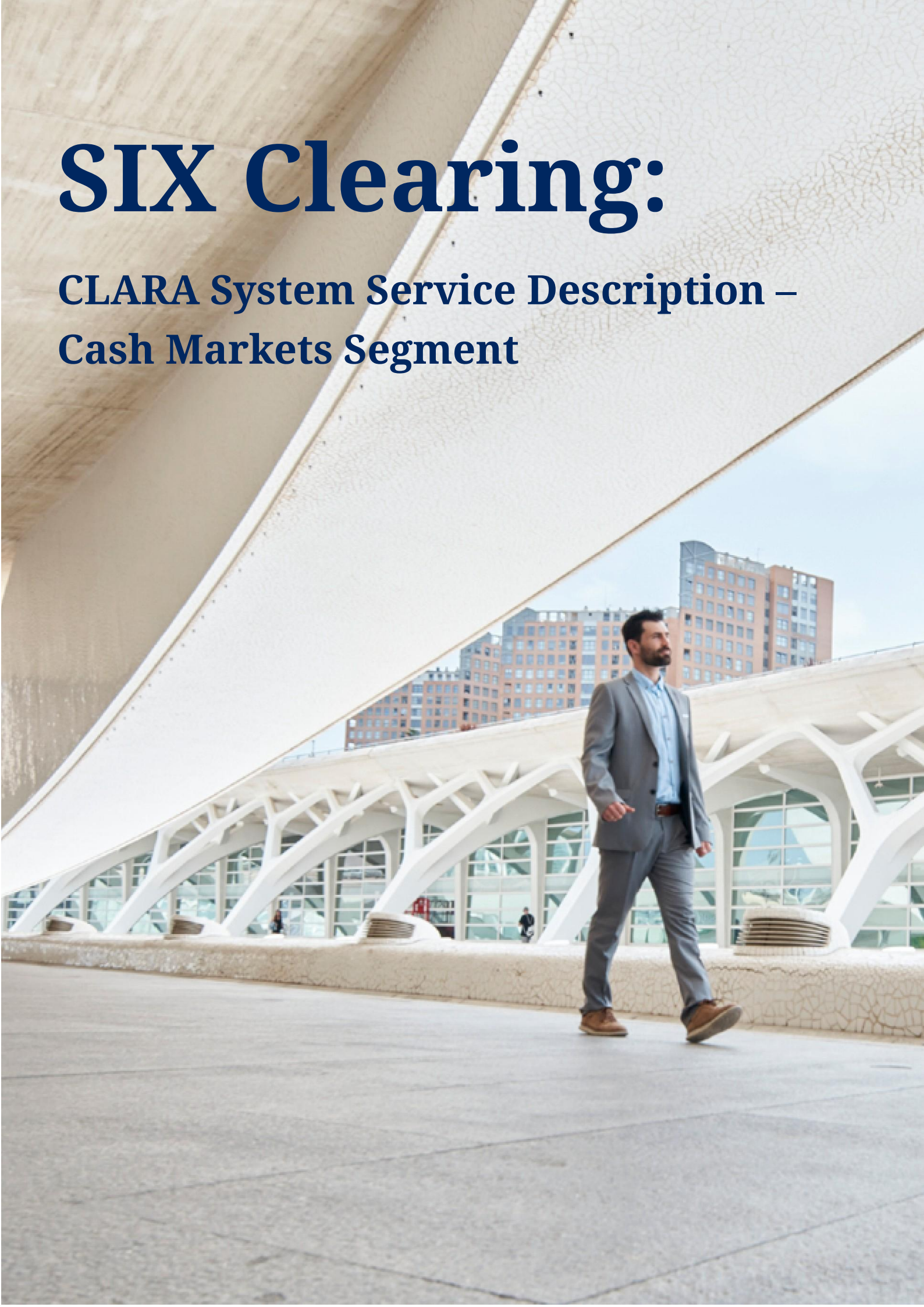
SIX Clearing:

CLARA System Service Description – Cash Markets Segment



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1. Introduction and Pre-word

1.1 SIX Clearing

As part of SIX Group's strategic decision to progressively migrate the cash equity segment to the CLARA clearing platform, developed, and maintained by the recently acquired company Baymarkets, this service description focuses primarily on the services, system architecture, and technical functionalities associated with CLARA.

2. Service Overview

2.1 Service Offering

SIX Clearing and by extension CLARA provides a comprehensive range of central counterparty (CCP) services, including but not limited to:

- Trade receipt, validation, and acceptance
- Novation of trades, whereby SIX Clearing becomes the central counterparty to each transaction
- Trade management
- Trade and settlement netting
- Delivery management and settlement calculation
- Corporate action processing
- Margining and collateral management
- Risk management, including daily exposure calculation and collateralization
- Default management procedures

Acting as the buyer to every seller and the seller to every buyer, SIX Clearing interposes itself between the original counterparties, thereby replacing the bilateral trading relationship.

Throughout the lifecycle of a transaction, from trade execution to final settlement, SIX Clearing performs and facilitates a broad set of post-trade services designed to ensure efficient and secure processing.

Counterparty risk is mitigated through robust risk management practices, including the daily collateralization of exposures using prudent risk models and established risk standards.

Through these services, SIX Clearing:

- Eliminates bilateral counterparty exposures between trading parties
- Ensures the performance of contractual obligations up to final settlement
- Enhances settlement efficiency through netting arrangements, reducing operational complexity and associated costs
- Supports post-trade anonymity

These functionalities are fully supported and delivered through the CLARA clearing platform.

