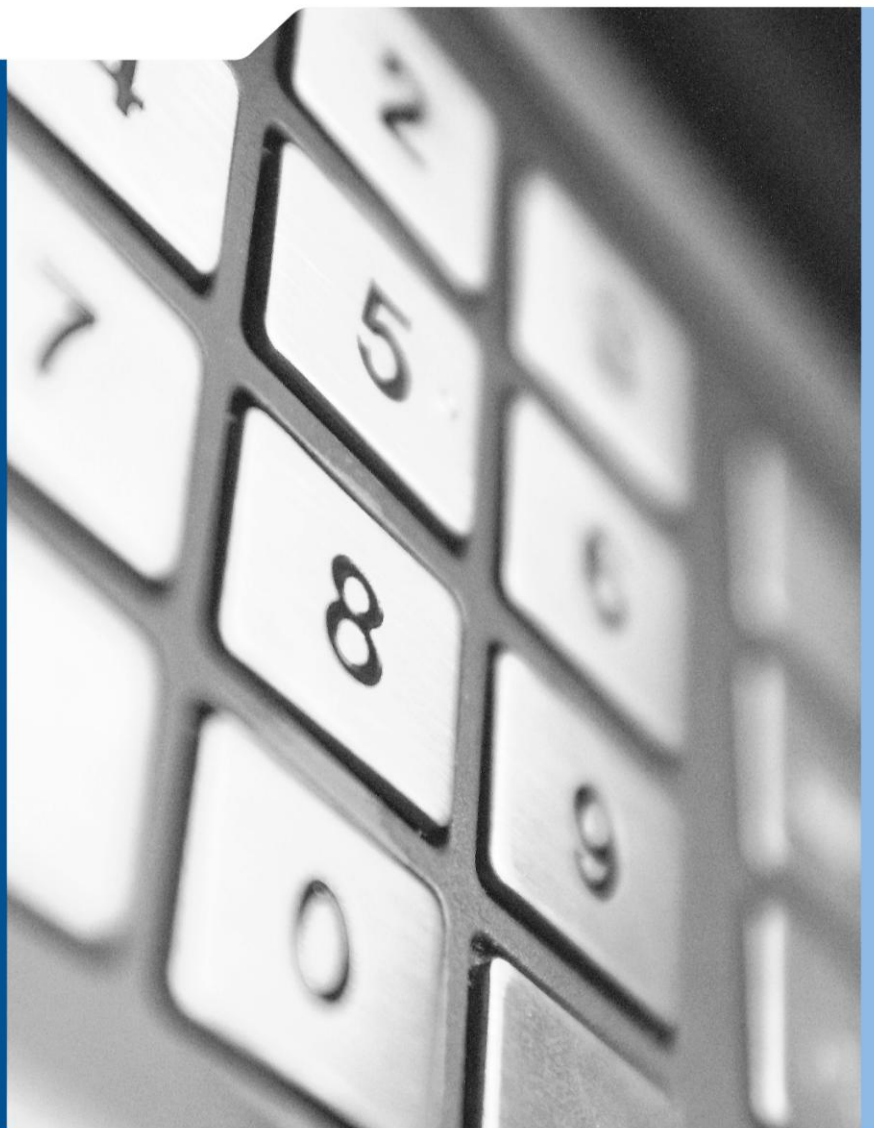


User Guide SIX x-clear Ltd

France

June 2011





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France

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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 Euroclear France
Place of Settlement	Euroclear France SICVFRPPXXX
Participant ID	ESES participant number: 00000029910
Cash Account EUR	BNP Paribas 49771C
Beneficiary ID	CH112114 This BP ID of SIX x-clear has to be mentioned in the instruction as final beneficiary.
Market Deadlines (CET)	S 15:30

2.0 Settlement guide

2.1 Settlement process

Transactions free of payment and versus payment both have to match before settlement.

2.2 Handling of unmatched trades

Trades should be matched on T+1 at 14:00 (CET) to ensure timely settlement. 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 date twice at the most. In respect of late settlement, please refer to the “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.



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3.0 **Income and corporate action guide**

The most common events in the French market are dividend payments, optional dividends, splits, reverse splits, rights issues and tender offers.

3.1 **Ex date**

All securities traded on ex date are traded ex coupon.

3.2 **Record date**

Eligible securities are evaluated based on the record date (EOD). The record date is on ex date + 2 (business days)

3.3 **Pay date**

Distributions are credited to the authorized parties on payment date. Usually payment date is one business day after record date.

3.4 **Cancel/Regeneration (transformation)**

In case of a mandatory exchange (i.e. split, reverse split, conversion etc) Euroclear France (EF) will automatically cancel all pending settlement instructions at record date (EOD) and generate the new trades according to the corporate actions conditions.

3.5 **Compensation rules (claims)**

In France, the trade date determines the entitlement to participate in a corporate action. Cum trades settled before or on the record date are automatically handled by the CSD, because they have become part of the holdings on record date.

Delivery/receive versus payment (DVP / RVP) transactions instructed via SLAB (Système de Livraison par Accord Bilatéral) will be subject to market claims. Instructions will be eligible for market claims if the trade date is prior to the ex date and the actual settlement date is after the record date. The period for creating market claims by the CSD will be limited to 45 business days following the ex date. Reverse market claims are handled for securities traded on or after ex date and settled on or before record date. For a given market claim, as a rule, the intended settlement date will be either the payment date of the corporate action or the current business day if the need for the market claim is detected after the payment date

3.6 **Source tax**

The standard withholding tax rate for non-residents receiving dividends on French equities is 25%.

A small icon of a computer keyboard, showing keys with numbers 7, 5, and 8.

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3.7 Currency

The currency most commonly distributed in the French market is EUR. There is a possibility that the CSD will not distribute the announced original currency. In this case, SIX x-clear will credit the currency received from the custodian.

3.8 Buyer election

There is no buyer protection facility in the French market.

The buyer has to send his choice by fax (a template can be downloaded on the website under www.six-x-clear.com > Forms to SIX x-clear Settlement no later than 10:00 am (CET) one business day after the deposit date. SIX x-clear will forward the buyer's choice to the failing seller until 18:00 (CET) one business day after the deposit date. 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.

A seller shall deliver the rights/shares on the deposit date at the latest. A buyer / SIX x-clear is not obliged to accept delivery of rights/shares after such date. Therefore the rights/shares could be returned to the seller. The seller still has the obligation to fulfil the executable buyer's choice.

4.0 Contact details

SIX x-clear Settlement
c/o SIX SIS Ltd
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