, “We believe that the choice and competition offered through this horizontally integrated CCP model will result in lower prices, better service and further innovation. We applaud the efforts of all three CCPs in cooperating for the benefit of the industry. We urge the London Stock Exchange and the SIX Swiss Exchange to also offer their trade feeds to EMCF so that the additional user benefits of bidirectional interoperability can be achieved.”

Jan Booi, CEO of EMCF, said, “EMCF has proven that in post-trading, competition, not consolidation, delivers better and cheaper services for market participants. Interoperability is crucial for fair competition.”

Wayne Eagle, Director Equity Services of LCH.Clearnet, said, “LCH.Clearnet continues to lead the way in offering interoperable solutions for the benefit of our members. The agreement with EMCF enables the benefits of the robust, cost-effective EquityClear service to be offered to a wider range of trading venues.”

Marco Strimer, CEO of SIX x-clear AG, added, “This move marks a further step towards offering customers choice in their clearing arrangements. We are happy to support Chi-X Europe in its implementation of CCP interoperability and believe that clients will benefit greatly by having their CCP of choice able to clear all markets for multiple trading platforms. The increased competition will allow us to strive to continue to deliver even better and more customer-focused services, at ever lower costs.”

Subject to the terms of each MOU, Chi-X Europe anticipates that its participants should be able to clear with SIX x-clear AG and LCH.Clearnet by the end of the third quarter 2009, subject to regulatory approvals.

About Chi-X[®] Europe

Chi-X Europe Limited is an FSA-authorised securities firm operating a multilateral trading facility (MTF) for the trading of a wide range of European equities. Chi-X Europe’s low-cost, streamlined operating model is designed to help trading participants achieve ultra-low execution, clearing and settlement costs, and benchmark tests have shown Chi-X Europe to be significantly faster than Europe’s traditional equity exchanges. Chi-X Europe disseminates real-time market data to clients directly and via third-party market data vendors at no cost, and off-exchange trade reporting is available for a low monthly fee. For more information, please visit www.chi-x.com.



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