2.2 Clearing Platform

CLARA serves as the core platform for the clearing and settlement services, providing real-time monitoring capabilities for settlement operations alongside key functionalities such as trade clearing, position management, risk management, and margin calculation. Through a centralized interface, CLARA offers real-time visibility into the status of all pending settlement instructions, enabling efficient tracking, timely intervention, and enhanced operational oversight across multiple asset classes.

CLARA combines a proven operational track record with the capabilities required to support the ongoing evolution of clearing services. Built on extensive CCP experience and successfully deployed across multiple markets and asset classes, CLARA provides the reliability and stability expected from critical financial market infrastructure. At the same time, its modern and modular architecture enables scalability, high-performance processing and efficient integration, allowing it to address increasing transaction volumes, regulatory complexity and market fragmentation. CLARA therefore provides a strong foundation for a unified, pan-European and globally scalable clearing offering.

From a technology perspective, CLARA is built on a modern Java-based architecture leveraging established industry frameworks and best practices. Its modular design supports flexibility and continuous evolution, while the integration layer enables efficient connectivity with external infrastructures and coordination between internal components. For user-facing applications, modern technologies are employed to enhance reliability and reduce operational risk, including the ability to detect issues early in the development lifecycle. Overall, this approach ensures that CLARA is a robust and scalable platform aligned with current industry standards.

2.3 Products

CLARA is a multi-asset clearing system, allowing SIX Clearing to offer clearing in a variety of product types. From May 2027, SIX Clearing's clearing offering on CLARA includes, but is not limited to:

- Equity Instruments
- Exchange Traded Funds (ETFs)
- Exchange Traded Products, including but not limited to:
    - Exchange Traded Commodities (ETCs)
    - Exchange Traded Notes (ETNs)
    - Real Estate Investment Trusts (REITs)
    - Special Purpose Acquisition Vehicles (SPACs)

SIX Clearing will also expand its offering on CLARA to include repos and derivatives at a later stage.

2.4 Connectivity

2.4.1 Venue Connectivity

CLARA supports multilevel venue connectivity for trades.

SIX Clearing maintains connectivity to the venues listed in Form 002A. This information can be accessed through the following steps:

1. Navigate to: *Info Center Clearing & x-clear Resources | SIX*
2. Select “Membership”
3. Select “Onboarding Forms”
4. Under “I. General Information”, open Form 002A – “Market and platform coverage”

2.4.2 CSD Connectivity

Communication with CSDs is primarily conducted via SWIFT messaging standards, ensuring a secure and standardized interface across markets.

Depending on the specific market and CSD setup, SIX Clearing settles:

- through accounts held directly in the name of SIX Clearing, or
- via accounts held by a settlement agent

This model enables efficient access to a wide range of markets while maintaining flexibility and cost efficiency. The selected setup reflects both market-specific requirements and the applicable CSD frameworks.

An overview of the CSD connections is provided in the table below. From May 2027, the Spanish market via Iberclear will be supported, followed by a phased migration, with full CSD coverage to be completed by April 2028.

CSD Overview		
Market	**ISO Country Code**	**CSD**
Austria	AT	OeKB
Belgium	BE	Euroclear Belgium
Clearstream Intl.	DI	Clearstream Banking International
Czech Republic	CZ	CDCP
Denmark	DK	Euronext Securities Copenhagen
Euroclear Bank	EB	Euroclear Bank
Finland	FI	Euroclear Finland
France	FR	Euroclear France
Germany	DE	Clearstream Banking Frankfurt
Hungary	HU	Keler Ltd
Italy	IT	Euronext Milan
Netherlands	NL	Euroclear Netherlands
Norway	NO	Euronext Securities Oslo
Portugal	PL	Euroclear Securities Porto
Spain	ES	Iberclear
Sweden	SE	Euroclear Sweden
Switzerland	CH	SIX SIS
United Kingdom	UK	Euroclear UK & Intl
United States	US	DTCC

3. Memberships

3.1 Membership Types

Institutions that meet the clearing membership requirements of SIX Clearing may be admitted as either an:

- Individual Clearing Member (ICM)
    - Responsible for clearing transactions executed on its own account and, where applicable, on behalf of its clients.
- General Clearing Member (GCM)
    - In addition to clearing its own transactions and on behalf of its clients, a GCM may provide clearing services to trading participants that are not direct Clearing Members. Such participants are referred to as Non-Clearing Members (NCMs).
    - As part of this arrangement, the GCM assumes the responsibility for all obligations arising from the clearing of the NCM's transactions.

Other participants include the following:

- Non Clearing Member (NCM)
    - An NCM is a trading member active on one or more trading venues whose trades must be cleared via a General Clearing Member (GCM).
    - NCMs have no direct contractual relationship with SIX Clearing, in line with market standards.
    - NCMs may receive clearing-related messaging and reports, subject to subscription and authorization by their GCM.
- Settlement Agent (SA)
    - A CSD participant responsible for executing securities settlement for CCP-cleared trades on behalf of clearing members.
    - SAs may receive messaging and reports, subject to subscription and authorization by the relevant clearing member.
- Payment Agent (PA)
    - A bank responsible for processing cash transactions related to CCP-cleared activity on behalf of clearing members.

