

SWX Europe

Directive 9: Fees

01.10.08

THIS DOCUMENT CONTAINS PROVISIONS REGARDING FEES.

TABLE OF CONTENTS

1. PURPOSE, SCOPE AND LIST OF FEES	4
1.1 Purpose	4
1.2 Scope	4
1.3 List of fees	4
2. Definitions.....	5
3. MEMBERSHIP FEES.....	7
3.1 Membership categories.....	7
3.2 Admission fee.....	7
3.3 Annual membership fee	7
3.4 SWX Europe and.....	7
4. INFRASTRUCTURE FEE	7
4.1 Infrastructure fee	7
5. ETF FEES	8
5.1 Administration fees.....	8
5.2 Maintenance fees	8
6. ON-ORDER BOOK TRADING FEES	8
6.1 Principle.....	8
6.2 Transaction fee.....	8
6.3 Ad valorem	8
7. OFF-ORDER BOOK TRADING FEES	9
7.1 Principle.....	9
7.2 Transaction fee.....	9
7.3 Ad valorem fee	9
8. MARKET SHARE SERVICE FEE.....	10
8.1 General.....	10
8.2 Fee	10
9. CAPACITY FEE	10
9.1 QPS capacity fee.....	10
10. STOCK LOAN AND EQUITY REPURCHASE AGREEMENTS	10
10.1 Fee	10
11. PAYMENT DATES / REIMBURSEMENT OF FEES	10
11.1 Payment dates	10
11.2 Reimbursement of fees	10
11.3 Invoice currency	10
12. SWX Swiss Block fees.....	11
12.1 Principle	11
12.2 Fees	11

.APPENDIX 1: SWISS EQUITIES	11
APPENDIX 1: SWISS EQUITIES	12
APPENDIX 2: PAN-EUROPEAN EQUITIES	14
APPENDIX 3: EXCHANGE TRADED FUNDS (ETF).....	15
APPENDIX 4: ON-ORDER BOOK FEE EXAMPLES	16
APPENDIX 5: OFF-ORDER BOOK FEE EXAMPLES	17

1. PURPOSE, SCOPE AND LIST OF FEES

- 1.1 Purpose* SWX Europe charges fees for the services it provides.
- SWX Europe may waive all or parts of fees, providing it continues to treat all members equally.
- 1.2 Scope* This Directive applies to all SWX Europe members (“members”) and to other persons who have subjected themselves to the rules and regulations of SWX Europe.
- 1.3 List of fees* This Directive governs the following fees:
- Membership fees
 - Admission fee
 - Annual Membership fee
 - Infrastructure fee
 - ETF Fees
 - Admission fee
 - Maintenance fee
 - On-Order Book trading
 - Transaction fee
 - Ad valorem fee
 - Off-Order Book trading
 - Transaction fee
 - Ad valorem fee
 - SWX Europe market share service fee
 - Capacity fee
 - QPS capacity fee

2. Definitions

	Definitions
Ad valorem fee	The ad valorem fee depends on transaction volume
Admission fee	SWX Europe charges new trading members a one-off non-recurring admission fee
Aggressor	An order which is executed immediately against order(s) on the order book
Annual membership fee	SWX Europe charges each member an annual membership fee
Auction execution	An auction execution results when an order is executed during an auction
bp	Basis points (1/10,000)
CHF	Swiss francs
Commitment levels	Discount bands relating to the ad valorem fee; dependent on the member reaching a certain minimum monthly fee
ETF fees	Fees for the administration and maintenance of ETFs admitted to trading on SWX Europe
Infrastructure fee	A recurring fee for the use of the exchange system. This differs depending on the type of connectivity chosen and is payable irrespective of trading activity. This fee is set by SWX and officially stated in SWX Directive 16
Members	SWX Europe members
Minimum Activity Charge (MAC)	The MAC represents a shortfall between the Commitment Level and the total fee calculation
Order	An order to buy or sell a security
Pan European Equities	Instruments admitted to trading on SWX Europe other than Swiss securities
Poster	An order which is entered onto the order book which does not execute immediately
Product Segment	SWX Europe has three product segments: Swiss Equities, Pan European Equities & Exchange Traded Funds (ETFs)
QPS capacity fee	Each member can buy guaranteed trading capacity for individual product segments, in the form of quotes per second (QPS). SWX Europe charges a fee for this
SWX	SWX Swiss Exchange AG
Trade	The partial or whole execution of an order
Transaction	When an order is executed in several tranches (partial executions), all tranches of the order on the same trading day are treated as a transaction

