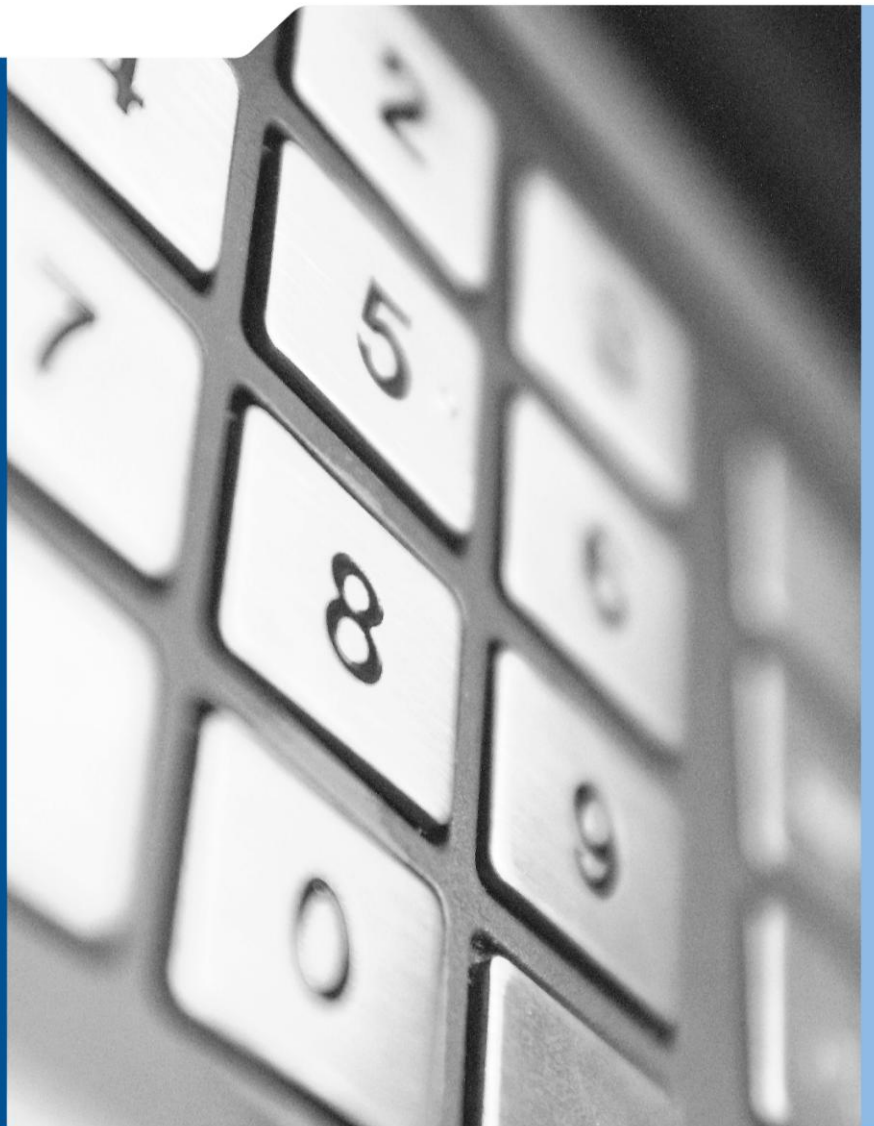


## User Guide SIX x-clear Ltd

**Clearstream Luxembourg**

June 2011



A small image of a computer keyboard, showing keys like '7', '5', and '8', positioned to the left of the title.

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Clearstream Luxembourg

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### 1.0 Market overview

Description	Details
Settlement Institution of SIX x-clear	SIX SIS Ltd (INSECHZZXX)
Local Custodian	None, SIX SIS is a direct member of the local CSD Clearstream Banking Luxembourg CBL
Place of Settlement	CBL (CEDELULLXXX)
Participant ID	CBL account for non-domestic securities: 83320
Beneficiary ID	CH112114 This BP ID of SIX x-clear has to be mentioned in the instruction.
Cash Account EUR	87864
Market Deadlines (CET)	Inhouse CBL optional (all): S-17:30 Euroclear bridge optional versus payment: S-14:30 Euroclear bridge free of payment: S-15:30

### 2.0 Settlement guide

#### 2.1 Settlement process

Transactions free and versus payment:

Both parties (receiver and deliverer of securities) need to instruct their trade in the Creation online system of Clearstream Banking Luxembourg (CBL), receive and delivery need to match before the trade can be settled.

#### 2.2 Handling of unmatched trades

Trades should be matched on T+1 at 14:00 (CET) to make sure settlement can be executed during the overnight batch before settlement date. SIX x-clear will contact missing/failing counterparties after 14:00 (CET) and ask for instructions. SIX x-clear will contact missing counterparties twice at the most.