3.2 Membership Relationships

SIX Clearing admits GCMs and ICMs as direct Clearing Members. Market participants that do not or cannot hold a direct clearing membership may access clearing services as an NCM by establishing a contractual relationship with a GCM, thereby becoming an indirect Clearing Member. In such cases, the GCM acts as the clearing counterparty to SIX Clearing and assumes responsibility for the clearing of the NCM's transactions. Accordingly, the contractual relationship for clearing services is established between SIX Clearing and the GCM, rather than directly with the NCM.

4. Account Models

4.1 General

CLARA provides a flexible account model, supporting both segregated and non-segregated account structures.

The core account types are as follows:

Account Type	Description
Position Account	• Where the positions are held in the Clearing System • Allows for Cross Venue netting or Individual Trade Venue netting • The settlement positions can be net or gross depending on Member settlement preference
Margin Account	• Where the margin is calculated • One or many position accounts can propagate into an initial margin account allowing for further margin offsetting • Separate Margin Account for Default Fund and LME • Calculated margin on NCM level will be available for information purposes.
Collateral Account	• Reflects collateral held in T2 or other external places for collateral • One margin account can refer to multiple collateral account; one collateral account can refer to only one margin account • One collateral account can hold several currencies

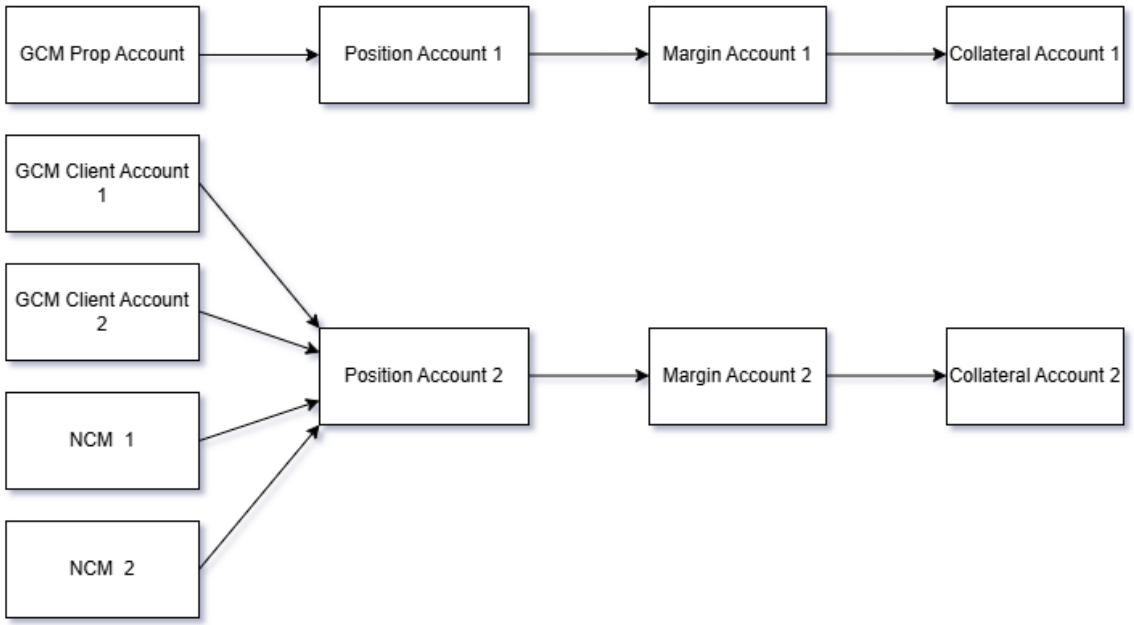
4.2 Account Options

EMIR requires CCPs to offer a minimum level of segregation between house and client accounts. Accordingly, CLARA supports various account segregation setups. Clearing Members that clear only proprietary trading activity may maintain house accounts, while those offering client clearing services may choose between omnibus client accounts and individual client accounts.

4.2.1 Omnibus – No Settlement Segregation

Under this option, the client accounts and NCM accounts are segregated from the GCM house account, while the positions of multiple clients are commingled within a single account.

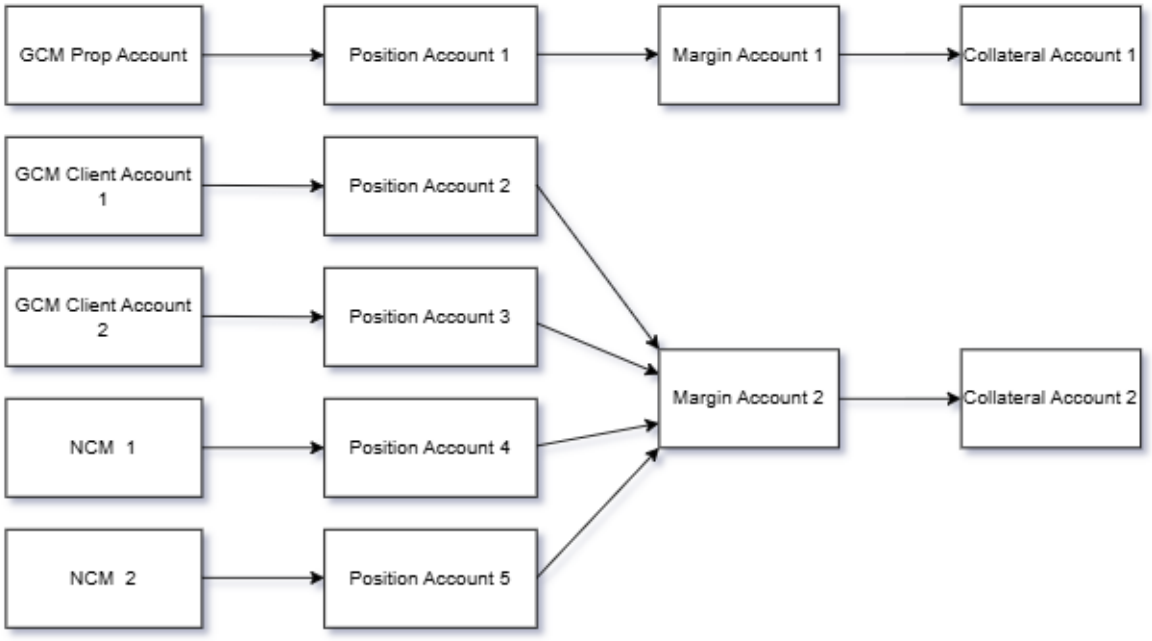
Margin is calculated on a net basis across the aggregated positions, resulting in a single margin requirement at account level. This structure provides both cost and operational efficiencies, as it allows for netting and offsetting across instruments and clients within the account, thereby potentially reducing both the number of settlement instructions and the overall margin requirement.