Transaction fee	SWX Europe charges a fee for all transactions. This fee is payable per transaction and per member. Where an order is executed in several tranches on the same day the fee is pro-rated over these tranches.
SWX Europe	SWX Europe Limited
SWX Europe Market Share Service Fee	SWX Europe charges a fee for its market share service, a web-based information service to which members can subscribe

3. MEMBERSHIP FEES

3.1 Membership categories

SWX Europe distinguishes the following membership categories:

- **Full:** This enables a member to use services of SWX Europe and SWX based on the infrastructure interconnection of the SWX trading system.
- **Clearing:** This allows the member to clear trades on behalf of other members of SWX Europe.
- **Trade Reporting:** This allows the member to report trades. Access is restricted to off-order book only.

3.2 Admission fee

SWX Europe charges each member a one-time admission fee when joining SWX Europe as detailed in the table below:

Membership category	Markets	Admission fee
a) Full	SWX Europe, SWX	CHF 20,000
b) Clearing	SWX Europe	CHF 10,000
c) Trade Reporting	SWX Europe	CHF 4,690

3.3 Annual membership fee

SWX Europe charges each member an annual membership fee as detailed in the table below:

Membership category	Markets	Annual Membership fee
a) Full	SWX Europe, SWX	CHF 20,000
b) Clearing	SWX Europe	CHF 5,000
c) Trade Reporting	SWX Europe	CHF 2,345

3.4 SWX Europe and SWX memberships

SWX Europe may reduce or waive the admission fee and/or the annual member fee if the member is already an SWX participant.

4. INFRASTRUCTURE FEE

4.1 Infrastructure fee

This fee is set by SWX and officially stated in SWX Directive 16.

http://www.swx.com/download/trading/regulation/directives/swx_dir16_en.pdf

5. ETF FEES

The following charges are applicable in respect of Exchange Traded Funds (ETF) admitted to trading on SWX Europe as follows:

5.1 Administration fees

Administration fees are charged to cover:

- the administrative costs of admitting an ETF to trading on SWX Europe
- some of the costs incurred by SWX Europe in the direct and indirect marketing of the ETFs on behalf of issuers, for example, information provided in SWX Europe's website (logos, descriptions, links).

The administration fees are:

- GBP 500 for each new ETF
- GBP 250 for each new ETF, if it is part of an ETF product family and at least three other products of that family are included in the application or are already admitted to trading on SWX Europe.

5.2 Maintenance fees

Maintenance fees of GBP 100 per annum are charged for each ETF product admitted to trading on SWX Europe. The fees are payable in the year after the ETF has been admitted to trading. No maintenance fee is charged for the year of admission or for the following year if the product was admitted in the 4th quarter.

6. ON-ORDER BOOK TRADING FEES

6.1 Principle

SWX Europe charges a fee for all on-order book transactions. This fee is payable per transaction and per member.

The fee is defined individually for each product segment. The applicable rates are laid down in the Appendices to this Directive.

The fee comprises a transaction fee and an ad valorem fee.

6.2 Transaction fee

The transaction fee is a fixed charge.

6.3 Ad valorem fee

The ad valorem fee depends on transaction volume. It is determined in terms of basis points and has both a floor and a cap.

The ad valorem fee is determined by the type of execution. It may differ (a) for orders which are executed from the order books (posters), (b) for orders executed against orders in the

order book (aggressors) and (c) for orders executed during an auction (auction execution).

SWX Europe may offer members a choice of alternative rates for individual product segments (e.g. a balanced rate for both posters and aggressors).

SWX Europe may institute rate bands for the ad valorem fee in individual product segments. Where several rate bands are defined, the member selects the rate band. Members are subject to the following rules:

If a member chooses a rate band other than the standard band in order to benefit from lower rates, it undertakes to comply with certain criteria (commitment levels). The criteria are essentially minimum fee volumes which are defined monthly.

