

User Guide SIX x-clear Ltd

Portugal

June 2011



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

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1.0 Market overview

Description	Details
Settlement Institution of SIX x-clear	SIX SIS Ltd (INSECHZZXX)
Local Custodian	Millennium bcp, Lisbon BCOMPTPLXXX
Place of Settlement	Interbolsa soc. Gestora de Sistemas IBLSPTPPXXX
Participant ID	Interbolsa Number 533
Custody account	165940132
Cash Account EUR	EUR-cash account 165940132
Beneficiary ID	CH112114 This BP ID of SIX x-clear has to be mentioned in the instruction as final beneficiary.
Market Deadlines (CET)	Shares / Bonds S 15:30 Bonds (free of payment) S 15:30 Shares (free of payment) S 16:00 Millennium internal (all) S 17:30

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.

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

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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 Portuguese market are dividend payments, bonus issues and rights issues.

The local central securities depository, Central de Valores Mobiliários (CVM), processes the collection of income due on securities integrated into the CVM system, whether immobilized or dematerialized.

Most dividends are paid once a year, usually between March and June. Dividends are paid on the actual payment date through the electronic funds transfer system SPGT with same-day value.

3.1 Ex date

The first date on which shares are traded without entitlement. Ex date is two business days before record date.

3.2 Record date

The date when close of business positions are captured for entitlement to the proceeds of the corporate event. Record date is two business days after ex date.

3.3 Pay date

The corporate event proceeds are credited to the participant's accounts on pay/available date based on the holdings registered as of record date (EOD).

Pay date is the first business day after record date.

3.4 Cancel/Regeneration (transformation)

In case of a mandatory exchange (i.e. split, reverse split, conversion etc) Interbolsa will automatically cancel all pending settlement instructions at record date (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

There are no standard compensation rules that are accepted by all market players. Nevertheless, if the trade date is prior to the ex date and the actual settlement date is after the record date, SIX x-clear's custodian will provide a manual claim to the counterparty (concerning OTC trades) automatically. Therefore, no compensation requests are required



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and participants should not arrange for them directly through their counterparties, unless the proceeds have not been received or debited one month after the ex date. Participants' accounts will be credited as soon as the transaction has settled and/or the cash has been credited or debited by the custodian.

3.6 **Source tax**

As a general rule, non-residents are subject to the statutory withholding tax rate of 20% on dividend payments. Non-residents may claim taxes in accordance with an existing double taxation treaty between Portugal and the beneficial owner's tax residency.

3.7 **Currency**

The currency most commonly distributed in the Portuguese 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 Portuguese 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 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
Settlement Client Desk x-clear / SECX
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CH-4600 Olten

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