4.2.2 Omnibus – Settlement Segregation

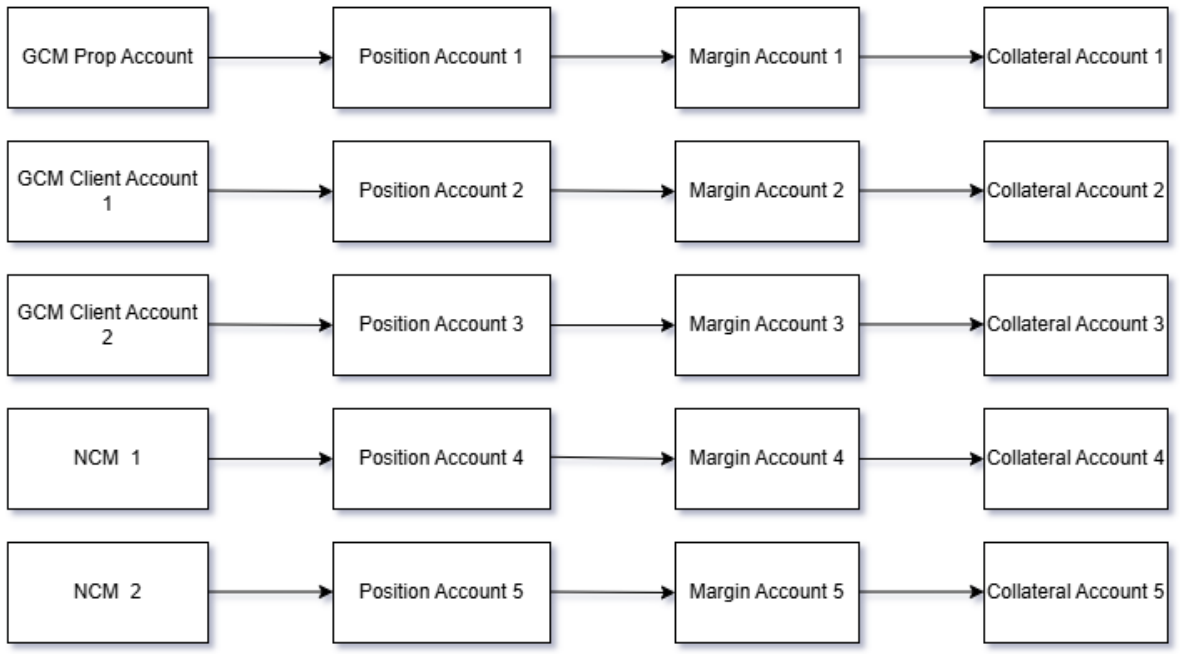
Under this option, the client accounts and NCM accounts are segregated from the house account, while individual client and NCM positions are maintained separately at position level. However, margin is calculated on a net basis across all client positions, allowing for margin offsets and efficiencies.

This structure represents a balanced approach between full commingling and full segregation, combining position-level transparency with margin efficiency. Settlement is performed at the level of each client account, resulting in separate settlement instructions, while a single aggregated margin requirement is determined across the client accounts.



