

Department III

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**This is an English translation of a German original.
Only the German original text is authoritative and legally binding.**

Instruction sheet on the settlement of payments arising out of US dollar transactions with the SNB

1. Introduction

For the time being, the Swiss National Bank (SNB) is taking over the function of correspondent in the settlement of US dollar payments for transactions concluded via the SIX Repo Ltd trading platform, on behalf of SIX SIS Ltd (SIS). In future, payments arising out of transactions in US dollars with the SNB must be made through the Federal Reserve Bank of New York (Fed) and the SNB. This simplifies settlement. The instructions for payment set out in this instruction sheet must be observed.

2. Opening an account; conditions applying to the account

The SNB has opened a US dollar account at the SNB for each counterparty admitted to its open market operations. These accounts have been set up solely as transitory accounts. By the end of the bank working day their balances must have reverted to zero. The sole purpose of the US dollar accounts is the settlement of US dollar payments arising from business transactions concluded on SIX Repo Ltd's electronic trading platform. The most recent version of the SNB's Terms of Business shall supplement these conditions.

3. Payment instructions

Remittance

SNB counterparties are required to initiate payment instructions for the transfer of funds (remittance) to the US dollar cash account at the SIS as follows:

1. Payment through the Fed in favour of the US dollar account at the SNB (Swift MT 202) and notification to the SNB of the funds it can expect to receive (Swift

MT 210) by 15.00 (CET) at the latest. No individual payment order may exceed USD 200 million.

2. Payment order to the SNB (Swift MT 202), in favour of the US dollar cash account at SIS, by 17.00 (CET) at the latest, and notification to SIS of the funds it can expect to receive (Swift MT 210).

SNB counterparties are required to ensure transfer of the US dollars (remittance) to the relevant US dollar cash account at SIS by 18.00 (CET) at the latest. If a payment order to the SNB is made after 17.00 (CET) or US dollars are transferred to the account at the SNB after 17.45 (CET), the SNB cannot guarantee that the US dollars will be transferred to the appropriate US dollar cash account at SIS in good time.

Withdrawal

SNB counterparties are required to initiate payment instructions for withdrawals from the US dollar cash account at the SIS as follows:

1. Payment order to SIS (Swift MT 202) in favour of US dollar account at the SNB and notification to the SNB of the funds it can expect to receive (Swift MT 210) by 6.00 p.m. (CET) at the latest. No individual payment order may exceed USD 200 million.
2. Payment order to the SNB (Swift MT202) in favour of US dollar account held by your US dollar correspondent via FED by 6.15 p.m. (CET) at the latest and notification of your US dollar correspondent of the funds it can expect to receive (Swift MT 210). No individual payment order may exceed USD 200 million.

If transactions in US dollars between the SNB and its counterparties at SIS cannot be settled in good time, the relevant default provisions as set out in the 'Instruction sheet for participation in the US dollar auctions conducted by the Swiss National Bank as of 7 November 2008' or in 'SNB USD Bills – Issue Conditions' will apply.

4. Contacts

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