If the member does not achieve the monthly minimum fee volume for the chosen rate, it must pay a minimum activity charge (MAC).

Eligible for inclusion within the minimum fee volume are all fees under sections 6 and 7 of this Directive which accrue in the same product segment. The MAC is charged on a monthly basis.

Members may change the rate band which will become effective at the beginning of any given month. Changes must be notified to SWX Europe in writing using the corresponding notification form at least seven calendar days before the beginning of the effective month.

7. OFF-ORDER BOOK TRADING FEES

7.1 Principle

SWX Europe charges a fee for all off-order book trades that are reported to it. This fee is payable per trade and member.

The fee is defined individually for each product segment. The applicable rates are laid down in the Appendix to this Directive.

The fee is the same for all members. It comprises a transaction fee and an ad valorem fee.

7.2 Transaction fee

The transaction fee is a fixed charge.

7.3 Ad valorem fee

The ad valorem fee depends on transaction volume. It is determined in terms of basis points and has both a floor and a cap.

8. MARKET SHARE SERVICE FEE

8.1 General

The SWX Europe Market Share Service is a web based information service which members can subscribe to in order to access data in Swiss securities in relation to:

- Member League tables
- Overall Turnover Ranking and Market Share
- On and Off-order book Rankings and Market Share
- Agency Trade Rankings

8.2 Fee

The following fee is payable for the service:

Description	Fee
All members – annual fee	CHF 2,500

9. CAPACITY FEE

9.1 QPS capacity fee

SWX Europe provides dedicated trading capacity (quotes per second, QPS) for individual product segments.

SWX Europe can allocate a specific QPS to members in return for a fee. The QPS fee is defined individually for each product segment. The applicable rates are laid down in the Appendix to this Directive.

10. STOCK LOAN AND EQUITY REPURCHASE AGREEMENTS

10.1 Fee

Stock loans and equity repurchases in UK securities - GBP 0.75

The charge applies to the outward leg and not the return leg.

11. PAYMENT DATES / REIMBURSEMENT OF FEES

11.1 Payment dates

Unless otherwise agreed, SWX Europe invoices must be paid within 30 days of invoice date.

11.2 Reimbursement of fees

Any claim for the reimbursement of fees must be lodged within six months of the invoice date.

11.3 Invoice currency

Invoices will be converted from Swiss francs into the members domestic billing currency using the WM Reuters rate as at 17.00 CET on the last working day of the month.

12. SWX Swiss Block fees

- 12.1 Principle SWX Europe charges both purchaser and seller a fee for execution in SWX Swiss Block.
- 12.2 Fees
- The standard rate for an SWX Swiss Block trade is 1.5 basis points per side.
- There is a cap of CHF 5,000 on each side/leg (or equivalent billing currency).
- There is no application fee nor is there a membership fee.
- Billing is carried out on a monthly basis.

APPENDIX 1: SWISS EQUITIES

Those equities traded on SWX Europe that have their primary listing on the SWX.

A1-1 Fees On-Order Book trading**A1-1.1 Transaction Fee**

The transaction fee is CHF 1.00. Where an order is executed on the same day in several tranches the fee is pro-rated over these tranches.

A1-1.2: Ad valorem Fee**A1-1.2.1 Standard Tariff**

A1-1.2.1.1 Asymmetrical:	Floor	Scale	Caps
a) Poster	CHF 0.00	0.00 bp	CHF 0
b) Aggressor	CHF 0.50	0.65 bp	CHF 65
c) Auction Execution	CHF 0.50	0.75 bp	CHF 75
Commitment	No commitment required		

Alternative fee structure:

A1-1.2.1.2 Balanced:	Floor	Scale	Cap
a) Poster & Aggressor	CHF 0.50	0.32 bp	CHF 32
b) Auction Execution	CHF 0.50	0.75 bp	CHF 75
Commitment	No commitment required		