4.2.3 Full Client Segregation

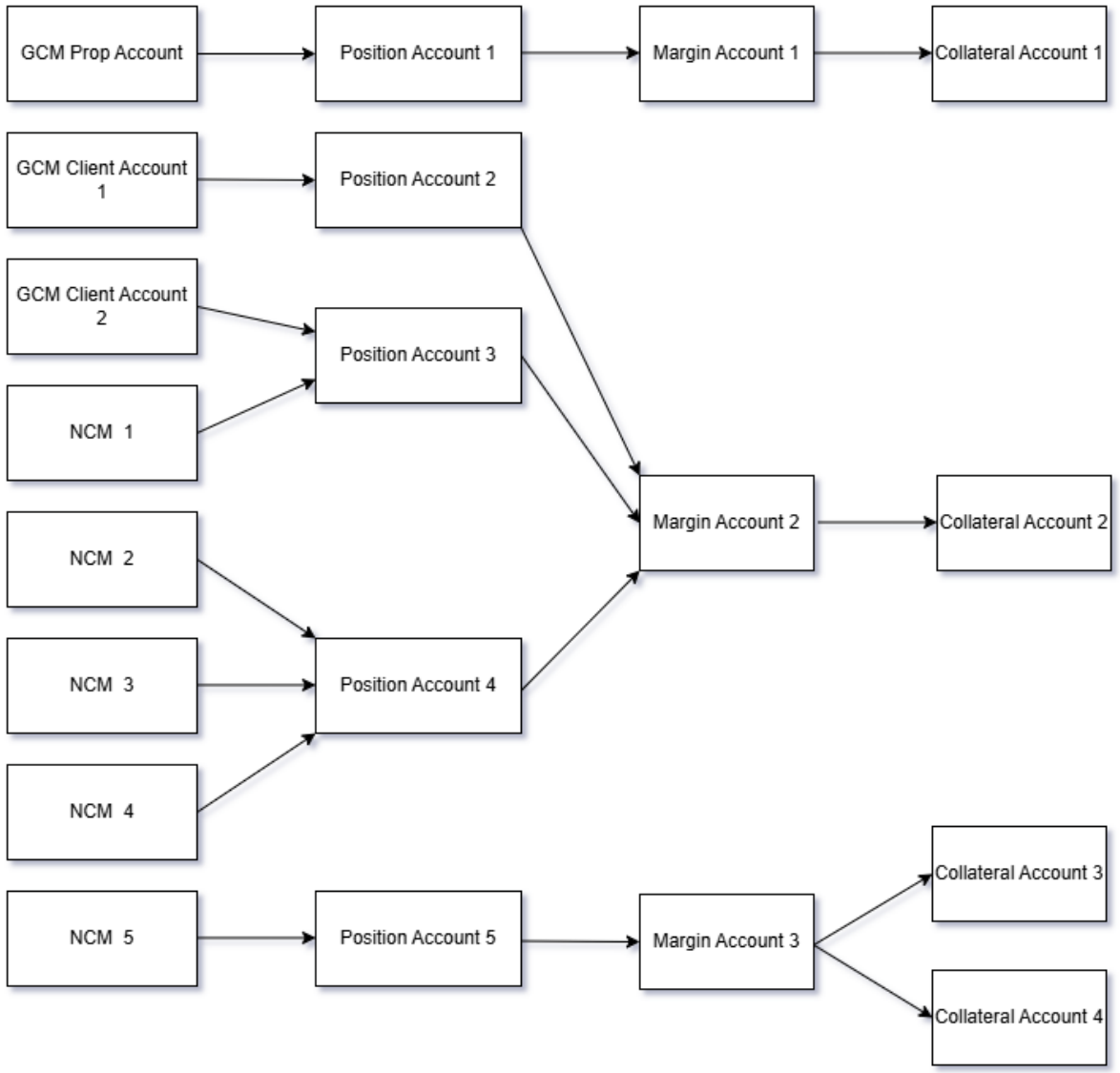
Under this option, client and NCM positions are fully segregated across all levels. As a result, no offsetting or netting is applied for either settlement or margining purposes. This represents the highest level of segregation, ensuring complete separation of positions and associated exposures.



4.2.4 Combination of Accounts

CLARA provides enhanced flexibility, allowing a GCM to configure clearing, margin and collateral accounts in any combination. This enables participants to design account structures tailored to their operational and segregation requirements, subject to the constraint that each collateral account is linked to a single margin account.

In addition, CLARA allows GCMs to combine different segregation models within the same overall setup. For example, a GCM may implement an omnibus structure for certain NCMs while maintaining individually segregated account structures for others. This enables the grouping of some clients within shared accounts, while ensuring full segregation for others, depending on their specific requirements. The picture below illustrates a sample of such a complex tailored solution:



5. Operations

5.1 Trade Related Operational Processes

SIX Clearing via CLARA supports operations for the following trade related functions.

5.1.1 Trade Capture

The trade capture component connects to a trade feed provided by a trading venue. Trades are received real time.

In addition, CLARA receives expiry events for physically settled option and futures contracts traded on the derivatives exchange MEFF. These are transmitted from the derivatives clearing segment of SIX Clearing to the equity clearing segment within CLARA. The relevant details are received under the MEFF MIC code (XMEF).

5.1.2 Trade Validation

Trades are validated to ensure received data is as expected. Before being novated, the system ensures that instrument, account, and other trade attributes are validated.

5.1.3 Trade Novation

Once the trade has been validated, the trade will be novated by CLARA and trade confirmation will be sent to members who opt for the reporting interfaces.

5.1.4 Trade Management

5.1.4.1 Allocations

CLARA supports internal allocations and external allocations (give-ups) for the BME Exchange flows in the Spanish market, enabling flexible post-trade management across accounts and Clearing Members:

- Internal allocations refer to the reassignment of positions between accounts belonging to the same Clearing Member and Non-Clearing Member. As these movements remain within the same participant, no counterparty acceptance is required.

- External allocations (give-ups) refer to the transfer of positions from one Clearing Member to another. In such cases, the receiving participant must accept the transfer. Where the receiving participant is an NCM, the acceptance must be performed by its corresponding GCM.

The processing of internal and external allocations can be supported through the following mechanisms:

1) Parametrization (automated processing):
Supports automated processing based on pre-defined rules and criteria.

- For internal allocations, participants may define parametrization modules to automatically allocate positions based on trade or order attributes.
- For external allocations (give-ups), the initiating participant may configure parametrization modules to automatically generate give-up requests. The receiving participant may define filters to automatically accept incoming give-ups. Where the receiving participant is an NCM, such filters are configured by its GCM.
- Fully automated processing of give-ups requires both the give-out parametrization and the give-in acceptance filters to be in place.

