

NASDAQ OMX Derivatives Markets Concentration Risk Policy

Adopted by the Risk Committee September 17th, 2008

Background and Purpose

NASDAQ OMX Derivatives Markets applies a margin methodology with associated risk parameters as one of several means to manage the risks assumed in the clearing and CCP services it provides. One of the fundamental assumptions made when setting risk parameters is that a position can be closed out within a relatively short time frame, typically a few days. In the event of default NASDAQ OMX Derivatives Markets will close out the market risk of the positions held by the defaulted counterparty. In case a position that is large with respect to the underlying market is closed, detrimental effects on the market price, above and beyond what the risk parameters are assumed to cater for, can be anticipated. As CCP such risk is neither acceptable nor in line with regulatory requirements.

The purpose of this policy is to provide transparency on the risks associated with large concentrations and how it is managed by NASDAQ OMX Derivatives Markets.

It should be noted that, regardless of this policy, NASDAQ OMX Derivatives Markets maintains the right to deny any registration of contracts for clearing due to the risk position of the clearinghouse.

Scope and Limitations

This policy covers the derivatives positions cleared by NASDAQ OMX Derivatives Markets. The policy does not cover the concentration risk in pledged collateral (for collateral eligibility see NASDAQ OMX Derivatives Markets Rules and Regulations).

Policy

Equity Derivatives

NASDAQ OMX Derivatives Markets Concentration Risk Limit:

An underlying position per member of max 10% of total number of outstanding shares. A member includes all affiliated companies.

An underlying position per end-client of max 5% of total number of outstanding shares. An end-client includes all affiliated companies.

Fixed Income Derivatives

NASDAQ OMX Derivatives Markets Concentration Risk Limit:

An underlying position per member of max 25% of the volume, with respect to the issued debt which is deliverable or synthetic underlying for the derivatives contract. A Member includes all affiliated companies.

An underlying position per end-client of max 25% of the volume, with respect to the issued debt which is deliverable or synthetic underlying for the derivatives contract. An end-client includes all affiliated companies.

Current open positions exceeding the limits

The current open positions exceeding the above referenced limits may be maintained but not increased.