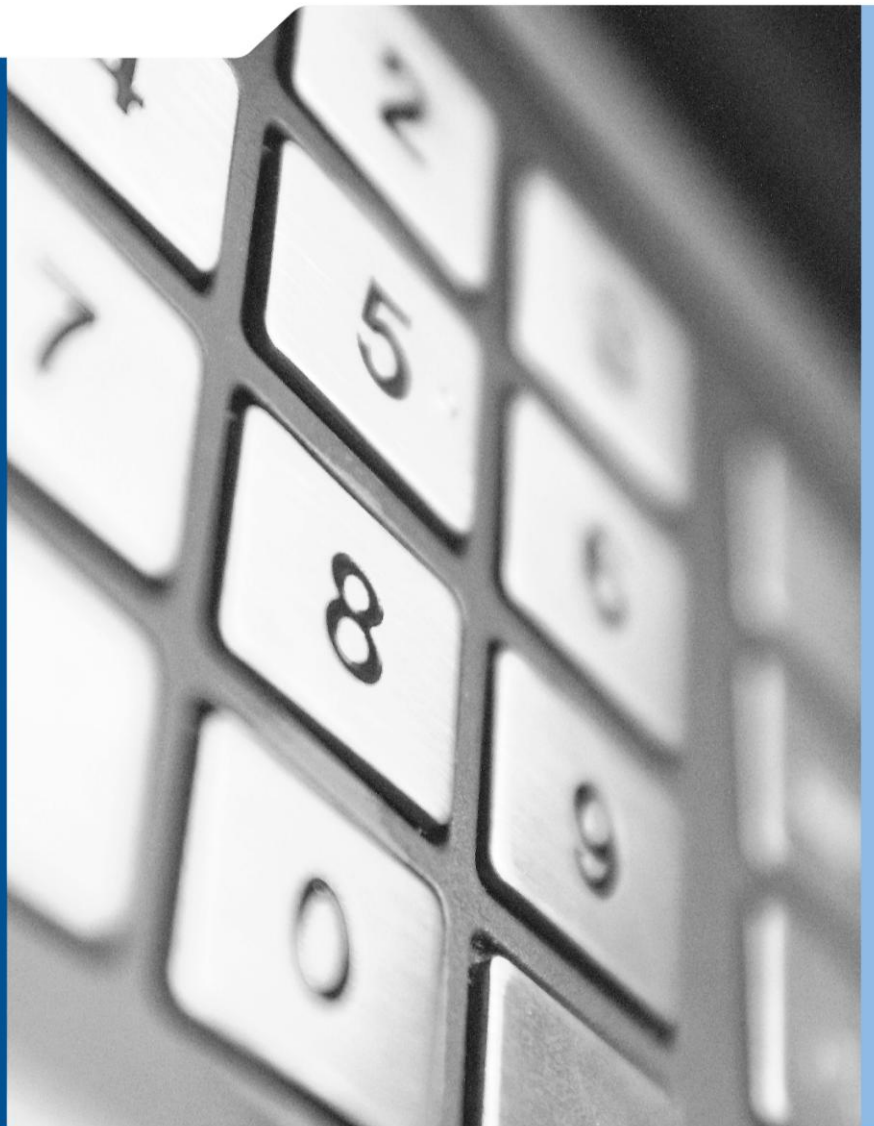


User Guide SIX x-clear Ltd

United Kingdom

June 2011



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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 CREST
Place of Settlement	Euroclear UK & Ireland (former CREST) CRSTGB22XXX
Participant ID	CREST participant number HIMAY
Beneficiary ID	CH112114 This BP ID of SIX x-clear has to be mentioned in the instruction
Cash Account EUR	0020064201
Market Deadlines (CET)	S 14:30

2.0 Settlement guide

2.1 Settlement process

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

Late instructions may result in penalty fines. If such fines are charged by Euroclear UK & Ireland (EUI), SIX x-clear will pass on the costs to the failing member.