2) Messaging via FIXML:
Enables the submission and processing of allocations and give-ups through structured messaging workflows.

3) CLARA Web Application (manual interaction required):
Provides a user interface for the manual entry, monitoring, and management of internal and external allocations.

Both internal and external allocations are processed according to defined cut-off times. In a T+2 settlement cycle, external allocations are accepted and processed until 18:00 CET on T+1, whereas in a T+1 settlement cycle, they will be accepted until 20:15 CET on T.

5.1.4.2 Hold/Release Functionality on Gross Trades

CLARA enables Clearing Members to hold and release gross trades, providing control over their inclusion in the settlement netting process. Trades placed on hold prior to the netting cut-off are netted separately and transmitted to the CSD with a hold status. In contrast, trades not placed on hold are netted into standard settlement instructions and released to the market for settlement. Once a trade has been netted, no further hold or release instructions are accepted on gross trades.

The hold/release functionality on gross trades is available from the time of trade registration until netting and can be applied to all trade types, including buy and sell transactions and trades resulting from internal or external allocations. Both full and partial hold/release actions are supported and CLARA allows all sell trades to be held regardless of the net position of the account.

Requests may be submitted via ISO 15022 MT530 messaging or through the CLARA GUI. Incremental logic applies, meaning that hold and release instructions adjust the existing held quantity rather than replacing it.

Upon receipt, SIX Clearing performs validation in CLARA and communicates the outcome via MT548 messages, indicating acceptance or rejection. Where accepted, the held quantity and corresponding cash amounts are updated accordingly. Reporting is provided through MT538 (ISO) or AE messages (FIXML), depending on the Clearing Member's subscription model, and may also be made available to relevant third parties if approved by all involved parties.

CLARA enables position-level configuration whereby, if activated, all sell trades on the relevant position account will be placed on hold. Under this configuration, buy trades are not affected and will not be put on hold.

In a T+2 settlement cycle, hold/release processing occurs on T+1 until 19:00 CET, while in a T+1 settlement cycle, it occurs on T until 20:15 CET.

5.2 Settlement-Related Operational Processes

SIX Clearing supports a comprehensive set of settlement-related operational processes, covering netting, settlement instruction generation, delivery management, failure handling, and settlement confirmation.

5.2.1 Settlement Netting

5.2.1.1 Instruction Generation

SIX Clearing offers Members the option to net the clearing transactions registered during a day.

Under a net settlement model, all clearing transactions within a given account are fully netted across venues, resulting in a single net settlement instruction (DVP or RVP) per ISIN, currency, trade date, and settlement location.

Under a gross settlement model, CLARA supports two different processing approaches:

In the first approach, buy and sell transactions are not netted against each other but are aggregated separately, resulting in:

- one settlement instruction for all buy transactions (RVP), and
- one settlement instruction for all sell transactions (DVP)

The aggregation will occur per ISIN, currency, trade date, and settlement location.

In the second approach, CLARA support a trade-by-trade settlement, whereby one settlement instruction is generated per individual gross trade received.

Following the netting process, CLARA generates and transmits the corresponding settlement instructions to the relevant CSD(s), based on the reference data and Clearing Member information maintained in the system. The release of these settlement instructions is scheduled at 19:00 CET on T+1 under a T+2 settlement cycle and at 20:30 CET on T under a T+1 settlement cycle.

5.2.1.3 Hold & Release on Settlement Instructions

In addition to trade-level functionality, CLARA supports hold and release actions on settlement instructions after they have been generated and submitted to the relevant CSD(s). This provides Members with enhanced control over the settlement process post-netting.

Participant Entities may request hold or release actions from the point of instruction generation until the applicable settlement or buy-in deadlines. Requests can be submitted via ISO 15022 MT530 messaging or through the CLARA GUI, with a consistent processing workflow applied across both channels.

CLARA supports full hold and full release for all settlement instruction types (including DVP/RVP, DFP/RFP and DWP/RWP). Partial release is supported for delivery instructions (e.g. DVP, DFP, DWP), allowing a portion of the held quantity to be made available for settlement, while the remaining quantity remains on hold. Partial hold of settlement instructions is not supported.

Following submission, instructions are validated by SIX Clearing, and the outcome is communicated to the Participant Entity via MT548 messages.

Where accepted, the CCP will update the instruction status and, where applicable, transmit the corresponding modification directly to the CSD. Relevant notifications are distributed in line with participant subscription settings.

In the case of partial release, the released quantity becomes eligible for settlement while the instruction remains on hold for the remaining quantity. Any quantity not settled within the relevant settlement window will revert to held status and may be resubmitted for settlement in subsequent cycles.

SIX Clearing will allow members or settlement agents to instruct hold and release directly to T2S or to the CSD.

5.2.1.4 Strange Nets

Depending on the outcome of the netting process, different settlement scenarios may arise. These include:

- Clean nets, where the result is a standard DVP or RVP instruction
- Strange nets, where the outcome reflects alternative netting results in accordance with the specific settlement rules of the relevant CSD

The following table illustrates the possible outcomes of settlement netting, where Scenario 1 & 2 represent clean nets and Scenarios 3 to 9 represent strange nets.