A1-1.2.2 Commitment Level 1-Tariff

A1-1.2.2.1 Asymmetrical:	Floor	Scale	Caps
a) Poster	CHF 0.00	0.00 bp	CHF 0
b) Aggressor	CHF 0.50	0.55 bp	CHF 55
c) Auction Execution	CHF 0.50	0.65 bp	CHF 65
Commitment	Monthly minimum fee of CHF 100,000		

Alternative fee structure:

A1-1.2.2.2 Balanced:	Floor	Scale	Cap
a) Poster & Aggressor	CHF 0.50	0.29 bp	CHF 29
b) Auction Execution	CHF 0.50	0.65 bp	CHF 65
Commitment	Monthly minimum fee of CHF 100,000		

A1-1.2.3 Commitment Level 2-Tariff

A1-1.2.3.1 Asymmetrical:	Floor	Scale	Caps
a) Poster	CHF 0.00	0.00 bp	CHF 0
b) Aggressor	CHF 0.50	0.45 bp	CHF 45
c) Auction Execution	CHF 0.50	0.55 bp	CHF 55
Commitment	Monthly minimum fee of CHF 300,000		

Alternative fee structure:

A1-1.2.3.2 Balanced:	Floor	Scale	Cap
a) Poster & Aggressor	CHF 0.50	0.25 bp	CHF 25
b) Auction Execution	CHF 0.50	0.55 bp	CHF 55
Commitment	Monthly minimum fee of CHF 300,000		

A1-2 Fees Off- Order Book Trading

A1-2.1 *Transaction Fee*

The transaction fee is CHF 1.00

A1-2.2 *Ad valorem Fee*

A1-2.2.1 Uniform Tariff:	Floor	Scale	Cap
Report	CHF 0.50	0.25 bp	CHF 25

APPENDIX 2: PAN-EUROPEAN EQUITIES

Securities admitted to trading on SWX Europe other than Swiss Equities.

A2-1 Fees On-Order Book Trading**A2-1.1 Transaction Fee**

The transaction fee is CHF 1.00. Where an order is executed on the same day in several tranches the fee is pro-rated over these tranches.

A2-1.2 Ad valorem Fee**A2-1.2.1 Standard Tariff**

A2-1.2.1.1 Asymmetrical:	Floor	Scale	Cap
a) Poster	CHF 0.00	0 bp	CHF 0
b) Aggressor	CHF 0.50	0.65 bp	CHF 65
c) Auction Execution	CHF 0.50	0.75 bp	CHF 75
Commitment	Standard Tariff only		

Alternative fee structures

A2-1.2.1.2 Balanced:	Floor	Scale	Cap
a) Poster & Aggressor	CHF 0.50	0.54bp	CHF 54
b) Auction Execution	CHF 0.50	0.75bp	CHF 75
Commitment	Standard Tariff only		

A2-2 Fees Off-Order Book Trading**A2-2.1 Transaction Fee**

The transaction fee is CHF 1.00

A2-2.2 Ad-valorem Fee

A2-2.2.1 Uniform Tariff:	Floor	Scale	Cap
Report	CHF 0.50	0.25 bp	CHF 25

APPENDIX 3: EXCHANGE TRADED FUNDS (ETF)

Open Investments funds replicate an index admitted to trading on SWX Europe.

A3-1 Fees On-Order Book Trading**A3-1.1 Transaction Fee**

The transaction fee is CHF 1.50. Where an order is executed on the same day in several tranches the fee is pro-rated over these tranches.

A3-1.2 Ad valorem Fee**A3-1.2.1 Standard Tariff**

A3-1.2.1.1 Asymmetrical:	Floor	Scale	Cap
a) Poster	CHF 0.00	0 bp	CHF 0
b) Aggressor	CHF 0.50	1.50 bp	CHF 150
c) Auction Execution	CHF 0.50	1.50 bp	CHF 150
Commitment	No commitment required		

A3-2 Off-Order Book Trading**A3-2.1 Transaction Fee**

The transaction fee is CHF 1.50

A3-2.2 Ad-valorem Fee

A3-2.2.1 Uniform tariff:	Floor	Scale	Cap
Report	CHF 0.50	0.25 bp	CHF 25

A3-3 Capacity fee**A3-3.1 QPS capacity fee**

Each market is allotted a certain number of QPS free of charge for those ETFs for which it has assumed market-making obligations. It may increase its QPS capacity up to a certain maximum for a fee of CHF 500 per QPS per month.