#### 2.3 Handling of unsettled trades

Trades are expected to settle on the intended settlement date (ISD). SIX x-clear will not cancel or amend instructions. SIX x-clear will contact delayed counterparties on settlement

A small image of a computer keyboard, showing keys like '7', '5', '8', and '4'.

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date twice at the most. In respect of late settlement, please refer to “late settlement and buy-in guide” of SIX x-clear.

#### 2.4 Specialities

Trades that are eligible for a specific entitlement, e.g. dividends / rights for trades settled over ex date, need to be reported and claimed at SIX x-clear.

#### 3.0 Income and corporate action guide

The most common events in the Luxembourg market are dividend payments, tender/exchange offers and bonus/rights issues.

##### 3.1 Ex date

For companies located in Luxembourg, ex date corresponds to the first day on which shares are traded without entitlement.

For international ISINs, please note that the specific market rules of the respective market will apply.

##### 3.2 Record date

For companies located in Luxembourg, the record date (ex date +2) is the date when close-of-business positions are captured for entitlement to the proceeds of the corporate event.

For international ISINs, please note that the specific market rules of the respective market will apply.

##### 3.3 Pay date

The date of payment of the proceeds of the corporate event.

##### 3.4 Cancel/Regeneration (transformation)

In case of a mandatory exchange (i.e. split, reverse split, conversion etc), CBL will automatically cancel all pending settlement instructions on ex date -1 (EOD), and both SIX x-clear and the clearing member will have to reinstruct the new trades according to the terms of the corporate action.

##### 3.5 Compensation rules (dividends)

For trades where two CBL accounts are involved, market claims originating from transactions against payment (DVP/RVP) will take place automatically (credit for purchases and debit for sales before ex date).

A small icon of a computer keyboard, showing keys with numbers and letters.

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### Rules:

- Trade date must be mentioned in both settlement instructions
- The trade has to be matched on record date at the latest
- Settlement date must be on or before record date
- The actual settlement date cannot be later than 30 days after pay date

Dividend payments are also adjusted automatically where trade date and actual settlement date are between ex date and record date.

For cross-border trades, local market rules or market practice determine whether a trade in a domestic security (and with a domestic counterparty) is subject to entitlement compensation.

If both CBL and a Euroclear account are implicated in a trade (bridge transaction), no compensation will take place.

### 3.6 Compensation rules for mandatory events

For trades where two CBL accounts are involved, market claims originating from transactions against payment (DVP/RVP) will take place automatically (credit for purchases and debit for sales before ex date).

#### Rules:

- Trade date must be mentioned in both settlement instructions
- An eligible trade has to be settled within 5 business days after the record date

The compensation rule will be applied by CBL to the following events only:

- Stock dividend
- Bonus automatic
- Stock split
- Reverse stock split/consolidation
- Demerger/Spin-off and rights distribution on bonus
- Choice dividend (rights distribution)
- Subscription offer (rights distribution)

No automatic compensation will be applied to transactions between CBL customers (internal trades) when the event has a record date older than six months.

For cross-border trades, local market rules or market practice determine whether a trade in a domestic security (and with a domestic counterparty) is subject to entitlement compensation.



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If both CBL and a Euroclear account are implicated in a trade (bridge transaction), no compensation will take place.

#### 3.7 **Source tax**

Dividends are subject to 15% Luxembourg withholding tax.

#### 3.8 **Currency**

The currency most commonly distributed in the Luxembourg market is EUR. In principle, payments are distributed in the original currency announced by the issuing company. There is a possibility, however, that the CSD will not distribute the announced original currency. In this case SIX x-clear will credit the currency received from the custodian.

For international ISINs, the currency generally distributed is the currency announced by the company.

#### 3.9 **Buyer protection**

There is no buyer protection facility in the Luxembourg market.

The buyer has to send his choice by fax (a template can be downloaded on the website under [www.six-x-clear.com](http://www.six-x-clear.com) > Forms to SIX x-clear Settlement no later than 10:00 am (CET) one business day after the market deadline (election) date. SIX x-clear will forward the buyer's choice to the failing seller until 18:00 (CET) one business day after the market deadline. The seller is obliged to execute the instruction and to deliver the outcome according to the buyer's choice. The cancellation of the original trade and the new instruction(s), according to the relevant corporate action terms, need to be agreed bilaterally by both SIX x-clear and the counterparty. The settlement dates of the new outturn will generally be the payment date of the corporate action transaction.

#### 4.0 **Contact details**

SIX x-clear Settlement  
c/o SIX SIS Ltd  
Settlement Client Desk x-clear / SECX  
Baslerstrasse 100  
CH-4600 Olten

Phone +41 58 399 6555  
Fax +41 58 499 1316  
Email [sett.xclear@sisclear.com](mailto:sett.xclear@sisclear.com) resp.  
Ticket automation [sett.xclear@isis.sisclear.com](mailto:sett.xclear@isis.sisclear.com)  
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