Netting Types				
	Aggregation Model		**Segregation Model**	
Scenario	**Net Settlement**	**Aggregation**	**Net Settlement**	**Segregation**
1	DVP	DVP	DVP	DVP
2	RVP	RVP	RVP	RVP
3	DFP	DVP + RVP	DFP	DFP
4	RFP	DVP + RVP	RFP	RFP
5	DSM	DVP + RVP	DSM	DFP + PMO
6	RSM	DVP + RVP	RSM	RFP + RMO
7	PMO	DVP + RVP	PMO	PMO
8	RMO	DVP + RVP	RMO	RMO
9	NLD	DVP + RVP or No Inx.	NLD	No Inx.

5.2.2 Settlement Instruction Matching Models for Clearing Member

CLARA supports two alternative models for the creation and matching of settlement instructions, providing flexibility depending on the operational and legal setup of the Clearing Member.

The first model is a pre-match model, where SIX Clearing, via CLARA, generates and submits settlement instructions on behalf of Members directly to the relevant CSD(s) (e.g. Iberclear). Under this model, settlement instructions will be submitted in an “already matched” state.

The second model provides a CSD direct POA approach whereby CLARA transmits the settlement instruction details to the CSD, on behalf of the member to match against the instruction of SIX Clearing.

As an alternative SIX Clearing via CLARA can send a settlement copy report to the Member’s designated settlement agent, who then instructs the transaction on behalf of the Member or the Member may instruct directly. In this scenario, no Power of Attorney (PoA) arrangement is in place whereby the CCP acts on behalf of both counterparties. Consequently, responsibility for submission of settlement instructions remains with the Member or its designated agent.

5.2.3 Failure Management

All unsettled transactions are tracked and made available through dedicated monitoring functionality in CLARA.

In cases where the delivering Member fails to deliver securities, this may result in a settlement failure, as the CCP must first receive securities in order to complete delivery to the receiving Member. Consequently, a failure by the delivering Member may lead to a corresponding failure towards the receiving Member.

If securities are not delivered by the Intended Settlement Date (ISD), a buy-in process is initiated in accordance with applicable rules:

- A pre-notification may be issued (if subscribed by the Member)
- The buy-in process is typically initiated at ISD+4
- Execution is generally performed at ISD+5

In specific cases, extended timelines may apply, such as:

- ETF transactions: ISD+8
- Market maker transactions: ISD+11

Eligibility for the extended timelines for market maker transactions is conditional upon the relevant exchange submitting the required details using the appropriate tags, enabling SIX Clearing to identify the respective market makers.

Under the buy-in process, SIX Clearing, acting as central counterparty, acquires the required securities in the market and passes the associated costs to the failing Member.

This mechanism ensures:

- Continuity of settlement
- Market liquidity
- Timely fulfilment of contractual obligations

6. Risk Management

6.1 Introduction

SIX Clearing, through CLARA, applies a modern, flexible and well-established risk framework designed to ensure the resilience and continuity of clearing operations. The framework is based on a hybrid Value-at-Risk (VaR) approach, combining Monte Carlo VaR, stressed VaR, variation margin and targeted add-ons, together with integrated back-testing and stress-testing capabilities. This enables a comprehensive and forward-looking assessment of risk across a wide range of market conditions.

To mitigate exposures, Members are required to post collateral in line with their risk profile and contribute to the default fund and, where applicable, the Link Margin Element. Risk is assessed separately across asset classes, including equities and fixed income, with the total margin requirement determined as the aggregation of the respective components.

The updated risk model is designed to enhance transparency, consistency and responsiveness to market dynamics. It introduces improved calibration techniques, including the daily validation of model parameters against historical data, as well as more granular and dynamic modelling of volatility and correlation. This allows for more accurate risk measurement and more timely margin adjustments, while reducing procyclicality and the reliance on model overlays.

The framework includes additional risk add-ons, such as liquidity risk add-on, wrong-way risk add-on, and stress margin add-on, ensuring comprehensive coverage of risk exposures.

It is complemented by a robust stress testing framework, combining historical and hypothetical scenarios to capture extreme but plausible market conditions, including stressed correlations and wrong-way risk effects.

Overall, the framework delivers a robust, transparent and scalable risk solution that supports accurate risk coverage, operational efficiency and consistency across all cleared products.

6.2 Margin Calculations

CLARA incorporates a state-of-the-art margining framework based on advanced quantitative modelling techniques, ensuring accurate, robust and forward-looking risk measurement across asset classes. At its core, the framework leverages Monte Carlo Value-at-Risk (VaR), generating a large number of simulated profit and loss scenarios using dynamically calibrated parameters for volatility and correlation. These parameters are continuously recalibrated against historical data, enabling the model to adapt efficiently to evolving market conditions.

For equities, volatility is estimated using an integrated GARCH (I-GARCH) approach with Student-t distributed residuals, capturing heavy-tailed market behavior, while volatilities are conservatively floored against long-term estimates. Correlation structures are derived using a Bayesian shrinkage methodology, providing stable and realistic dependency modelling even under stressed market conditions. Scenario generation is based on multivariate t-distributions, scaled appropriately to the margin period of risk (MPOR), ensuring consistency in risk horizon treatment.

For fixed income instruments, CLARA applies a yield curve–based modelling framework, using principal component analysis (PCA) combined with exponentially weighted covariance estimation to simulate movements across market yield curves, including government and corporate curves. These simulations are translated into bond price dynamics, ensuring coherent valuation and risk aggregation across portfolios.