Number of ETF with market making obligations	QPS free of charge	Additional QPS subject to a fee	Maximum
a) 1-10	1 QPS	2 QPS	3 QPS
b) 11-30	3 QPS	5 QPS	8 QPS
c) 31 -60	7 QPS	8 QPS	15 QPS
d) >60	12 QPS	3 QPS	15 QPS

QPS capacity allotted may be used for market making in ETF only.

APPENDIX 4: ON-ORDER BOOK FEE EXAMPLES

On-Order Book

Example 1 - Swiss equity, commitment level 2 (one tranche & one transaction)

Billing Segment	Appendix Reference	Execution Type	Trade Turnover (CHF)	Transaction Turnover (CHF)	Transaction Fee (CHF)	Scale Fee (bp)	Scale Fee (CHF)	Total Fee (CHF)
Swiss Equities	A1-1.2.3.1	AG	15,500.00	15,500.00	1.00	0.45	0.70	1.70
								1.70

Example 2 - Swiss equity, commitment level 2 (3 tranches & one transaction)

Billing Segment	Appendix Reference	Execution Type	Trade Turnover (CHF)	Transaction Turnover (CHF)	Transaction Fee (CHF)	Scale Fee (bp)	Scale Fee (CHF)	Total Fee (CHF)
Swiss Equities	A1-1.2.3.1	PO	11,000.00	30,000.00	0.37	0.00	0.00	0.37
Swiss Equities	A1-1.2.3.1	AG	10,000.00	30,000.00	0.33	0.45	0.45	0.78
Swiss Equities	A1-1.2.3.1	AG	9,000.00	30,000.00	0.30	0.45	0.41	0.71
								1.86

Note: the transaction fee is pro-rated where an order is executed in several tranches

Example 3 - Swiss equity, commitment level 2 (1 tranche & one transaction)

Billing Segment	Appendix Reference	Execution Type	Trade Turnover (CHF)	Transaction Turnover (CHF)	Transaction Fee (CHF)	Scale Fee (bp)	Scale Fee (CHF)	Total Fee (CHF)
Swiss Equities	A1-1.2.3.1	PO	8,300.00	8,300.00	1.00	0.00	0.00	1.00
								1.00

Note: the cap adjustment is shown for illustration purposes. In reality the fee will be charged as one amount

APPENDIX 5: OFF-ORDER BOOK FEE EXAMPLES

Off-Order Book

Example 1 - Swiss equity, commitment level 2

Billing Segment	Appendix Reference	Execution Type	Trade Turnover (CHF)	Transaction Turnover (CHF)	Transaction Fee (CHF)	Scale Fee (bp)	Scale Fee (CHF)	Total Fee (CHF)
Swiss Equities	A1-2.2.1	Off	250,000.00	250,000.00	1.00	0.25	6.25	7.25
								7.25

Example 2 - Swiss equity, commitment level 2 (below floor)

Billing Segment	Appendix Reference	Execution Type	Trade Turnover (CHF)	Transaction Turnover (CHF)	Transaction Fee (CHF)	Scale Fee (bp)	Scale Fee (CHF)	Total Fee (CHF)
Swiss Equities	A1-2.2.1	Off	11,000.00	11,000.00	1.00	0.25	0.28	1.28
Floor adjustment							0.22	0.22
								1.50

Note: the floor adjustment is shown for illustration purposes. In reality the fee will be charged as one amount

Example 3 - Swiss equity, commitment level 2 (above cap)

Billing Segment	Appendix Reference	Execution Type	Trade Turnover (CHF)	Transaction Turnover (CHF)	Transaction Fee (CHF)	Scale Fee (bp)	Scale Fee (CHF)	Total Fee (CHF)
Swiss Equities	A1-2.2.1	Off	1,150,000.00	1,150,000.00	1.00	0.25	28.75	29.75
Cap adjustment							-3.75	-3.75
								26.00

Note: the cap adjustment is shown for illustration purposes. In reality the fee will be charged as one amount