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 record date, need to be reported and claimed at SIX x-clear Settlement (see below for contact details).

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3.0 Income and corporate action guide

Corporate action information is published by the London Stock Exchange (LSE) and/or notified by the issuing company itself (official documentation).

Either the CSD (EUI) or the company's registrar/receiving agent will handle the corporate action on the holding position.

3.1 Ex date

For UK income distributions, the ex date is normally 2 business days before the record date. The ex date is typically on a Wednesday and the record date on a Friday. In case of stock distributions, the record date could be before the ex date.

3.2 Record date

The date on which the company establishes and pays registered holders. (NB: Therefore transactions with a trade date before the ex date and settlement before record date will be entitled to the income without market claim.)

3.3 Pay date

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

3.4 Cancel/Regeneration (transformation)

In case of a mandatory exchange (i.e. split, consolidation, liquidation, conversion etc), EUI will automatically cancel all matched settlement instructions on the night before transformation date and transform them into new trades according to the terms of the corporate action.

3.5 Compensation rules

For all UK securities, except residual stock, any settlement transactions traded "cum" and settling post record date, and any settlement transactions traded "ex" and settling pre record date, EUI will automatically generate a dividend claim.

Claims are separate transactions and can be handled independently from the underlying transaction.

For cash dividends, all dividend claims will automatically settle in EUI on pay date, unless frozen by either of the two parties. All frozen claims will be unfrozen by EUI and settle automatically four business days after pay date.

The CSD will process claims on open transactions up to 5 days after the payment date. Claiming will only be started for pre-matched trades.

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In the claims process, only the net payment will take place. However, no tax voucher for the claims will be provided by the CSD.

The net payment affects all participants regardless of the resident status of the participant. Tax reclaims on Real Estate Investment Trusts (REITs) have to be claimed back from Her Majesty's Revenue and Customs (HMRC).

3.6 **Source tax**

On pay date, the company will process all dividend payments net of 10 pct tax credit.

3.7 **Currency**

The currency most commonly distributed in the UK market is GBP. 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 **Dividend reinvestment**

EUI handles DRIPs (Dividend Reinvestment Plans) as normal cash dividends. SIX x-Clear does not support DRIPs.

3.9 **Mandatory corporate actions**

The most common mandatory events are dividend payments, bonus issues, consolidations, splits, liquidations, conversions etc.

3.10 **Mandatory corporate actions with options**

The issuer defines the default option, which will be applied by EUI unless the clearing member instructs via an ACON message.

The following rules will be applied regarding ACON instructions:

- The instruction of the buyer is always leading
- All buyers' ACON instructions have to be entered by 11:00h (CET) one day prior to the record date for all events.
- Once an ACON has been input, SIX x-clear should be informed via email including details such as corporate action event, ISIN etc, as well as the transaction ID in the EUI graphical user interface.
- SIX x-clear will allocate an ACON to the seller no later than 10 minutes after the CSD deadline (11:10h UK time). The seller is obliged to accept the ACON instruction with the mentioned timeframe.

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- In case both ACON instructions do not match, the seller and buyer need to agree and process the corporate action event bilaterally and without support from the CSD.

3.11 **Voluntary corporate actions with options**

For pending settlements, both parties (buyer and seller) need to instruct an ACON instruction in order to receive any other option than default.

The following rules will be applied regarding ACON instructions:

- The instruction of the buyer is always leading.
- All buyers ACON instructions have to be entered by 11:00h (CET) one business day prior to the market deadline for all events.
- SIX x-clear will allocate an ACON to the seller no later than one business day prior to the market deadline. The seller is obliged to accept the ACON instruction with the mentioned timeframe.
- In case both ACON instructions do not match, the seller and buyer need to agree and process the corporate action event bilaterally and without support from the CSD.

4.0 **Contact details**

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c/o SIX SIS Ltd
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