Initial margin is determined at a 99% VaR confidence level, with no cross-margining between equity and fixed income segments. In addition to the core initial margin model, the framework incorporates stressed VaR and a set of additional margin components designed to capture risks not fully reflected in the base model, including liquidity risk, wrong-way risk, stress scenarios and interoperability requirements. Variation margin is calculated using current market data, and the total margin requirement reflects the combined effect of initial margin, add-ons and variation margin, floored at zero.

Overall, the CLARA margin framework combines advanced modelling techniques with continuous calibration, delivering both high risk sensitivity and stability, while supporting efficient and transparent margining for Members.

6.3 Margin Calls

SIX Clearing continuously monitors Members' risk exposure throughout the business day and recalculates margin requirements and permissible collateral levels on an ongoing basis. SIX Clearing may define limits on risk exposure applicable to Members. Upon a breach of such limits, SIX Clearing will issue an extraordinary margin call.

SIX Clearing may issue an extraordinary margin call if the permissible collateral provided by a Member (or its clients) is deemed insufficient to cover the Member's risk, or due to prevailing market conditions or other imperative reasons, including prior to a non-business day.

Each margin call must be met within the deadline specified by SIX Clearing. As a general principle:

- Margin calls must be fulfilled within a maximum of 60 minutes from the time of issuance.
- Margin calls issued no later than 17:00 CET must be satisfied on the same business day.
- Under extraordinary circumstances, margin calls may also be issued after 17:00 CET. Where such margin calls cannot be satisfied on the same day, they must be fulfilled no later than 09:00 CET on the next business day.

For Members using services with extended clearing hours, additional risk coverage requirements apply:

- For the OTC Extended Window Clearing Service (18:30–19:30 CET), Members must ensure their ability to meet margin calls until 21:00 CET.
- For trading platforms where clearing services are offered until 22:00 CET, Members are required to cover margin calls until 23:00 CET.

Failure to meet a margin call within the specified timeframe may result in:

- Suspension of clearing activity; and/or
- Initiation of default management procedures

7. Collateral

Clearing Members are required to provide collateral to meet their margin requirements, default fund contributions and, where applicable, the Link Margin Element (LME).

Cash collateral is transferred to designated collateral accounts held by SIX Clearing or secured through other arrangements deemed acceptable by SIX Clearing. Collateral in the form of fixed income instruments is provided via full title transfer to SIX Clearing. Equity as securities collateral will not be accepted.

Within the Cash Markets Segment, collateral requirements consist of three distinct components:

- Initial margin
- Default fund contribution
- Link Margin Element (LME)

Each of these components must be covered separately in dedicated collateral accounts.

The eligibility of collateral differs by component:

- Initial margin: may be covered with cash or eligible securities
- Default fund contribution: covered with cash collateral*
- Link Margin Element (LME): is applicable only to Members active on interoperable trading venues and can be covered in cash and securities, depending on CO-CCP requirements.

*Note: Default Fund contributions are currently under analysis to assess the potential inclusion of securities as eligible collateral.

7.1 Cash Collateral

SIX Clearing accepts a broad range of cash collateral currencies, including CHF, EUR, GBP, USD, NOK, SEK, DKK, JPY, CAD, AUD and NZD.

7.1.1 Direct Debits

Clearing Members are required to establish appropriate direct debit arrangements that enable SIX Clearing to initiate debit instructions on designated cash accounts.

Clearing Members must ensure that these accounts maintain sufficient liquidity at all times and that no legal, operational or technical constraints prevent the execution of valid payment instructions.

Direct debit mechanisms are used to process cash flows related to:

- Margin requirements (initial and intraday)
- Default fund contributions
- Link Margin Element (where applicable)
- Other operational cash flows (e.g. fees, corporate actions)

Where applicable, Members are required to ensure coverage of margin also in case of currency holidays.

7.2 Securities Collateral

SIX Clearing accepts a broad range of securities collateral, including instruments eligible under the Swiss National Bank General Collateral Basket (SNB GC Basket), as well as certain government bonds currently accepted by BME Clearing.

Within this framework, eligible securities also include Spanish sovereign debt, as well as sovereign debt securities issued by Germany, France, the Netherlands, Austria, Italy and Portugal, registered in Iberclear through links with other central securities depositaries.

All securities collateral must be provided via full title transfer to SIX Clearing. Therefore, classic pledge structures for bonds or equities are no longer eligible.

For the management of securities collateral, CLARA will maintain direct connectivity to Iberclear, ensuring efficient processing and monitoring of collateral movements.

7.3 Collateral - CLARA Web Application

Clearing Member users have access to request the release of collateral in CLARA web application (subject to user rights). These requests need to be approved by SIX Clearing.

Members with surplus collateral can request for collateral release within the defined collateral release window. Depending on the set-up, the request can go to a pending state, waiting for approval by the CCP.

8. Reporting & Technical and Specifications

For all reporting and technical specifications, please refer to the following link:

BME Clearing Technology | BME Bolsas y Mercados Españoles

The messaging and report specifications can be found under the “Cash Clearing Platform” section within the “Versions EQ, FI, & IRS” tab.

9. Other Related Topics

9.1 Member Testing

CLARA will provide Members with access to a dedicated client test environment, available free of charge. Member testing for the CLARA platform is planned to commence from November 2026.

CLARA will support direct trade injection or trade from the aforementioned trading venues, which enables efficient testing of clearing workflows. In addition, the platform will provide connectivity for settlement with the test environment of all CSDs offered by SIX Clearing.