



17 September 2001

MARKET NOTICE NO – 264

INTRODUCTION OF A CLEARING & SETTLEMENT INFRASTRUCTURE FEE AS OF 1 NOVEMBER 2001

As announced in May 2001, virt-x will be introducing a clearing & settlement infrastructure fee to cover the following virt-x costs:

- the insurance policy introduced on 25 June 2001 to provide cover in the event of the default of a member counterparty
- the infrastructure to support multi-CSD settlement without a central counterparty, enabling local settlement rates for cross-border trading and
- development of the innovative "sub CCP" clearing model.

This new turnover fee, which will be introduced on 1 November 2001, will be 0.1 basis point (with no cap). It will be levied on order book and off order book trades, excluding Reported Trades, and will apply independently of the fee model selected.

The fee will be included as a separate line in each member's monthly invoice and, like the trading fee, will be charged in the member's domestic financial currency (i.e. in Swiss francs for Swiss members, Euros for Eurozone members and Sterling for UK and other members.)

The fee will be reviewed with the introduction of the central counterparty system.

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